

# Belguim brewing case study

Business



New Belgium Brewing opened in 1991 originating in a basement in Fort Collins, Colorado. They have several types of beers such as Sunshine Wheat, Blue Paddle, Abbey, Mothers Wit, 1554, Tripper, other seasonal ales, and Fat Tire.

Fat tire is their most popularly sold beer and originated with a story behind it. Fat tire was named after Jeff Ellipse's, founder of NUB, rode through Belgium on a fat tire bicycle.

Today, New Belgium Brewing is a company that is privately owned and manufacturer's and distributes craft beers to 26 U. S. States. They are the third largest craft brewery and the ninth largest brewery in the nation.

Situational Analysis New Belgium Brewing carries many strengths and opportunities for a privately owned nationwide company. The organization strongly believes in the culture of the brand. This came naturally in the organization's core beliefs and values.

Creating the bond between customers went beyond making profits, but creating an environment that demonstrates its love and talent. New Belgium Brewing positions its products as thoughtful, reflective, and whimsy, which had a positive response from its targeted market, the beer connoisseurs who would share their core beliefs and values of the organization, giving them a competitive advantage.

One of those core beliefs is being environmentally friendly by reducing costs and energy.

Another aspect New Belgium renewing does well deals with retaining employees and valuing their stakeholders. New Belgium Brewing was named the Best Place to Work in 2008. The organization gives employees incentives with free lunches, massages, all paid expenses to Belgium, a free fat-tired bike after a year of employment, stock options and other perks like free beer, climbing wall, and inexpensive yoga classes. Valuing their stakeholder is also very important for New Belgium Brewery.

They strive to improve their relationships with corporate giving, event sponsorship, and donating to philanthropic causes.

New Belgium Brewing does have a few weaknesses in the organization and external threats that could affect the organization's image negatively. The organization strives to be environmentally friendly, and they have started to approach the idea, but still have yet to accomplish the goal of being impolitely emission free. If New Belgium Brewing does not work towards this goal, that could dampen their core values and beliefs.

Also, New Belgium may have a positive Word of Mouth for advertising, but they do not advertise the socially acceptable statement, "drink responsibly" to avoid alcohol abuse. This statement covers their assets and their reputation. The threat listed goes along with both listed Insaneness.

If New Belgium Brewing does not remain culturally authentic, this could destroy its image and sustainability. This could give competition an opportunity to take the competitive advantage if New Belgium Brewing does not live up for their quality, responsibility, and concern for society.

SOOT Analysts Strengths Weaknesses Strong customer relationships Strong social responsibility Ethical concerns Environmental advances Strong and lasting branding strategies Maintain positive relationships with employees Highly value stakeholders High quality of products Advertisements on drinking responsibly Manufacturing process is not at zero emissions Price of the final product Carbon footprint in production processes Opportunities reheats

Distribution expansion in the states or globally Manufacturer expansion Keeping up with societal trends in a timely manner Nell established positioning in their niche market Remain culturally authentic Global competition Craft Beer competition Assumptions and Missing Information: In Ashley Jackson transcribe she states: New Belgium Brewing is now 100% employee owned with a 93% retention rate, currently 3rd in craft brewers and 7th in brewers nation-wide as of 2013, and NUB now serves 30 states.

Eric Gorges states, ' New Belgium Brewing is building a second facility in Asheville, N. C.

In 201 5" New Belgium is led by Kim Jordan, a woman which is a rarity in the brewery business veneer Post) New Belgium sales and revenue numbers are not available because it's a private firm Statement of the Problem Annual sales increase each year, but to maintain its cultural authenticity challenges Nile the brand rapidly continues to grow.

New Belgium Brewing reduced its Carbon Dioxide emissions by 1, 800 metric tons per year when they switched to wind turbines, reduced water consumption by 20% than most breweries, recycling 88% of its waste, and <https://assignbuster.com/belguim-brewing-case-study/>

100% of its electricity comes from renewable resources, but still has not reached its goal of being 100% sustainable. This could cause consumers to see them as 'greenmailing' and damage their reputation.

New Belgium Brewing must continue to reexamine its ethical, social, and environmental responsibilities. The organization received an award for the Environmental Achievement Award and must strive to continue its social responsibility.

New Belgium Brewery plant is currently capable of producing 700 bottles per minute and 50 to 60 canned beer per minute. Its expansion has implemented, NUB would increase sales and capacity outputs to reach more consumers.

Development of Alternatives Increase efforts to reduce water consumption  
Increase recycling efforts Achieve credibility for sustainable efforts and make their records available for the public Increase advertisement costs to promote its social responsibility Expand production operations Distribute to other states or possibly internationally Evaluation of Alternatives and Recommendations New Belgium Brewing has already set a goal to reduce water consumption.

If they can meet its goal set for 2015, they should strive to reduce its water consumption during production to match 1 gallon of water to make 1 gallon of beer. New Belgium Brewing could reduce its recycling efforts by purchasing products that are all natural, reusable, or recyclable. Also, giving people the incentive to increase recycling within the organization could help to reach the goal of reducing waste to very minimal.

Any organization that is driven by environmental efforts should have proof to show their progress toward sustainability such as labels, certifications, etc. Which New Belgium renewing does not. Unfortunately, NUB does not allow their financial statements to the public. NUB should be open to share their information to its stakeholders to comfort NY assumptions they could potentially have. New Belgium Brewing focuses so much on social responsibility, but spends little on advertisement, only depending on word of mouth as their strategy. As their brand continues to expand, they need to maintain their message to their consumers to “ Drink responsibly’.

NUB could either label their products to remind the consumer or in other media which promote its craft beers. Expanding their production line by creating a new manufacturing plant that is a 100% sustainable would help them in with keeping a competitive advantage and tying the market leader in the brewing industry as CEO-friendly, maintaining their core values and beliefs. Also, it would increase employment opportunities, reach a larger market by increasing capacity and increase annual sales.

After the new plant is in place, New Belgium Brewing could target a larger market by introducing their products to more states in the United States or striving to enter the global market. This could increase brand awareness and more profitable for the company in the long-run. Implementation New Belgium Brewing Implementation Timeline

| Year                                       | 10 | 12 | 13 | 14 | 15 |
|--|----|----|----|----|----|
| Set goals for energy efficient efforts     |    |    |    |    |    |
| Purchasing of renewable/ reusable products |    |    |    |    |    |
| lop/build new maturing plant               |    |    |    |    |    |
| Recruit, hire, and train new employees     |    |    |    |    |    |
| lop and launch new advertisements          |    |    |    |    |    |
| Make records public                        |    |    |    |    |    |

. Certifications, labels, progress announcements Introduce prod cut in select De regions (nationally or internationally) Evaluation and Control Marketing objective and Target Dates: In the first week, NUB will plan and develop new ways to become zero emission organization Within the first month, NUB will have purchased its reusable products and materials for the new and existing plant. Starting the second week, NUB should tart to develop a new advertisement strategy and have it implemented by week 6. NUB should see an increase in brand awareness by 5%.

New Belgium should have their plant built and running within the first year that is 100% sustainable After the plant is built, NUB will recruit, hire, and train its new employees. As soon as possible, NUB should make their records available to the public at all times.

Also, following up on awarded certifications and new labels that promote their image of sustainability. Lastly, after the first year NUB should start to expand their target market nationally and internationally. NUB goals is to increase sales by 25% from last year's sales.

Contingency Plans: If New Belgium Brewing does not increase its brand awareness from its social responsible advertisement, NUB will research why they were unsuccessful. If New Belgium Brewing does not reach its goal of 100% sustainability, they will re-evaluate their renewable resources and find ways to better their organization After introduction into new markets does not increase sales by 25% within the first year, the organization will conduct research to fit into the societal trends of that culture to better meet the needs of their consumers.