

Beer brewery company in canada marketing essay

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Molson is a successful beer brewery company in Canada. It was founded in 1786, which made it the second oldest Company in Canada so far. Molson Company is recognized as the most preferred beer brand in Canada and it also possesses the fourth largest market share in the global beer industry.

Molson Company faces a challenge in 2007 due to its unsuccessful marketing strategy. The campaign intended to engage with the target market of age 19-24 through social media. This campaign held a contest, Cold Shot, which encouraged students to compete with other college students by posting as many pictures as possible. This contest ended up creating unexpected negative publicity against the Molson Campaign. Many students and administrators complained about the harm of reputation brought by this contest. As a result, the Molson Campaign had to pull the promotion under the public opinion.

There are three alternatives that allow Molson Company to engage with the target market. The first alternative is Microblogging, which encourages students to update their status through social network while they are drinking. Molson's drinkers could also follow up the latest Molson's events on site. The second alternative is to build a Molson Educational Center to promote legal drinking messages for students and young adults. Young adults are invited to visit the educational center to explore more about Molson's history and experience different fun activities in the center. The last alternative and also the recommendation for Molson's campaign is to create Molson Apps that educate students to avoid overconsumption of alcohol through playing the information games. Students could win different valuable awards by playing it. As more games are played by students, the

more awards they can get. This does not only enhances Molson's relationship with target audience but also successfully promotes the correct drinking behavior they should have toward their future drinking.

Identification of the Problem

Molson Company, currently, is facing a challenge in reestablishing its brand as a brand that promotes and encourages responsible alcohol consumption. Molson's problem is to determine if it should continue to use the social media sites for future promotions in marketing its brand. Due to the previous failure in social media marketing, Molson Company has caused various universities & colleges to worry about the academic achievements of students. The irresponsiveness of the Molson Company supporting outrageous alcohol consumptions towards students has discouraged them on their studies. In addition, as the Molson's campaign "Cold Shot" of posting party pictures of students in campus to gain the title of "number one party school in Canada" encourages foolish behaviors and underage drinking. As a result, universities and colleges are concern about how Molson's activities have neglected the institution's reputations/ images and its student bodies.

Situation Analysis

Internal Factors:

Strengths:

Molson is consider as the most preferred brand with a huge percentage of the market share in Canada of 41%, as well as, in the world market around the globe with 3. 8%. Due to the development of social media marketing, Molson has started begin involved in social media platform such as Facebook

with by approximately 19, 000 followers who are interested in Molson.

Besides Facebook, the company also manages a variety of social media like Twitter, Flickr, and Youtube. While selling its products to the public, the company has tried their best to be responsible for its commitment for alcohol responsibility as well.

Weaknesses:

For now, the company is on a huge blame due to an improper promotion activity, “ Cold Shot”. By targeting college and university students, the marketing strategy was issued due to its direction of morality and ethics in encouraging irresponsible drinking and behaviors. Its unsuccessful campaign had harmed the brand image and received negative perception by adults including professors, administrators, as well as, those who have a negative feeling for the company and beer.

External environments

Political Environment

All the provinces in Canada have their different laws and rules for alcohol regulation as well as advertisement of alcohol. It should be specified that advertising must not be related to the consumption of alcohol and should not imply alcoholic consumptions can enhances social acceptance, personal success, and enjoyment of any activity or will resolve the personal problem (Canadian Center of Substance Abuse). If the company wants to maximize the effect of its advertising, it has to be more sensitive not to make ethic and moral issues like it did previously with the “ Cold Shots” campaign with colleges and universities.

Social Environment

Currently, the social responsibility has been stressed for beer companies so that all the beer companies are presenting its social responsibilities to avoid the blames from the public and society. Molson is providing the “responsibility” section when its visitors come to approach its official website. Among what the company puts on the section as all kinds of responsibilities, they also offer “Governance and Ethics” and “Alcohol Responsibility” on “What Matter to Us” sections (Molson Coors). Especially on ‘Alcohol Responsibility’, they have ‘Global Alcohol Policy’ and ‘Our Views’ for better understanding for consumers. Besides, the website provides the company policies, case studies as well as the full details retrieved from the Global Actions on Harmful Drinking website (Molson Coors official website).

Competitive Environment

Molson is an influential competitor among powerful competitors in the beer market, the moral and ethic issues of the company can be critical. Actually the current flow of the beer market in terms of volume consume, A- B InBev maintained top volume share with 18.3% in 2011. Among the top competitors there are:

SAB Miller with 9.8%

Heineken with 8.7%

Carlsberg with 5.6%

China Resource Enterprise with 5.4%

Tsingtao Brewery with 3.6%

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Grupo Modelo with 2. 9%

Beijing Yanjing Brewery with 2. 9%

Molson Coors with 2. 9%

Molson maintained its percentages since 2010; however, it lost its 8th position to Beijing Yanjing, and now Kirin Holdings is a threat to Molson in terms of volume share. (Passport GMID)

SWOT Matrix

Strength

Canada's most preferred brand with 41% market share

Rank 4 in the world holding 3. 8% market share worldwide

Had 19, 000 members on its Facebook profile

Engaged with social medias like Twitter, Facebook... and more.

Molson's acknowledges as " a firm commitment to alcohol responsibility"
(Molson, 2009)

Opportunities

Average users of Facebook are fairly young, usually between the ages of 18-21, who are interactive with friends in open and trusted setting social networking sites

Social network users likes to interact with their favorite brands' profile

Social network sites allow fast and effortless spread of message that includes viral marketing campaign. (Word of Mouth)

Weakness

The failure of the “ Cold Shots” Facebook promotion gave Molson Company a bad reputation since it encourages irresponsible behavior and underage drinking.

Threats

Limited control on social media sites since it is open for public to posts and comments about a firm or its product

Social media sites allow mashups which lead to issues of control and ownership on contents.

Organization Objectives

To reestablish its brand as a company that cares about social responsibilities rather than a company who only tries to sell alcohol for money.

To promote and encourage responsible alcohol with the use of social media.

Analysis of Alternative

Before going on to the alternatives, Molson will run year round campaign call a “ volunteer days”. The volunteer day hosted by Molson Company is on monthly basis. The campaign is to encourage those who are brand loyal to participate in local community and help out local rehab centers. Molson believe that engaging brand loyal consumers to local alcoholic rehab center allows them to understand the flaws of irresponsible drinking can cause.

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Whoever participates might have a chance to win free sport event tickets in a random. The reason we want to launch this campaign with the alternatives is to continue the firm's goal of being socially responsible to its community and re-established its brand reputation.

Alternative #1: Microblogging about drinking at events

The first alternative is Microblogging about drinking Molson Canadian at events.

The microblog is a year round blogging site. Applicants must register and create an account before they can blog on it. Site filtrations with questions will be add-on through the registration process to eliminate unlawful age drinkers to view the site. Molson Canadian will be posting dates of various sponsor events on this site to allow audience to visit the events. The microblogging encourage him or her to blog about the current events that is happening and the location they're at and what they are drinking. Through this site the participant can also access and update their status on Facebook or Twitter through this site. This allows the friends of the Molson drinkers to follow up with Molson Company. On top of posting statuses, Molson Canadian also encourage Molson drinkers to post cool stories of their fun night out. Monthly draws of the best pick funny stories is able to win cash prize, Molson's wearable product, and sport tickets.

Alternative #2: Building a Molson Educational Center.

Another alternative is to build a Molson Educational Center. The center is similar to a museum.

It will include:

A small replica of the brewing plant to show the brewing process of the “prefer beer” in Canada

Beer tasting only for 19+

A history lesson of Molson Company

Theater to play short movies/videos of responsible and irresponsible drinking scenarios

A talk show to educated audiences in responsible drinkers from personnel in local alcoholic rehab centers.

Fun activities of experiencing ride check, breathalyser, foggy goggles with affiliated personnel from the local police station

Workshop to create customized beer bottle to bring home.

Gift store to purchase Molson’s items, mugs, hats, t-shirts, and more.

To promote and encourage legal drinking message, the education center is only available to 19+ of aged universities and colleges’ students/drinkers and adult tourists. Illegal entries of 18 and under are not permitted.

Securities will be standing at the front door to check ID’s before entries. Even though this is a great idea but the cost of this will be too large for the company to handle.

Alternative #3: Molson Application

The third alternative, Molson Canadian decided to create a mobile application that is designed to store social media platforms, games applications, with features of educational alcohol consumption facts. The mobile application is able to update automatically to gives consumers the latest information in online communities, events, games, and educational facts. The application is personalized, where participants can create their own avatar, set up their choice of background, and more. Molson want to give participants a sense of ownership within carefully defined parameters to customize the App.

The application is divided in three sections

Games:

The main objectives for all Molson games are (1) to not over doze in alcohol and (2) to maintain good behaviour. Coins can be collected throughout the games and after winning the game. Collecting coins can trade real items like Molson's mugs, hats, t-shirts, customized beer bottle of users' choice, movie tickets, or even Ipad. If player loses, the game will end with an alcohol consumption fact to educate players

Videos:

Molson will display educational videos like fun facts of alcohol consumptions, possible causes of irresponsible drinking, Molson events, " drinkers talk" from rehab centers to educated consumers.

Social media platform

The Molson application will also be interlinking with the social media platform like Facebook and Twitter to generate interaction between the brand and the target audience. Through the application, Molson wants to drive in more traffic to the fan pages and ensures that there is a continuous interaction in current events, campaigns and discussions.

But for sure, applications and fan pages will be evaluated on the basis of what kind of community is being created or whether the community would fit within company and society's expectations.

Recommendation

Molson Company should continue to benefit from the numerous opportunities to market their products, no matter if it's using social media platforms, or more. After much consideration, alternative #3 is believed to be the best one. Picking this option allows Molson Company to closes the gap between fun and education in a way it benefits both. The application is one of the most complete mobile sources for consumers. With the understanding of young people are closely attached with their mobile nowadays, Molson wants to create an application that allows audiences to access it all time. With just a touch of a button, people are able to connect to games, social media sites and informational facts of alcohol consumption. Through this application, Molson Company wants to attach various messages to the target audiences and promote and encourage target audiences to generate a responsible drinking habit with educational facts. In addition, the alternative can also create awareness for Molson primarily through social media platforms, with the application and some traditional media directing consumers to Molson's Facebook site to generate more traffic. Maybe future <https://assignbuster.com/beer-brewery-company-in-canada-marketing-essay/>

promotional campaign can become viral through the fast and effortless spread of messages.

Unlike before, every activity and promotion that is engaged by Molson will be carefully evaluated on the basis of what kind of community is being created. Promotions or contents that even hint at improper or excessive of behavior or use of products, Molson will eliminated it.

Molson Coors Brewing Company. (2009, October 24). Corporate responsibility overview Retrieved October 24, 2009 from <http://www.molsoncoors.com/responsibility/great-brands-the-right-way>