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SEEKING IMPORTANCE: HOW IMPORTED BEERS ARE COMPETING IN TODAY'S CROWDED MARKETPLACE

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Visit any well-stocked beer store and you'll likely find an old friend clad in unfamiliar clothing. Amid the four-packs of hazy IPAs, bulk buys of West Coast IPAs, and lager cases, you'll find Rodenbach Classic in 500-milliliter cans. Founded in 1821, the Belgian brewery makes *the* foundational Flanders red, a tingly mix of oak-aged sour ale and fresh beer. Rodenbach has long been a beer-geek staple bought in bottles, but that was a long time ago, in a time before lockdown.

Now it's possible to spend Tuesday night crushing tall boys of centuries-old sour ale, a Belgian aperitif tasting of tart cherries and time-tested skill. The four-pack cost around \$13, less than the going rate for a so-so fruited kettle sour. Why aren't folks drinking Rodenbach all the time?

That's the million-dollar question for many imported beers, especially from Europe. As America's craft brewing scene blossomed three or four decades prior, upstart brewers and intrepid beer drinkers paid lip service to the brewing traditions of Germany, the U.K., and Belgium. Imported beer offered flavorful differentiation, leading Americans away from the light lagers that dominated the landscape.

Now America counts nearly 9,000 breweries that churn out every conceivable fermentation. It's tough to convince someone crushing hard seltzers and smoothie-style fruited IPAs to try a traditional Belgian saison. "Five or 10 years ago, there was a lot of demand for classic representations of these styles from Europe," says Matthias Neidhart, the owner of B. United International, a Connecticut importer. "People are moving into different experiences."

To stay relevant in a fast-pivoting marketplace punched by the pandemic, foreign breweries are changing time-tested tactics. They're swapping glass bottles for cans, embracing variety packs, collaborating with of-the-moment breweries, and experimenting with new ingredients. Here's how foreign breweries are making imported beer feel important again.

Encouraging Trial by Changing Packaging Format

Sales numbers for imported beers look stupendous on the surface. Last year, in the 52-week period ending December 27, sales of imported beer increased nearly 13 percent to \$8.7 billion, according to IRI sales data. The surge can be attributed to a single country. "Import beer really means Mexican beer," says Craig Hartinger, the marketing director for Seattle importer Merchant du Vin.

Modelo Especial is America's favorite imported beer and fastest-growing beer brand, its dollar sales only trailing Bud Light atop America's beer chart. Corona and Pacifico are also faring well, plus other legacy imports such as Heineken and Guinness. Name recognition and ubiquity proved a boon during the pandemic.

Specialty importer Merchant du Vin was founded in 1978, and its portfolio includes Belgium's Lindemans, England's Samuel Smith, and the Trappist breweries Rochefort and Westmalle. The importer's deep distribution networks paid dividends during the pandemic's early months. "We saw sales creep up when things were really dark and scary," Hartinger says.

As the pandemic extended, Merchant du Vin's breweries grew more receptive to trying new things. For several years, fruited-lambic specialist Lindemans saw flat or slightly declining sales of its 750-milliliter and 12-ounce bottles. Merchant du Vin worked with Lindemans to create a variety pack of four fruited lambics packaged in 250-milliliter bottles, or 8.45 ounces, retailing for around \$12. The variety pack went on sale in winter 2020, and "the first order just flew out," Hartinger says. "It surpassed our expectations."

Bottles remain elegant, but cans are king for consumers accustomed to four-packs of this and that. Samuel Smith's now packages its organic lager, nut brown ale, and cider in cans. "That was a consumer and retailer demand," Hartinger says. "People wanted cans."

Early 2021 saw Germany's Weihenstephaner offer canned helles lager and hefeweizen for overseas markets, starting with the United States. Brasserie Dupont now packages its archetypal saison in cans. Rodenbach brought Classic into cans in 2019, treating the vessel as a tool to attract new customers accustomed to aluminum. "We've also seen a growing interest in can appreciation from younger beer drinkers, mostly because they have entered the beer and adult-beverage category by drinking from cans," says Rodenbach master brewer Rudi Ghequire.

Breweries Finding Success With Cross-Atlantic Collaborations

The breweries of yesteryear, or even last year, can get lost amid the industry's incessant innovation. One tactic to attract eyeballs and taste buds is through collaborations.

The last several years welcomed high-profile partnerships between American and European breweries. Allagash Brewing teamed up with Brasserie Dupont to brew Heartset, a hearty saison made with Maine wheat and Belgian hops. Dogfish Head and Rodenbach joined forces for Vibrant P'Ocean, partially made with the Belgian brewery's sour ale. Germany's Bitburger twice collaborated with Sierra Nevada, first on an Oktoberfest-style lager and then on Triple Hop'd Lager. The amplified approach mixed American hops with Bitburger's proprietary hop blend, breaking Bitburger from the beer hall to "appeal to a younger demographic," says Devin Schneiderbauer, the marketing brand manager at St. Killian Importing Company.

In summer 2020, Schneiderbauer spotted a collaborative beer between Interboro and Other Half, both based in Brooklyn. Interhalf Pilsner mixed oats with American and German pilsner malt, plus European and New Zealand hops. The atypical recipe featured a familiar line-drawn label, a colorful homage to Germany's Rothaus Tannenzäpfle. (The first Interhalf collaboration, a helles lager released in 2017, sported a similar label.) St. Killian imported Rothaus and folks reached out, up in arms about visual appropriation.

Schneiderbauer saw opportunity, not outrage. He contacted the Rothaus team, inquiring if the German brewery might want to collaborate with Other Half. Sure, ask. He emailed Other Half's general inbox and within a few minutes received a reply from brewmaster Sam Richardson, a founder. Yes, 100 percent yes.

Eventually, the Other Half and Rothaus teams linked up digitally to devise a pilsner recipe, including Germany's Tettnanger and New Zealand's Wai-iti hops, a deviation from tradition. "It was cool to see the brewery work outside the old framework that they're traditionally used to working in," Schneiderbauer says.

This spring, Other Half released the collaborative pilsner called Zipfeltännle, old-school style mixed with new-school cool. "It was amazing that thousands of miles away we found someone who has the same convictions as we do," says Kristof Schimmele, the head of sales and marketing for Rothaus. "What a unique mixture, don't you think?"

Creatively Dealing With Increased Shipping Rates

Beer is a fraction of an unfathomably massive global network of consumer goods. In typical times, shipping vessels crisscross oceans and seas, freighted with shipping containers containing modern essentials. The pandemic caused shipping costs to increase by 500 to 600 percent, says Neidhart of B. United. "We've never seen prices like this," he says. Compounding factors, the importer is finding it difficult to secure any shipping space, especially for its Japanese breweries. "It's creating chaos," he says.

Merchant du Vin imports beer primarily from the United Kingdom and Europe, and it's similarly seen freight costs skyrocket. The importer feared wholesalers would increase beer prices, a permanent upward shift that could negatively affect sales volume. "We've learned the hard way that there's really no way that you can lower your prices because the other people down the chain just won't," Hartinger says. Merchant du Vin helped cover a portion of freight costs to delay a permanent increase. "Over the long term it's the right thing to do."

Importers must continually monitor a brand's market viability. B. United no longer brings in beer from several breweries, including the Wild Beer Company of England—a logistical casualty due to Brexit. Brouwerij Alvinne from Belgium. Demand dried up for "these high-octane beers from Belgium with incredibly complex fruity flavors," Neidhart says.

Drinkers in the United States spent decades exploring the global bounty of beer, liquid discoveries triggering a renaissance of homegrown ales and lagers. Today, tasty beers and hard seltzers fill store shelves far and wide. Imported beers are no longer doorways into delicious new worlds.

“We’re asked by many of our brewers, ‘When will [demand] come back?’” Neidhart says. “I cannot give them an answer.” Predicting the future is pretty impossible, so B. United navigates present demands with cans. The importer brings in refrigerated tanks of beer from breweries including Germany’s Schlenkerla and Italy’s Birrificio del Ducato. B. United cans the liquid, ensuring that a lightly smoky Schlenkerla Helles can rival any brewery’s hazy IPA for freshness.

Existence alone isn’t reason enough for someone to buy a beer. To stand out, imported beer must deliver distinct flavor in the right package, sold at the right price, targeted for distinct occasions. For B. United, that means placing Japan’s Hitachino Nest at Asian restaurants, while Mexican restaurants might like serving Cervecería Monstruo de Agua’s agave-infused Blanca de Maguey witbier.

“Beers need to fit into what we think the U.S. consumer might desire in specific moments,” Neidhart says. “Just being new doesn’t mean anything.”

By Joshua M. Bernstein

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