



## Producer, Marketer, Brand

### *Positioning Your Business to Win in the Alcohol Beverage Industry*

As a business looks inward to assess its position and opportunity in the marketplace, it is important to recognize the competitive framework within which it will compete for consumer mind- and wallet-share. Understanding this **competitive framework** not only identifies competing brands, but how and what strategic decisions the business will employ to build value and connect with consumers. Known as the *Frame of Reference*, this perspective is the foundation of brand positioning; a requirement for the development of a winning brand and market strategy.

Once defined, a *Frame of Reference* advises the expectations which consumers hold for brands which compete within this framework. And, it clarifies how messaging and marketing engagements are best leveraged.

Internally, understanding your *Frame of Reference* prioritizes investments in operational and organizational strategies. It provides guidance for product development and innovations, and insight into inefficiencies of time, dollars or efforts spent.

For alcohol beverage brands –there are generally three business frameworks to consider– that of a **Producer**, a **Marketer** or a **Brand**. While there are niches that can be explore further within each of these, at its most simple there is insight and efficiency to be gained by first recognizing in which of these your brand exists.

Evaluate your portfolio and product offerings, your marketing and sales communications, your investments in operations and the organization. Consider any vision, mission or values statements developed. Identify your competitive framework and assess all strategic behaviors in light of that position. Who are you currently fighting for mind- and wallet-share with? Who do you *want* to compete with? Recognizing your true competitive position and clarifying the *Frame of Reference* within which you compete will allow you to focus efforts on delivering the highest value to your business and to your consumer.

*So, which one are you?*



## A PRODUCER

---

**Producers** put the product at the center of everything they do. The product strategy informs all business and operational considerations – always with an eye to enhancing the quality, competitive differentiation and authenticity of the product itself. The product is the brand HERO.

Marketing and communications focus on the product features and profiles, with sourcing methods, ingredient selections, and production methods. Winemakers, brewmasters, distillers are highly regarded in the **producer's** story.

Consumers expect product quality, consistency and distinction from producers. They assume consistency and high value in the products offered, and hold **producers** accountable should anything waver.

Purchase-drivers for consumers are feeling they are getting “earned” or exclusive access, buying the products based on familiarity, reputation or recognition for quality, a stand out product profile, consistency and/or distinction, product integrity and more.

**Producers** must hold an uncompromising dedication to product quality, authenticity and integrity in every product they offer; innovations are welcomed when they align with these core values.

Key investments for business growth are in sourcing and ingredients, production and operations, winemakers, brewmasters, or distillers.

**Producers** execute well in distribution environments which align with their core values and allow them to contain product access and engagement – generally direct sales models, independent retailers, allocation models, etc.

Product quality, portfolio and innovation strategies are driven by the owners / visionaries of the product.

**Producers** seek REPUTATION & RECOGNITION.

*Example Producers:*





## A MARKETER

---

**Marketers** put the consumer or market trends at the center of everything they do. The marketing strategy informs business and operational considerations – as they leverage market opportunities or fulfill unmet needs for specific consumer niches.

The consumer is the brand **HERO** and all product and marketing decisions are made with an eye to fulfilling and growing market demand from their HERO.

**Marketers** create demand by meeting an existing need identified for specific trends or customer segments. Messaging and experiences align with and exploit those needs.

Marketing investments are made to gain greatest reach into the identified consumer niche and build the most demand for the products.

Consumers expect access, consistency and value (in price or quality) in their products from **marketers**.

**Marketers** execute well in environments which its consumer segments are engaging. Marketing mix may change and evolve as the **marketer** evaluates conversion response. Endorsements, partnerships with other established **marketers** or brands, and frequency of media exposures are tactics employed by **marketers**.

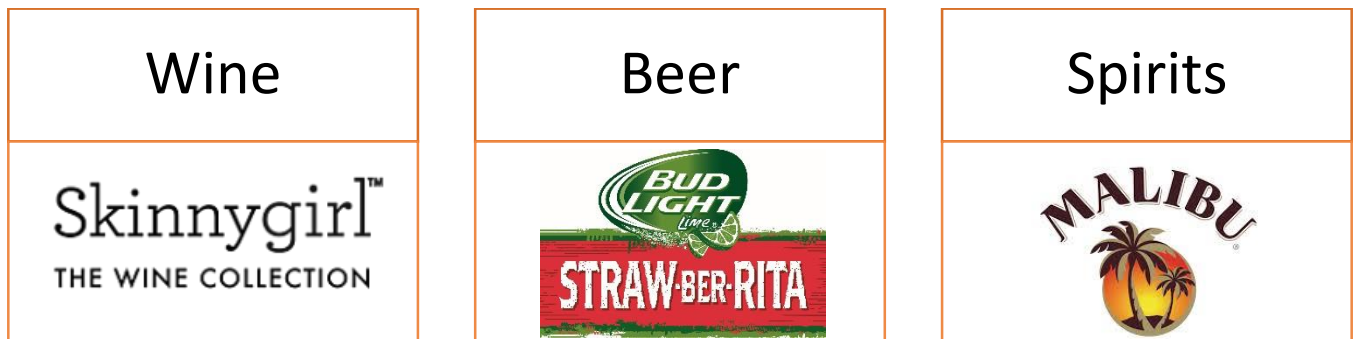
Key investments for business growth are inventory, speed to market strategies, marketing and distribution relationships, and product innovations (to meet market trends or demands).

Product quality, portfolio and innovation strategies are driven by consumers, as is the lifespan of the product offering.

Product quality and expectations are driven by consumer need and market opportunity. Unfortunately, consumers are quick to move to another brand when expectations are not met or new trends arise.

**Marketers** seek DEMAND & EXPANSION.

*Example Marketers:*





## A BRAND

---

**Brands** understand who they are and why they exist – holding a sense of purpose which lies at the center of everything they do, every product they create, every engagement they nurture. That sense of purpose informs all decisions.

**Brands** are born from an emotional connection with their consumers.

Critical imperatives for a **brand** are to deliver products and experiences which express and align with its core purpose. Consumers are quick to recognize when **brands** stray – whether through poor product execution, misaligned messaging or even failed partnerships or endorsement partners. Fortunately, for strong **brands**, consumers can be forgiving.

Marketing and communications focus on the emotional benefits realized by the consumer who engages with the brand. The consumer’s experience is the **HERO**.

Purchase-drivers for consumers are the emotional benefits gained through **brand** and brand product engagements; feeling validated, inspired, a member of the “tribe”, etc.

Key investments for business growth are the development and protection of the brand image, offering experiences, environments and product innovations which align with the core **brand** purpose.

**Brands** execute well in their own brand-controlled environments (wine tasting rooms, brewery taprooms). Management of the message, service and overall experience with the **brand** are key.

The **brand** “controls” the distribution and marketing of the products. Similar to **marketers**, the consumer “controls” the adoption and propagation of the message. **Brands** are built and sustained by loyal customers who further extend their message through ambassadorship.

Product quality, portfolio and innovation strategies are driven by **brand** purpose, aligned to the response from and development of a loyal customer base.

**Brands** seek LOYALTY & LONGEVITY.

### Example **Brands**:





## Are you a Producer, a Marketer or a Brand?

<b><u>Producer</u></b>	<b><u>Marketer</u></b>	<b><u>Brand</u></b>
<i>Purpose: Quality</i>	<i>Purpose: Volume</i>	<i>Purpose: Connection</i>
Producers invest first in their products	Marketers invest first in their competitive advantage	Brands invest first in their brand expression and experience
<i>Consumer benefits:</i> Earned access, education, quality	<i>Consumer benefits:</i> General access, value, convenience, entertainment	<i>Consumer benefits:</i> Aspiration, inspiration, self-actualization
Producers protect the authenticity and integrity of their products	Marketers protect the messaging and distribution of their products	Brands protect the experience and integrity of the brand
<i>ROI: Reputation &amp; Recognition</i>	<i>ROI: Demand &amp; Expansion</i>	<i>ROI: Loyalty &amp; Longevity</i>