

Going 'rogue': Researchers discover viral trend in global marketing

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Larry Sharpe signing whiteboard for White Claw Hard Seltzer. Credit: Dennis Consorte, CC BY-SA 4.0, via Wikimedia Commons



Chris Taylor, director of the beverage management program in the University of Houston Conrad N. Hilton College of Global Hospitality Leadership, watched in awe as sales of White Claw skyrocketed seemingly overnight in the summer of 2019.

As a new entry in the relatively unknown hard seltzer category, it was completely unexpected and had virtually nothing to do with the company's own marketing strategy. White Claw's rapid success was due, almost entirely, to a <u>social media</u> influencer.

"He came up with a slogan, 'ain't no laws when you're drinking Claws', and it took off from there," said Taylor, a Hilton College associate professor. "The last thing a company wants is their alcoholic product associated with law breaking, but it started selling out everywhere."

The influencer, with millions of followers, flooded social airwaves with the slogan, even putting it on T-shirts. It created a fervor for a product that wasn't on the radar of the beverage industry at all. Demand went through the roof and soon White Claw was selling out everywhere.

Taylor had never seen anything like it. Neither had anyone else, for that matter. He, along with Hilton College researchers Cortney Norris and Scott Taylor Jr., set out to research and explain this new phenomenon they dubbed "rogue marketing."

According to the researchers, rogue marketing occurs when an unaffiliated individual creates and posts an informal message about a brand on social media that becomes viral. Although the post is not funded or endorsed by the company that owns the brand, the viral status provides free and unexpected advertising.

In a study published in the *International Journal of Wine Business Research*, the team surveyed 210 people who couldn't tell a significant



difference whether a message they were seeing came from the company or an influencer. That means companies will have to account for rogue marketing in their <u>business strategies</u>, according to the researchers.

"I think it's something companies actually have to consider now in their marketing plans," said Taylor. "They'll have to talk about how to monitor it and counter it, if necessary."

From 2018 to 2019, low-alcohol, low-calorie hard seltzers saw a nearly 200% increase in sales worth almost a half-billion dollars. At the time, the main reason for their popularity was the ready-to-drink cocktails provided greater convenience and gave consumers the freedom to enjoy a cocktail without being confined to a bar.

Then the influencer dropped his slogan and sparked a 1000% increase in sales in a matter of months. Something outside the company was driving sales, and while it wasn't the way that company wanted to go, the growth and profits were staggering.

"It was this little product that nobody thought anything about until this rogue marketing happened," Chris Taylor said. "And they're still here today. Every producer, from Shiner to Anheuser Busch, has five different brands of hard seltzer. It's so inundated into the market now."

Rogue marketing is impacting the luxury car industry as well. Influencers on platforms such as YouTube and Instagram are making flashy cars a part of their brand and it's causing problems for companies that are not targeting that audience.

"Ferrari is having a really difficult time because they have a lot of rules when someone buys a car, like you can't paint it," Taylor said. "But these YouTubers and Instagrammers are wrapping the cars, putting inappropriate markings on them, and it's really changing how people see



these brands."

Taylor says a company's name and brand equity, built over years through carefully cultivated messaging, is everything. When the <u>brand</u> is damaged by external forces beyond its control, it can do irreparable harm to the <u>company</u>'s long-term bottom line despite the short-term profits.

While the Hilton College team was the first to identify and research the rogue marketing phenomenon, they believe it's just a framework for future studies to truly understand its positive and negative impacts.

"We've just scratched the surface with this exploratory study," said Taylor. "But with the explosion of social media influencers, it's truly a worldwide trend that I believe is here to stay."

More information: Cortney L. Norris et al, What is rogue marketing? An exploration of how hard seltzer sparked a social media phenomenon, *International Journal of Wine Business Research* (2021). DOI: 10.1108/IJWBR-02-2021-0008

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