

**Relationship Building in the Craft Beer Industry:  
A Study of Public Relations within the Growing Artisanal and Locavore Movements**

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**Abstract**

The American craft beer industry has seen tremendous growth in the last two decades and exemplifies the growing artisanal and locavore movements which are shaping a variety of industries and reflect shifts in stakeholder motivations, particularly Millennials. Through a series of interviews with craft beer professionals, this study explores the role of public relations in the craft beer industry, what is unique about public relations within industry, and the strategies breweries use to build relationships with one another and other stakeholders. Findings do not only apply to craft beer, but other industries influenced by the locavore and artisanal movements.

**Introduction**

The American craft beer industry has seen tremendous growth in the last two decades. Craft breweries have significant economic impact, employing 110,000 people in the U.S. (Brewers Association, 2014). In Texas alone, the total economic impact of craft brewing was estimated as \$608 million in 2011 (Metzer, 2012). In 1990 there were 284 craft breweries in the United States; as of 2013 there are 2,822 with more opening each month (Brewers Association, 2014). This growth is, in part, driven by select publics' involvement in the 'locavore' and

artisanal movements that have inspired a revolution in a variety of manufacturing, food, and beverage sectors. The craft beer industry exemplifies the organizations, stakeholders, issues, and dynamics at play within these movements, thus presenting an opportunity to examine public relations practice and relationship cultivation within a growing industry whose norms, identity, and structure is shaped through its focus on the production of local and artisanal goods.

According to the Brewers Association (2014), craft brewers are “small, independent, and traditional” (para. 1). More specifically, annual production is less than 6 million barrels, less than 25% of the company is owned by a beverage corporation that is not a craft brewer, and the majority of the brewery’s products include traditional beer ingredients such as malted barley and yeast.

The growth of the craft beer industry reflects consumers’ increasing demand for local and artisan products (Feldmann & Hamm, 2015). Craft breweries typically produce handcrafted products and maintain close ties with their communities (Reid, McLaughlin, & Moore, 2014). Millennials have played a key role in these movements and have been found to be more willing than previous generations to pay more for products based on specific attributes such as quality and local production (Mushkin et al., 2012). Millennials are also more likely to be drawn to the diversity of options offered by craft breweries (Clarke, 2012).

Through a series of interviews with craft beer professionals, this preliminary study explores the role of public relations in the industry, what may be unique about public relations within the craft beer industry, and the strategies breweries use to build relationships with one another and other stakeholders. Findings not only apply to the craft beer industry, but other industries influenced by the locavore and artisanal movements. This study provides insights for practitioners about how to adapt to relationship building in community-focused and collaborative industries.

## **Literature Review**

The craft beer industry has experienced significant and steady growth in recent years. This growth has been driven by the locavore and artisanal movements as well as the changing tastes of American beer drinkers, particularly Millennials (Reid et al. 2014).

In 2014, 65% of U.S. adults age 21 or older stated that they consumed alcoholic beverages, while 41% of drinkers stated that they typically drank beer (Saad, 2014). As a result, the number of craft breweries in the U.S. has boomed, growing from eight breweries in 1980 to more than 2,483 in 2013 (Reid et al., 2014) with at least one craft brewery in every state. Craft beer is not only popular, but represents a significant economic force. By 2018, it is estimated that there will be 3,300 craft breweries in the U.S. (Kaczanowska, 2013). In 2013, craft breweries produced 15.6 million barrels of beer, constituting approximately 14% of the total U.S. beer market (Kaczanowska, 2013; Reid et al., 2014).

### *Locavore & Artisanal Movements*

The growth of the craft beer industry has not happened in a vacuum; it is part of the larger local and artisan food movements that have swept the U.S. and other countries. The

Oxford Word of the Year in 2007 was ‘locavore,’ described as a “movement [that] encourages consumers to buy from farmers’ markets or even to grow or pick their own food, arguing that fresh, local products are more nutritious and taste better” (Oxford University Press, 2007, para. 2). Interest in local food and the rise of the locavore movement has been driven by growing consumer preference for locally produced products and concerns about industrial food production (and exacerbated by media coverage of food-related scandals and crises) (Feldmann & Hamm, 2015). In studying locavore consumers, Feldmann and Hamm (2015) found “the most frequently named attitudes that result in local food purchases were related to product quality (i.e., freshness and taste), consumers’ personal health, food safety, care for the environment, and support for the local economy” (p. 157).

Craft breweries have tapped into these desires by emphasizing local identity and community character (Reid et al., 2014; Schnell & Reese, 2003). Craft breweries often have tasting rooms so consumers can see where the product is produced and even meet the people brewing the beer. Further, many craft breweries get involved in their communities and demonstrate local connection through philanthropy and community relations (Reid et al., 2014).

Related to the local food movement, there has also been a trend toward a greater appreciation for tradition in the production of consumer goods, exemplified in the artisanal movement. Artisanal typically connotes goods (usually food) characterized by traditional production methods, produced on a small scale, lack of strong brand identification (typically local or regional brands), use of manual (i.e., “handcrafted”) methods, absence of additives (i.e., “natural”), use of local materials, and an end product that is not uniform, and thus not indicative of mass produced goods (Bravo, Rubio, & Spiller, 2014).

True to the artisan movement, a hallmark of the craft beer industry is that the beers are typically handcrafted in small batches with traditional ingredients (Reid et al., 2014). These traditional ingredients are malted barley, brewers’ yeast, hops, and water. Although novel ingredients are sometimes introduced to create innovative new varieties, different proportions and brewing methods using the four core ingredients result in most historic beer styles (Reid et al., 2014). Large brewers, such as Anheuser-Busch and MillerCoors, use large production facilities to create a consistent, uniform product. These brands also typically include adjuncts to their beer, such as rice or corn, which produce a lighter-bodied beer. Beer aficionados claim such additives create a lower quality product (Crouch, 2010).

### *Millennials & Craft Beer*

Making up 46% of new craft beer drinkers, Millennials are a coveted target for craft beer producers as well as other organizations producing artisanal goods. They’re willingness and desire to try new varieties of beer make them a perfect match for craft beer brewers (Clarke, 2012). According to Granese (2012), “for Millennial beer drinkers there is more cachet in discovering their favorite brand through a recommendation and sharing it with others than following the ad-led pack of lemmings” (para. 8). This desire for something different leads Millennials away from the Budweiser or Coors Light their parents likely consume. When compared to Baby Boomers, Millennials are more likely to pay more for products based on

desired characteristics such as taste, sustainability, and locality (Mushkin et al., 2012) and thus makes them an important stakeholder group to examine as their economic purchasing power increases and they comprise a growing, influential segment of food, beverage, and other manufacturers' target markets (Ordun, 2015).

The way Millennials interact with brands is also different. Millennials are digital consumers; 41% have interacted with a beer or craft beer brand online and 70% have stated their interest in following their favorite craft beers via social media (Granese, 2012). Without the advertising budgets that benefit corporate breweries, craft brewers primarily rely on online platforms to communicate with consumers (Clemons, Gao, & Hitt, 2004), which positions them well to reach Millennial publics.

### *Craft Brewers vs. the Big 2*

Combined, Anheuser-Busch and MillerCoors own 77% of the total U.S. beer market (Mickle, 2015). Although they still dominate the market, craft beer's ever-growing presence has elicited strong reactions – from the Big 2 (Morris, 2015). The macrobreweries have created their own faux craft beers – 'crafty beers' – that try to capitalize on the popularity of craft beers; the packaging and promotion of these beers do not recognize the association with the larger brewer (Reid et al., 2014). For example, a division of MillerCoors produces Blue Moon. The Big 2 have also purchased legitimate craft breweries, such as Chicago's Goose Island, which was bought by Anheuser-Busch (Reid et al., 2014)

Despite seemingly trying to join the craft beer market, Anheuser-Busch launched an advertising campaign mocking craft beer during the 2015 Super Bowl. Although the ad sparked backlash online, Anheuser-Busch has continued the campaign, which includes television and social media components (Morris, 2015). One tweet from Budweiser's primary Twitter account read, "Nobody cheers for the guy who brings a watermelon wheat beer. #ThisBudsForYou." This was an obvious reference to a popular summer beer, Hell or High Watermelon, by 21<sup>st</sup> Amendment craft brewery in California (Morris, 2015). Although the long-term impact of these tactics are yet to be seen, industry experts suspect the purpose is to prevent more craft beer converts (Morris, 2015).

### *Craft Brewery Stakeholders*

According to Freeman (1984), stakeholders are "any group or individual who is affected by or can affect the achievement of an organization's objectives" (p. 46). In order to help identify and categorize the various stakeholder relationships an organization has, Grunig and Hunt (1984) created the linkage model. The model includes four different types of linkages: enabling linkages, functional linkages, diffused linkages, and normative linkages.

Enabling linkages "identify stakeholders who have some control and authority over the organization" (Rawlins, 2006, p. 4). For craft brewers, enabling stakeholders may include state agencies that regulate brewer-wholesaler relationships via beer franchise laws. Second are normative stakeholders, which are "associations or groups with which the organization has a common interest" (Rawlins, 2006, p. 4). The Brewers Association and state and regional brewers

guilds are examples of normative stakeholders of craft breweries. Next, functional stakeholders are the parties or individuals that are essential for an organization to function (Grunig & Hunt, 1984). There are input functions, such as brewery employees, and output functions, such as consumers. Finally, diffused stakeholders are stakeholders that usually are not involved with the organization, but “become involved based on the actions of the organization” (Rawlins, 2006, p. 4). For instance, there may be a local community group that doesn’t want a brewery to open in their area or the media, which may cover the economic impact of the same brewery or the group opposed to its opening.

There is the potential that other craft brewers – who would normally be viewed as competitors in other industries – act as both normative stakeholders *and* as functional stakeholders due to brewers’ proclivity to collaborate and help one another. For instance, contract brewing is a common practice, which is when one brewer contracts with another brewery to produce some of their beer (Reid et al., 2014). This normative environmental characteristic of the craft beer industry may distinguish it from other contexts in which public relations practice is typically studied. This tension between economic competition and close collaboration including the provision of critical resources to the same competitors may influence public relations strategies among brewers, which in turn may influence the norms of public relations practice between brewers and the public.

### *Relationship Management*

When examining the role of public relations within the craft beer industry, it is important to consider the orientation of practitioners toward public relations itself—be they formally identified as practitioners or simply brewers themselves who are responsible for maintaining strategic stakeholder relationships. Modern public relations practice has evolved from a one-way information dissemination approach toward a management and relational perspective (Grunig & Hunt, 1984; Ledingham, 2006). Cutlip, Center, and Broom (1994) defined ‘modern’ public relations practice as “the management function that establishes and maintains mutually beneficial relationships between an organization and the publics on whom its success or failure depends” (p. 2) where relationships are “the state which exists between an organization and its key publics, in which the actions of either can impact the economic, social, cultural or political well-being of the other” (Ledingham & Bruning, 1998, p. 62). For craft brewers, these relationships exist between individual breweries and their various stakeholders, including consumers, regulators, other brewers, etc.

This view of public relations is reflected in scholarship on the field. Beginning with Ferguson’s (1984) suggestion that the study of public relations should focus on the actual relationship between organizations and publics as the unit of analysis, a rich body of research has developed that examines how and why organization-public relationships (OPRs) develop, the various stages of OPRs, and how to best manage OPRs. Much of this research centers on models of OPRs that typically include relationship antecedents, cultivation strategies, and relationship qualities (e.g., Grunig & Huang, 2000). Antecedents are attitudes or behaviors that affect another party and therefore cause a relationship. Grunig and Huang (2000) outlined several situational

antecedents, such as an organization affecting a public ( $O_1 \rightarrow P_1$ ), or a public affecting an organization ( $P_1 \rightarrow O_1$ ). The model also includes the possibility of organization-public coalitions affecting or being affected by an organization, but organization-organization relationships ( $O_1 \rightarrow O_2$ ) are excluded; the nature of the relationships among craft brewers and their competitors presents an opportunity for exploring this potential situational antecedent condition.

Ledingham (2003, 2006) summarized much of the relational research in suggesting relationship management as a general theory of public relations. The theory states that “effectively managing organizational relationships around common interests and shared goals, over time, results in mutual understanding and benefit for interacting organizations and publics” (Ledingham, 2003, p. 190). To that end, two-way symmetrical communication strategies that balance organizational interests with public interests were proposed as most likely to achieve these types of favorable relationships (Broom, Casey, & Ritchey, 2000; Grunig & Huang, 2000; Hon & Grunig, 1999; Ki & Hon, 2009). These “maintenance strategies” (Grunig & Huang, 2000; Hon & Grunig, 1999), or “cultivation strategies” (Hung, 2007) as they have come to be called, include both symmetrical strategies and asymmetrical strategies. Symmetrical strategies include access, openness, networking, positivity, sharing of tasks, and assurances of legitimacy. Asymmetrical strategies include distributive, contending, avoidance, accommodating, and compromising strategies.

The cultivation strategy of *access* requires that public relations or the dominant coalition within an organization be accessible and responsive to members of the public and that publics be similarly accessible to public relations representatives (Hon & Grunig, 1999, p. 14). For example, a company sending representatives to a town hall to hear citizen feedback about a proposed plant opening would provide citizens with an opportunity to ask questions of organizational leadership.

The cultivation strategy of *openness* “concerns the willingness to engage in direct discussions about the nature of relationships” (Hung, 2007, p. 460) and also includes the concept of *disclosure* (Grunig & Huang, 2000) or transparency. Openness can be as simple as an organization publishing an annual report or CSR report on the company’s website.

The *networking* cultivation strategy consists of “organizations building networks with the same groups as their publics” (Grunig & Huang, 2000, p. 37). For instance, organizations may network with community groups or non-profits with which publics also share ties.

The *positivity* strategy advises that “organizations do whatever is necessary to make publics feel more content in the relationships” (Hung, 2007, p. 460) or attempt to “make the relationship more enjoyable for the parties involved” (Hon & Grunig, 1999, p. 14). This is one of the more abstract strategies, but essentially it boils down to an organization trying to make interactions with the public pleasant, courteous, and harmonious. Ensuring that frontline employees who have direct interaction with stakeholders (both internal and external) are trained in and practice sound customer service skills would be one way of an organization implementing a positivity strategy.

The *sharing of tasks* strategy proposes, “organizations and publics do their fair share to solve problems that concern the other” (Hung, 2007, p. 460) or work together to address

problems that are of mutual concern (Hon & Grunig, 1999). Company employees working with a local nonprofit to address stakeholder needs as part of a community relations program could be one way of implementing this strategy.

The *assurances of legitimacy* strategy includes “efforts by the parties in the relationship to express that they are committed to maintaining the relationship” (Hung, 2007, p. 460) or “attempts by parties in the relationship to assure the other parties that they and their concerns are legitimate” (Hon & Grunig, 1999, p. 15). Organizations must assure all of their stakeholders that their concerns are legitimate if they seek to build relationships with those stakeholders (Grunig & Huang, 2000). To that end, organizations must take stakeholder concerns seriously and address them promptly and thoroughly when they are raised. For example, having the public provide input into the development of a policy that would affect organization processes and the community via membership on a planning committee would be a means for proving assurances of legitimacy.

Asymmetrical strategies are considered less ethical and less effective in contributing to positive relational outcomes (Grunig & Huang, 2000). For instance, *distributive strategies* are when an organization blames others or makes threats. Next are *contending strategies*, which involve persuasion and convincing publics to adopt the organization’s position, even when it is not in their best interest. Third are *avoidance strategies*, meaning the organization avoids or ignores conflict. *Accommodating strategies* are when an organization gives in to the demands or desires of a public. Lastly, *compromising strategies* involve both parties giving in to some extent, leaving no one completely satisfied (Grunig & Huang, 2000).

### **Research Questions**

Given the importance of Millennials as craft beer consumers, the complexity of the various linkages with stakeholders—particularly competitors—within the industry, and the influence of the locavore and artisanal movements on both Millennials and craft brewers, the following research questions were posed:

RQ1a: What is unique about the craft beer industry that may influence the practice of public relations in that industry?

RQ1b: How do those in the craft beer industry perceive the role of public relations or communication?

Given the centrality of cultivation strategies in forming positive OPRs, and due to peculiarities of the craft brewing industry and craft breweries' relationships with a variety of stakeholders such as consumers and competitors, a final research question was posed:

RQ2: How do craft breweries use cultivation strategies to build and maintain relationships with various publics?

### **Methodology**

In order to answer the research questions, semi-structured respondent interviews were conducted. Interviews were deemed the most appropriate approach given (a) the lack of existing research on the topic, (b) the need to gather rich data that explores the nuances of both orientations toward public relations practice and stakeholder relationships within an emerging industry and consumer movement, and (c) the difficulty in gaining access to a large number of brewery owners and personnel.

#### *Participants and Recruitment*

Eight interviews were conducted with craft brewery owners and communication professionals between July and December 2014. Participants were located in California and Texas, the top two states in terms of economic impact of craft brewing (Brewers Association, 2014). Breweries in California and Texas were identified through various craft beer guilds and associations. Participants were then identified through brewery websites and contacted through publicly available email addresses.

The final sample included three women and five men from seven different breweries. Half of the interviewees were from Texas breweries and half were from California breweries. The breweries ranged in age from less than one year old to more than 20 years old. The breweries also varied in size and scope of distribution. Four participants were primarily communication professionals with various titles related to marketing, public relations, and community outreach. The other four participants were brewery owners or founders. Three of the owners also served as the communication managers for their breweries.

Recruitment continued until data saturation was achieved (Morse, 2000). The relatively specific population and phenomenon of interest resulted in quick saturation. Responses from interviewees became repetitive by the seventh interview.

### Interview Process

Depending on geographic location, interviews were conducted either in-person ( $n = 3$ ) or via telephone ( $n = 5$ ) by the first author. In order to make in-person participants more comfortable, they were able to choose the location for the face-to-face interviews. One interview was at a café and the other two were conducted at the breweries. Interviews ranged from 23 to 54 minutes, with an average length of 39 minutes. All interviews, whether face-to-face or telephone, were audio recorded with permission from the participants. Audio recordings totaled 5 hours and 12 minutes.

The interviews were semi-structured and followed an interview guide. This ensured all the research questions were adequately addressed, but still allowed for natural variations in the conversation and the possibility of emergent topics. The first section of the interview guide covered the participants' background and experience in the craft beer industry, as well as served to build rapport between the participants and the interviewer. The second section covered information about the specific brewery and its goals. The largest section and the bulk of the interview covered communication practices. This included the public relations goals and strategies of the brewery, unique aspects of communication within the craft beer industry, and overall perceptions of and attitudes toward public relations practice within the industry. The interview concluded by asking participants if there was anything else they would like to share about the topics discussed or the industry in general.

### Coding and Analysis

Within a week of each interview, the first author transcribed the interview verbatim. This resulted in 54 single-spaced pages of transcriptions to be analyzed. Two authors analyzed the transcripts independently. Interviews were analyzed using Smith's (1995) five-step guideline for thematic analysis. The first step in this process was reading through all the transcripts without taking notes. Next, the interviews were read a second time and content relevant to the three research questions was highlighted. Notes were made next to these sections to highlight specific themes related to the research questions. The third step in Smith's process is creating lists of all the themes that were found. The two coding authors combined their lists and collapsed related themes. Next, these themes were organized according to the three research questions. The fifth and final step was gathering illustrative quotes for each theme.

## **Findings**

### **RQ1a: What is unique about the craft beer industry that may influence the practice of public relations in that industry?**

In response to the first research question, four overarching themes emerged to explain how unique aspects of the craft beer industry influence public relations practice: (a) the collaborative nature of craft brewers, (b) employees' passion for craft beer, (c) a prioritization of concern for quality over commercial concerns, and (d) a community orientation that permeates the industry.

Collaborative nature. Participants perceived the industry to be highly collaborative among craft brewers. Instead of viewing one another as competition, they want the entire craft industry to thrive. All interviewees mentioned Miller, Coors and Budweiser as the competition, rather than fellow craft breweries. As one brewery owner stated, “If you’re not going to drink my beer, drink another craft beer, but don’t drink the big guys” (Participant 1, July, 30, 2014). This sentiment was echoed across several interviews. The general attitude was that breweries would prefer to take market share from the Big 2 rather than from one another. One owner described it as a “David vs. Goliath” situation. However, a couple participants admitted that even though they would prefer to take bar or restaurant taps from corporate beers, there is still some competition among craft breweries.

This shared desire to see the industry succeed was reinforced through numerous examples that were shared about breweries actually helping one another. Several participants had stories about breweries borrowing product from one another such as bottling supplies or actual ingredients. Other participants shared instances of larger craft breweries allowing smaller breweries to use their facilities to wash kegs or even brew larger batches of beer than their home facilities allowed. It is also common for breweries to collaborate on special release beers. Some of the larger craft breweries, such as Sierra Nevada, were mentioned as examples of breweries that help the smaller operations through such collaborations.

Related to the collaborative nature of the industry was the idea that everyone in craft beer knows everyone. Several participants discussed friends at other breweries and how it was common for owners and brewers to socialize. Overall, they perceived a strong collaborative and friendly culture within the industry. One communication professional said, “We always use the phrase, ‘rising tides float all boats’ and we stick to it a lot. We make sure nobody’s bad-mouthing each other. It’s not that kind of business. The whole industry is based on celebration and being together and sharing time with family and friends” (Participant 4, September 9, 2014).

Passionate employees. One theme that arose in relation to the collaborative nature of the industry was the people working in the industry and their motivation to work there. Without exception, every participant ended up working for a brewery or starting a brewery because they love beer and craft beer culture. One participant said he believes that part of what is unique about working in craft beer is that everyone who works in craft beer is there because he or she was first a fan of the product. He had personally made the switch from radio to marketing because he was a fan of the brewery and asked the owner to give him a chance. Another participant shared, “Generally people don’t get paid a lot of money to work in this industry. They work extremely hard, long hours, but there’s this passion for what we’re doing” (Participant 5, October 15, 2014).

Craft over commerce. A major theme throughout the interviews was the idea that craft brewers are not in the industry for the money. Instead, the focus is on making good beer. In the words of one participant, “Quality of product is huge for us...the people here really do care about the beers that we’re making,” (Participant 5, October 15, 2014).

The same idea applied at the brewery level among owners. When asked what the long-term goals were for the breweries, respondents tended to state they wanted to make a living, but were not looking to sell their businesses or even become one of the large craft breweries. One marketing professional from a Texas brewery stated, “Based on everybody’s roots at this company and where we all started and why we’re in this industry, we’re not trying to be the guys growing as fast as we can hoping to get bought out. That’s not our mentality” (Participant 5, October 15, 2014). Other participants had similar feelings. One common trend was the desire to keep the breweries small enough that they could maintain high quality control over the beer making process. One San Diego brewery owner said, “I think if we ever got to the place where it felt really mechanized, we’ve failed. I’ve always wanted it to be a place where it’s innovative, it’s creative, it’s based on craft, it’s artisanal” (Participant 1, July 30, 2014).

‘Innovative,’ ‘creative,’ and ‘handcrafted’ were terms that were used throughout the interviews. Respondents discussed the art and science of making new beers and how craft is at the center of what they do. Further, there was a clear desire to share that craft with consumers and the community and make sure there is quality beer for all palates and levels of familiarity with craft beer.

*Community oriented.* Community was another theme that arose throughout the interviews and defined the industry for the participants. Many participants talked about their breweries being regular hangouts for locals. One owner said he liked people from the neighborhood coming in and having a drink and being able to walk home. Another owner said, “We have families come in with little kids, we have people in their 70s and 80s that hang out at the bar and we have everything in between and I like that. I like being part of the community rather than identifying a niche or clique of people. We want to be accessible to everyone” (Participant 3, August 13, 2014). Support from local government and media was also deemed import. Two of the owners even mentioned that their local mayors were taproom regulars.

Another aspect of being community oriented was supporting the local community through fundraisers and donations. Each brewery had a cause or multiple causes they contributed to through product donations or hosting events. For the most part, these efforts were centered on local partnerships.

### **RQ1b: How do those in the craft beer industry perceive the role of public relations or communication?**

Four primary themes emerged that described craft beer professionals’ perceptions of public relations’ role within their industry: (a) a recognition of the necessity for public relations, (b) constraints on public relations efforts due to a limited budget, (c) the importance of interpersonal, face-to-face communication and events in cultivating relationships with stakeholders, and (d) a reliance on social media to communicate with external publics.

*Necessity.* Although participants described public relations practices, many of them referred to relationship building and communication as branding, marketing, or community

outreach. Despite the terminology used, participants recognized the need for public relations in order to sustain business. As one participant stated, “Our major concern is putting out quality beer. Secondly, it is the marketing aspect because that does allow us to sell more of that quality product. So yeah, it is a valued role,” (Participant 5, October 15, 2014). This notion was echoed in several interviews where making a quality product was seen as the primary focus for the breweries. A few participants even disparaged specific breweries that they believed focused too much on marketing and not enough on making good beer.

*Budget.* Because many craft breweries are small businesses and/or have not been in business for many years, they often operate on limited budgets. The allocation of funds to public relations was discussed with all of the participants. Some participants stated they would do a lot more in terms of public relations if money were not an issue. For instance, one brewery owner stated, “There’s so much more I wish we could do, but you know—running a business—it’s all about money... Starting off, we have to kind of pick and choose what we’re going to do. And I’ll tell ya, everything is so darned expensive” (Participant 8, December 2, 2015). A marketing and events manager stated that his budget was often reallocated to other areas of the business: “My budget actually...we’re building a new site and the entire budget got moved to construction, so I’m kind of used to that” (Participant 4, September 9, 2014).

*Face-to-face interaction.* Rather than mediated tactics, respondents emphasized the importance of face-to-face interaction and building interpersonal relationships with customers and the community. In particular, they saw their taprooms as a place to connect with consumers. One brewery owner said, “Our bartenders are specifically trained to treat you as you would be treated if you went to a fine dining restaurant. They are trained to talk about the beer, introduce you to other beers, and encourage you to come back. We really want the taproom to be a place of community. So that’s our first and foremost way of communicating” (Participant 1, July, 30, 2014). This participant and others also discussed the desire for their taprooms to be a place where people talk to one another, hang out, and bring their families.

Events were discussed as another way to engage with consumers face-to-face. Events included tastings, festivals, and fundraisers. All of these were seen as opportunities to talk to people, educate people about beer, and build relationships. Face-to-face interactions were not limited to consumers, and were also discussed in relation to account representatives. For example, one participant said, “We bring our account team to the brewery to check out the facility, to sample products, to meet the people that are making the beer...That’s translated into lasting relationships personally and business-wise, and repeat business down the road” (Participant 5, October 15, 2014).

*Social media.* In terms of reaching consumers, participants said they did not commonly utilize traditional media tactics such as media relations or advertising. However, all of the breweries utilized social media regularly. Specifically, they reported using Facebook, Twitter, and Instagram. In general, interviewees said social media was mainly used for sharing

information about products and events. According to the participants, their social media use was primarily one-way communication. They would answer questions if there were any, but the type of information (e.g., event times, distribution information) being shared does not lend itself to conversation. Some stated that new beer announcements received the most engagement in terms of likes, shares, comments or favorites.

**RQ2: How do craft breweries use cultivation strategies to build relationships with various publics?**

Although participants did not label much of their relationship-building efforts as public relations, their use of cultivation strategies with various publics emerged regularly. A number of symmetrical strategies were frequently mentioned, including openness, access, networking, sharing of tasks, and positivity. Unused symmetrical strategies included assurances of legitimacy. Notably, there was little to no mention of asymmetrical strategies being used.

*Openness and access.* One theme that arose from several interviews was the desire to be approachable, educate consumers about craft beer, and give them a glimpse into the beer-making process. This openness about beer making and direct access to brewers was typically implemented through face-to-face interaction and social media.

One owner said, “A lot of times, and you see this when you’re out in the community at a festival, people want to talk to the person who made the beer. They want to know what your process is. They want to know what your choices of ingredients are. They want to know how you get a flavor profile” (Participant 1, July, 30, 2014). Along those lines, another participant said, “Half the brewers are these scruffy-looking dudes, but they’re super approachable and we want people to come talk to them. We’re looking for that middle of the road person who is not sure what kind of craft beer they like and we make quite a few varieties of it and we can usually find something that fits somebody’s palate” (Participant 4, September 9, 2014). Many of the breweries also give tours of their facilities and show guests how the beer is made.

*Networking.* When discussing community involvement, participants shared clear instances of networking with groups and individuals relevant to their stakeholders. One participant discussed the desire to be associated with his city and city events: “If anything is considered a Houston thing, I want to be a part of it. I want people to associate us with Houston things. I know that kind of sounds generic and that’s because it can mean a lot of stuff. We want to be involved with art organizations, or outdoor organizations, or running clubs, or the sports teams, or charity organizations” (Participant 7, November, 19, 2014).

*Sharing of tasks.* Breweries practiced the cultivation strategy of sharing of tasks through working together with their communities and fellow brewers to accomplish shared goals. For instance, participants discussed how breweries work together through guilds and associations in order to lobby for laws more favorable to the craft beer industry. A Texas participant stated, “We’re active in the Texas Craft Brewers Guild, you know lobbying for the same kinds of things.

Make it easier for people to do what we're doing instead of more difficult" (Participant 5, October 15, 2014). These efforts relate to the competition with corporate beer and their lobbying efforts. As one owner explained, "They're trying to keep [craft beer] off of the market and drive the prices higher. They're trying to pass laws to stop tasting rooms or making tasting rooms so they can't operate like we do here" (Participant 2, July 31, 2014).

The charity events these breweries participate in are also an example of sharing of tasks with the local communities within which they operate. Raising money for animal shelters, clean water, and arts organizations are some examples of the initiatives breweries worked on along with their consumers and communities.

*Positivity.* The cultivation strategy of positivity emerged throughout the interviews. Participants emphasized the desire to make the relationships between their breweries and publics enjoyable and fun. New, creative products and events were seen as ways accomplish this. As one interviewee described, "We also want to have fun events that engage our customers and we constantly want to have new things to do and attend and interact with us on. So I guess that's another big focus and to make sure with all of that stuff, it's always a super positive experience" (Participant 7, November, 19, 2014).

*Unused strategies.* Some cultivation strategies did not surface during the interviews. For instance, nothing the participants said was indicative of assurances of legitimacy. This is when an organization assures publics that their needs and concerns are legitimate (Hon & Grunig, 1999). This is not to say that breweries never do this, but this strategy did not emerge when participants discussed their interactions with publics.

Discussion of asymmetrical strategies were also absent from the interviews. Nothing participants said suggested that they utilize distributive, contending, avoidance, accommodating, or compromising strategies. Instead, these strategies, especially contending strategies, are more closely aligned with how participants described the communication practices of macrobreweries. Specifically, the use of persuasion and manipulation were discussed in relation to corporate brewery's attempts to mimic the look and feel of craft beers.

## **Discussion**

### *Theoretical Implications*

These findings have several implications for public relations theory. For one, this study extends situational antecedent conditions identified in the Grunig and Huang (2000) relationship model to include organization-to-organization relationships ( $O_1 \rightarrow O_2$ ). The interviews also demonstrate how cultivation strategies may be applied to establish and maintain normative linkages between organizations (Grunig & Hunt, 1984; Rawlins, 2006). Additional research in this area could determine which cultivation strategies are most effective for this type of relationship and how they differ from organization-public relationships.

Further, findings suggest that Grunig's (2001) mixed motive model can also be applied to organization-to-organization relationships and not just organization-public relationships. As evidenced in the interviews, breweries build relationships with one another that are mutually beneficial as well as beneficial to the industry more broadly. Building organization-organization relationships can impact the overall environment and have positive consequences for publics.

Finally, interviews indicated a blending of characteristics of normative and functional linkage types (Rawlins, 2006), which bears further exploration as it becomes more common for these types of "blended" linkages and communal organization-organization relationships to arise between "competitors" within the same sector, a feature that seems increasingly common to the artisanal and locavore movements. This study suggests that normative expectations may transcend positive notions of traditional competition in some situations. Not only could this influence relational expectations of the members of these organizations, but it could also affect the normative expectations held by relevant functional linkage stakeholders such as customers and fans as well. For instance, there were examples of breweries going out of their way to aid one another by lending ingredients or facilities. Not adhering to such practices may be perceived negatively within the craft beer industry or artisanal food movement in general.

### *Practical Implications*

The practical implications of this study extend beyond the craft beer industry. Expectations for how organizations interact with the public and one another are changing, particularly among Millennials. Millennial publics are a growing market segment, which will increasingly have more disposable income (Ordun, 2015). Examining successful public relations strategies utilized in the craft beer sector can provide some insight into how other sectors should engage with Millennials in the future. This is particularly relevant to the locavore and artisanal movements where traditional public relations strategies may not be the most effective or face practical constraints due to limited budgets, limited expertise, and expectations to avoid adopting strategies associated with 'corporate' entities.

Another takeaway with practical implications is the importance of community involvement and philanthropic activities in building relationships for many craft breweries. For craft breweries, being part of the community is key to appealing to locavores and Millennials. This is consistent with prior research that indicates supporting the local community is an important factor for those who desire to buy local or artisan goods (Feldmann & Hamm, 2015).

Perhaps unsurprisingly, the dialogic potential offered by social media platforms appears to be underutilized by these organizations. This is consistent with previous public relations scholarship that suggests that although social media offer the opportunity to engage in dialogue with publics, most organizations use social platforms for one-way message dissemination (e.g., Bortree & Seltzer, 2009). Participants in our study stated that they answer questions on social media when they arise, but primarily use digital platforms in a one-way fashion. This suggests there is potential for more strategic use of social media if craft breweries are able to dedicate the time and hire practitioners with the requisite expertise. On the other hand, participants stated that much of their relationship building with consumers was face-to-face. This highlights the need to

ensure frontline staff members are prepared to interact on behalf of the brewery beyond traditional customer service tasks. This extends beyond craft breweries to other local or artisan establishments that may be focused on building relationships with local communities.

A final practical implication is that consumers may come to expect craft brewers, as well as other organizations that produce local or artisan products, to behave in specific ways to cultivate relationships with the community, competitors, and the consumers themselves. Organizations that do not adhere to the norms of these industries and appear too “corporate” may suffer negative consequences. Thus, the use of these select cultivation strategies in and of themselves can be a very pragmatic decision for organizations that interact with locavore- and artisanal-minded stakeholders, particularly consumer, industry expert, and aficionado publics, as well as those publics that closely identify with these movements. The use of dialogic relational strategies could act as yet another indicator reinforcing how organizations such as craft breweries are themselves authentic and committed to both their stakeholders and their craft. Embracing the use of symmetrical cultivation strategies could help these organizations further differentiate themselves from competitor organizations producing “corporate” offerings.

#### Limitations and Future Research

As with all research, this study has limitations. As a qualitative study, the goal was to understand the perspectives of participants and not make population-based generalizations. Future research may employ survey methods to examine the prominence of the tactics discussed and potential differences related to geography or brewery size.

Because this study focused on the perspectives of craft beer professionals, there is also opportunity to study the perspectives of craft beer consumers through interviews or focus groups. A cororientational approach would offer a better understanding of these organization-public relationships by examining the needs and expectations of the brewery’s publics, as well as their perceptions of various cultivation strategies.

This study also points to the need to develop a more robust body of research focused on the communication norms, constraints, and strategies of developing industries such as the craft beer industry, as well as communication practices related to consumer trends such as the artisanal and locavore movements. Industry specific communication and marketing research has been the norm in other prominent industries, such as the wine industry. Unlike the beer industry, the wine industry has enjoyed a history that includes pragmatic and academic researchers alike investigating everything from label effectiveness to social media use in hosting wine festivals. This increased focus on wine as area of study has run parallel with wine sales increasing 31% over the last 5 years in the United States to \$37.8 billion in sales in 2014 (Wine Institute, 2015). The astonishing, rapid growth of the craft beer industry, the significance of its cultural and economic impact, its status as an exemplar of the growing artisanal and locavore movements, and the unique attributes of the industry highlighted in this study suggest there is opportunity to explore many of the same topics examined in wine literature.

#### **Conclusion**

This study offers a new and interesting context for the study of public relations and relationship building. The craft beer industry warrants further study and attention by both public relations scholars and practitioners as an exemplar of the locavore and artisanal movements, where many sectors may be heading. Traditional notions of competition and large-scale marketing practices are changing and consumers are refocusing on community, craft, and social responsibility. This movement presents an opportunity for public relations practitioners to practice two-way symmetrical communication and build quality relationships with niche communities.

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