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Craft Beer Consumers' Lifestyles and Perceptions of Locality

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Craft beer consumers' lifestyles and perceptions of locality

Introduction

Craft beer, while holding slightly over 12% of the U.S. beer market share by volume, enjoyed drastic growth in recent years. According to the Brewers Association (2015), there was at least a 13% growth in the number of barrels produced each year since 2010. In 2014 alone, 547 new breweries opened, bringing the total number of craft breweries in the U.S. to 3,418. The growth of U.S. craft breweries resulted in having 1.51 breweries per 100,000 adults of legal drinking age. However, even with the growing dispersion among the population, many consumers are still confused by the concept of a craft brewery.

The Brewers Association (2015) defines a 'craft brewery' as a brewery with an annual production under 6 million barrels. The Association further splits craft breweries into four types: microbreweries (production under 15,000 barrels, and must have at least 75% of production sold offsite); brewpubs (production under 15,000 barrels, and must sell a minimum of 25% of beer onsite); regional craft breweries (production between 15,000 and 6,000,000 barrels, and usually distribute their beer throughout several states); and contract brewing companies (produce, bottle, package, and send beer to the base brewery, but do not market, sell, or distribute their production).

One of craft beer's biggest selling points is the local, hand-crafted nature of the beer. With the average production of U.S. craft breweries being only 6,900 barrels (which is skewed higher due to larger regional breweries), most craft breweries fundamentally depend on consumers' desire for local products (Hede & Watne, 2013). Previous research found that consumers indeed are willing to pay a premium for locally produced agricultural products (Carpio & Isengildina-Massa, 2009). However, preferences for locally-grown products tend to

correlate with preferences for organic production, and it is not quite clear how far the desire for locality alone extends.

The craft beer industry uses various aspects to market locality. However, there is minimal literature on consumers' perceptions of local craft beer and the role that locality plays in consumers' purchasing decisions. By studying consumers' perceptions of locally brewed beer, this research aims to gain a better understanding of consumers' purchasing motivators. Additionally, consumers' lifestyles were shown as important determinants of consumer behavior and purchasing decisions (Orth, McDaniel, Shellhammer, & Lopetcharat, 2004). Using the concept of lifestyle craft beer consumers' segmentation, this research investigates attitudes and purchasing motivators for different groups of craft beer consumers.

Literature review

Sense of place

This study uses the conceptual framework of sense of place, focusing on the place attachment and place identity aspects. Sense of place is defined as a "personal means of relating to the world" (Hay, 1988, p. 160). It transforms mere space into one's personal place; the place to which a human belongs, which contains more than administrative boundaries. Places can exist in a symbolic or physical manner, and present themselves in a variety levels (Kaltenborn, 1997). A person's place may entail their home, neighborhood, community, state, or nation. An individual's perception of these places may be positive or negative, and is largely dependent on the individual's collective life experiences, and the influences of the social groups with whom they associate (Eyles, 1985). An individual's perspective can change considerably based on the type of living conditions and place setting in which they reside (e.g. rural or metropolitan). These

factors contribute to developing an individual's sense of place, which dictates how an individual relates to the environments in which he/she lives (Shumaker & Hankin, 1984).

A key aspect of the sense of place is the role that an individual's place of residence takes in their life, beyond just being a shared space (Hay, 1988). As people develop more intricate relationships with a place, they tend to become an active part of that place rather than merely residing there. By extension, this gives them a stronger sense of attachment to local businesses, an increased desire to support their neighbors, and motivation to maintain their natural surroundings. As longer periods of time pass, the sense of belonging to a place can develop from a bond that simulates an immediate sensory delight, to an anchor of one's personal identity (Hay, 1988).

There are three main constructs that comprise the sense of place theory: place attachment, place identity, and place dependence (Jorgensen & Stedman, 2001). This study will primarily focus on place attachment and place identity. Craft beer is not pertinent to an individual's dependence on a particular place, since the product under investigation is not considered a necessity.

Place attachment is often described as the positive affective bond created between people and their environment (Hidalgo & Hernandez, 2001; Williams, Patterson, Roggenbuck, & Watson, 1992). This can extend beyond a physical location (which often constitutes place attachment) into the symbols of a specific place (Kaltenborn, 1997). With much of the craft beer production being at a state level, there are strong associations between breweries and their locations. These associations may cause local craft beer to become symbols of the area, in the same way that certain agricultural products are such symbols (e.g. Georgia Peaches, Maine

Lobster, and Idaho Potatoes). From the consumer standpoint, purchasing of craft beer may be motivated by attachments to the place where the beer is produced.

Whereas place attachment entails an individual's positive connection with a place, place identity focuses on the relationship between people and their environment (Uzzell, Pol, & Badenes, 2002). Place identity is often considered the most direct contributor to sense of place, since it is largely based on personal interpretations of events that occurred in that place (Rubinstein & Parmalee, 1992). These personal interpretations often lead to the positive bond that people feel toward a place, leading to place attachment. So, place identity acts as the catalyst to the development of sense of place. Combined with Proshansky, Fabian, & Kaminoff's work (1983) indicating that place identity also influences preferences and behavioral tendencies, place identity may potentially influence how consumers make their purchasing decisions of local products.

The current study develops a case for craft beer contributing to sense of place. Specifically, it evaluates consumers' purchasing drivers for craft beer in association with their perceptions of locality. The study will also examine if certain behavioral cues (lifestyles) differentiate one's attachment with the place.

Local production

Darby, Batte, Ernst, and Roe (2008) claimed that locality of production can be the main purchasing motivator, independent from other factors, such as a desire to buy fresh or organic products. The researchers further noted that state lines often act as natural boundaries for consumers' perceptions of local production. While previous research dealt mostly with fresh agricultural products that are grown, sold, and consumed in the same location, only a few studies focused on locally-produced goods, made from non-locally grown ingredients (Hu, Batte,

Woods, & Ernst, 2012; Baginski & Bell, 2011). Craft beer is a local product that acquires ingredients from non-local sources. Thus, consumers' perceptions of craft beer locality may not be the same as for other agricultural products.

In their study of locality, Hu *et al.* (2012) used blackberry jam as an example and found that typically consumers would pay more for a national brand than a store or regional brand. However, if the item was labeled as a 'product of small farms', consumers were more willing to purchase that product. Moreover, they were willing to pay on average 31 cents more for the product if it was labeled with the smaller region within a state, compared to the state-only label.

Schnell (2013) found that a local product has less to do with the distance from the source of the food to the consumption point, as it does with the connections between consumption and production. Therefore, by rooting production in a specific place, consumer experiences are shaped in a way that establishes a strong connection with that place. With many local breweries identifying themselves with smaller communities, rather than the entire state, it is worth investigating if craft beer shares the same local boundaries as other agricultural products, and if the motivations for buying local craft beer products enforces an attachment to the place.

Since craft breweries' production is usually too small to reach larger markets, these breweries often have strong relationships with the places in which they are located. To promote themselves effectively within the local markets, craft breweries often align themselves with local heroes, prominent historical figures, and local landmarks (Hede & Watne, 2013). They make these alignments through the name of a beer or the brewery itself, or designing labels to portray the local context. By using these strategies, breweries are striving to 'humanize' their brands and provide a sense of place to all consumers – including non-locals - due to the story and imagery the branding conveys. To reinforce the humanization of their brands, craft breweries also tend to

be highly involved with their local communities. They often participate in local festivals, volunteer at local organizations, and donate to local philanthropic endeavors (Kleban & Nickerson, 2012). It is interesting to investigate the reciprocal side of these relationships – that is, whether consumers feel that by buying locally produced craft beer, they support the local economy. The current study will examine this issue.

Lifestyles

To target consumers effectively, companies often segment their consumers based on a variety of characteristics. Segmentation criteria are usually based on consumption behavior, demographic data, and psychological attributes; the latter being used with increased frequency. Of the psychological attributes, lifestyle is proficient in identifying consumption and behavioral patterns, as well as purchasing decisions (Zepeda & Nie, 2012; Vyncke, 2002).

Using lifestyle as a segmentation criterion was shown to be effective in studies of beer, wine, and spirits consumption (e.g., Lesch, Luk, & Leonard, 1991; Orth *et. al.*, 2004). While Orth *et al.* (2004) examined craft beer consumers' lifestyles, their research did not consider the local aspect of craft beer or occasion consumption behavior, both of which are considered in the current study. With lifestyle being a significant predictor for consumer preferences for other alcoholic beverages, it is worthwhile to examine whether consumer lifestyles are indicators for local craft beer purchasing motivations, as well as craft beer consumption behavior.

Purpose of the study

With a dearth of previous research on the perceptions of locality for craft beer, it deems necessary to examine what motivates consumers to purchase local craft beer. Furthermore, there is a void in research on craft beer consumer profiles – both for basic demographic profiling, and for more advanced segmentation, such as lifestyles. Thus, the purpose of the current study is to

a) develop a profile for craft beer consumers, b) determine consumers' perceptions of locally produced craft beer, c) determine lifestyle groups among craft beer consumers, and d) evaluate the similarities and differences among the different segments of craft beer consumers.

Research questions

To fulfill the purpose of the study, the following research questions were advanced:

RQ₁: What is the profile of craft beer consumers?

RQ₂: What are consumers' perceptions of locality for craft beer production?

RQ₃: What lifestyles are most prevalent among craft beer consumers?

RQ₄: What are the similarities and differences in consumption behavior and purchasing motivations among different groups of craft beer consumers?

Methodology

Data collection

Data were collected via a self-administered structured survey, programmed in Qualtrics. Oklahoma was selected as the location for data collection due to the emerging craft beer industry in the state, which currently has a 416-million-dollar economic impact and is producing 34,381 barrels of craft beer annually (Brewers Association, 2015). Furthermore, since 2011, Oklahoma has a minimum of 4,000-barrel increase in production each year, including a 10,000-barrel jump from 2014 to 2015. Thus, the state residents have relatively high exposure to craft beer. The data were collected via tablets at the Oklahoma Craft Beer Festival in June 2016.

Sample

The sample was composed of the festival attendees. Consumption frequency of craft beer was used as a screening question to eliminate respondents who never consumed craft beer or consumed it very rarely. A total of 207 usable surveys were collected and used for analysis.

Instrument

Craft beer *consumption behavior* was measured using items adapted from wine literature (e.g., Velikova, Charters, Bouzdine-Chameeva, Fountain, Ritchie, & Dodd, 2015). For *perceptions of locality*, one measure was borrowed from Denver and Jensen (2014), where locality was defined by various administrative boundaries (city, county, state lines, region, and country). For the second measure of locality, respondents were asked what distance (in miles) from the craft beer place of production to its purchase point they would consider acceptable for the beer to be called 'local'.

Measures for the *motivators for local beer purchasing* were adapted from a study on consumer preferences for local and organically produced apples (Denver & Jensen, 2014), namely, "a desire to try new products", "a desire to try something local", "a desire to try something not available where they live", "to support the local economy", feeling that locally brewed beer is "a better value", "better for the environment", and "is something hand-made". Items were measured on five-point Likert scales, ranging from 1 = strongly disagree, to 5 = strongly agree.

The *lifestyle* measures, comprised of thirty-one items, were adapted from a combination of the VALS measures and the values lifestyle categorization (Kahle, Beatty, & Homer, 1986; Mitchell, 1983), also measured on five-point Likert scales. Finally, *socio-demographic* measures included questions on state of residence, age, annual household income, gender, ethnicity, and education level.

Data analysis

Descriptive statistics were used to examine the profile of the sample. Lifestyle measures were factor analyzed; and cluster analysis was then utilized to segment the sample into lifestyle

groups. Crosstabs were applied to determine differences and similarities among the lifestyle clusters; and analysis of variance (ANOVA) was used to examine the differences in purchasing motivators between the groups.

Results

Sample description

The sample was a bit skewed towards males (60.9%). Respondents were primarily Caucasian (87%), with the next highest ethnicities being Native Americans and Hispanics at 4.3% each. The vast majority (95.1%) of respondents were Oklahoma residents. About two-thirds were under 40 years old. Respondents were highly educated, with 78.3% having earned either an undergraduate or graduate degree. Only slightly over 20% made less than \$40,000, and 37.1% had an annual household income over \$100,000.

With data collection occurring at a craft beer festival, it came as no surprise that 79% of the respondents chose beer as their most often consumed alcoholic beverage. Over 60% drink craft beer at least once a week, with 17.9% indicating they consume craft beer daily. Full results for the demographics and consumption behavior of the sample can be found in

Table 1.

Insert

Table I about here

Perceptions of locality

Over two-thirds of the respondents chose 'brewed in the same state' as their perception of a locally produced beer; and an additional 26.6% chose production areas smaller than state-wide. Respondents were further asked to use a slider (0-600 miles) to mark how far from the selling point a beer could be brewed and still be considered local. The mean mileage was 140 miles, and the median fell at 121 miles. This lines up fairly well with the categorized production territories, as the mileage from the place of data collection to the state line averaged approximately 142 miles.

Lifestyle factors

An exploratory factor analysis with a Varimax rotation was used to analyze the lifestyle measures, resulting in an eight-factor solution. Items that did not load at the acceptable factor loading level of .50 were removed from further analysis. Based on the evaluation of items loading under each factor grouping, the factors were labeled as shown in Table II. The eight factors accounted for 56.37% of the total variance.

Insert Table II about here

Cluster analysis

The K-means clustering algorithm was applied to classify the respondents into clusters. A five-cluster configuration was regarded the most appropriate, as the group sizes were substantial and comparable, and seemed to show differences in perceptions of locality and purchasing motivators. After a closer examination of the average means for the lifestyle factors for each cluster (as shown in Table III), they were titled: *Adventurers*, *Preservers*, *Conservatives*, *Learners*, and *Tradesmen*.

Insert Table III about here

Examination of clusters

Demographics

Gender and ethnicity were the only two demographic variables to show significant differences, and thus reported here. Gender differences ($\chi^2 (6, N = 207) = 20.836, p < .05$) were most evident in the *Conservatives* and *Tradesmen* clusters. The *Conservatives* were the only group to have a higher number of females than males, with a 60:40 ratio that was approximately inverse from the overall sample distribution. There were no women in the *Tradesmen* cluster, which may be largely due to the lifestyle items relating to manual labor and working with machines, historically a higher draw to males than females.

Significant differences in ethnicities ($\chi^2 (10, N = 207) = 34.001, p < .05$) may be attributed to the fact that the *Adventurers* group had the highest percentage of Hispanics, African Americans, and Asians. On the other hand, the *Conservatives* group were a much higher percentage of Caucasians at 95%, with only two respondents of different ethnicities. Although the smallest cluster, the *Tradesmen* had the highest percentage of American Indians at 11.1%.

Consumption differences

While all the clusters identified craft beer as the most often consumed alcoholic beverage, the results of cross-tabulation revealed that the clusters significantly differed in their preferences for alcoholic beverages in four consumption environments – home consumption, a gathering with friends, restaurant, and bar consumption.

Differences in the home consumption environment ($\chi^2 (16, N = 207) = 31.157, p < .05$) may be explained in large part by the *Conservatives'* and *Adventurers'* propensity to drink wine at home. These two groups comprised 68.5% of the sample that choose wine as a preferred drink

to be consumed at home, whereas no one in the *Tradesmen* cluster chose wine for this consumption environment. *Adventurers* had the highest number of respondents who preferred to drink spirits at home. The *Learners* were significantly above the sample average with the majority choosing craft beer for home consumption. Less than one-third of the *Tradesmen* and less than a quarter of the *Preservers* chose traditional beer for home consumption, while the rest of the sample showed less preference for consuming traditional beer at home.

For a gathering with friends, ($\chi^2 (16, N = 207) = 28.047, p < .05$), the *Learners* stood out, having 32 members (out of 40) choose craft beer. Once again, the *Adventurers* had the highest number of respondents choosing spirits. The *Preservers* were the most likely to go with traditional beer, with almost a quarter of this group choosing it.

In the restaurant consumption environment ($\chi^2 (16, N = 207) = 36.159, p < .05$), the *Conservatives* and *Adventurers* preferred wine, while the *Tradesmen* and *Learners* chose craft beer. For bar consumption, significance differences ($\chi^2 (12, N = 207) = 26.450, p < .05$) may be attributed to the *Adventurers'* and *Preservers'* preferences for spirits. The *Learners* were again the most prominent craft beer consumers.

Purchasing motivators for locally produced beer

A one-way ANOVA was utilized to examine what motives consumers with different lifestyles to purchase local craft beer. Of the seven purchasing motivators tested, four showed significant differences among the clusters: 'supporting the local economy' $F(4, 202) = 5.12, p = .001$; 'desire to try something new' $F(4, 202) = 4.70, p = .001$; 'desire to try something local', $F(4, 201) = 3.15, p = .015$; and 'it's better for the environment' $F(4, 192) = 2.83, p = .026$.

The *Preservers* and *Tradesmen* were similar in their attitudes toward the 'supporting the local economy' motivator, giving significantly less importance to this factor than the

Adventurers and *Learners*. The *Preservers* were least driven by the desire to try something new, while the other four clusters were highly motivated by the novelty factor when buying craft beer. Likewise, the *Preservers* attributed significantly less importance to the desire to try something local. *Tradesmen* and *Conservatives* were similar to each other in viewing environmental consciousness as less important, while *Learners* and *Adventurers* viewed it as slightly more important.

Insert Table IV about here

Discussion and implications for the industry

The study aimed to add to the body of knowledge about craft beer consumers by developing consumer profiles and examining attitudes and purchase motivators of craft beer consumers with different lifestyles.

Demographic profile (RQ₁)

Previous research indicated that craft beer is a predominately male market (Murray & O'Neill, 2012). Gender distribution in this study was about 60% males and 40% females. As previously indicated, the craft beer market is growing rapidly. This leaves room for the possibility that a significant part of the growth is due to females turning to craft beer, instead of cocktails or wine. Secondly, due to the nature of the data collection, a certain percentage of women may have accompanied their male partners, or friends, to the beer festival. Still, this study indicates that more females are now geared towards craft beer. We suggest that the industry pays closer attention to female craft beer drinkers.

The sample being highly educated was unsurprising, as previous studies showed that craft beer consumers possess higher levels of education (Baginski & Bell, 2011). The age distribution, with the majority falling between 21 and 40 years, was also consistent with previous research.

This study found that craft beer appeals primarily to higher income individuals; so the industry might want to focus on more affluent areas to market, host events, or even build a brewery in those markets. Overall, craft beer consumers tend to be younger, mostly males, highly-educated, and with the higher ranges of annual household income. This demographic profile is suggested as the main target market for the industry.

Perceptions of locality (RQ₂)

When it comes to agricultural products (including wine), there is no single definition of 'locality'. The issue with discussing locality with reference to craft beer is that beer is made from ingredients that can only be sourced from certain areas in the world (e.g. hops are primarily grown in the Pacific Northwest). With over two-thirds of the respondents perceiving local craft beer to be produced in the same *state* where it is consumed, it is reasonable to assume this can be extrapolated to a more general agreement on consumer viewpoints of craft beer locality. These perceptions of locality were fairly consistent with previous research on products with a sense of place (Denver & Jensen, 2014; Hu *et al.*, 2012). The results of the current study contribute to the justification of using state lines as a definition of locality in terms of craft beer.

Lifestyle profiles (RQ₃)

Based on the lifestyle factors that respondents most identified themselves with, five clusters of craft beer consumers emerged: *Adventurers*, *Preservers*, *Conservatives*, *Learners*, and *Tradesmen*.

The *Adventurers* were the most prevalent lifestyle grouping. Due to their desire to seek variety, novelty, and a high aversion to stability, it is unsurprising that they constitute the largest group of craft beer consumers. The craft beer industry should focus on consumers with these lifestyle characteristics as they value variety, not only in the different styles of beer available, but

also in the different producers that are accessible. The novelty component of the lifestyle group may also be satisfied by limited releases and ‘rare’ beers that are available only in particular establishments or communities. This is also the group that contained the most millennials, further supporting the evidence that millennials are the largest driving force behind the growth of craft beer. Due to the prevalence of this lifestyle cluster, and the behavioral cues that causes craft beer to appeal to them, industry professionals should consider this segment as their target market.

Although the *Preservers* preferred beer for all consumption environments, the locality aspect of the beer did not appeal to them. This group had the highest stability score on the lifestyle measures and the lowest scores for variety and novelty seeking factors. These consumers are most likely to be the target market for the larger, regional craft breweries that have their product widely available.

The only cluster to have more females than males was the *Conservatives* group. These consumers scored highly on ‘novelty’, ‘thrill seeking’, and ‘variety seeking’. It is not surprising then that their main purchasing motivators for craft beer was a desire to try something new and something local. With the growing number of women being interested in craft beer, the industry needs to develop marketing messages to appeal to the *Conservatives* group by focusing on originality and uniqueness of craft beer.

The *Learners* group were the most consistent consumers of craft beer in all consumption environments; and they were adverse to drinking traditional beer. This could be due to their high scores on the ‘intellectual,’ and ‘variety seeking’ factors. This group also placed high values on the local purchasing motivators overall, and especially on supporting the local economy and environmental consciousness. This lifestyle cluster would be the most appropriate target market for the smaller, local craft breweries.

The least populous group was *Tradesmen*. The unique nature of craft beer was not appealing to these consumers. Combined with their high 'stability' scores, it is reasonable to assume that most people with these lifestyle characteristics are primarily traditional beer drinkers, due to the consistent and reliable nature of those products. While it was the smallest cluster, and may not seem yet open to the craft beer market, the industry could put forth an effort to appeal and connect to the *Tradesmen* by sponsoring events that would draw that lifestyle (e.g. car shows, woodworking expositions).

Lifestyle groups differences and similarities (RQ₄)

Two demographic differences stood out: gender and ethnicity. The *Conservative* group was the only one that had more women than men. The other deviation was the *Tradesmen*, where the entire cluster was male. This was unsurprising as the defining feature of that cluster was the 'tactile' factor, entailing several blue-collar type of activities that historically are male-dominated.

The ethnicity differences were largely represented in the *Adventurers* cluster, which contained African American and Asian respondents. This is possibly due to the fact that the *Adventurers* group was drawn more to variety, so it would be expected that ethnic diversity was a part of that as well. The *Conservatives* cluster had the lowest level of diversity, with the vast majority being Caucasian consumers.

For consumption behavior, most respondents chose beer as the most frequently consumed alcoholic beverage. This was unremarkable since the data collection occurred at a craft beer festival. The differences began appearing with the choice of consumption environments. Overall, the *Learners* were more prone to choose craft beer in any consumption environment. The *Adventurers* were the most averse to consuming craft beer in any environment; instead, showing

an inclination for spirits consumption. This may be indicative of the development of craft cocktails made with locally produced spirits and other ingredients, as a competitor with craft beer. This may satisfy the desire to try something local while still having a high novelty value. The *Preservers* and *Tradesmen* were predominately beer drinkers. With both clusters preferring stability, it is likely that they stay with a limited number of preferred craft beers that they almost exclusively drink, or they revert to drinking traditional beers. The *Conservatives* consistently preferred wine in every consumption environment, which is understandable due to the highest representation of women. However, they also showed preferences for craft beer in three consumption environments, showing potential for craft beer drinking among female consumers. The craft beer industry may appeal to this group through developing more beers that draw females to transition from wine to craft beer. Possibly producing more mild fruit-forward beers, or by using seasonal selections, would achieve this goal.

Looking at purchasing motivators for local craft beers, the desire to try something new, and the desire to try something local were the two most important purchase drivers. However, some differences were found among clusters. The *Preservers* were the least motivated by the desire to try something new or something local. Since the *Preservers* prefer routine and are opposed to novelty and variety seeking, it makes sense that they would have little inclination to try new or locally-made products. Due to the *Tradesmen*'s propensity to stability, their inclination to try something new was somewhat surprising. This may be a result of their high variety-seeking score and high income levels, which would allow them to try new beers freely and without perceived financial risks.

Other differences included the *Preservers* and *Tradesmen* having a much lower inclination to support the local economy than the other clusters. Given their indifference in

supporting the local economy and their aversion to buying local products, it is reasonable to assume that the *Preserver* and *Tradesmen* segments are not the target consumers for the local craft beer movement. Since the *Tradesmen*'s defining factor is working with their hands, it stands to reason that they contribute to local economies. This makes it surprising that they are not compelled to support the local economy through purchasing local beer. The *Tradesmen* also had a lower environment motivation for drinking craft beer, especially when compared to the *Learners* and *Adventurers*. There are numerous studies showing that education is tied to environmental awareness (e.g., Aminrad, Sayed Berni, & Hadi, 2011; Diamantopoulos, Schlegelmilch, Sinkovics, & Bohlen, 2003), so the differences between the clusters could possibly be due to differing education levels, as the *Tradesmen* were the least educated group, whereas the *Learners* and *Adventurers* were the two most highly educated groups.

In summary, this study finds that lifestyle groupings are an effective way to segment the craft beer consumer market. Table V summarizes the similarities and differences among the clusters in terms of demographic profiles, various alcoholic beverages consumption behavior, and craft beer purchasing motivators. Industry professionals may use the lifestyle findings to hone their marketing practices. The study also found that using state lines as an indication of locality for craft beer is an acceptable practice for the industry.

Insert Table V about here

Limitations and future research

While this study offered many insights for academic literature and the craft beer industry, it is important to acknowledge its limitations. The sampling method and smaller sample size is a limitation. The study utilized a convenience sampling strategy, where respondents were limited to attendees of a single festival in one U.S. state. Therefore, it should not be assumed that the

results and conclusions drawn are generalizable to other markets. Replications of the study with larger, more geographically and demographically diverse samples, are recommended. This would enable researchers to examine the differences between various geographical areas and various demographics, which could serve to further validate the findings of this research.

Since the purchasing motivations measures were adapted from previous studies pertaining to other agricultural products, and not necessarily beer, all possible motivations for local craft beer purchasing may not have been explored. Along the same lines, an alternative lifestyle measurement tool may produce different results. Future research might focus on developing a more comprehensive survey instrument to validate the findings of this study.

Future studies could also expand on purchasing motivations beyond primarily local products motivators. The local motivators for this study were chosen to help fill the gap in literature for the sense of place theory, but more broad motivational factors, such as price, purchasing location, and packaging could be considered to contribute to the body of knowledge on craft beer.

Conclusions

The current study aimed to add to the body of knowledge about the craft beer market by developing profiles of South/Midwest U.S. craft beer consumers. Major findings of this study indicated that craft beer consumers tend to be younger, mostly males, highly-educated, with higher incomes. This study also articulated consumers' perceptions of local craft beer, the lifestyle types that are most prevalent among craft beer drinkers, and how lifestyle affects consumption habits and purchasing decisions. To be considered local, consumers feel the beer must be produced and consumed in the same state, or within 140 miles between production and consumption points. The most important purchasing motivators were the desire to try something

new and something local, along with the desire to support the local economy. Based on their lifestyles, respondents were segmented into five groups. The research suggests that lifestyle grouping is an effective way to segment the market. Findings on perceptions of locality and purchasing motivators will help industry professionals refine their marketing practices to effectively target each of the identified groups of craft beer consumers.

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Table I
Socio-demographic profile and consumption behavior of the sample (N=207)

	Characteristic	Frequency	Percent
Gender	Male	126	60.9
	Female	81	39.1
Ethnicity	Caucasian	181	87.4
	American Indian	9	4.3
	Hispanic/Latino	9	4.3
	Black/African American	2	1.0
	Asian	2	1.0
	Other	4	1.9
Age	21-30	75	38.9
	31-40	49	25.4
	41-50	30	15.5
	51-60	20	10.4
	Over 60	19	9.8
Education	High school not completed	2	1.0
	High school diploma	16	7.7
	Vocational/Technical school	7	3.4
	Currently in college	20	9.7
	Undergraduate degree	101	48.8
	Graduate degree	61	29.5
Income	Under \$19,000	15	7.3
	\$20,000-\$39,999	29	14.1
	\$40,000-\$59,999	31	15.1
	\$60,000-\$79,999	20	9.8
	\$80,000-\$99,999	35	16.6
	Over \$100,000	76	37.1
Most often consumed alcoholic beverage	Wine	22	10.7
	Beer	162	79.0
	Spirits	21	10.2
Craft beer consumption frequency	Daily	37	17.9
	Several times a week	73	35.3
	About once a week	53	25.6
	Several times a month	25	12.1
	About once a month	19	9.2

Table II
Factor analysis of lifestyle measures

	Factor Loading	Eigen Value	Reliability
Thrill Seeking		3.279	.802
I like outrageous people and things	.632		
I often crave excitement	.615		
I like a lot of excitement in my life	.810		
I am always looking for a thrill	.640		
Fashion Conscious		2.975	.858
I follow the latest trends and fashions	.663		
I dress more fashionable than most people	.825		
I like to dress in the latest fashions	.867		
I want to be considered fashionable	.772		
Tactile		2.726	.835
I am very interested in how mechanical things work	.692		
I like making things with my hands	.818		
I like making things of wood, metal, etc.	.881		
I like to look through hardware or automotive stores	.631		
Stability		2.126	.721
I am really only interested in a few things	.853		
I must admit my interest are narrow and limited	.690		
I like my life to be pretty much the same week to week	.658		
Novelty Seeking		1.948	.771
I like doing things that are new and different	.635		
I like the challenge of doing something I have never done	.628		
Leadership		1.514	.758
I like being in charge of a group	.729		
I like to lead others	.733		
Intellectual		1.230	.550
I like to learn about art, culture, and history	.503		
I enjoy reading quietly	.784		
Variety Seeking		1.100	.747
I like a lot of variety in my life	.554		
I like to try new things	.553		

Table III.
Clusters mean score for factor solution

Factors	Clusters				
	Adventurers <i>n=60</i>	Preservers <i>n=49</i>	Conservatives <i>n=40</i>	Learners <i>n=40</i>	Tradesmen <i>n=18</i>
Thrill Seeking	4.26	3.21	3.35	3.95	3.58
Fashion Conscious	3.46	2.59	2.5	1.8	1.93
Tactile	3.55	3.64	2.17	4.2	4.39
Stability	2.18	3.31	2.33	1.91	3.19
Novelty Seeking	4.51	3.42	3.75	4.29	3.78
Leadership	4.19	3.17	3.43	3.03	2.89
Intellectual	3.92	3.65	3.88	4.3	2.14
Variety Seeking	4.72	3.51	4.05	4.59	4.53

Table IV
Local purchasing motivations for different craft beer consumers' lifestyles

		Mean	SD	<i>F</i>	Sig.
Supporting the local economy	Adventurers	4.38	.92	5.12	.001
	Preservers	3.67	1.14		
	Conservatives	4.25	.84		
	Learners	4.43	.93		
	Tradesmen	3.89	.90		
Desire to try something new	Adventurers	4.58	.72	4.70	.001
	Preservers	4.00	1.24		
	Conservatives	4.43	.64		
	Learners	4.60	.67		
	Tradesmen	4.72	.46		
Desire to try something local	Adventurers	4.52	.75	3.15	.015
	Preservers	3.98	1.19		
	Conservatives	4.40	.71		
	Learners	4.50	.88		
	Tradesmen	4.53	.62		
It is better for the environment	Adventurers	3.54	1.04	2.83	.026
	Preservers	3.09	.94		
	Conservatives	3.00	1.00		
	Learners	3.45	1.18		
	Tradesmen	2.95	.80		

Table V
Craft beer consumers' clusters description

Clusters	Demographic Profile	Consumption Behavior	Purchasing Motivators
Adventurers	Largest and most diverse group, primarily male, youngest, and highest number currently in college	Prefer spirits and craft beer at the bar, with friends. Wine, spirits, and craft beer for home consumption	Want to try something local, see local as better for the environment, and want to support the local economy
Preservers	Second highest proportion of males, mostly Caucasian, highest proportion of middle-aged consumers	Prefer craft beer and traditional beer for home, with friends, and restaurant consumption.	Uninterested trying something new or something local, and do not feel like they are supporting the local economy
Conservatives	Primarily female, and Caucasian, have the highest education level, and have average income	Prefer wine and craft beer on all consumption occasions	Want to try something new and local. Little attention to environmental consciousness
Learners	Mostly male, highest proportion of mixed ethnicities, second highest education level, and has the most members over 61	Prefer craft beer over all occasions, especially while gathering with friends. Adverse to traditional beer	Prefer supporting the local economy and consider local as better for the environment. Want to try something new and local
Tradesmen	Only male, smallest, least educated group, highest proportion of American Indians	Prefer craft beer and traditional beer on most consumption occasions. Adverse to wine	Most driven by the novelty factor. Do not feel they are supporting the local economy by buying craft beer, nor are they motivated by the environmental factor