Constellation Brands: Social Media Audit

Dylan Ries
MKTG 454
California State University San Marcos
Industry

This social media audit is focused on two brands owned by Constellation Brands Inc. On the about us page of their website, they are described as a leading international producer and marketer of beer, wine and spirits with operations in U.S, Canada, Mexico, New Zealand and Italy. The industry can be further defined by the NAICS codes associated with it.

- 424820 - Wine and Distilled Alcoholic Beverage Merchant Wholesalers
- 424810 - Beer and Ale Merchant Wholesalers

For the purpose of this report, beer and ale are more relevant considering the following brands included in this audit. Ballast Point Brewing Co. serves the craft beer market while Pacifico is an imported light beer. Constellation brands commands a significant market share, approximately 5% in the entire US. (Petrillo, 2016). Barriers to entry are high and as a result competition is low when viewing the industry as a whole. Looking specifically at the craft beer segment, competition is more regionally focused, but still relatively low. While there are differences between the target audience and the value they derive from Ballast Point and Pacifico, it is important to remember that the product is still simply beer in both instances.

The social media strategy for companies involved with the production and/or sale of beer tends to include posting visually stunning and appealing content on Instagram and Facebook, while posting some of the same content on Twitter and also using it to engage more effectively with their communities. The two companies analyzed in the following sections utilize different strategies, which ultimately results in focusing resources to one platform over another. While imported beer, like Pacifico, has remained fairly uninteresting to the digital world, craft beer has been growing in interest over the past 5 years, as illustrated in the Figure 1 Google Trends graph. Figure 2 provides a visual representation of popular social media platforms being used for beer-related searches.
Ballast Point Brewing Company

Established in 1996 and acquired by Constellation brands near the end of 2015 for close to $1b, Ballast Point produces high quality, premium craft beers which are sold in over 30 states. Its premium position commands a premium price, generally the most expensive in the liquor store or grocery store priced around $17 for a six pack of 12 oz. bottles. This premium image has to be maintained in their social media presence, or they risk damaging the positive perception of the brand. Links to their Facebook, Twitter and Instagram can easily be found in the footer of their website. The company produces unique flavors and often shares new creations on social media.

Due to their position in the market, Ballast Point’s target consumers are willing to spend more for a higher perceived value. The name and artwork also significantly associate the brand with ocean life, and further target consumers who enjoy environments like San Diego, where Ballast Point was founded. Consumers generally purchase Ballast Point products in grocery stores, liquor stores, bars, and restaurants. The same environment where consumers can buy their competitors’ products, not including Ballast Point restaurants. The company is also involved with producing craft spirits and selling home brew equipment, although beer has been the driving force.

Cerveza Pacifico Clara

Constellation Brands Inc. became the 100% owner of Pacifico after acquiring Crown Imports LLC in June of 2012. Although perceived lower quality than Ballast Point, Pacifico still retains a somewhat premium position in the market due the positive perception of imported goods being more valuable. Pacifico does not command a price like Ballast Point, but generally sells for under $12 for the same six pack.

This company has a very strong brand story associated with it which offers some direction to who the target market actually is. From their website, Pacifico is described as being established in 1900 in the town of Mazatlan. In the 1970’s it was discovered by traveling surfers from Southern California, who began importing the beer in their surf vans while still enjoying the hidden surf spots along the way. Clearly the target market is focused toward those who are young, adventurous, and also enjoy a sense of discovery. Other target markets exist, like the nostalgic older market who remembers taking surf trips just like the first importers of Pacifico did. It is a sense of belonging to the in-group that Pacifico has creatively taken advantage of.

On their brand website, Pacifico promotes their Instagram and Facebook pages, but not their Twitter page, and we will see why in this audit. This seems logical considering Figure 2 and the decline of Twitter relative to Facebook and Instagram as platforms for discovering beer brands.

Platform Analysis

The following sections will analyze each brand’s social media presence, categorized by platform.
Facebook Audience Trends

As a platform with a wide reach of various types of consumers, it is important for both brands to establish themselves here. Judging solely by likes, Pacifico has a greater presence, but looking deeper into engagement and quality of content will show Ballast Point has a stronger social media presence overall. On September 19, 2016, Ballast Point had 135,661 likes, while Pacifico had 458,559 likes. Pacifico’s dominance in audience size is a product of focusing on Facebook as the brand’s social media platform. Their audience sizes on other platforms are significantly smaller than Ballast Point’s on the same platforms. The general goal for brands thinking about their audiences, is to grow the size of the audience over time. Over the past few weeks, we can see Ballast Point has been growing while Pacifico has actually declined. Figure 3 shows a trend line for audience size, with the left Y-axis applying to Pacifico’s likers and the right applying to Ballast Point. The graph allows for a better visual representation of both brands followers over time. A clear and consistent strategy from Ballast Point allows them to grow their audience at a fairly consistent rate, whereas Pacifico is more volatile because of their lack of strategy and consistency in their posting.

Instagram Audience Trends

At the beginning of this audit both brands had an established presence on Instagram. Pacifico began with 19,975 follower while Ballast Point had the advantage with 151,874 followers. Over the period of several weeks Pacifico was able to grow their Instagram audience by about 1.5% while Ballast point realized audience growth close to 2% during the same time. The small spike present in both Facebook and Instagram may be attributed to a campaign to promote September 28th as National Drink a Beer Day. Although Pacifico did not capitalize on the opportunity to post content related to the day, Instagram users posted content while tagging Pacifico which organically drives traffic to their page and ultimately results in accumulating more followers. The same can be said about strategy here as previously.
Twitter Audience Trends

This is where the greatest differences can be seen. Starting on September 19, 2016, Ballast Point had a total of 81,682 Twitter followers and an active looking profile page. Pacifico had only 263 followers as it had not been a major platform for their marketing strategy, instead focusing primarily on Facebook, then Instagram. It is more of the same consistency from Ballast Point that allows them to grow their audience, but the audience growth for Pacifico can be attributed to random luck, at least for Twitter.

Ballast Point – Content That Worked

Most of Ballast Point’s content on Facebook gets between 100 and 500 likes, depending on the time posted, the content, and a number of other variables. However, several posts were able to far exceed that amount of likes. I examine what it is that makes these pieces of content more special than the others and offer possible reasons as to why they were successful at facilitating engagement.

These two posts receive significantly more likes than other posts. The unique factor is very high with each of these posts too. Both are newer products that are soon to be released, which gives the consumer a feeling of having inside information and enhances the experience.
The first picture provides cool artwork, a new flavor to check out, and where it will be available. The post connects with the followers who make up a large portion of craft beer drinkers, those who are interested in always trying new beers. The second post also connects on this level, but contains more authenticity and eases people’s ability to identify with the content and like it. The fact that it was raining on the day it was posted, and that many people enjoy a cup of hot coffee on those kinds of days, come together to create a post that is successful in engaging their followers. The last example for successful content on Facebook is the picture to the right. It is simply a high definition picture of Ballast Point’s most popular beer. Sculpin is probably what the majority of their followers think of when associating things with Ballast Point, which again makes the content easy to identify with. One commenter is a loyal consumer who praises Ballast Point for their most popular creation.

On Instagram, Ballast Point receives roughly 3,000 likes per picture. One picture in particular was able to double that number. It was the same picture and caption as the second Facebook photo previously shown. The picture showing off the new Mocha Marlin beer received 6,300 likes and was commented on 523 times. Instagram is Ballast Point’s most engaging platform, judging by likes divided by followers.

Ballast Point was able to post engaging content on Twitter as well. The first was a special occasion where Ballast Point was honored by City of San Diego for their 20th anniversary of doing business in the city. With the amount of craft breweries that have started in the past 10 years, it is a major advantage for Ballast Point to be able to tout their years of experience creating great beers. Their followers see that and respect it, which led to 122 likes and 21 retweets. Another photo that did better than the usual 40-60 likes was something many followers could identify with. As the post describes, many people, who move away from San Diego, miss being able to drink fresh Ballast Point beers. It shows the dedication their followers have to the brand and encourages others to act on that idea they may have had, to bring home several cases of one of San Diego’s best craft beers.
Ballast Point – Content That Didn’t Work

Although fairly successful with their content, there were instances where the content did not work as well as I would have expected. I can offer some insight as to why the following content was not as successful as it could be. This first image, posted on Facebook, on the first day of fall. An important season for breweries, who are dependent on agricultural supply. It is likely that many of their followers are simply unaware that it was the first day of fall, and therefore miss out on part of the joke. Another possibility for the lack of engagement with this photo is the connotation around a pile of beer bottle caps. There is a faint association with alcohol abuse, which turns people off to liking this.

There is one instance of Ballast Point’s content not performing well on Instagram. It is somewhat surprising too, considering the video is informative and interesting. However, being a video may be the biggest negative associated with it. Historically, followers have responded more favorably to Ballast Point’s pictures, compared to videos on Instagram. It is not that the content failed altogether, but rather was not as successful as it could have been.

On Twitter, Ballast Point was unsuccessful when posting a video. Again it was about wet hop beers and was fairly informative and interesting to me. However, their followers did not respond with likes or shares. I’ve come to the conclusion that videos simply do not see the same engagement as pictures. They require too much time for followers to watch, where a picture can be consumed in fractions of a second.
Pacifico – Content That Worked

Pacifico was able produce content that drove engagement with their audience and target market. First, on Facebook, the authenticity of the brand is on display through an image that captures the beach, a cold Pacifico, and surfing. The partnership with a major surfing contest like the Hurley Pro at Trestles immediately positions the brand alongside an influential event. The image is easy for the target market to identify with and wish they were there.

This image is not particularly high definition, but Instagram users still enjoy it enough to like it. It fits well with a brand that doesn’t feel the need to prove itself. Even the tweet that accompanies the photo has the tone of not caring about the trends, but actually knowing what you like and getting that instead. The photo captures the main theme surrounding Pacifico’s marketing, which is to keep exploring and discover something great.

The last example comes from Pacifico’s Twitter. Although it is not a significant portion of their total social media presence, with only 270 followers, there is an effort to maximize the impact of positive tweets about the brand. The following tweets were posted by regular Twitter users, then retweeted by Pacifico to acknowledge the positive comment and further promote the beer through word of mouth claims instead of Pacifico themselves making these statements. The following are only a few examples, this is really the only way Pacifico is promoting and engaging on Twitter.
Pacifico – Content That Didn’t Work

This photo was posted in the comment section of a post by Pacifico and was displayed prominently as one of the comments shown out of 101 comments on the post. It is clearly not Pacifico’s fault that this was posted, because people are going to have their own ideas about alcohol regardless. However, someone should take this comment down in order to avoid negative sentiment being openly seen by others coming to Pacifico’s Facebook profile.

On Instagram, Pacifico tried a little too hard with this photo. It is high definition and definitely aligns with the surfer theme the brand has used to position themselves, but it did not see high levels of engagement. Perhaps the photo seems too scripted, and also is somewhat taboo in surfing. It is not a good idea to take photos of “secret spots” because the locals will get upset. Perhaps the biggest problem with this image is that there is no Pacifico in it. There could have been one bottle sticking out of the sand, but even that was not done. Most of their other photos include a delicious looking beer, but this one is an exception.

As a whole, Pacifico’s Twitter presence is not working very well. Aside from being able to retweet positive statements, there is not much being done to actively produce or share content.

Marketing Tactics Used

Both brands were using all three social media platforms examined in this audit, but the way their audiences were distributed reflects the strategy in place by their social media marketers. The majority of content posted in this industry revolves around images. For this reason, Twitter is the least popular for both brands.

Ballast Point has a fairly evenly spread presence on Facebook, Instagram, and Twitter. This justifies their daily, sometimes twice a day, posting on Facebook and Twitter. Their images are often user submitted and contain a beer, of course, and a beautiful nature shot. They post less frequently on Instagram, about every two or three days. As previously mentioned, their social media use is most engaging when it provides purchasing information and an image of new beer flavors and varieties. There is also a high affinity for the classic Sculpin IPA and any images
showcasing it. Ballast Point is very consistent with their posting and it is clear that they have a strategy in place to grow their audience.

Pacifico has prioritized their social media presence. First, their Facebook presence, where all of their content is posted including videos, images, and status updates. They are much less consistent than Ballast Point in their posting. Pacifico will seemingly post whenever they feel like it. Their next priority is Instagram, where much of the same content is posted again, giving no incentive for users to follow both on Facebook and Instagram. Their posts are inconsistent, coming once or twice a week. The posts are usually user submitted, unless there is an event coinciding with the time period for the post. A good example of this happening would be during the Hurley Pro surf contest, when several posts were in regards to the event.

Best of the Industry

Between the two brands examined, Ballast Point is best of the industry. There is a clear strategy in place with an audience that is growing and engaging with the content being posted.

The main quantitative measurement used to determine the better competitor was audience growth. Ballast Point grew their overall audience by nearly 1.1% while Pacifico’s overall gain was close to 0.06%.

The consistency and regularity in posting, along with an actively participating community make Ballast Point the better social media marketer. This is where the decision becomes more qualitative. Ballast Point’s content was more appealing and better suited for social media. The effort they have put in to maintain a consistent brand across social media has shown and it comes off as authentic to their followers.

Utilizing their existing strategy, Ballast Point will continue to expand their social media presence, collecting followers and likes on these three important social media platforms. Their content serves to remind, inform, and tempt their followers while also establishing Ballast Point as the greatest craft beer on the market.

Works Cited
