

CRACKING OPEN A CASE

THE ANHEUSER-BUSCH RESPONSE TO
BUD LIGHT BOYCOTT

OVERVIEW



**CASE
OVERVIEW**



**COMPANY
HISTORY**



**DYLAN MULVANEY
PARTNERSHIP**



**BOYCOTT
BEGINS**



TIMELINE



**FINANCIAL
IMPACT**



**REPUTATIONAL
IMPACT**



**CASE
CONCLUSION**



**PAGE SOCIETY
PRINCIPLES**



**DISCUSSION
QUESTIONS**

CASE OVERVIEW

CASE INCIDENT

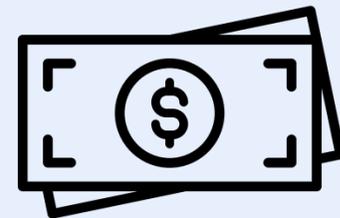


Brand partnership with transgender influencer Dylan Mulvaney



Resulting boycott

POINTS OF EVALUATION



Financial impact



Reputational impact

KEY QUESTION



How will choices around brand activism impact the consumer sentiment of a company's customer base?

COMPANY HISTORY

Founded as a local
brewery bringing lager
beer to the U.S.
1852



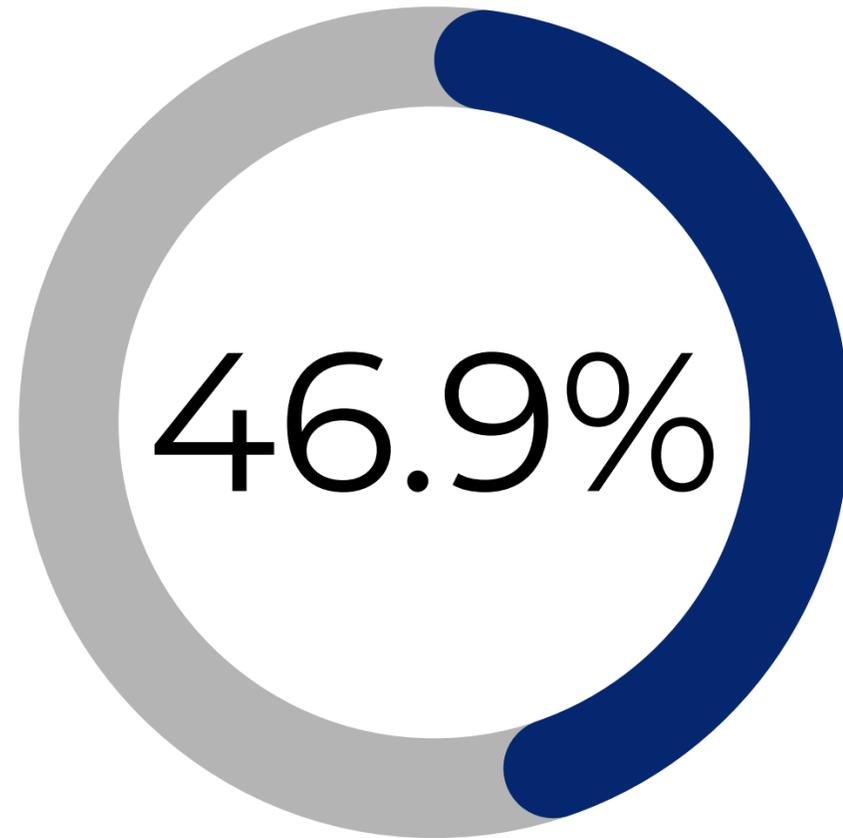
Anheuser-Busch maintains
500+ brands with a focus
on brewing and packaging
2023



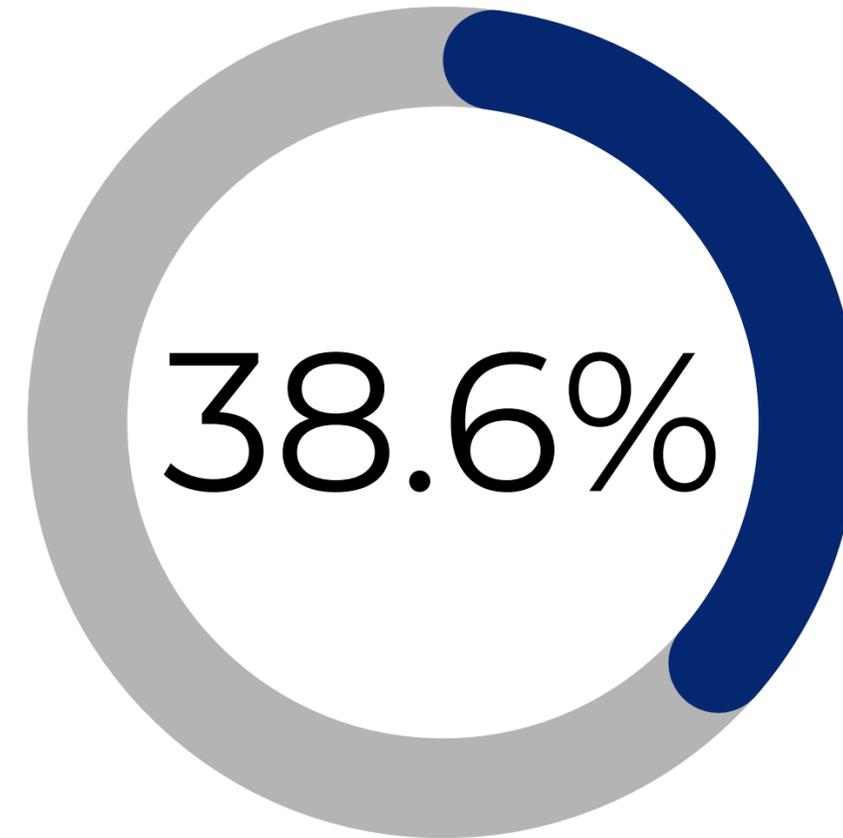
1982
Bud Light debuts,
Anheuser-Busch relies on
unique advertising
campaigns to reach new
consumer demographics



MARKET FOR BEER



**Anheuser-Busch 2011
Brewing Market Share**



**Anheuser-Busch 2021
Brewing Market Share**

MIXED APPROACH ON LGBTQ+ ISSUES

+ Support through advertising

- 2019 Pride themed Bud Light bottles
- 2021 Michelob ULTRA partnership with transgender athlete CeCé Telfer

+ Support through donations

- 2020 donated \$200,000 to National LGBT Chamber of Commerce

+ Support through corporate equity

- 2021 given a perfect score for LGBTQ+ equity in the workplace

— Questioned political donations

- 2021-2022 \$366,500 donated to anti-LGBT politicians



PARTNERSHIP

1

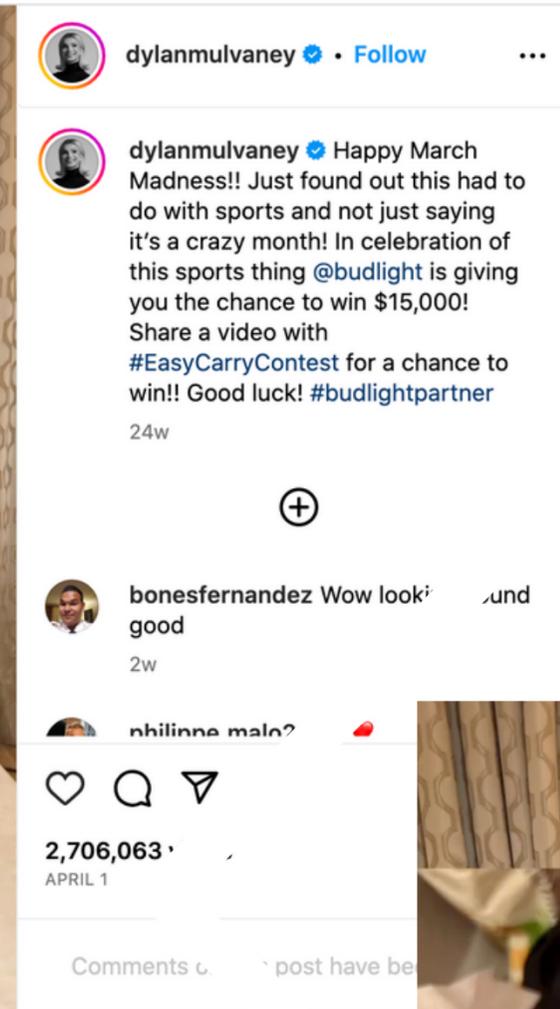
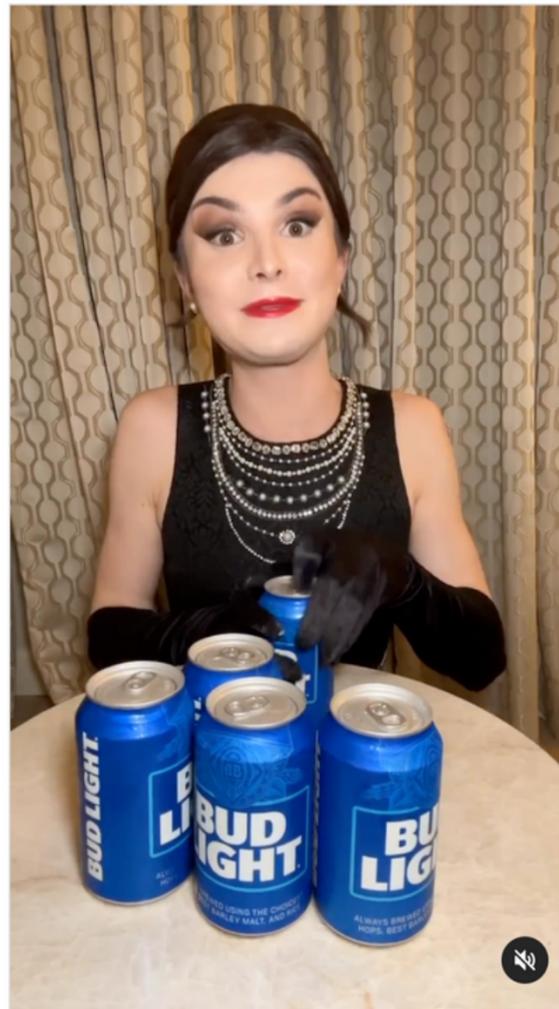
DYLAN MULVANEY'S INFLUENCER CAREER

- Began creating content on TikTok in 2022
- Primarily focused on documenting gender transition

2

BUD LIGHT PARTNERSHIP

- Bud Light sent Mulvaney a can with her face on it reading "Cheers to 365 Days of Being a Woman"
- Mulvaney shared the can on social media and promoted a Bud Light March Madness competition

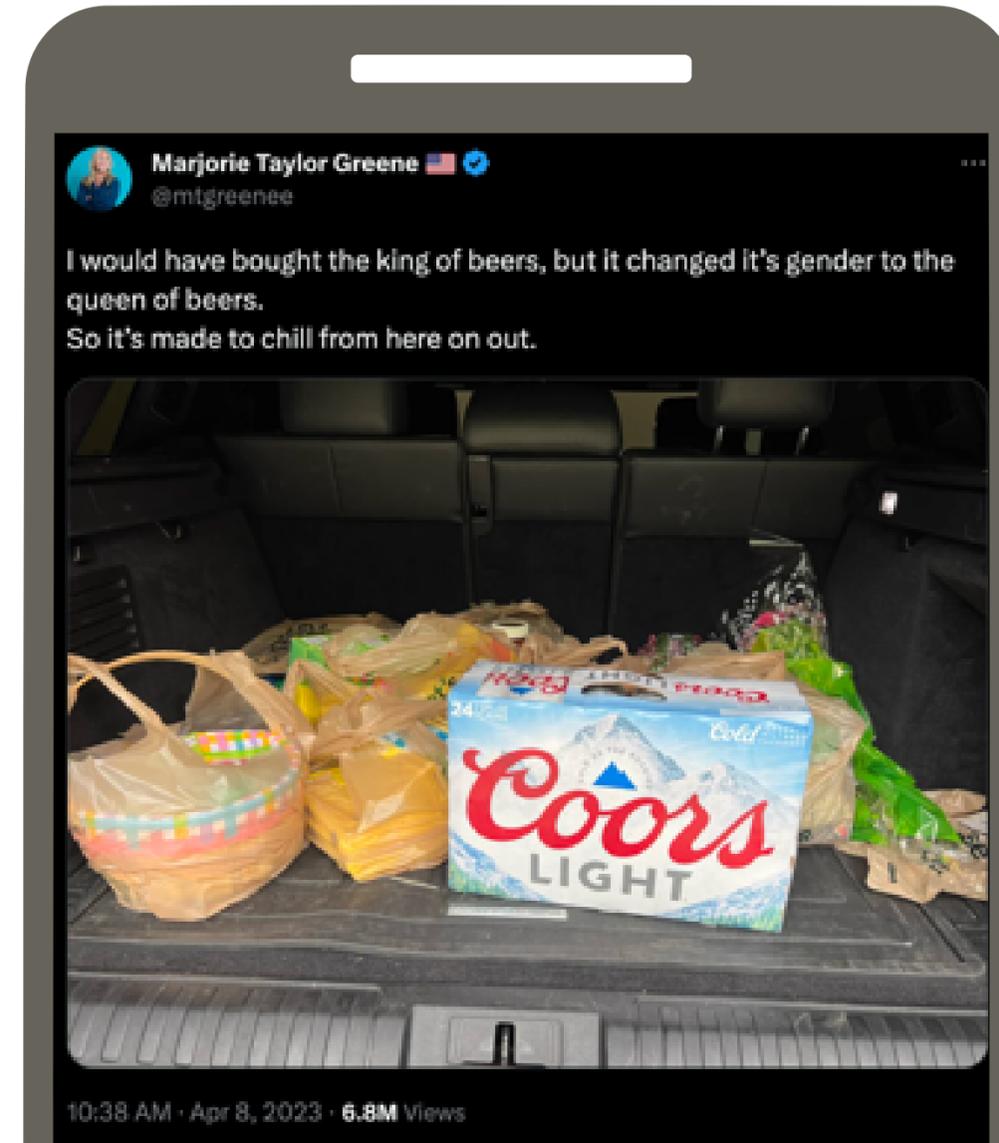


BOYCOTT BEGINS

Celebrities call for boycott



Politicians join boycott



CONSUMERS JOIN IN

Consumers join boycott

DC_Draino @DC_Draino Subscribe

The Bud Light boycott will continue until an apology is issued

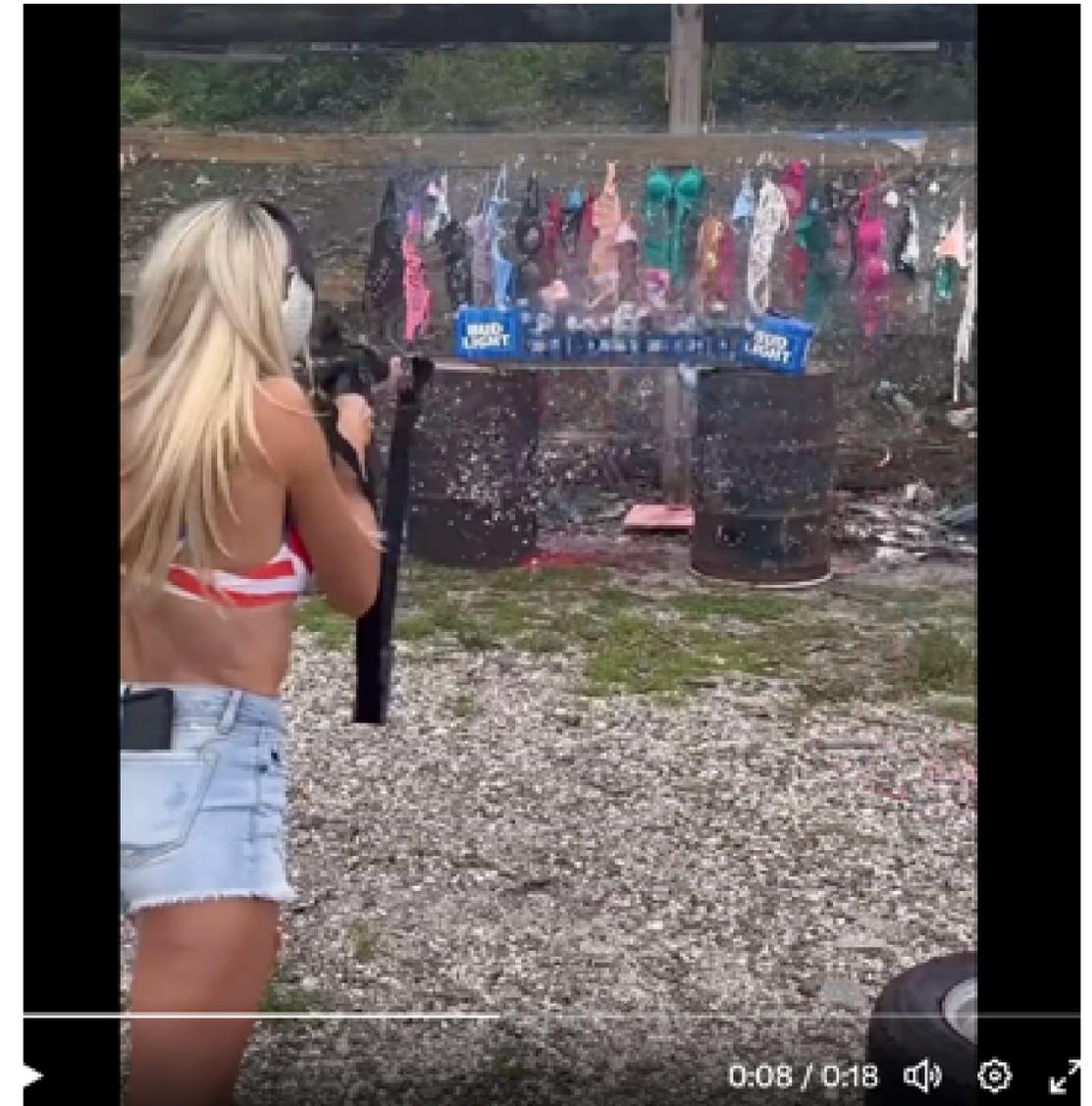
Every day delayed is another day of severe brand damage

Riley Green changed his song lyrics

Brantley Gilbert smashed a BL at his show

Kid Rock shot cans

How many billions in losses until BL does the right thing?



Mr. Mark OBrien - KK00 @DadIsTeaching · Apr 14

Never again. or any AmBev product. You chose your market, now stick with it.

1 5 247 15K

ANHEUSER-BUSCH RESPONDS

“We never intended to be part of a discussion that divides people. We are in the business of bringing people together over a beer.”

-Brendan Whitworth, Anheuser-Busch CEO

RESPONSE INCLUDED:

- ***Immediately after boycott***
 - Statement to media from spokesperson
- ***Near two weeks after boycott***
 - Statement from CEO
 - Social media post unrelated to controversy
 - Patriotic advertising campaign “The Shared Spirit”



TIMELINE

April
1st

MULVANEY POSTS PARTNERSHIP ON INSTAGRAM

Dylan Mulvaney, a transgender social media influencer, posts a video showing a personalized can gifted to her by Bud Light and promoting their March Madness competition

April
3rd

CONSERVATIVES CALL FOR BOYCOTT

Conservative celebrities, politicians and consumers took to social media to call for a boycott of Bud Light and Anheuser-Busch products

April
14th

ANHEUSER-BUSCH RESPONDS

The CEO of Anheuser-Busch releases a statement stating they do not want to divide people. At the same time Bud Light posts on social media for the first time after calls for boycotts and Budweiser releases a patriotic advertising campaign.

May
4th

BUDWEISER SALES DIP

The CEO of AB InBev's global operation acknowledges in an earnings call that Bud Light sales declined in April in the United States following the post from Mulvaney.

TIMELINE CONTINUED

June
28th

ANHEUSER-BUSCH CEO ACKNOWLEDGES PARTNERSHIP

The CEO of Anheuser-Busch in the United States speaks directly about the controversy, he highlighted corporate support for LGBTQ+ organizations but refused to answer questions about whether or not the company would repeat its partnership with Mulvaney.

June
29th

MULVANEY SPEAKS OUT

Mulvaney posts a video on TikTok stating Budweiser did not reach out to her in the aftermath of the brand deal and criticizing the company for giving customers “permission to be as transphobic and as hateful as they want.”

July
27th

ANHEUSER-BUSCH ANNOUNCES LAYOFFS

Anheuser-Busch announces plans to lay off 2% of its corporate staff in the United States.

August
12th

BUD LIGHT LOSES TITLE OF BEST SELLING BEER

Modelo surpasses Bud Light for year-to-date sales at grocery and beer stores, ending Bud Light’s 21-year reign as America’s best-selling beer.

TIMELINE CONTINUED

**August
17th**

CONSUMER SENTIMENT BEGINS TO IMPROVE

Consumer sentiment surveys observe fewer consumers reporting they are unlikely to buy Budweiser products, indicating a retreat from the boycott.

**Sept.
15th**

BUD LIGHT LOSES SHELF SPACE AMONG DISTRIBUTORS

Industry professionals tell news organizations Bud Light may face a loss of shelf space in fall restocks due to lower sale volume during the summer.

FINANCIAL IMPACT



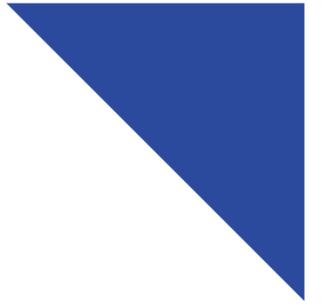
PROFITS TAKE A HIT

USA ABINBEV QUARTERLY SALES RESULTS

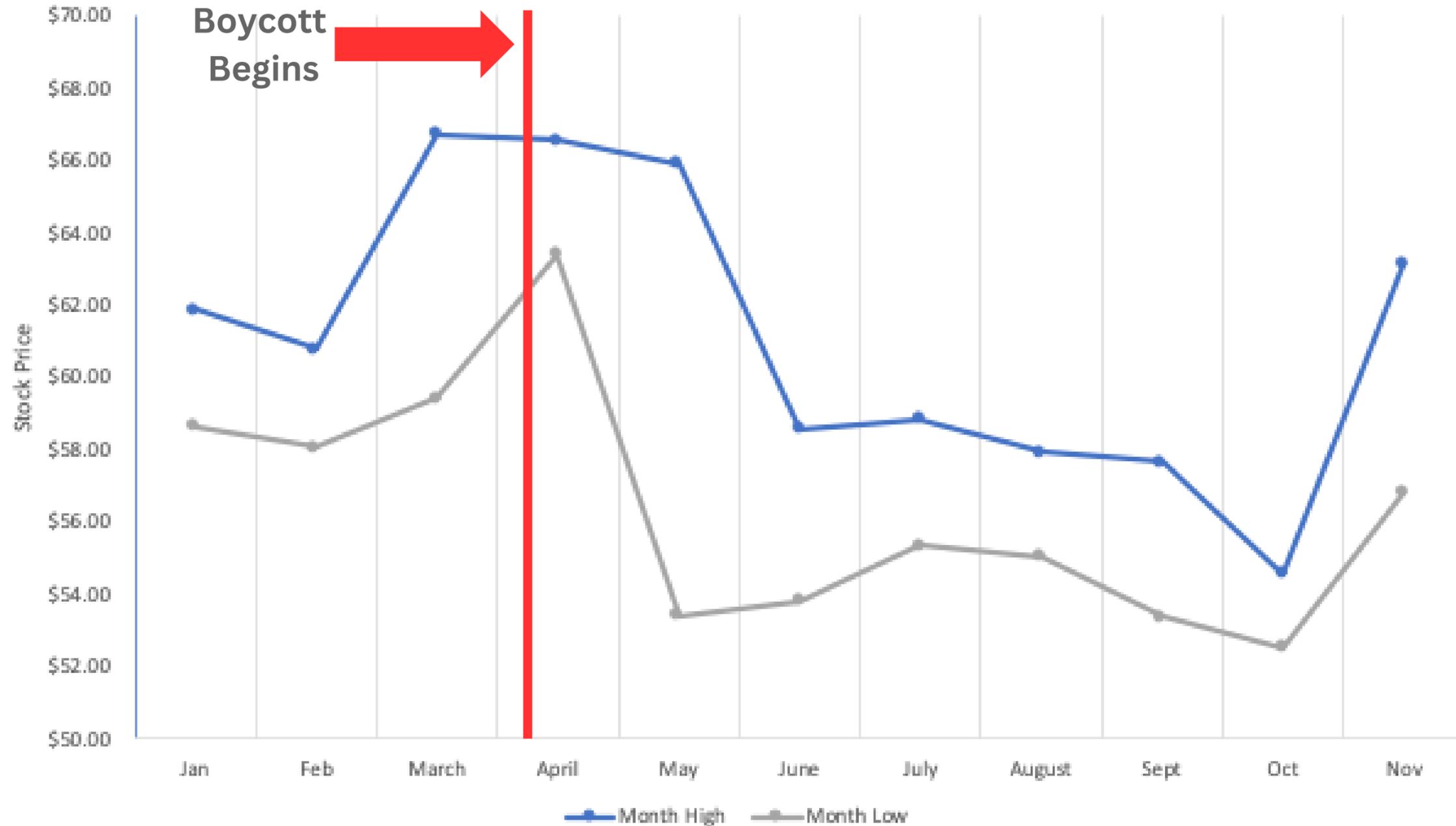
QUARTER 2	QUARTER 3
10.5% drop in revenue	13.5% drop in revenue
STABLE market share	STABLE market share

Information provided in quarterly investor reports from Anheuser-Busch

STOCKS DIP



YTD Anheuser-Busch Inbev Stock Prices

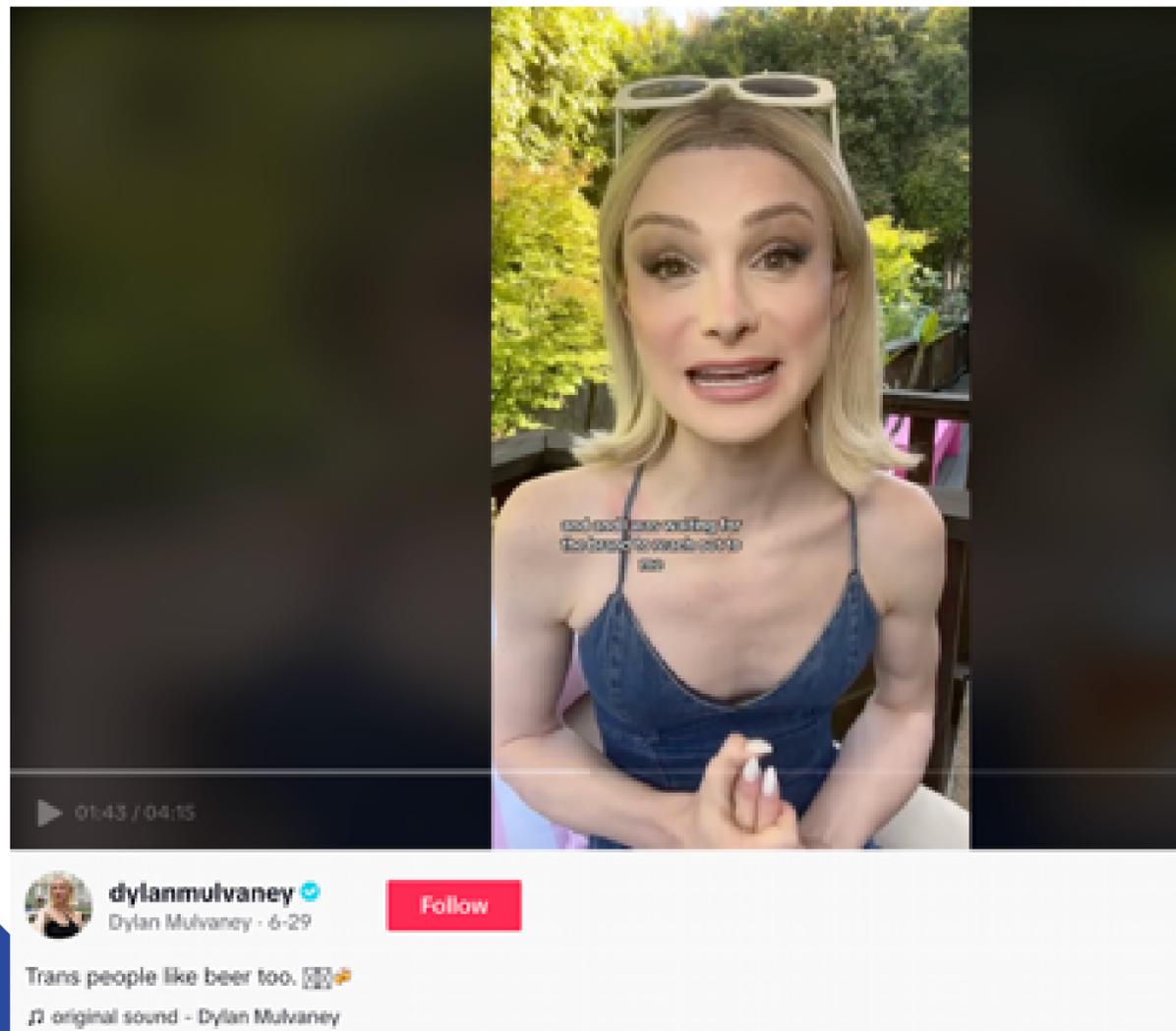


REPUTATIONAL IMPACT



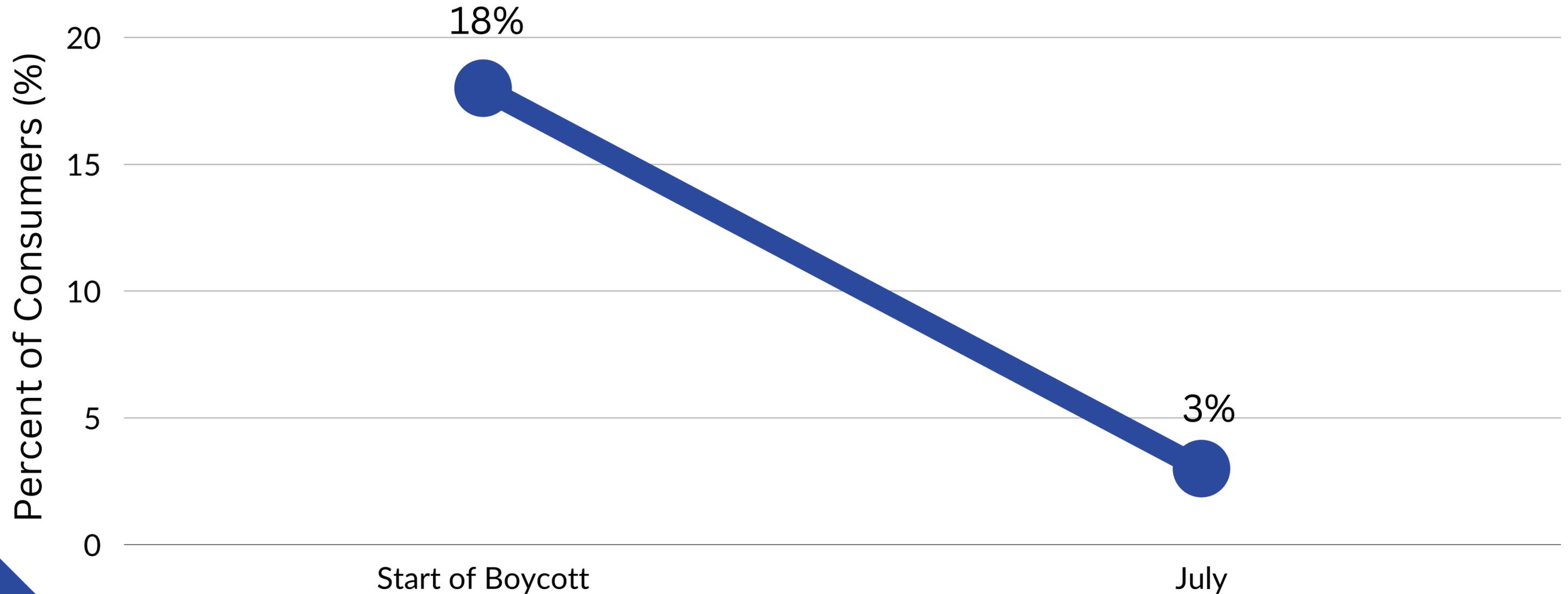
STAKEHOLDER RESPONSE

- **Dylan Mulvaney**
 - Criticizes Bud Light on social media for a lack of support
- **LGBTQ+ Advocates**
 - Groups ranking employers downgrade Anheuser-Busch's corporate equality score
- **Product Distributors**
 - Expressed concerns as they also received threats for continuing to carry Bud Light
- **Consumers**
 - Negative sentiment towards Bud Light improved overtime, but purchase volume remained low



STAKEHOLDER RESPONSE CONT.

Percent of consumers “very unlikely” to purchase Bud Light



Data from Deutsche Bank Consumer Survey

STAKEHOLDER RESPONSE CONT.



Motivation for Brand Selection

Pre-Boycott

- 1 Taste
- 2 Price
- 3 Product Availability
- 4 Advertisements/Commercials
- 5 Brand Values

Post-Boycott

- 1 Advertisements/Commercials
- 2 Taste
- 3 Brand Values
- 4 Price
- 5 Product Availability

BRAND IMPACTS

In August of 2023 Bud Light lost the title of **America's Best Selling Beer** to **Modelo**, Bud Light had held the title for 21 years



UFC



OFFICIAL BEER PARTNER OF UFC



CASE CONCLUSION

CURRENT BUD LIGHT ADVERTISING FOCUS

- Football
- UFC
- Patriotism
- Support for Military

CASE CONCLUSION

MULVANEY'S CAREER

- Streamy for Breakout Creator
- Named Woman of the Year for *Attitude*



PAGE SOCIETY PRINCIPLES

1. Tell the truth.
2. Prove it with action.
3. Listen to stakeholders.
4. Manage for tomorrow.
5. Conduct public relations as if the whole enterprise depends on it.
6. Realize an enterprise's true character is expressed by its people.
7. Remain calm, patient and good-humored.

CONNECTION TO PRINCIPLES

1. **Tell the truth:** Anheuser-Busch was not transparent with consumers about its political donations and refused to provide an accurate picture of its character, values and ideals following the boycott

 2. **Prove it with action:** Anheuser-Busch did not take action to support or oppose trans rights following the boycott, exacerbating consumer frustrations

3. **Listen to stakeholders:** Anheuser-Busch attempted to do this through consumer sentiment surveys after the boycott to evaluate what values mattered to consumers. They then shifted their advertising and public relations efforts to those causes

 4. **Manage for tomorrow:** Anheuser-Busch did not anticipate the negative response from their core consumer group prior to the partnership with Mulvaney.

CONNECTION TO PRINCIPLES

-  **5. Conduct public relations as if the whole enterprise depends on it:** the partnership with Mulvaney was likely a miniscule portion of Anheuser-Busch's communication budget, but it had a disproportionate impact on the company as a whole. This demonstrates the importance of considering values of all stakeholder groups with each PR undertaking.
- 6. Realize an enterprise's true character is expressed by its people:** Anheuser-Busch attempted to protect employees and business partners from the controversy by canceling events that received bomb threats and refunding distributors for lost sales.
- 7. Remain calm, patient and good-humored:** Anheuser-Busch worked to remain positive or neutral in their communications following the boycott. They did not immediately release statements or participate in interviews but instead waited to evaluate consumer sentiment when shaping their response.

DISCUSSION QUESTIONS

- 1 Do you think Anheuser-Busch's choice not to take a stance on trans rights after the boycott was a good decision? Why or why not?
- 2 What strategies can a company use to reach new target audiences that have different values than their current consumers?
- 3 What does a company need to consider when choosing whether to include brand activism in its PR efforts?
- 4 How could Anheuser-Busch have used the Page Principles to change their response to the Bud Light boycott?