

Oklahoma Craft Brewery Involvement in Communities

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Overview

Craft breweries in Oklahoma are creating an impact on local and state economies in addition to serving as social hubs for people in communities to interact and engage. In 2011, there were fewer than 10 craft breweries in Oklahoma, and in 2020 there were 55 craft breweries in the state, with plans for more to open (Brewer Association, 2019). The number of craft breweries in Oklahoma tripled after 2016 due to law changes. Before these law changes occurred, breweries could only sell beer at 3.2% alcohol by weight (ABW) at the brewery; they were allowed to offer 12 ounces of samples of beer over 3.2% ABW, per person each day, but they could not sell their full-strength beer (Morgan, 2018). Passage of Senate Bill 424 allowed Oklahoma breweries to sell full-strength beer directly to customers and motivated breweries to open on-premises taprooms (Holcomb et al., 2018). Oklahoma craft breweries made a \$646 million economic impact in 2018, producing 79,747 barrels of craft beer (Brewers Association, 2019).

Stakeholder Perceptions of Brewery Branding

One of the ways craft breweries stand apart from larger competitors like Miller Coors and Anheuser-Busch is through differentiation (Chew, 2016). Craft breweries generally participate in product donations, volunteerism, corporate social responsibility programs, sponsorships, community events and philanthropies (Brewers Association, 2019). The entrepreneurial, creative and socially responsible branding associated with craft breweries make them attractive to millennial consumers who tend to spend money and recommend companies that reflect their values (McCluskey & Shreay, 2011).

Brewery Interactions with the Community

Craft breweries often use local heritage, landscape and culture of surrounding communities to name their beers, create label designs and logos and even the name of the brewery (Flack 1997; Schnell & Reese 2003, 2014; Taylor et al., 2020). The conscious effort to create a sense of place based on at-

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tributes of their community, supporting local economies and reconnecting with places are all factors attempting to generate a sense of place by creating relationships through local ties (Shortridge, 1996).

Purpose & Methods

The purpose of this fact sheet is to understand how breweries establish their brands within their communities and how key community stakeholders perceive brewery brands. Interviews were conducted with 11 personnel from six breweries in Oklahoma. Eleven key community stakeholders also were interviewed in those craft breweries' communities. The breweries were selected to ensure a mix of more established and newer breweries. For community stakeholders, they represented a mix of community development and private sector individuals. For further details about methods and analysis, see Jolly (2020).

Key Findings

Community Stakeholder Perceptions of Craft Brewery Impacts on Communities

Community stakeholder perceptions can be imperative to understanding the true impacts of craft breweries on communities. Table 1 shows themes and illustrative quotes from participants' interviews to provide context to the findings. Breweries seem to influence people to slow down and enjoy life and the company of other people. Craft breweries also add to the unique culture of a community, giving community members an authentic and local option for cold beverages. Some community stakeholders believe breweries have shifted the way their communities feel about drinking by focusing more on the quality of the beverage and the social aspect of going out for a drink. The atmosphere of craft breweries promotes responsible drinking and encourages younger generations to enjoy beer in a more laid-back setting.

Community members also see craft breweries as community conscious and socially aware, which aligns with breweries focusing on being socially responsible in all aspects of their business. This responsibility spans from sourcing local ingredients to make products, all the way to recycling waste on the back-end of production. Breweries also have helped

Table 1. Community stakeholder perceptions of craft brewery impacts on communities.

| Theme | Quote |
|--|--|
| Breweries give communities cool credibility | "I believe that a brewery makes you look a little bit more progressive. I think it did add some credibility to our, not just our nightlife, but to just different things that people can go enjoy." |
| Breweries attract tourists and open communities to a different demographic | "A lot of people want to know where the closest local brewery is, you know, and so now you're getting out of towners to come and kind of getting to experience our beers and things like that. And, um, I just think it's really good for everyone." |
| Community members see breweries as an asset | "It's one of those, it's about time, kind of things and we're very glad to have them. It's just something to be proud of. Overall, it's definitely been a positive experience. They really add a lot to the community." |
| Breweries are a vital element to a community's economy | "It's a very essential piece of our economy. While they may not provide the high paying jobs with huge benefits, the part of the economy they fill is providing what's referred to now as a third place for people to hang out besides home and work and build relationships, and it helps contribute to the sense of place for our community, which is a draw for people who want to live here. It's a quality of life piece" |
| Breweries influence people to slow down and enjoy life | "It's just, it is a different mindset we're getting back to, I mean sometimes you just see new ways to get back to what people used to do, which is getting together and hanging out. We don't do as much of that as people used to. We're just always in a hurry. We're always on our phones. We always have things to do. So, I think the breweries are helping people slow down and enjoy things a little bit." |
| Craft breweries have helped revitalize neighborhoods and vacant buildings | "The property values are going up and the property values around the businesses are going up. They're [breweries] adding value to the buildings surrounding them because that's how things get their value. Their value is determined by what is surrounding them. They're increasing value in their businesses and the buildings surrounding them." |
| The more breweries, the merrier | "They're so unique in their own way. So, even though a lot of communities are now getting breweries, it's cool how they're all different. You know, their, atmosphere is different. Obviously, their beers are different because they're creating them or brewing them and formulating them." |

communities revitalize neighborhoods by restoring vacant buildings, increasing community activity and increasing property values by enriching the area.

Community Stakeholder Perceptions on Craft Brewery Community Interactions

In general, brewery personnel have been engaged in the community through involvement in local events and hosting events for the community (Table 2). Breweries are seen as a community asset, bringing new business and attracting new customers to towns and neighborhoods. Community stakeholders view breweries as a positive addition to communities and encourage the addition of more craft breweries in Oklahoma. Interactions between craft breweries in different areas help ensure the success of new breweries. Craft breweries in Oklahoma are willing to help encourage the success of another brewery's business. These interactions form a close-knit community of craft breweries. This network of breweries has a positive impact on local culture by tying multiple communities together.

Breweries have helped revitalize communities in a variety of ways. The presence of craft breweries gives communities a "cool" factor, setting the place apart from other towns. Breweries also serve as a vital part of the local economy by adding a profitable business and new jobs to town in addition

to promoting other local businesses. Breweries attract tourists and appeal to a wide range of demographics, making the taproom an important part of the culture and economy of a community.

Brewery Impact on Communities

Brewery personnel want to contribute a local product in which the community members can take a sense of ownership (Table 3). This sense of connection can be formed through creative label designs, beer names related to the community and other innovative ties to the community. Oklahomans take pride in Oklahoma-made products, which leads to a sense of attachment when brewery products reflect local ties.

Breweries are in a position to create a better community both within local areas in which these breweries reside and the craft brewery industry as a whole. Setting a good example in both places allows breweries to help create better communities through their involvement and aid in a responsible form of cultural revival. Taprooms provide a different space for community residents than a traditional bar due to the variety of flavors and the sale of local products. Breweries allow local leaders and organizations to educate people on their platforms while serving as a common space to have live music and a place to enjoy beer with family and friends. This common space within the community creates a positive impact on local culture.

Table 2. Community stakeholder perceptions on craft brewery community interactions.

| Theme | Quote |
|---|---|
| Brewery personnel engage in the community | "They sponsor fundraising and nonprofit causes. They're willing to participate in terms of community activity. They're willing to sponsor fun runs, and 5k runs, and Saint Patrick's Day parade and anything else. You see them participate in various cultural events and music festivals, you see microbreweries right alongside the restaurant and entertainment venues." |
| Product distribution helps create brand awareness | "[Local brewer] has a really wide distribution and regionally I think [local brewer] is a name in craft beer, so people who like craft beer would know [local brewer]. You see [local brewer's] stuff in restaurants. Um, [local brewery] has done a lot of really good marketing since the law changed and grocery stores could have beer. They've really been pushing the distribution side of things and really been like putting their name out there." |
| Unique branding, "swag," and place branding creates brand recognition | "They have quite a bit of, um, swag in the sense of glasses or t-shirts, and they are doing a different logo and design for each of their types of beer. So, that gives them opportunity to do creative things with each of those logos and promote them individually. They also name all of their beers off of something relevant in the community." |
| Craft beer is viewed as a sociable drink | "People are there to have conversation and certainly the beer is a draw, but it isn't about just getting inebriated or partying per say. It is really more about community conversation. It's just what our taproom culture has really become I mean it's really just become that low key, fun place to enjoy a good beer and have conversation. I never go to one of the taprooms where I don't end up striking a conversation with somebody else, and people are generally happy. They're not drinking their sorrows away. They're there to enjoy life and enjoy other people." |
| Craft brewers promote social conscious awareness | "So many of the breweries here tend to really focus on being socially responsible, um, you know, from sourcing products to recycling their spent grains, that sort of thing. I feel as though that is a pretty natural extension to just the overall ethic of being a craft producer. I think they've done a pretty nice job of that to be good stewards over all the environment." |
| Breweries attract tourists and open communities to a different demographic | I've been wanting a brewery in town my whole career with [local business], just knowing for a fact that different communities have you know, beer trails and ale trails and uh, it's just something else, not only for the residents to enjoy, but it's something that will attract visitors into [town]. |

Brewery Promotion and Participation in Community Events

Stated simply, involvement leads to promotion (Table 4). Community involvement through participating and hosting events gets people talking, leading to free promotion via word-of-mouth. Participating in community events, beer festivals and donating to the community increases brand awareness. Involvement with other breweries through events and social media increases awareness of both breweries, creating a mutually beneficial relationship between them and tying communities together. Using local ties to name beers and incorporating other local products such as artwork and locally sourced food products helps create a unique brand in which the community members take a sense of pride.

Breweries have an open-door policy to all and a willingness to give back to the community. Many brewery personnel and owners also serve in leadership roles in their communities to stay actively involved in the community. Brewery personnel emphasize the importance of enjoying their product responsibly, highlighting quality over quantity when it comes to beer.

Conclusions & Recommendations

To effectively reach target consumers, craft brewery owners should be aware of the value these breweries bring

community members and establish their brand based on this value. Involvement in the community helps consumers develop an attachment to the brewery. Hosting and participating in community events can lead to promotion of the brewery's brand through word-of-mouth advertising.

Craft brewery owners and community planners should be aware of the role the breweries can play in connecting community members and aiding community revival. Tap rooms lead to increased social capital in the community and aid in establishing connections and relationships between individuals. These spaces also provide brewery owners a platform to serve and unite communities through hosting events. Craft brewery owners can forge attachment between the brewery and their respective community by participating in and hosting community engagement activities. Working with nonprofits, local farmers and branding products based on connections in the community also helps create attachments with community members.

Partnering with other local businesses also is a good way for breweries to engage in the community. Breweries can promote local artists and musicians, as well as connect with farmers to recycle materials used in the brewing process. Community members appreciate the sustainable and socially responsible mindset from craft brewery owners. The success of the brewery can be linked to the success of the community.

Table 3. Brewery impact on communities.

| Theme | Quote |
|--|---|
| Brewery personnel are local minded and partners of the community | "We do pride ourselves on being local with a lot of things. You know, using local businesses and local artists for promotional items that we get." |
| Brewery personnel are socially responsible | "The craft industry is definitely an industry of quality over quantity. So, we're not out promoting binge drinking or anything like that. In fact, the opposite. We want people to enjoy and enjoy responsibly, and we feel that responsibility then carries over to our being partners in the community and making a positive impact." |
| Brewery personnel contribute to community cultural revival | "I think being able to spend local dollars with local craftspeople is just so important to this continuous feedback loop and buy in of a community that is always looking to develop, advance, and redevelop what it means to be [town person], what it means to be Oklahoma and that's expressed through art, through food, through drink, all these things. We really wanted to embrace the local culture of [town]." |
| Breweries have made an economic impact | "We want to whether it's the industry, the community, or uh, the nonprofits we're involved in, you know, we want to leave it better than we found it for a better future for our kids and the people around us." |
| Brewery personnel believe in leaving communities and neighborhoods better than they found it | "We want to whether it's the industry, the community, or uh, the nonprofits we're involved in, you know, we want to leave it better than we found it for a better future for our kids and the people around us." |
| Rising tides floats all boats | "If another brewery comes along, and they produce really good beer, and let's say you're a Bud Light drinker, and they convert you to craft beer, craft beer drinkers are not loyal to just one brewery. Usually they're loyal to craft, and so they want to go try new things." |
| The competition between craft breweries and macro-breweries resemble David vs. Goliath | "I would say that no Oklahoma brewery is our competitor. I would say the big two breweries, um, in the United States, the macro breweries, the ones that are not defined by the Brewer's Association as craft breweries are our competitors." |
| Brewers with more experience mentor new brewers | "We do collaborations and put each other's names on it. I mean why not, right? The more like creative minds, the better. Um, it's just one of those things I think in the industry that's fun to do. It's like showing your support. Sometimes it's maybe a smaller brewery and you want to give them like some of your light if you have a bigger following or whatever." |

Craft breweries also can benefit from working and interacting with one another. Collaboration between breweries can increase their overall market share, bond communities through brewery interaction and help legitimize the craft brewery industry in Oklahoma.

Connections with their local communities and other craft breweries exemplify the brand of craft breweries in Oklahoma. While the product they sell matters, craft breweries' interactions and how they foster interactions between community members are important aspects of understanding the industry.

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Table 4. Brewery promotion and participation in community events.

| Theme | Quote |
|---|--|
| Word-of-mouth is a promotion factor | "Again, the community involvement thing is a huge piece of promotion and being involved in so many different groups to kind of get to know these people and get to tell our story and let those people then evangelize for you, I guess in a lot of regards." |
| Peer promotion promotes breweries | "People will come in and say, oh, I was at [local brewery] and the bartenders told me to come over here. Um, so it's really cool to have, um, even local, our peers essentially telling customers to come our way as well. So, yeah, that happens almost daily. It's, it's cool." |
| Brewery events are used for promotion | "Community engagement you know, that's another strategy of ours. It's kind of a win-win. We think for giving back to the community and getting our name out there." |
| Oklahomans take pride in Oklahoma made products | "I think Oklahomans are really true to their identity and take their identity very seriously. We want to represent that well." |
| Place branding is a branding technique for breweries | "We asked local farmers to send in pictures to kind of, you know, decorate the place. So, and I guess you can see a lot of our, all of our beer names are either local or ag." |
| Breweries sell an experience as well as beer | "We want to grow, but our main focus is to make high-quality, consistent, and new products for consumers to experience. That's part of being a craft brewery. We're not like Miller Lite or Coors Light or Anheuser-Busch. We don't want one staple product that we can just make for the masses and see how much we can spread our brand. We want to come out with new things all the time and be creative and innovative and come out with new products that people may have never tried." |
| Brewery personnel want to be a business the community is proud of | "Um, so we started the brewery because I love the whole cultural aspect of it. I love beer and I wanted to create something that people could be proud of. And kind of take ownership in in a sense of "hey this is our local beer." |
| Breweries function as a community gathering place or neighborhood living room | "We want the taproom obviously to continue to grow and to be able to kind of be a community space where people can come and enjoy a beer with family friendly. Um, but also, you know, whether we have live music or local candidates that are running for office or something that want to come in and use this as a platform to educate people on their platform, it's just kind of a community space where we can do that. We want this space to be a community space." |

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