

Consuming Iconic & Luxury Craft Beers

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ABSTRACT

The marketing of iconic and luxury craft beer is associated with conveying an image of quality and authenticity, combined with attempts to sell an experience through relating it to the lifestyle constructs of consumers (Lockshin and Halstead, 2005). This paper seeks to explore the consumption of craft beer in order to interpret the motivations of the luxury craft beer consumer. It seeks to examine the ways in which such craft beers can better be conceptualized not according to functional, but experiential symbolic dimensions. The paper concludes by evaluating the impact this has on the decision-making process for marketers of luxury craft beers, and ultimately the consumption motivations demonstrated by consumers.

Keywords: Marketing, Luxury, Iconic, Beer, Experiential

INTRODUCTION TO THE CRAFT BEER MARKET

Craft beer is widely considered to be a beverage associated with socio-cultural aspects of lifestyle, particularly when considering luxury and iconic craft beers (Charters & Pettigrew, 2003; Menz, 2015). As such, the consumer's relationship with craft beer is based on an acquired, not innate need (Bruwer & Alant, 2009; Foss, 2010; Pierre, 2013). Consumer's perceptions and decision-making with respect to such beers are complex, taking into account a wide range of diverse factors (Basset, 2003; Lockshin et al. 2009). This paper will seek to examine the ways in which luxury craft beer can be better conceptualized not according to functional, but experiential symbolic dimensions (Vickers and Renand, 2003). We will also evaluate the impact this has on the decision-making process for craft beer with a specific focus on the consumption motivations demonstrated

The contemporary beer market is facing a perfect storm as the combination of; falling consumer demand, increasingly competitive products, heightened requirements by retailers and consumers and tougher market access, impacts beer markets across the globe (Estevez et al., 2015). In the U.S., beer's largest market, production volumes are stagnant; while key European markets are in decline. Reasons for this collapse include demographic changes; the emergence of other categories; tighter regulatory measures; and on-going global economic slowdown.

All along the value chain, product innovation has increased rapidly. In the U.S., craft brewers are beating out the beer corporations. While overall beer production rose just 0.5% in 2014, the output from craft brewers rose 18%, giving craft breweries an 11% volume share of the \$100 billion US market. This trend is also occurring across Europe. In Italy, there were eight times more new beer products on retailers' shelves in 2012 than in 2007; in the Czech Republic, there was a fivefold increase, in Spain volume of craft beer quadrupled, in France, it tripled. In the UK, home of many classic ale styles, there were twice as many new beer products in 2014 than 2013. Germany, home to some of the world's oldest active breweries, and the all-important 'Reinheitsgebot,' has recently seen production by several U.S. craft beer makers and experimented with home-grown innovations (Kell, 2014). Global market trends over the last five years reveal mature markets, such as Western Europe and Australia shifting away from core lager products, toward premium and luxury craft beers.

Craft beer is an ideal product for a consideration of how the experiential element of products is conceptualized in the marketing literature. The beer product category ranges from basic, through premium to ultra-premium, luxury and iconic beers (Apex, 2015). Beer can retail for as low as 50 cents a bottle in Walmart, while iconic craft beers are amongst the most luxury of luxury goods. In 2014 a Teaya Creek/Brewdog collaboration was sold at auction in Las Vegas. The hammer price of \$2700 set a record for the

most expensive bottle of beer ever sold at auction at that time (Tover, 2014). This was not the most expensive beer sold, however, as in 1990 anthropologists teamed up with brewer Jim Merrington to recreate a 3,250-year-old beer recipe from Queen Nefertiti's Royal Brewery in Egypt. They created 1000 bottles of the beer, which were sold through a lottery and the first bottle of Tutankhamun Ale sold for \$7,686.

This is not an isolated example. Samuel Adams' Utopias, released every two years is America's most expensive beer. Each batch is aged in sherry, brandy, cognac, bourbon, and scotch casks for up to 18 years. With an Alcohol by Volume (ABV) of 27%, it's banned in 13 states. Utopias retail for \$150 but routinely appears on second sale sites for more than \$900. Even mainstream brewers operate in the market for luxury beers, Carlsberg created "the vintage trilogy" in 2008. Outside their normal lager/ pilsner range, this barley wine is matured in European oak for six months and has notes of vanilla, cocoa, peat, tar and rope. Similarly, mainstream beer, Pabst Blue Ribbon is considered a cheap beer to US consumers. Pabst however, makes a luxury brew called PBR 1844 for the Chinese market, selling for \$44 a bottle. The beer, made from German caramel malts, is aged in uncharred American whiskey barrels and sold in a special bottle.

What does this mean for marketers of luxury beers, how do they interpret market complexity? Quelch (2011) suggested that as the world economy slows, one consumer segment continues to grow, a segment colloquially referred to as 'middle-aged simplifier.' Quelch argues that "tomorrow's consumer will buy more ephemeral, less cluttering stuff, fleeting, but expensive experiences, not home-goods" (p.18). According to Quelch these consumers, previously referred to as 'empty nesters' and 'baby boomers' lack confidence and are turning from consuming goods to experiences, preferring to value quality (of experiences) over quantity (of goods). For this demographic, experiences will prove more resilient than expected in this era. These 'middle-aged simplifiers' are representative of the consumers who drink craft beer, and few things offer these consumers a higher quality experience than drinking luxury craft beers.

A second significant demographic impacting this market are 'millennials.' Now accounting for 25% of the U.S. population, "their focus on experiencing life supports the growth of an economy driven by consumption of experiences. The combination of this generation's interest in events, and ability to spend, drives the growth of the experience economy" (Barton et al., 2014). The experiential nature of millennials presents a growing opportunity for craft brewers to leverage experiences to increase the value of their brands. Companies built on experiences or having experiential components will capture this added economic value, winning consumer loyalty (Havitz & Dimanche, 1999)

Chin-Tsai (2013) suggests that highly involved beer consumers can be expected to explicitly perceive craft beer as central to their lifestyle experiences. Such consumers are, by extension, more likely to exhibit experience behaviors, such as joining home brewing clubs, educating themselves about craft beer and collecting or cellaring preferred luxury beers. Such consumers are also likely to be heavily involved on beer social networking sites, such as Untapped and BeerCloud (Devine, 2015). These highly involved consumers are promiscuous in their purchase behaviors, rarely sticking to one brand, but instead trying the unfamiliar and searching for unknown brands from familiar regions (Lockshin & Spawton 2001).

THE EXPERIENTIAL NATURE OF CRAFT BEER CONSUMPTION

Craft beer consumers are more complex than previously assumed (Addis & Holbrook, 2010; McClelland, 2015), and failing to recognize this can result in consumer disconnects (Belk, 1995). We are seeking to demonstrate in this paper there is a fundamental difference between communication and connection, and that successful luxury beer brands both communicate to and connect with, consumers effectively (Williams, 2006). In contemporary society, consumption is more than an economic activity (Saran, 2007). Consumption forms a significant role in the creation, maintenance, and reproduction of tastes, dreams, aspirations, needs, identities, desires, morality and hedonism (Hirschman, 2000). As Christensen et al. (2005) argue "without question, classical marketing ...is challenged in today's social environment ... in which lifestyles of consumers exhibit disconnectedness or fragmentation" (p.28).

This perspective is supported by Addis and Podesta (2005) who talk of “The new marketing language, founded upon the four C’s of change, complexity, chaos, and contradiction” (p.390). The result is that we now live in an artificial world where desire itself is manufactured. Moreover, this consumption is characterized by disorder and unpredictability. Consumers are increasingly failing to maintain categories which have been developed for them; as a result, consumers are seen as increasingly fickle and unreliable, making it difficult to pinpoint buying behavior. In addition, it has become clear consumption, rather than being a passive act of unpacking and discovering the meaning intended by the produced, is an active and creative process through which consumers continuously produce and reproduce their own identity (Christensen, 2005). Consumers interpret and use products and messages in ways very different from their original purpose, reshaping them to their personal use, perverting their meanings in ways not imagined by their creators (Cova et al., 2016). As Ogilvy (1990) states “the consumer is a semiotic field of mixed messages, conflicting meanings and inconsistent impulses” (p.18). Marketers have to understand their products are creations with lives of their own, interpreted vicariously by consumers, creating very individual experiences and identities. This is summed up by Baudrillard (1990) when he states “it has to be made clear ... consumption is an active form of relationship, a mode of systematic activity and global response which founds our cultural system” (p.ix). As societies evolve, driven by knowledge and information technologies, they are increasingly transformed into an economy of icons. New consumers are emerging, using products in ways that present marketers with new opportunities. These can only be realized if marketers understand who these consumers are and how they think, feel and behave. Traditional marketing envisaged consumption as aiding in finding and reinforcing an essential self-concept. Increasingly, consumer’s mix and match eclectic images in a variety of ways, changing their self-concept over short periods of time. This replaces an essential self-concept, with a view of the consumer as someone who actively communicates the social reality they prefer, rather than passively inheriting one constructed without their participation (Firat & Shultz, 1997). If we accept such a view organizations have to be tolerant to the non-traditional demands communicated by contemporary consumers.

THE KEY CHARACTERISTICS OF LUXURY AND ICONIC CRAFT BEERS

The relationship between iconic and luxury brands is complex, largely because no commonly agreed upon data-driven definition of these terms, nor specific listing of brands within each category exists (Hollis, 2012). It is generally agreed, however, that luxury brands possess core characteristics, known as icons, iconic or iconic products (Sugimoto, 2015). When consumers purchase luxury products, they are not looking for deals, purchasing something made using the best materials and finest craftsmanship. That is what defines an iconic brand identity (Keating, 2016). Limited-edition products and highly covetable items that appreciate in value over time are iconic to the brand (Jones, 2016). Iconic is a big statement, and like luxury, by definition, it must be rare for a brand to be elevated to that status (creativebloq.com, 2014). For both iconic and luxury brands, consumers respond to experiences, stories that can be passed on, and things that inspire. As a result, iconic and luxury brands have to deliver on multiple levels; the product or service itself, the environment it appears in, its message and more (creativebloq, 2014).

Dubois et al. (2001) identified six characteristics they suggest consumers perceive as inherent in luxury products when applied to the craft beer market, we can make the following observations:

- i. Luxury products are perceived to comprise components of an exceptional nature and involve high levels of expertise, acquired over time. The Bavarian ‘Reinheitsgebot,’ purity law of 1487, allowed only three ingredients in beer; hops, barley, and water. This is touted as an indicator of quality and tradition, with the law still used for marketing today, with advertising proudly stipulating ‘Gebräut nach dem Reinheitsgebot’ (brewed according to the purity law) or ‘500 Jahre Münchner Reinheitsgebot’ (500 years of Munich purity law). In countries such as the U.S.A., tradition is less common, so consumers resort to quality indicators such as the ‘scores’ offered by experts such as the editors of Beer Advocate and Rate Beer, who claim to use a “Bayesian weighted mean so that

more ratings increase the score's validity" (Ratebeer, 2015). Beers which score highly can expect to be sought after.

- ii. History gives luxury beers a perceived 'heritage,' an authentic aspect giving the brand a unique identity. Creating a perception of authenticity means building a compelling story, blending aspects of a product's 'heritage,' such as the individuals associated with the product, during what eras was the product authenticated and where and under what conditions it is made. If necessary, this 'heritage' can be subtly invented or enhanced in order to convey lineage. Trappist beers are one of the most well-known products Trappist monasteries produce commercially. Only twelve breweries worldwide carry the name 'Trappist'; Achel, Chimay, La Trappe, Orval, Mont des Cats, Rochefort, Westvleteren, Westmalle, Engelszell, Zundert, Spencer and Tre Fontane. These beers have to satisfy strict criteria, such as; being brewed in a Trappist monastery, the brewery practicing a monastic way of life, the brewery donating all profits to charity, and all communication being marked by appropriate modesty. Members of the International Trappist Association use the "AUTHENTIC TRAPPIST PRODUCT" logo for their beer. As a result, Trappist beers are highly sought after and prized, particularly the less commercial examples of the sector.
- iii. Integrity is demonstrated by ensuring stylistic consistency, committing to traditional practices or using history and culture as referents in design and marketing. Integrity is seen as a combination of characteristics, with successful luxury goods and services being underpinned with multiple product attributes, such as those for quality, history, and integrity. An example would be Lambic beers from the Belgian Cantillon brewery, which are conserved in oakwood barrels. For 100 years Cantillon has been brewing some of the world's most iconic and luxury spontaneously fermented beers. Up to six Lambics from different barrels, representing typical characteristics of the Cantillon beers, are used for the Gueuze. Bottles are further aged to allow secondary fermentation in the bottle, before further aging for a minimum of three years. Every blending produces a different Gueuze, as it is a natural process. This unique beer can be conserved for a long time; a Cantillon Gueuze still has exceptional flavor after 20 years. The brewing process, controlled aging and a commitment to the tradition of Lambic beer, are seen as adding to the brand's integrity. Clearly, such an iconic beer can only be considered a luxury; in 2016, a 1998 Cantillon Lou Pepe Geuze first batch, sold for more than \$1000 at auction.
- iv. Price itself can suggest iconic standing, with the price of luxury products assumed to be high, when compared to that of the more utilitarian. Research suggests that perceptions of quality are consistently associated with price, a characteristic referred to as the 'halo effect' (Beverland, 2005). Consumers judge the quality of a product according to its price when choosing between different brands, believing price an indicator of quality, and associating higher prices with prestige. Examples abound within craft beer. However, this was enhanced when a two-bottle lot of 2007 Samuel Adams Utopias was auctioned in 2012, and Skinner Auctions became the first brick-and-mortar auction house to offer beer at auction. With craft beer on the rise and aging beer a trend, it seems likely the category will grow, and the role of the auction houses will become prevalent in ensuring that beers achieve the luxury price their iconicism demands.
- v. Luxury products are scarce, with limited supplies commanding respect and prestige amongst consumers (Soloman, 1995). Trappist monks at St. Sixtus Abbey in Belgium, sell their Westvleteren Abbey 12 in unlabeled bottles, at the door of their abbey. They only brew once a week, with the limited demand stoking interest in the elusive product. The monks set a strict limit of one case per month for purchasers, requiring prospective buyers to make an appointment to purchase the beer, before lining up at the Abbey on the day to receive their allotment (Pagnotta, 2015).

- vi. Luxury products are perceived to be superfluous, in terms of the product being hedonistic, extravagant or indulgent. The hedonistic aspects of the product mean they are not strictly necessary, in the form in which they are consumed. However, the affluent can go beyond simply meeting needs in their consumption, seeking to indulge their wants. We have to drink in order to live, but we don't have to consume Russian River's Pliny the Younger, a stronger, hoppier version of its flagship, Pliny the Elder IPA; and arguably the most famous limited-edition beer in America. Sold only at the Brewery in February, beer lovers line up for hours to get some. Such a purchase can only be viewed as hedonistic, extravagant or indulgent.

Within marketing of luxury products, however, consumers are not homogenous, responding in different ways to different combinations of these characteristics. Marketers need to reflect on what combination of factors is at play for their specific craft beer and how to best leverage those characteristics in order to maximize consumption of their product.

CONSUMING LUXURY CRAFT BEERS IS EXPERIENTIAL

When consumers purchase luxury beers, they are not purchasing them for utilitarian reasons beer confers on consumers. The battlefield within this sector lies not in features and benefits but staging meaningful, valued customer experiences (Atwal & Williams, 2007). This requires marketers of luxury beer to develop an appreciation of hedonic consumption and experiential aspects of consumer behavior (Holbrook, 2000; McNickel, 2004; Robertson & Wilson 2008). One way in which marketers can achieve this is experiential marketing. Experiential marketing is one of marketing's most contemporary orientations, with academics, practitioners, and enterprises paying increasing attention to consumers' experience and its constituents in recent years (Palmer et al., 2009). Experiential marketing has been defined by McCole (2004) as "seeking to identify behaviors held in common across an audience whose demographic characteristics might be quite diverse" (p.534).

The premise behind marketing experientially is that once you resonate with a value set, it becomes emotional, increasing loyalty; the more emotional the product, the more it lends itself to an experiential marketing campaign. Experiential marketing argues that effective marketing gets consumers involved in an active experience of product values. Rather than generate traditional media, which will be passively consumed, experiential marketers create an experience environment, involving consumers through participation. Experiential marketing connects audiences with the essence of a product through participation in personally relevant, credible, memorable encounters. The aim is connecting customers with products through one or more meaningful and relevant experiences, while appealing to both rational and emotional behavior, in order to elicit a visceral, positive reaction from the consumer. A firm's competitive advantage may originate from product innovation, pricing strategy, powerful marketing channels, etc. It is argued, however, that competitive advantage derived from memorable experiences is more difficult to imitate and substitute (Tsaour et al., 2005). The degree to which a company is able to deliver a desirable experience will largely determine its success in the contemporary global marketplace (Schmitt, 2012). In summary, the concept of experiential marketing is about taking the essence of a brand and amplifying it into a set of in-depth, meaningful and tangible experiences in order to provide consumers with sufficient information to make a purchase decision. Marketers are, however, failing to maximize the real potential of developing and implementing an effective experiential marketing strategy.

Experiential marketing is rooted in postmodernism, which in its widest sense, represents an altered mode of perception, where codes, simulacra, spectacle and the hyperrealism of simulation, have replaced the use-value of commodities. It is argued that we live in a world of simulacra where the image or signifier of an event replaces the actual experience and knowledge of its referent or signified. Consumers consume imagery without focusing on what they represent, referred to as hyperreality; a blurring of the distinction between the real and the unreal in which the prefix hyper signifies more real than real. The End of History, made by BrewDog in Scotland, had an alcohol content of 55% and retailed at £500 a bottle. The most

striking aspect of the beer, however, was that the bottles were made using dead stoats, squirrels, and hares. BrewDog co-founder James Watt, explained, "We want to show people an alternative to monolithic corporate beers, introduce them to a completely new approach to beer and elevate the status of beer culture." (Smale, 2015).

STRATEGIES FOR EXPERIENTIALLY MARKETING LUXURY CRAFT BEERS

Examples of effective experiential marketing in craft beer, offer a number of exemplars to those marketing luxury beer. At the Belgian Cantillon brewery, some of the world's most expensive Gueuze beer has been made since 1900. Customers can participate in the traditional production of beer. Using its original 19th Century brewery equipment, participants brew, filter, hop the beer and clean barrels using 'ancient' methods. Renowned brewers, such as Sam Calagione of Dogfish Head Brewery, speak during events, conferences, and seminars, discussing the origins of their breweries while adding a 'story' to their products. Calagione often discusses Midas Touch, with its backstory of being brewed from a 'recipe' from the tomb of King Midas (Tucker, 2011). Brewery tours allow craft beer companies to provide a wealth of cultural information about their products, during tastings. At Stone Brewing in California, 50,000 people take guided tours, hosted by "Indoctrination Specialists." Customers learn the brewing process & culture, before experiencing a guided tasting of classic Stone beers. The experience graduates in price, depending on the experience participants want. Stone Brewing wants to sell beer, through making consumers want the beer.

That desire begins with the experience of the products in the brewery, focused on the messages that count. Following in the success of wine and food pairings, beer dinners offer brewers opportunities to add luxury elements to their beers. In 2016, the Waldorf Astoria Resort in Arizona paired exclusively brewed craft beer with original menus developed by their executive chef; describing the results as "multi-faceted culinary experiences that will wow beer aficionados and novices alike" (Robb Report, 2016).

Experiential marketing demands that marketers channel resources to develop experiences that reinforce the offer, demanding a holistic approach. It can be argued that luxury craft beer is almost always experiential, putting marketers in a unique position to apply the principles of experiential marketing. Having an intrinsically, inherently experiential offering is different from actively and deliberately marketing in an experiential manner. To achieve this, frameworks through which hospitality marketers can strategically identify, enhance and deliver their offers have to be introduced, including;

- I. Develop a cohesive theme. For example, Bangers & Lace, named for the "Belgian Lace" left behind on the glass, offers a Cicerone-curated 32-handle tap list including hard-to-find collaborations and rarities. The bar offers tastings of the 'six-pack,' and taxidermied animals scattered around. Such concepts have taken the first step in experiential marketing; contrasting poorly conceived themes, which give consumers no lasting memory of the experience.
- II. Define take-outs of the experience to support the desired response and achieve through consistency in business operations. Schmitt & Simonson (1997) delineate the formation of impressions using the dimensions time, space, technology, authenticity, sophistication, and scale. They argue the imperative for marketers is the balance of these dimensions and how they are manipulated in order to produce messages desirable to the market.
- III. Eliminate negative impressions to diminish contradictions from the unity of the desired experience. Experiences can be spoiled by a single inconsistent message, such as gossip about the possible collaboration between craft and corporate brewer, demonstrated by the recent sale of Ballast Point to Constellation brands.
- IV. Mix in memorabilia, as consumers appropriate mementos of treasured experiences, from postcards through logoed T-shirts and caps. Such mementos, often retail at well above the market value, because of the memory of the experiences they refer to.
- v. Solicit feedback to address the question, are experiences relevant and meaningful to consumers? The tendency for companies and communication agencies to use quantitative research to solicit feedback

will not always gain a deep insight into consumer behavior. Innovative and creative solutions are required if marketers are to facilitate real dialogue between the brand and consumer.

THE IMPLICATIONS OF THE EXPERIENCE TO PRODUCERS OF LUXURY CRAFT BEERS

In concluding this paper a number of questions have to be addressed, the first being what does the paper contribute in understanding the motivations of luxury beer consumers? This can be further discussed as what are the implications of viewing the consumption of luxury beers in terms of the experiences they engender? Schmitt (2012) argues that experiences are the result of living through situations and that they are triggered stimulations to the senses, the heart, and the mind. Experiences connect products to lifestyle, placing purchase occasions in a broader social context. Experiences provide sensory, emotional, cognitive, behavioral, relational values that replace functional values traditional marketing traditionally espouses (Gupta and Vajic, 2000). Experiences are the feelings customers take away from interacting with luxury beer and their atmospheric stimuli (Haeckel, Carbone & Berry (2003). Successful experiential marketing places experiences at the core and amplifies the live contact through relevant media (Robertson et al., 2008).

To be successful in the experiential world, luxury beer marketing needs to amplify the essence of a product into a set of tangible, physical, interactive experiences, allowing consumers to interact face-to-face. These interactive efforts foster sensation-rich, unique experiences that appeal to the growing desire for innovativeness and open-mindedness towards diverse, unique experiences, measured by consumer innovativeness (McNickel, 2004). Authors conclude consumers crave innovative, engaging experiences in their lives (Florida, 2002; Postrel, 2003; Sit et al. 2003, McLuhan, 2008), as they are emotional beings, focused on achieving pleasurable experiences. These experiences are achieved through ‘experience providers’ such as communications, visual and verbal identity, presence, media, etc., (Schmitt, 1999). Luxury beer consumers are more complex than previously assumed (Addis & Holbrook, 2010; McClelland, 2015). Failure to recognize this results in disconnects in understanding the motives driving consumers (Belk, 1995). For the luxury beer consumer, consumption is more than simply an economic activity; a classical marketing approach will not be effective (Saran, 2007).

A second question to address is, which segments marketers of luxury beer are most likely to be successful in attracting and why? As argued above, one of these segments is ‘millennials,’ for who experiences help shape identity. Research suggests that 75% of millennials say their best memories are experiences they participated in (Eventbright, 2016). For 70% of millennials, FOMO (Fear of Missing Out) drives their appetite for experiences. In an environment where experiences are broadcast across social media, this drives millennials to share and engage, offering marketers of luxury beer the opportunity to co-create the message, with consumers. With an emphasis on collecting experiences rather than acquiring tangible goods, millennial spending is markedly different than that of earlier generations, reflecting their aspirations.

Millennials however, are not exclusive in seeking experiences, the demand for experiences happens across the generations; with Americans dedicating increased income to experiences (Eventbright, 2016) Since the 1980’s, the share of consumer spending on experiences, relative to total U.S. consumer spending has increased more than 70% (Eventbright, 2016). People are seeking experiences and marketers in the luxury beer sector need to evolve to meet demand. Groups such as ‘simplifiers’ are moving away from conspicuous consumption, and the collection of ‘trophies’; preferring ephemeral, fleeting, expensive, experiences (Quelch, 2011). Simplifiers are assured enough of their wealth and standing in the world that conspicuous consumption has lost its appeal. These simplifiers pose a challenge to marketers of luxury beer, as Quelch (2011) argues “how can marketers speak to simplifiers who value quality over quantity?” (p.16). It may be that the answer lies in successfully enacted experiential marketing.

The final question the paper generates is, what does luxury mean to millennials, and how does this impact the luxury beer sector? It is argued (Rein, 2016) Millennials are redefining the meaning of the term luxury. To millennials, luxury does not exclusively refer to products; it includes experiences, such as craft beer.

Brands are blurring the lines between luxury items and experiences, impacting craft beer. Luxury beer is an experience, the difficulty for its marketers, however, is that most knowledge in the designing of customer experiences originates from work developed for mass brands (Verhoef et al., 2009). Luxury craft beer is conceptually different, requiring a specific approach to marketing. Such an approach would include; going beyond the visual icon and symbols, innovating at the point-of-sale, developing a sense of community, communicating the myth and developing a 'way of life' for the product (Verhoef et al., 2011). Luxury beer brands marketing to millennials need authentic, original content, in order to appeal to them in interesting ways. If millennials are the future, luxury beer brands need to embrace them (Rein, 2016).

As Schmitt (2012) argues "the goal of experiential marketing is to create holistic experiences that integrate individual experiences into a holistic Gestalt" (p87). The advantages of experiential marketing for luxury beers are, firstly the focus is on customer experiences and lifestyles, which provide sensory, emotional, cognitive and relational values. This is important given the hedonistic and often superfluous nature of luxury beer. Secondly, it focuses on creating synergies between meaning, perception, consumption and loyalty. Such synergies explain the motivations of consumers of luxury beers. To consumers, the development of an experiential 'story,' with its attendant history, tradition & legend, drives consumption motives. Thirdly, customers purchasing luxury beer are not rational decision-makers but driven by emotion.

These consumers live in an artificial world where even desire is manufactured. Producers of luxury beers 're-imagine' beers from the time of King Midas and Nefertiti, or 're-create' a beer yeast from the shipwreck of one of the first ships to travel between England and Australia (Sherden, 2016). In the experiential world, consumption is more than simply a passive act of unpacking and discovering meaning as intended by the producer, it is an active and creative process wherein consumers of luxury beers continuously reproduce their identity (Christensen, 2005). Finally, as a result of the complexity it engenders, experiential marketing requires a more diverse range of research methods in order to understand consumers (Williams, 2000). The marketing of beer, including that in the luxury segment, is often grounded in positivistic assumptions, viewing consumption as an internalized state; it has to respond to alternative orientations (Williams, 2006).

Experiential marketing helps firms to avoid the commodification trap. The luxury beer sector cannot be seen to be immune to the fundamental changes in the orientation of marketing. Innovative experience design will become an increasingly important component of beer businesses core capabilities, those who go beyond product excellence and market experientially will lead the creation of value in the sector (Pine & Gilmore, 2002).

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