

## Kirin Ichiban Shibori Relaunch and Craft Beer Market Development

### Restoring beer's appeal through customer-centered marketing

Over the past two decades, Japan's beer market has continued to shrink. A decline in the drinking population is not the sole cause. At Kirin, we also perceive that beer has lost some of its appeal. In response, we have taken measures to make beer an attractive choice again.

In 2017, we revamped *Ichiban Shibori* ("Kirin Ichiban" for export), our flagship brand, for the first time in four years. Rather than the common tendency to introduce products as the manufacturer sees them, we constructed the new story of *Ichiban Shibori* from the customer's point of view.

This shift to a customer-centric approach extended to reformulation of the brew itself.

To discover what customers really want in the taste of beer, we performed extensive market surveys. We then performed test brewing more than 1,000 times over a three-year period. Ultimately we succeeded in brewing a deliciously well-balanced, highly drinkable beer with richer "umami" in the barley

flavor, while reining in sour notes and overly sweet aromas.

Backed by the customer-centric marketing power of the Kirin Group, our "New *Ichiban Shibori*" campaign was crafted to focus on the "four moments of truth" that build the customer-brand relationship. We also drew from our contacts and experience in developing our 2016 offering, "47 *Todofuken no Ichiban Shibori*." This involved fine-tuning our marketing in terms of customer desires and regional characteristics, through collaboration with local governments and agricultural cooperatives, as well as other stakeholders throughout Japan.

From January to March 2018, sales of the revamped *Ichiban Shibori* have reached 6.65 million cases, an increase of 12.4% (over the same period last year). Going forward, we are committed to making *Ichiban Shibori*, Japan's mainstream beer, by applying our creating shared value (CSV) approach to refine the flavor and build local pride.



### Partnering to reshape Japan's beer market

# CO-CREATION



## Increasing customer touchpoints, revitalizing the craft beer market

Another way we are working to boost beer's allure is by invigorating the craft beer market. In Japan craft beers account for only about 1% of beer sold, by both volume and revenue\*. The U.S. market stands in sharp contrast, with craft beer market share at 12% by volume and more than 20% by revenue, making this a major segment. Seeing similar strong potential for dramatic growth in Japan, Kirin Beer is creating more customer touchpoints to expand and establish craft beer's presence in the market.

As part of this thrust, we have extended our craft beer range by adding high-status brands such as YO-HO Brewing (Japan) and Brooklyn Brewery (USA), which complement our own Spring Valley Brewery and Grand Kirin offerings.

Meanwhile, we are increasing the number and type of touchpoints so people can experience craft beer from different



angles. To simplify serving a variety of craft beers at restaurants and bars, we developed the convenient Tap Marché beer dispenser. Our Spring Valley Brewery brewpub is now at three locations, with plans for more. We also serve the craft beer community by offering digital content and tasting seminars. Through initiatives like these, we deliver new value to customers in collaboration with partners inside and outside Kirin.



\* Based on Kirin's in-house research



## Branding with "four moments of truth" (Four MOTs)

Kirin Beer's customer-centric marketing is structured according to the "four moments of truth." These are the four key moments where the customer's feelings and behavior regarding the brand are most influenced by targeted advertising and promotional activities.

For example, the Zero Moment of Truth is when the prospect gathers information about a potential purchase. We target this moment by raising brand awareness through TV commercials, events, social media, and so on. The First Moment of Truth is when the prospect makes the decision to purchase. Here, we build desire based on analysis of behavior at large liquor stores, supermarkets, bars and restaurants.

