

Department of Economics and Business

“A MENTAL CONNECTION, THE ABSURD CASE OF THE CORONA BEER”

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INTRODUCTION

The whole world connected to catering, aperitifs, dinners with friends, has been severely overwhelmed by the lockdown. The Belgian-Brazilian giant Anheuser-Busch InBev (Ab InBev) has recorded significant damage, and owns Corona beer, which is the first brand to be hit in a ruthless (and alike senseless) way by the pandemic due to the assonance with the Coronavirus.

Numerous images have circulated on the Net in which the well-known Mexican beer is associated with the Coronavirus. A research conducted among 737 American beer consumers carried out from 21 to February 26 2020, showed a sharp reduction in the propensity to buy the well-known Mexican beer. The stock of the company that owns the brand - listed on the Amsterdam stock exchange - has also collapsed. The same happened in Italy and the rest of the world.

The first part of this thesis will analyse the marketing aspects regarding the irrational case of Corona. You will find all the elements that form a brand, such as Brand Equity, Brand name and the associations with it.

The second part will discuss the history of the Coronavirus and the Corona beer, explaining when and where they were born, and their chronicle.

The third part will contain a description of the case, with the reaction of consumers, and the data from surveys, explaining what happened and the reasons for it.

A MENTAL CONNECTION BETWEEN BRAND AND CONCEPT

A brand is a name, a term, a design, a symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers¹.

Considered as one of the most relevant intangible assets of a company, the brand is the evolution of the identification into an abstract concept, consisting of physical appearance, personality and corporate style. Therefore, the brand is a differentiated sign developed by the sales company to be able to express its offer and differentiate itself from its competitors. It summarises the notoriety and image that a request was able to consolidate with a particular target audience. The perception of the offer system by customers is reflected in the identity, in the image and in brand positioning (i.e. the conceptual place you want to own in the target consumer's mind, the benefits you want them to think of when they think of your brand).

In marketing, brand equity, also known as brand value, depends on the perception that consumers have of the brand and the relationship they establish with the company over time. It is, therefore, a reference to the ability of a brand to guide the purchase choice, not based on tangible characteristics or the actual quality of the products. Still, the basis of recognition is the knowledge of the brand and all the associations made with it.

According to Philip Kotler and Gary Armstrong, brand equity is in fact “the positive differential effect that knowledge of the brand name has on the customer's response to the product or its marketing”². The concept was made known by David Aaker in the 90s. In his book “Managing brand equity”, he proposed a definition of brand equity, understood as a “set of assets linked to the brand, name or symbol that increase or subtracts the value provided by a product or service to the

¹ Brand - Wikipedia. <https://en.wikipedia.org/wiki/Brand>

² Marketing - lecture 3 - Week 3 revision notes - MAN1075 <https://www.studocu.com/en-gb/document/university-of-surrey/marketing-principles/summaries/marketing-lecture-3-week-3-revision-notes/1494211/view>.

company, or to the customers of that company”³. Aaker argued that brand equity is, therefore based on intangible assets arranged into five categories:

- Brand loyalty;
- Brand awareness;
- Association related to the brand;
- Recognition of the brand name;
- Other exclusive features: patents (i.e. the official legal right to make or sell an invention for a particular number of years);

Brand loyalty is the usual preference given by the consumer to a specific brand. It describes the behaviour of those who purchase, within a given category of products or services, exclusively or almost a particular brand. In more details, a consumer can be said to be loyal to the brand when he has a positive attitude towards it, buys more frequently than other brands in the same product category and reiterates the purchase in the long term. The prerequisite of brand loyalty is customer satisfaction: to speak of allegiance properly; the habitual purchase of the brand must not be due to particular market situations that may impose lack of alternatives, but instead is the consequence and increasingly strong loyalty.

Brand awareness is the degree of knowledge of a brand by consumers; it also indicates the ability to remember it and link it to its products or services, which affect the purchase choice especially in the case of products with low involvement. David Aaker in the book “Strategic market management: a global perspective” shows that even if the consumer never actually bought the product, merely knowing the name can lead the consumer to believe that brand, precisely because of the sense of perceived familiarity. One of the primary objectives of a marketing campaign is to increase awareness and to contribute to the development of a positive brand image. In a market with many homogenous products, it is crucial to create a unique brand image, to differentiate it from the competitors. To increase brand awareness, it is now essential to take advantage of new forms of advertising, rather than to rely on the traditional advertisement formats, such as commercial and road signs. Branding social media is a unique and essential type of promotion; social media influencers have a large number of followers and can recommend the company’s product or service

³ Indian consumers' brand equity toward the U.S. and local

https://www.researchgate.net/publication/235263869_Indian_consumers'_brand_equity_toward_a_US_and_local_apparel_brand

to a large number of people, increasing awareness more quickly. When brand awareness is high, customers not only recognise the name of the brand but can realise only by seeing their logo.

Brand association is a concept, an emotion, an object or even an image that reminds you of a particular brand via memory. Therefore brand association are usually brand qualities and characteristics that deliver the business message and objectives over to the targeted audience and potential business prospects⁴. It is not a reason to buy, it provides acquaintance and differentiation. An association exists to fill a particular need within society and to accomplish specific objectives or goals.

Association is mostly formed by people talking about it, advertisements, celebrity association, quality of the product, the class in which the product belongs, products offered by the competitors. The brand association can be either positive or negative. A positive association develops from the consumers' perception that the brand is satisfying their needs, especially when it is durable, marketable and desirable. Suppose the consumer has a positive impression of the brand. In that case, the company will therefore gain a good reputation, and later on, create loyal consumers (i.e. when a consumer favour one brand over the competitors). Having a positive association for a brand is essential because it is one of the most effective ways of boosting your sale, indeed is one of the first goals that a company tries to achieve. The first step in creating a positive brand image is finding out precisely how members currently perceive the association: are they satisfied? Does the product meets the expectation? Once a company knows how the customers perceive the association, it has a reasonable basis for doing an internal evaluation, how to improve services, and an external assessment, how are they doing compared to competitors.

Brand naming was born in Greece in 545 to 530 BC when Exekias decided to sign one of his potter writing "Exekias made and painted me". Also during the second industrial revolution, powerful owners, with a strong reputation, started giving their names to their companies, such as Fuller Brush Company. Nowadays, starting after the second world war, brand naming is more strategic; they are meant to give the consumer a sense of trust and confidence towards the brand. (<https://www.thoughtco.com/what-is-brand-name-1689036>). The name of a brand has two particulars objectives: identification and verification. The first one makes sure that customers

⁴ What Is Brand Association? Meaning & Examples Of Associations. <https://inkbotdesign.com/brand-association/>

differentiate your brand from others. The second one is to make sure that the product is what the consumer desires.

Brand equity can therefore bring added value to the company and its customer to the extent that, as Aaker said, “these assets contribute to interpreting, processing and storing a large amount of product information of the products”. At the same time, these assets influence the security the customer has while making a purchase choice, in practice, the associations that consumers make with a particular brand can determine the purchase choice, the perceived quality and the customer experience.

Brand equity can also be defined by looking at it from a financial point of view. In that case, we concentrate on the value of the brand as a corporate asset, such as trademarks (i.e. a recognisable insignia, phrase, word or symbol that denotes a specific product and legally differentiates it from all other products of its kind⁵).

The concept of brand equity has therefore acquired a dual significance over time, referring both to the incremental financial value of a product due to the brand and to the effect that knowledge of the brand determines on the consumer’s response to the brand’s marketing initiatives. These different meanings correspond to unlike measurement methods. In the first case, customer-based brand equity (CBBE) is used, in the second case, financial-based brand equity (FBBE). Brand evaluation systems belong to the CBBE category. They are based on empirical research that must grasp the perception that consumers have of the brand and, in particular, their behaviour following changes in the marketing mix with which branded products are offered on the market. The FBBE systems, on the other hand, aim to investigate the incremental cash flow generated by branded products; in concrete terms, the FBBE expresses the monetary value of the brand and is typically used by companies listed on the stock exchange for assessing the financial performance in the short term.

The term “marketing mix” includes all the decisive actions and decisions for the successful positioning of a company and the market launch of its products and services. In the classical model of the marketing mix, there are four main areas, called the 4Ps of marketing. These four tools deal with product, pricing, distribution and promotion policy. The product is the beating heart of the marketing mix and influences all other processes. It includes, all areas that revolve around the

⁵ Home - Nehat Goyal. <https://nehatgoyal.com/>

design of the product, such as the material, design, brand name and the services offered relating to the product itself. Pricing is also an essential component of the marketing mix. Pricing strategy is not only about setting products prices, but it is also about price adjustments and last-minute promotions. Ideally, the introductory price of a product should be agreed with the aim of obtaining the most significant possible profit with its sale but remaining competitive. To find the ideal price, you must correctly calculate the production and distribution costs, as well as evaluate the purchasing power and habits of your target. Distribution policy is the marketing mix tool that dictates how your product reaches customers. It includes all the activities that revolve around the product distribution channels. The fourth variable of the marketing mix comprises promotion and communications activities in support of the product or service. The goal is to increase the recognition and value of work and brand, in the eyes of the customer.

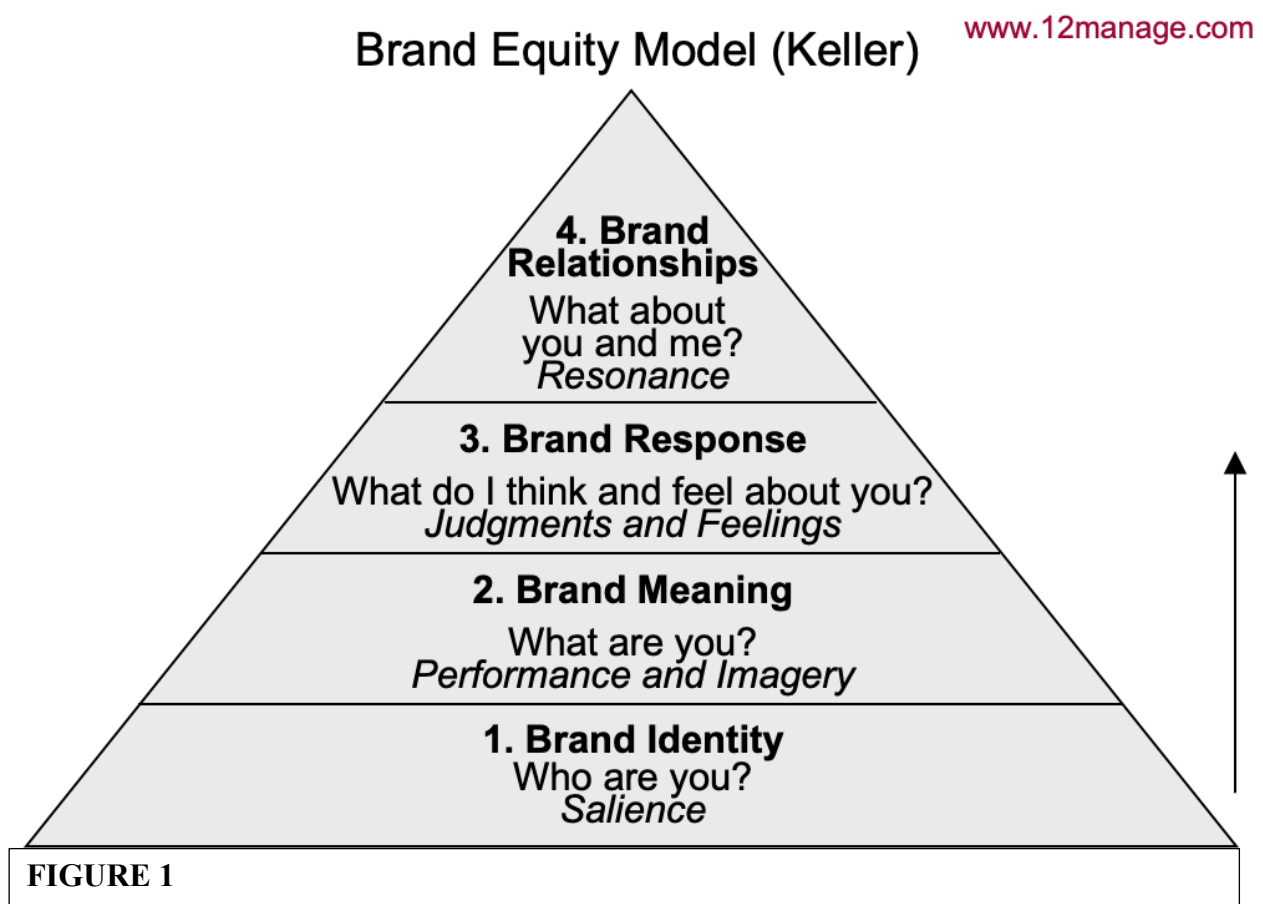
The customer-based brand equity is based on the concept that to form a strong brand, is vital to understand what the consumer think of our product, even how they feel about it. To make sure that a customer loves your work, you have to create a unique experience around your brand. If they have favourable opinions, feeling or perception, that means that you have positive brand equity. The customer-based brand equity shows how much power a consumer has concerning a brand, which could lead to the failure of a company or its success. It is built based on five different elements: value, performance, trust, social image and commitment. It is essential to notice that all five-piece are related to the customer mind. To have a successful company, you have to make sure that you have a positive relationship with your customers, and it starts when the consumer perceives that product is satisfying his/her needs. This happens when the product keeps delivering good quality and good performance. Customer-based brand equity gives different benefits since a strong brand can only fortify a company; for example, substantial brand equity leads to faster and more confident growth.

Several summary indicators can be used to measure brand equity: first, the relationship between the relative market share and the comparable price of its products, which shows that stronger brands generally have higher prices (premium price, i.e. products with the highest price within a particular product category. Premium prices apply to lead developments and brands on the market, considered by the consumer not replaceable with competing products and brands). And then you can measure the spontaneous memory of brand by consumers (retention rate, i.e. the ability to keep customers is

a paramount quality for the growth of a company.) and to attract new ones (penetration rate, i.e. the percentage of your target customers that make at least one purchase over some time⁶).

Companies with a strong brand, therefore, with very positive brand equity, can benefit significantly from the brand value because consumers are willing to pay more for that product only for its value brand.

These definitions are the emphasis on an analysis of brand equity based on the perception and behaviour and emphasising the importance of brand awareness. The same goes for models like Kevin Lane Keller's, summarised in the pyramid of brand equity, also known as the "customer-based brand equity" model. The pyramid has four levels, as we can see in Figure 1⁷.



⁶ What is Market Penetration Rate? - Applicable. <https://simplicable.com/new/market-penetration-rate>

⁷

[https://www.google.com/url?sa=i&url=https%3A%2F%2Fwww.12manage.com%2Fdescription_keller_customer_base
d_brand_equity_model.html&psig=AOvVaw3qudUF1lQ13en0bF_qRDcv&ust=1600360547068000&source=images&
cd=vfe&ved=0CAIQjRxqFwoTCODimoiN7usCFQAAAAAdAAAAABAD](https://www.google.com/url?sa=i&url=https%3A%2F%2Fwww.12manage.com%2Fdescription_keller_customer_based_brand_equity_model.html&psig=AOvVaw3qudUF1lQ13en0bF_qRDcv&ust=1600360547068000&source=images&cd=vfe&ved=0CAIQjRxqFwoTCODimoiN7usCFQAAAAAdAAAAABAD)

At the first level, at the base, there is the brand identity: the visible elements of a brand, such as a logo, that identify and distinguish the brand in the consumer's mind; at the second level there is the brand meaning which is important because it involves positioning: making strategic choices about audience and promises; at the third level there is a brand response which is a form of advertisement used to increase growth; lastly, at the top, there is the brand relationship which is the relationship the consumer has with the company brand.

Brand identity is the concept of marketing, in which user activities are identified so that the identity of a company is recognisable and easily traceable by users to the brand image. The brand identity is made up of several elements, and the brand identity serves to verify and ensure consistency between all the details to enable a consistent marketing strategy over time. A document in which to insert the brand identity strategy is an essential tool in marketing because it guarantees consistency between the elements of the corporate identity by studying every aspect that intervenes in the brand's business starting from within the company and its employees. The main components of brand identity are naming, logo, payoff, attributes, etc.. Naming is considered by many as the most critical element of a brand identity because it is through this element that the brand identity begins to manifest, memorise, and users begin to associate it with secondary characteristics. The logo identifies all the graphic, images and fonts, that determine the company to show it different from competitors. The payoff is the element that accompanies the name of the company and is useful to remember the values of the brand. The payoff is an immediate sentence, easy to remember and that allows the consumer to identify the brand by reading the sentence. Attributes and the characteristics of a product in the work of the brand identity must be associated with the brand identity. They are observable characteristics that represent the direct source of utility that the product has for the consumer.

What is required from people that work in the world of marketing/communication in this period of coronavirus emergency is to understand the new scenarios within which to change their strategies accordingly, being careful not to distort the values and mission of which the brand is made. If on the one hand, the request is to provide a concrete contribution to the relaunch of sectors that more than others have suffered from the crisis of the period, on the other, the need arises for a different communication that embraces the consumer and leads him towards even more choices. Sustainable and responsible.

THE HISTORY OF THE CORONA BEER

The history of the most famous Mexican beer in the world begins in 1925 when its production starts at Cervería Modelo S.A., which was and still is the largest brewery in Mexico. Ten years after its launch, Corona became the best selling beer in Mexico, thanks to its unique, aggressive and innovative marketing strategies. Thanks to its success in the domestic market, starting from 1970 it began its export to the United States and the rest of the world, arriving in Italy 1989. In 1989, Corona entered the light beer territory by introducing " Corona light", which is now one the most sold product of Corona. Around 1995, Corona arose as the top-selling import beer in the United States. Nowadays Corona is distributed in more than 180 countries around the world but still keeps its Mexican origins intact, so much so that its label, only one in the world, represents the sky, the ocean and the shape of the sun setting on it. A year after it was born, the company decided to in bottle the beer in transparent bottles, with a particular shape, which became a legendary symbol of the company. The tradition to put a piece of lemon or lime into the corona bottle started not too long ago in Mexico. A legend explains that it was done to keep the flies in Mexico away from getting into the open bottle. Their brand value is worth 11.4 billion as of July 27 2020. Constellation brands own corona beer in the United States. Constellation also owns the Mexican beer brands Modelo and Pacifico, along with Robert Mondavi wines.

THE HISTORY OF THE CORONAVIRUS

It all started with "abnormal pneumonia", in November, or even in October, in a city in the centre of China: Wuhan, the most populated city in the eastern part, the pivot for trade and exchanges. The first case registered was a man around his fifties. In the beginning, the patient looked like he had the regular flu. The news, in China, of the new Coronavirus, was spread only on January 13 2020 and what people thought was just the flu, started worrying everyone because of the fast rise of the infected ones. Dramatic pictures of collapsing hospitals where all around the social networks. The first outbreak in Italy was in Codogno Lombardia on February 21, 2020. The total number of cases from the start of the pandemic in Italy is around 260.28, the number of people who died is about 35.441, and the number of people healed is 205.662. People of the age range of 70 years and above have a mortality rate of around 25%.

The first case registered in the United States, was on January 20 in the Pacific Northwest state of Washington: it was a man who had returned from Wuhan on January 15. In July the United States were, and still are, the most infected country in the world, with more than 2,8 million confirmed cases, and more than 130,000 deaths.

WHAT HAPPENED TO THE CORONA BEER IN AMERICA DURING THE CORONA-VIRUS PANDEMIC?

There is no real connection between Corona beer and the Corona-virus; however, they share the same name and let's be honest, no company wishes to be linked to a deadly virus. On Google, searches for "Corona Beer Coronavirus" or "Corona Beer Virus" in the last two weeks have multiplied according to various searches. So much so that the company, in recent days, was forced to issue a note in which it explained that there is no link between beer and COVID-19. If the situation was not serious, it would seem like a joke, because the idea that even a single person can associate the danger of the Coronavirus with Corona beer - a fatal homonymy - is perhaps the most shocking news of these days. Starting with a joke to the sound of memes on social networks, the case has made the rounds on the web, arousing quite a few ironies, where the low bottles of the Mexican blonde had to endure the quarantine in front of ranks of competing colleagues with a lot of masks on, as we can see in Fig. 2, the matter has already stopped making people smile. Another famous meme that made the round of socials, as we can see in Fig. 3, is the virus composed of Corona beers.



FIGURE 2



FIGURE 3

However, the Constellation Brands said on their twitter account, on February 28, 2020 "With Corona Extra sales up 5% per the latest 4-wk period, our beer business continues its strong performance despite unfounded claims about the impact of COVID-19 on the location and consumer sentiment."⁸ CNBC reports that Constellation Brands will continue with its Corona marketing as planned. "Our advertising with Corona is consistent with the campaign we have been running for the last 30 years and is based off strong consumer sentiment," said a spokesperson⁹. "While we empathise with those who have been impacted by this virus and continue to monitor the situation, our consumers, by large, understand there's no linkage between the virus and our business.". Jordan Valinsky said on the CNN business on April 3 "Beer, and other alcohols are rising in sales this month as Americans are being forced to hunker down in light of the Coronavirus. Sales numbers from Nielsen (NLSN) show beer sales rose 34% year-over-year for the week ending on March 21".

However, the picture below shows the trend of Ab InBev stock around February 28, and as we can see in Fig. 4, it dropped significantly, it decreased by 18,49%, in just three days. The well-known journal, The Times, said on February 28, "shares of Corona-maker Constellation Brands Inc, dived 8% this week in New York" as Bloomberg points out.

⁸ Seeing is Believing | JDO. <https://jdouk.com/news/seeing-is-believing/>

⁹ Coronavirus Panic Continues to Affect Corona Beer ... - Eater.
<https://www.eater.com/2020/2/28/21157594/coronavirus-covid-19-corona-beer-confusion-continues>



FIGURE 4

“Americans are avoiding Corona beer amid Coronavirus outbreak¹⁰”, this is the title of the article from the New York Post, written by Kenneth Garger. 5W Public Relation surveyed 737 US beer drinkers. It states that “38 per cent of beer drinkers insisted that they would not, under any circumstances, buy Corona as the deadly virus spreads across the globe” said Anheuser-Busch Inbev, 14% said that they would still drink the beer because they know it does not lead to the virus. However, they worry more about telling the name out loud. 16%, of those surveyed, said they are not sure the beer is not linked to the virus. YouGov conducted another survey showing that the intention to buy Corona beer is at the lowest level in the last two years. Meanwhile, Corona beer collapsed in three days by 18,49%, when its competitors like Heineken who decreased by 8.31%, or Carlsberg who dropped by 6.11%.

¹⁰ Americans are avoiding Corona beer amid Coronavirus.... <https://nypost.com/2020/02/27/americans-are-avoiding-corona-beer-amid-coronavirus-outbreak-survey-finds/>.



FIGURE 5

YouGov registered, as we can see in Fig. 5, a drop of its score, from 75 points to 51, just during the beginning of the pandemic.

The company lost around 285 million dollars just in the first two months of this year 2020, in particular, the decrease of the sale coincided with the Chinese New Year, when the virus started to spread. Since the outbreak of the coronavirus emergency, sales of Corona beer have fallen by 40 per cent in the United States.

Bloomberg also reports that the company that produces the famous Corona beer would not have been able to react in time to this wave of social irony mixed with psychosis, an example of which was the rush to supermarkets in Italy.

The drop of Corona beer in America is moreover caused by the company's failure to manage the advertising launch of a new drink, a seltzer in four different flavours. The ad featured four cans on the beach with the slogan "Coming Ashore Soon". At that moment, many Americans feared they would lose their job due to the coronavirus crisis, and such a message was deemed disconnected from the world and indelicate; after much controversy, Corona withdrew the campaign and deleted the tweet.

But that's not all, because the group expected that the Coronavirus crisis will have a more significant impact on its activities in the second quarter, adding that the fallout can already be seen on global volumes in April, down by "about 32%". Anheuser-Busch InBev, which owns the Budweiser, Stella

Artois and Corona brands, among others, withdrew all of its forecasts for 2020 at the end of March, taking into account “the uncertainties, volatility and rapid evolution of the pandemic.



Grupo Modelo acata medidas dictadas por el Gobierno Federal para hacer frente al SARS-CoV2.



FIGURE 6

Grupo Modelo has announced, on April 3, that it will temporarily suspend the production and export of its beer to 180 countries, from Sunday until the end of the month. The announcement by the group that owns the popular Mexican beer follows the decision of the government of Mexico City to declare its activities as "non-essential" and then to suspend them to contain the spread of Covid-19. But the company also added that it could only continue producing beer if the operations were considered in the agriculture segment, as only in this way it would be feasible. Grupo Modelo, which also includes the Pacific and Modelo export brands, added that it would complete the suspension in the next few days by reducing operations to a minimum level to allow for a possible resumption once the break has ended. In the note issued by the company, it says it is ready to implement a plan with over 75% of the staff working from home and prepared to guarantee the supply of beer. Agriculture and industrial production are among the sectors still authorised to operate as dictated by the Mexican government; all other activities considered non-essential are suspended at least for the entire month of April. In Fig. 6, we can see the twitter post they made explaining the temporary suspension of production.

According to Mexican media, Heineken's other Mexican brewer may also be out of business soon. The northern state of Nuevo Leon, right where Heineken's Mexican operations take place, said it would stop distributing the beer.

This case, however, did not happen only in America. As witnessed in an article in *Corriere Della Sera* at the beginning of February, where searches such as “beer virus” and “Corona beer virus” on Google were analysed, the situation got out of hand online: a month ago Google Trends reported that a Googling these searches more were users in Argentina, Portugal, Holland, Malaysia, Denmark, Romania and Taiwan. By checking researches such as “Corona beer coronavirus” and “Coronavirus beer” made in Italy, it turns out that in recent days this bizarre, and false, an association must have intrigued, or frightened, many compatriots.

WHAT HAPPENED TO THE CORONA BEER IN ITALY?

During the lockdown, nearly 1 in 3 consumers (31.8%) increased their beer consumption and e-commerce was the preferred method of purchase. This is what emerges from a survey carried out by the "Le Donne Della Birra" Association between April 23 and May 11.

From the 650 interviews collected online with a selected sample of 'demanding' beer consumers (with a high presence of professionals in the sector), it emerged that 6 out of 10 consumers (61.5%) made purchases of beer relying on the web, 22, 5% by using e-commerce platforms and 39% directly from the online shop of the various breweries, pubs or beer shops. This is followed by the supermarket, chosen by 43.2% of the total interviewees, while previously it stopped at 36.2%. All this obviating the closure of public places, yet preferred by our sample in 77.9% of cases.

The lockdown has inevitably led to change in purchasing methods by making massive use of online commerce. In addition to proving to be a practical and efficient way of buying in a period of quarantine, e-commerce has also had the advantage of making consumers discover new products. Almost 1 in 2 consumers (45.4%) said they have changed - in part or totally - their 'drinking' habits such as brands and styles. 77.7% of respondents chose craft beers, but 1 in 3 also opted for industrial beers and 1 in 4 for imported beers.

To understand better what happened in Italy to the Corona Beer, I conduct a semi-structured interview with Maria Luisa Romeo, who is a wholesaler in Italy that works for HO.RE.CA.

“The face-to-face interview, also called an in-person interview, is probably the most popular and oldest form of survey data collection. It has continued to be the best form of data collection when one wants to minimise nonresponse and maximise the quality of the data collected¹¹”. Face-to-face interviews are often used to solicit information in projects that can be considered to be very sensitive, for example, data collection on sexual behaviours. This entry describes the advantages and disadvantages of face-to-face interviewing, along with primary operational considerations for successful interviews.

¹¹ Face-to-Face Interviewing - SAGE Research Methods. <https://methods.sagepub.com/reference/encyclopedia-of-survey-research-methods/n174.xml>

Ho.Re.Ca is the acronym for Hotelier, Restaurant, Catering, which contain and involve in turn a long series of product sectors, categories and sub-categories similar to the three just mentioned. All those activities are included in the hospitality segment (hotels, Bed & Breakfasts, campsites, hostels, refuges, pensioners, residences, etc.), catering (restaurants, bars, pubs, nightclubs, pastry shops, ice cream parlours, cafes, company canteens, collective catering, etc.) and catering (companies are producing, distributing and supplying food, beverages, preparations, disposables, setting up kitchens with temporary refreshment services where there are no adequate facilities for preparing food, etc.).

With over 400,000 companies present in Italy, the Ho.Re.Ca. develops over 50 billion in turnover, and is one of the most representative sectors of our country and it has experienced the highest growth in Europe in the last ten years, despite the difficulties dictated by the national economic situation.

Ms Romeo indicated that sales of Corona, when compared to the other beers went “badly, very badly”. Wholesaler starts the year by launching a test where they can comprehend how consumption will go. Since Corona beer is a beer that Maria Luisa described as “a beer that is only and exclusively, not mainly but exclusively, sold in the summer”, they launched the test around February. The test showed that the sales were going to decrease. Ms Romeo stated that to this day the warehouse has a lot of Corona beer stock and that they are giving them away, as presents, obviously losing money.

Ms Romeo also mentioned that "there was a crazy drop in Corona beer. Among other things, they also began to tease it and create memes on social media such as the Corona beer with the mask and the Heineken, wholesalers were afraid of consumption being completely blocked."

I conducted another interview with Rotolo Giuseppe, the director of communication of Ho.Re.Ca., to understand better how rare this event is, Mr Rotolo said, “like COVID nothing ever, COVID was such an extraordinary fact, it was disruptive”.

There was a case of the same seriousness, which involved the presence of ethanol in the production of wine, which ended up in court. Because of this chemical element, some people died, and the

whole world of wine suffered a decrease in sales. It took almost a year and a half to recover as a market.

Nowadays, with all the fake news that run on social media, it is challenging to differentiate the true ones and the false one. Indeed, information influence all of our decisions; for example, would you ever bring an umbrella with you if you know that it is going to be a sunny day? Very often, the information is not complete or even wrong, and it leads to inappropriate behaviour. When the virus broke out, and beer sales collapsed, the reaction was instinctive and illogical.

According to Mr Rotolo, things will go back to normal, and people will start buying corona beer, as soon as there will be a vaccine, since consumers will be more relaxed to go out and there will be an economic boom in the market of catering. However, there will be a reduction in all catering related to business. Because firms understood that smart working is a practical solution and many companies will continue to use it, for example, there will be a reduction in employees having a coffee break in a bar. Consequently, they learned that a conference could be quickly done in streaming, since they can achieve the same results remotely, and at the same, they avoid spending money on transportation, etc. Mr Rotolo said that usually, to organise a conference, you pay around 40,000 euros for 200 people, however, in streaming, where you offer the same event, it costs only 10,000. But those 30,000 euros spared, are mostly taken out of the market of business catering.

HOW IS IT POSSIBLE THAT THE MERE ASSONANCE OF THE NAME HAS HAD SUCH AN EFFECT ON THE TURNOVER OF A BRAND?

Models of economic value analysis of the brand, or brand equity, were introduced in the academic literature by Keller and Aaker. According to Keller, the fundamental strategic factor to be taken into consideration for the development of brand value is represented by the knowledge that consumers have of the brand (brand knowledge). This is based on two dimensions: Brand awareness, which expresses the brand's ability to be recognised and recalled by the consumer, and the brand image, which summarises the perceptions of the brand present in the memory of consumers and which are reflected in various associations with the brand itself. Keller's model, known as the Customer-Based Brand Equity, takes into consideration the point of view of demand. The strength of a brand depends on the customers, the power lies in the minds of consumers and what they have learned about the product. The strength of a brand depends on its competitive position and on the way this position has been built over time. Corona Extra is among the best-selling imported beers in the United States along with Guinness and Heineken. This means that the positioning of this product in the minds of consumers is well established. Mexican beer over the years has worked its brand management strategy very well, so much so that consumers have built a mental association with Coronavirus, which is untrue, only due to the assonance of the name.

In the minds of consumers, mostly Americans, in the beer sector, Corona Extra occupies the highest step, defined as the top of mind. What is the downside?

In this case, the spread of Coronavirus, which contains the word "Corona" within its name, and the strong positioning of the well-known brand in the minds of consumers, have unconsciously created an association between the two, which has turned into the viral spread of memes and ironic contents. All this makes us reflect on the fact that external factors must also be taken into consideration by brands, given that they can have both positive effects and, as in this case, negative consequences and repercussions.

Probably in a few months, we will find ourselves at the bar or in the park with friends to sip a Corona beer.

CONCLUSION

Taking into account globalisation, which took place thanks to the internet, and the speed which news circulates, the world has been shrinking, and it is faster for fake info to go around the world through social media. We must learn to distinguish fake news from the real ones because they can deteriorate the image of a brand; as happened in the case in question, in which Corona beer suffered a drop in sales, due to a joke on social media.

Along with the pandemic and the case of Corona beer, a vast number of coronavirus hoaxes and fake news continue to spread globally. The virus dies when exposed to temperatures of 26-27 degrees and can be defeated by drinking hot herbal teas or taking vitamin C; these are just some of the fake news that went around Italy during the pandemic.

It would not take much, but the mechanisms that rule the spread and expanding of fake news are powerful. From the practices of "cognitive economy", such as the fact that, regardless of how well educated and prepared we are, if news reaches us from a trusted person, we as a first reaction tend to believe it. To the fact that we prefer information that confirms our existing beliefs.

Repetition also plays a fundamental role: the more you hear an idea, the more it circulates, the more likely you are to believe it to be true. And although the person who exposes the falseness efforts are commendable and worth encouraging, as well as appeals from traditional institutions, follow one another relentlessly, the problem is the same: the fake but emotionally succulent news circulates much faster than its denial.

In conclusion, a joke can damage an industry, it can ruin its reputation, or, as in our case, it can reduce profits. However, I am sure Corona Beer still has a very strong brand, and it will manage to recover from this unlucky event, stronger than before and with more loyal customers.

APPENDIX

Questions asked during the interview

- Do you deal with the distribution of alcohol on a national or regional level?
- Which products?
- Was there a loss in the entire alcohol sector or has the beer sector diversified?
- Compared to last year, has there been a general decline in the sale of beers, during the period of the pandemic?
- Do you understand that there has been a greater decline in sales for corona beer? in what percentage?
- Do you think that the decline in the sale of corona beer can be attributed to the assonance that exists between the brand name and the corona virus?
- Can you tell me if the decline was of the same extent at the national and international level?
- Was there a recovery in beer sales in the months following the lockdown? In what percentage?
- Has there been a recovery in the sale of corona beer in the months following the lockdown? In what percentage?
- He is aware of advertising initiatives made by corona beer in order to counter the aforementioned declines.
- What do you think of what happened in America?
- Has such a case ever happened? that is, a sudden drop in sales of an asset as the brand was associated with a negative news event?

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