



TOPIC: MARKETING & SALES

CRAFT BEER HAS ARRIVED ON THE SPONSORSHIP PLAYING FIELD

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The association between beer and sports in global culture is long-standing, and even profound. For many, rooting for a favorite team and enjoying a pint of a favorite beer are two sides of the same experience. It's a connection so familiar that we often take it for granted.

For this reason, brewers looking for places to invest their marketing dollars have gravitated toward sports for well over a century. (Some observers might argue that marketing has actually helped create the association between beer and sports, and while they wouldn't be entirely wrong, there's much more to the story, as we'll discuss shortly.)

Yet for most of that history, sports-related marketing has been the province of the big global brewers. Until the last decade or so, craft brewers haven't been participating in the extravaganza that sports sponsorships can sometimes seem to be. But that has clearly changed. Craft brewers across the United States, even across the world, are investing in sports-related marketing.

What's triggered this newfound relationship between craft beer and sports? Part of it has to do with a general acknowledgement that marketing, once viewed (at least by some craft brewers) as a necessary evil, can be a real difference-maker among otherwise-equal brands – which has in turn led to an expansion of marketing budgets.

But that explanation isn't entirely satisfying. In fact, arguably the transition we're witnessing is a matter of the evolution of craft beer culture itself. The respective cultures of sports and mainstream beer have always shared a variety of attitudes and values that have made them cultural siblings. The culture of craft beer during its first three decades was different. While certainly not divorced from mainstream beer culture, craft beer culture had relatively fewer natural points of resonance with sports culture. That, however, has changed, as the entire craft beer business has changed.

Before digging into all of this, let's put this into a little long-term context.

The force of connection between mainstream beer and sports has seemingly been irresistible from the "beginning" – which we'll define for purposes of this discussion as the latter half of the 19th century. Budweiser, arguably the defining American-style lager and a key definer of modern beer culture, was introduced in 1876. On the sports front, baseball's second major league, the American Association, began in 1882, and the impetus for its formation derived in no small part from the stodgy National League's refusal to allow beer sales at their playing fields. For many years the National League owners derided the American Association as a "beer and whiskey league." But by the early 20th century most National League owners had relented, no longer able to ignore ticket-holder demand for beer.

It wasn't long before baseball teams started becoming step-siblings to breweries. The New York Yankees were owned by Colonel Jacob Ruppert of the Ruppert Brewing Company from 1915 until 1929. The St. Louis Cardinals were purchased by Anheuser-Busch in 1953, and despite the brewery's sale of the team in 1995, still play their home games at Busch Stadium. The Toronto Blue Jays were owned by Labatt from their inception in 1977 until 2000.[i]

Of course, American football has its own intimate relationship with beer and beer marketing, perhaps most visibly during the annual celebration of television advertising known as the Super Bowl (which apparently also involves some sort of football game). Each year USA Today's "Ad Meter" gauges the most popular Super Bowl commercials; ads from Budweiser or Bud Light hold 13 of the top 35 spots in the Ad Meter's history.[ii]

The global version of football, aka soccer – where the sponsors' names are proudly emblazoned across the front of the jerseys – likewise includes a long list of brewers filling that role. The image of Liverpool great Steven Gerrard in his Carlsberg jersey hoisting the trophy after the team's improbable comeback in the 2005 Champions League final is one of European football's most iconic.[iii]

So, what are some of the intangible cultural elements binding sports fandom and beer drinkers together since the beginning of the modern era of each institution?

If there's such a thing as a Great Connector in human affairs, sports fandom and beer drinking can both stake a strong claim to that title. Both create a strong sense of community, where people of otherwise very different beliefs, attitudes, and values gladly put aside those individual differences for the sake of group harmony. It's true in the stands at almost any sporting event, and it's true around the table at just about any bar or pub (not that any number of good-natured arguments don't happen in both venues).

In pursuit of the goal of connection, sports fandom and beer drinking can also play a role as the Great Equalizer. Social status can be a barrier to connection. But upon entering a stadium or a bar, people typically "leave their status at the door." For a few hours, no-one is more successful than anyone else, no-one is smarter than anyone else, no-one is physically more attractive than anyone else. An employee can argue about the game or even just "b.s" with his or her boss without consequences (within reason, of course).[iv]

Perhaps no beer brand's marketing has taken greater advantage of these shared roles than the Miller Lite *All-Stars* television campaign that launched the brand in 1974 and sustained it for almost two decades. Miller marketers and their advertising agency employed a collection of "beery" retired athletes from almost every sport imaginable – not just baseball, football, basketball, and hockey, but soccer, boxing, fishing, bowling, pool, surfing, weightlifting, you name it – to promote the brand. The mock-angry arguments between the All-Stars were little more than a transparent veneer over the deep sense of connection and egalitarianism that united them. Viewers shared in the feeling as well, and attached it to the brand. In 1999 *Advertising Age* magazine ranked the *All-Stars* at Number Eight on its list of the 100 greatest ad campaigns of the 20th century. (Molson Coors has in fact announced the launch of a refreshed Miller Lite All-Stars campaign for 2024.[v])

Yet for the first 2-3 decades of its existence, craft beer had staked out some cultural turf that was somewhat removed from the center of the larger beer culture. Make no mistake, craft beer still played a meaningful role in connecting people. But while fitting into the group was a priority among beer drinkers more generally, even at the expense of repressing one's individualistic tendencies, values like self-expression, discernment, and a somewhat rebellious creativity have often been paramount in craft beer culture.[vi] The disconnect could be seen in the way some outsiders (including some mainstream beer drinkers) saw hints of exclusiveness and even snobbery in craft drinkers' attitudes – the seeming preference for palate-challenging styles, or proper glassware, or appropriate food pairings. All of this raised the question of whether craft beer could be seen as an Equalizer in the same sense that mainstream beer was.

And these values were not necessarily aligned with those of sports culture.[vii] Certainly plenty of craft drinkers were sports fans, but those activities tapped into different sides of their personalities, and that made a sports sponsorship a less-than-ideal fit for many craft beer brands. (Of course, this is a generalization, and the degree of fit depends in no small part on each brand's positioning strategy.)

The trends that have come to dominate the conversation in the craft beer business in the last decade all have at least one element in common: sometimes intentionally, sometimes unintentionally, they borrowed from the world of mainstream beer.

More drinkable styles such as craft lagers, session IPAs, and fruited sours – often with ABVs on the lower end – are on the rise. The seemingly no-end-in-sight growth of canned craft beer continues. Craft has grown distribution – from a one-time base of nearly zero – in convenience stores (and stadiums and arenas). Then there's the way in which IPAs have become a default style for many, who drink little else and frequently order by style rather than by brand (a role played by light beer a generation ago).[viii]

These changes have been necessary adaptations to the stagnating growth of the craft drinker base as it had once been defined, by accommodating the needs of more and more drinkers who once would have been seen as purely mainstream in their proclivities. And the newer drinkers drawn by this outreach have helped bring some mainstream beer values to craft culture. In particular, craft beer has largely lost its real or perceived veneer of exclusivity, and is now largely seen as “for anyone.”

Partly as a result, craft sponsorships of sports (both college and professional, major or minor league) have become nearly ubiquitous, from the West Coast (where Deschutes is the official craft beer of the Pac-12 Conference and Tilray Brands' 10-Barrel and Widmer Breweries recently became official sponsors of the Portland Timbers soccer team) to the Midwest (where Revolution is the official craft beer of soccer's Chicago Fire FC and Fat Head's has recently elevated its partnership with baseball's Cleveland Guardians by being named the team's official craft beer) to the Southeast (where Biscayne Bay plays a very similar role for baseball's Miami Marlins and Athens-based Creature Comforts is the official craft beer of the University of Georgia athletics). And it doesn't stop at the U.S. border. In Canada, for example, Bench Brewing's Ticats Lincoln Lager is the official craft beer of the Canadian Football League's Hamilton Tiger-Cats; in the UK, London's Beavertown Brewery has a multi-faceted partnership with Tottenham Hotspur F.C.

Paul Verdu, President of Wisconsin Brewing Company in Verona, Wisconsin (and a former MillerCoors and Constellation executive) agrees that “...craft ubiquity, evolution of styles and hyper-competitiveness have played a big role in more and more craft getting into sports... We have to move to where the consumer is...” He also points out that “...a big driver in this evolution is the pretty big presence in craft that the big beer companies have developed over the years. When I ran Tenth and Blake [MillerCoors' craft division] one of the biggest advantages seen by our acquired craft brands was immediate access to large scale sponsorships that would not have been available otherwise.”

In fact, the sports properties themselves have been the initiators of many such arrangements. “Many sports properties large and small have specifically set-out to make space for a local craft brand in the deals they make in the beer space,” Verdu pointed out. “More and more teams are segmenting out the beer category sponsorships into national domestic deals, import deals and local craft deals. It not only maximizes their sponsorship revenue overall, it’s a move that ensures they’re giving their fans a local option.”

Wisconsin Brewing Company has embraced this evolution. The Lake Country DockHounds, a minor league team operating in the American Association of Professional Baseball, play their home games at Wisconsin Brewing Company Park in the far western suburbs of Milwaukee. The facility includes a 5-barrel pilot brewery that now functions as the company’s innovation hub.

Verdu explained the company’s multi-faceted objectives for the sponsorship. “The main driver was that we’re a Madison-based brewery...we have high hopes for expanding our brand’s presence east from Madison and into the greater Milwaukee area. This gave us a chance to do that... We are focused on building brand awareness of our priority brand, Lake Louie Brewing, building our credentials as a brewer by having a brewery on-site, showing commitment to our distributor in the area that we want to win in their market, and building a presence in the community.”

Of course, leveraging the sponsorship goes well beyond the naming rights. Smart and multi-faceted activation is critical. Wisconsin Brewing Company lines up their brews with the club’s promotional calendar to ensure they have interesting beers for the big promos. In addition, the brewpub is used for many events beyond baseball games. “The women of our brewery are also involved in the Pink Boots Society and last season on the Saturday of Mother’s Day weekend they had a group from across Wisconsin come to our brewery, where they brewed a raspberry key lime sour called Mamacita. The beer was such a big hit it’s being launched into market as the anchor of Lake Louie’s new sour series. They also partner with local charities and events to create custom beers for them.

Has it worked? Verdu commented “As we know, the ROI on big sponsorships like this is one of the most difficult things to assess. I still don’t think anyone has really cracked the code. That said, we are growing very fast in the markets surrounding the ballpark. Our innovation from the ballpark has produced a lot of wins, including a couple of beers now in our line-up.” And, not to be overlooked: “The most value we’re getting out of the partnership is selling our beer in the stadium. We sell a lot and thus are building a very solid new customer base...and the value from the pilot brewery”

To a certain extent it’s still a new and evolving world when it comes to craft brewers and sports sponsorships. Though it may or may not require some evolution of an individual craft brand’s personality and values, partnering with sports teams is well on the way to becoming an important tool for almost any brewer.

Certain distinctions between craft beer and mainstream beer have been eroding for some time. In particular, craft beer is now an everyday choice for many drinkers, fulfilling the same role as both a Great Connector and a Great Equalizer that beer has always filled. Or, as Verdu summarized it, “The fact is sports and beer go perfectly together.”

[i] <https://ballparkdigest.com/2017/02/02/the-glory-days-of-baseball-and-beer-marketing/>

[ii] <https://admeter.usatoday.com/lists/the-35-highest-rated-super-bowl-commercials-in-ad-meter-history/>

[iii] https://www.eurosport.com/football/that-night-in-istanbul-the-defining-moment-of-steven-gerrard-s-career_sto5959811/story.shtml

[iv] These observations were validated by consumer research conducted by the author and others at Miller Brewing Company in the 1990s and 2000s.

[v] <https://beernet.com/miller-lite-reboots-iconic-great-taste-less-filling-campaign/>

[vi] See “Craft Brewing and The Evolution of American Culture,” Mike Kallenberger, *The New Brewer*, March-April 2018

[vii] Of course, one could certainly argue that self-expression and creativity have emerged as values in sports culture in recent decades, at least among the athletes themselves. But this has yet to permeate the culture of fandom. For example, endzone dances and choreographed home run celebrations may be part of the fun in the eyes of some fans, but plenty of others regard them with disdain.

[viii] See “A New Breed of IPA Drinker,” Mike Kallenberger, *The New Brewer*, September/October 2018
