Placing The Keg:

How Five Swedish Microbreweries Position Themselves

Author(s): Christoffer Cavalli-Björkman
The Marketing Programme

Tutor: Hooshang Beheshti, Ph.D.

Examiner: Pejvak Oghazi, Ph. D.

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"I would give all my fame for a pot of ale and safety"

- William Shakespeare, ‘King Henry V’
Acknowledgements

Before one starts to read this thesis, we as authors would like to say a few words and thank a few people. First of all, we would like to give big thanks our supervisor, Professor Hooshang Beheshti, who has acted like a guiding light to us through the process of writing this thesis. His straightforwardness and honesty about our work has proven to be very valuable and we believe that his input positively affected our output. Also, we would like to thank Dr. Pejvak Oghazi and Dr. Vinit Parida, who provided us with very useful constructive criticism at each seminar and helped us to stay on track.

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Cheers, and enjoy your read!

Christoffer Cavalli-Björkman

Nicklas Lundblad

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Abstract

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Authors: Christoffer Cavalli-Björkman and Nicklas Lundblad

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Examiner: Pejvak Oghazi, Ph. D.

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In recent years, microbreweries have become increasingly popular in both Sweden and abroad. These breweries focus on producing beer on a smaller scale, with craftsmanship and high-quality raw material as guiding principles. Today, there are around 50 microbreweries in Sweden with different backgrounds, sizes, locations, and lifespan.

Given this increase in microbreweries in Sweden, the need for establishing a sturdy position on this evolving market is becoming increasingly important, and seeing that the microbreweries in this study consist of less than 13 employees, specialized knowledge of each employee becomes pivotal for the organizations’ survival and competitiveness. Therefore, the need for finding and utilizing organizational capabilities that helps them to establish and sustain a certain positioning strategy increases.

In this thesis, we have interviewed and investigated five Swedish microbreweries with the purpose of describing how these microbreweries position themselves and how organizational capabilities facilitate them in reaching their positioning strategy.

We investigated the microbreweries by using a qualitative research approach and designed case studies on each, which was based on both primary and secondary data. We interviewed these microbreweries by telephone, using a semi-structured interview form.

Each case study was then analyzed using Hooley et al’s (1998) positioning dimensions, Porter’s (1996) positioning bases, and theories concerning organizational capabilities. The study concludes that microbreweries position themselves as a high-quality alternative, and tend to base their positioning strategy upon a needs-based view of positioning. The organizational capabilities that facilitate them in the reaching of their positioning strategies were experience, knowledge, motivation, teamwork, self-criticism, and industrial thinking.
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1. Introduction

1.1 Background

When drinking a beer, one may wonder how the beloved liquid in the glass came into being. Beer is not something invented during modern times; in fact, it stems back to the start of our civilization. The earliest know production of beer is considered to be found in ancient pottery jars from Sumer (present-day Iran) and these jars contain six millennia old beer residuals. Scientists have also found 5000 year-old stone tablets in ancient Babylon which described the process of making beer, as well as rules and regulations of distribution and prices. Skipping forward to the 19th century, during the industrial revolution, beer became more industrialized in terms of production and distribution. The real breakthrough for industrializing beer making is contributed to the chief chemist at Carlsberg at this time, who managed to isolate and control the yeast in the beer, which allowed brewers to gain a better control of the fermentation and thus, be able to provide a more stable product (systembolaget.se A, 2012-05-09). Today, beer is consumed globally and one of the most popular drinks all over the world. The global beer industry in 2010 was valued around $500 billion (researchandmarkets.com, 2012-05-09), and the Swedish beer market reached a value of about $3 billion (Datamonitor, 2011).

To get a brief overlook of how beer is produced, it is a process that contains four different steps with four principal ingredients: water, malt, hops, and yeast. The first step in the process of making beer is the mashing: malt is soaked in hot water to release the sugars in the malt. This malt sugar solution is then boiled with hops for bitterness, flavor, aroma, and enhanced durability. The hopped solution is then cooled and yeast is added, which starts the fermentation. The fermentation is the most crucial part of the process, as it is here that the flavors and alcohol start to develop. After fermentation, it is stored in order to let the beer mature, and then it is, most commonly, filtrated and pasteurized and ready to be bottled or tapped (howtobrew.com, 2012-05-09; systembolaget.se B, 2012-05-09).

Now when we know the process and history behind beer and beer making, it is interesting to get an overlook of today’s market situation. The three largest brewing companies globally are Anheuser-Busch InBev (19,8%), SAB Miller (9,6%), and Heineken (8,8%), in terms of production volume (top5ofanything.com, 2012-05-09). The three largest in Sweden, also measured by production volume, are Carlsberg A/S (37,1%), Kopparbergs (20,7%), and Spendrups (17,2%).
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The remaining 25.1% are split amongst other breweries, and some of these breweries have such small production volumes that they constitute as something called microbreweries (Datamonitor, 2011). In Sweden, there is no official definition of what defines a microbrewery, although the Brewers Association in the USA has defined it as a brewery that is owned by an alcoholic beverage industry member (who themselves is not a microbrewery) to an extent of no more than 25%, it cannot exceed production of six million barrels of beer, and has either an all malt flagship product, or at least 50% of the produced volume in all malt products (brewersassociation.org A, 2012-02-14). This is also the definition that we have used in the choosing of brewers eligible for our research.

Given the definition above about what constitutes a microbrewery, it falls naturally under the definition of an SME (Small-Medium Enterprise). The Swedish definition of an SME follows the one that the EU has established which divides companies in three categories, namely micro-, small-, and medium enterprises, with different delimitations each. A medium enterprise employs 50 to 249 employees, has an annual turnover between €10 million to €50 million, and its total assets are between €10 million and €43 million per year. A small enterprise, being the middle one, employs between 10 to 49 employees, and its annual turnover and total assets do not exceed €10 and is at least €2 million per year. A micro enterprise, the smallest of the three types of firms, employs between 1 to 9 people and its annual turnover and total assets does not exceed €2 million (tillvaxtverket.se, 2012-02-20).

The trend of microbreweries started out in the late 1970’s and early 1980’s in the USA, and this was a result of that the brewing industry had basically a limited assortment of domestic light lagers. Therefore, the only way for an American to experience the beer styles and flavors of foreign countries was simply to brew the beer themselves. This homebrewing culture eventually evolved into smaller businesses, and so the microbrewery was born (brewersassociation.org B, 2012-05-09). Eventually, this trend came to Sweden during the 1990’s and as of today, there are about 50 microbreweries in Sweden (svenskaofframjandet.se, 2012-05-09). Microbreweries are characterized by their emphasis on experimentation on styles and flavors, as well as focusing on high quality by using good raw material and that the process is focused on the craftsmanship of the brewer (systembolaget.se C, 2012-05-09).
Just like ancient Babylon, there are rules and regulations to follow when it comes to selling and producing beer. In Sweden, all alcoholic beverages above the alcohol by volume (ABV) of 3,5% are sold at Systembolaget. Systembolaget is a governmentally owned chain of liquor stores that has monopoly on selling alcohol in Sweden. According to their website, their role is “to minimize alcohol-related problems by selling alcohol in a responsive way, without profit motive” (systembolaget.se D, 2012-05-09). Connecting this to microbreweries, Systembolaget’s assortment of these types of beer has increased greatly, giving such breweries a chance of greater exposure.

1.2 Problem Discussion

In order for having a sustainable business that can deal with changing market conditions, a well-defined and practiced competitive strategy is essential. Numerous scholarly works have touched the subject of competitive strategies and the importance of creating a backbone for the company on which to base its business decisions upon, in order to compete successfully on the market (e.g. Barney, 1991; Porter, 1996, 2008). Should a company fail at creating a strategy and following it, they will most certainly undermine its operations in numerous ways, seeing that a market strategy permeates all aspects of the business. In all essence, a competitive advantage is not possible to obtain and maintain without a well-defined strategy (Renko et al, 2011). Since 99% of all businesses in Sweden are SMEs, creating a well-defined competitive strategy naturally becomes important (kkv.se, 2012-05-04). A problem that these companies face is that they are smaller and have more limited resources, and thus have fewer strategic options to commit to (Chaganti et al, 1989). Also, the fact that they often lack data about whether their competitive strategy actually has paid off and is, or is not, rewarding is problematic as well (Brooks and Simkin, 2011). Having less resources and data pose a requirement for SMEs to carefully design their strategies and they cannot afford to make too many major mistakes. This puts pressure on SMEs to be aware of current market conditions, and develop their strategies in accordance to this, and put emphasis on their flexibility that their organizational size naturally allows.

Positioning is a big part of competitive strategy, and an important aspect when creating a competitive advantage (Porter, 1996). A fundamental compass for companies to use when positioning themselves is to identify and assess their own strengths and weaknesses in order to successfully meet the needs of the target market better than competitors (DiMingo, 1988). Should companies fail at this, they are at risk of positioning themselves incorrectly and this can be problematic to adjust (Day and Wensley, 1988).
The fundamental problem within positioning is that there is a lack of consensus regarding models that are valid, since some are purely conceptual and does not offer any solution to the problem at hand, while others simply lack validity. Therefore, one might say that there is a lack of a formulated step-by-step model on how to utilize the previous research on positioning in practice, which can leave companies with an uncertainty about finding a suitable position for themselves (Kalifatis et al., 2000).

Positioning is, for SMEs, of vital importance, since in order for an SME to avoid major market issues, it is imperative for SMEs to choose a positioning strategy and strive for this position continuously. Therefore, they need to assess their weaknesses and strengths in order to find a suitable position that they can sustain in accordance with their capabilities. There is a near-infinite number of ways to position a company, and the problem with this is to find a strategy that suits the company, its capabilities, and the current market conditions (Ismail et al., 2011; Hooley et al., 1998).

As stated above, a company should find and utilize its capabilities when designing its positioning strategy. To deploy its positioning strategy, the exploitation of capabilities is important in order to successfully strive for that certain position. The challenge with capabilities is that they cannot be generated in any other way besides internal growth, and are often imbedded in the employees and their way of working (Makadok, 2001). Allocating such capabilities that are bound to the organization and its members is important in order to create as much value in the transformation process (between input and output) as possible (Knight et al., 2004). In order to successfully achieve a certain positioning strategy, organizations must emphasize and acknowledge the importance of identifying and exploiting their organizational capabilities in order to use this specialized knowledge of the individuals within the company. This naturally applies for SMEs, and an SME cannot achieve a sturdy position on the market unless they identify and make use of their internal capabilities. Should they fail at doing so, they restrain their ability of being proactive on the market, meaning that they likely will follow their competitors rather than taking the first step in engaging with new customers and markets (Ismail et al., 2011).

Given that microbreweries, by definition, are SMEs, this is highly applicable to them. With the increase of breweries present in Sweden, the need for finding a sturdy position on this evolving market is becoming increasingly important, and seeing that the microbreweries in this study consist of less than 13 employees, the need of finding and developing the
organizational capabilities increases. Given the size of the company, the specialized knowledge of each individual becomes pivotal for the organization’s survival and its competitiveness.

1.3 Purpose
The purpose of this study is to investigate and describe the different microbreweries’ positioning strategies and which organizational capabilities facilitate them in reaching their positioning strategy.

1.4 Research Question
With this problem discussion in mind, we have formulated two focal research questions:

- *How can the different microbreweries’ positioning strategies be described?*
- *Which organizational capabilities facilitate the different microbreweries in the reaching of their positioning strategy?*

1.5 Delimitations
In this study, we have delimited ourselves to only focus on the perspective of the breweries themselves and how they define their own positioning strategies, thus excluding consumers’ thoughts and perceptions. We chose to exclude consumers from our research since we believe that it would be hard to find suitable respondents for such an investigation. We have delimited ourselves to only investigate five microbreweries, in order for each case to not lack in quality and depth, but still have a reasonable amount of cases for us to establish a qualitative study.
1.6 Outline of Thesis

In order to get a better overview of the thesis and its structure, we have devised a description of each section.

<table>
<thead>
<tr>
<th>Chapter 1 - Introduction</th>
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<tr>
<td>In this chapter, we present the background, problem discussion, the purpose of the study, research questions, and delimitations.</td>
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<th>Chapter 2 - Theoretical Framework</th>
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<td>This chapter contains a literature review of the extant literature on the subject, as well as relevant theories for the research.</td>
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<th>Chapter 3 - Methodology</th>
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<td>The methodology that has been applied when carrying out this research is presented within this chapter.</td>
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<th>Chapter 4 - Empirical Investigation</th>
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<td>This chapter contains case studies built upon the collected data about the different microbreweries that we investigated.</td>
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<th>Chapter 5 - Analysis</th>
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<td>The analyses of the different cases are presented, along with an overall cross-case comparison of the microbreweries.</td>
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<th>Chapter 6 - Conclusions and Reflections</th>
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<td>The overall conclusions of the study are drawn, based on the analyses of the cases. Also, reflections on the process of doing this thesis are presented.</td>
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<th>Chapter 7 - Implications, Limitations, and Future Research</th>
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<td>This chapter includes implications for both managers and academicians, limitations of the research process, and suggestions for future research.</td>
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2. Theoretical Framework

2.1 Competitive Strategy

There has been numerous scholarly works in the field of competitive strategy. Competitive strategy is often called strategic management, and although Nag et al (2007) argued that there is no universally acclaimed definition upon which to rely on, they thought that the field’s most apparent weakness (i.e. not being defined) is also its major strength, giving researchers of different backgrounds a community in which to research the phenomenon, without a “methodological straightjacket” (p. 952). In their article What is Strategic Management, really?, they conducted research on what scholars within the field thought about how to define strategic management, and got a lot of different views of how to define it. They found repeatedly used words, which they eventually categorized into six definitional elements (with these repeatedly used words in parenthesis), namely being (1) the major intended and emergent activities (innovation, acquisition, operation), (2) taken by general managers on behalf of owners (top, director, agency), (3) involving utilization of resources (capability, knowledge, ties), (4) to enhance the performance (growth, performance, advantage), (5) of firms (firm, company, SBU), and (6) in their external environments (market, competition, industry). One might put these elements into a single, distilled definition: “The field of strategic management deals with the major intended and emergent activities, taken by general managers on behalf of owners involving utilization of resources to enhance the performance of firms in their external environment” (Nag et al, 2007, p. 943).

On this note, since there is not a collective understanding of what the phenomenon entails, it is only fitting to bring up what a number of researchers concluded in order to get a better understanding of the concept as a whole.

2.1.1 Opportunistic view

Porter (1996) argued that competitive strategy is about being different; either a company should focus on doing different activities than competitors, or they should focus on doing the same activities, but in a better way. Porter then continues by arguing that if a company should ignore this, “strategy is not more than a marketing slogan that will not withstand competition” (p. 64). He also stated that the best strategy is dependent on your competition; by assessing the potential and competence that your competitors possess, you get a deeper understanding of the structure of the industry that you are present in.
This, according to Porter, is what strategy is dependent on; knowing the competition allows a company to find gaps and utilize these to gain competitive advantages (Porter, 1991). This is very evident in his “Five Forces Model”, which was introduced in 1979 and revisited in 2008 (Porter, 1979, 2008).

2.1.2 Resource-based view

Another view of how to achieve a competitive advantage can be found in the resource-based view (RBV). This view on the subject insists that a firm should not look at the market for opportunities of achieving it (i.e. Porter, 1991, 2008), but rather looking internally in the organization at the available resources and capabilities that can be utilized in order to achieve competitive advantages (Wernerfelt, 1984; Barney, 1991). In extant literature, it is considered that Penrose in 1959 initially started to theorize about the concept that a firm’s resources are a cause for company growth, but Wernerfelt (1984) is credited with coining the term resource-based view (Barney et al, 2011). Literature on this subject after Wernerfelt (1984) refers (and relies) heavily on Barney (1991), which this paper also will. In this article, he laid the foundation of RBV by providing the core tenants of the theory as well as presenting the set of characteristics that defines whether a resource is one that potentially provides a company with a sustainable competitive advantage or not (Barney et al, 2011). Conner (1991) agreed to this, arguing that a firm should find those attributes that are very costly to copy. Makadok (2001) further emphasized that capability-building and resource-picking are central themes in RBV. Resource-picking means that a firm can create a competitive advantage if it is better than competitors in picking the right resources, essentially trying to overcome the rival firms by doing this (Makadok, 2001).

To define what a resource in this context is, we will use the following definition, which states that “all assets, capabilities, organizational processes, firm attributes, information, knowledge, etc. controlled by a firm that enable the firm to conceive of and implement strategies that improve its efficiency and effectiveness” (Barney, 1991, p. 101). Therefore, a knowledge-based perspective of this theory is needed, seeing that one cannot understand its resources unless one knows the company very well, which is the fundamental aspect of this view (Conner and Prahalad, 1996).
To determine whether a resource is of any value when it comes to achieving a competitive advantage, Barney (1991) proposed a set of characteristics resources should have in order for them being relevant, which are **valuable, rare, imperfectly imitable, and nonsubstitutable** (Barney, 1991).

The thing about this is that a resource needs to have all of these characteristics if it should be accounted for as an important one; a company determines the value, rarity, imitability and substitutability sequentially, starting with value. That said, any resource that is valuable but not uncommon (i.e. not rare) is not dismissed because of it, seeing that it can still help a firm to survive, and so forth.

A resource is **valuable** only if it enables the firm to apply strategies that allow the firm to become more effective and/or efficient. A lot of firms have valuable resources (which depend on which industry), which is why other elements are introduced, the next being **rarity**. The rarity of a resource is determined by the competition. A number of companies may very well have valuable resources, but should a small number of these have similar ones, which the other ones don’t have, it will turn into a rare, valuable resource. This goes to show that the competition is the determent factor of whether a resource is rare or not. Following the characteristics that Barney (1991) proposed, the next step in determining how a resource impacts on the firm is to determine its imperfect imitability. A valuable and rare resource is pivotal in order to create a competitive advantage, which we know by now. In order to create a sustained competitive advantage however, a resource must be hard to copy as well, thus being **imperfectly imitable**. Barney laid forth three subcategories of how this can be achieved.

First, a resource could have been obtained during unique historical circumstances. This means that a firm that didn’t obtain the same resource when it was available (seeing that it is time- and space-dependent) simply cannot obtain it, making the resource imperfectly imitable. Second, a resource can be imperfectly imitable by the causal ambiguity. This asserts that it is hard to understand the linkage between a specific resource and the sustained competitive advantage. Given this, competitor cannot copy this resource simply because they cannot fully (at best) understand the relationship of the two. This gives an explanation to why some firms simply perform better than others. Thirdly, a resource can be very hard to copy when it possesses social complexity. This resource is beyond the direct control of the firm, making it so very hard for competitors to imitate.
An example of a socially complex resource can be company culture or the interpersonal relations between people, which differs from company to company.

The last aspect that a resource should fulfill in order to help in achieving a sustainable competitive advantage is the *substitutability* of a resource. As with the imperfect imitability, there are a few ways to identify this. Given the above stated requirements that led up to this point (value, rarity, and imitability), it is clear that it is hard to copy some resources. Therefore, a firm may be able to substitute a resource by having a *similar* one. Supposing a firm has a well-developed company culture that focuses on certain things, a firm can develop a very similar one and get ahead of the competitor that way. Another way of doing this is to be very different; to follow the example with culture, a company can also have a well-developed culture just like its competitor, but the focus of their culture may be striving in a totally different direction. This way, they both have well-developed cultures, but they strive for different things and both are in close competition. This goes to show that even though a firm doesn’t have a resource that is exactly (or not even close to, for that matter) the same, they can still obtain a sustainable competitive advantage (Barney, 1991).

Although Barney has a lot of followers on this subject, the RBV has suffered some critique. This critique is mostly centered on that the RBV does not provide a complete definition of two of its fundamental principles (value and resources), as well as a too narrow conceptualization of how to achieve a sustainable competitive advantage (Kraaijenbrink *et al*, 2010).

Clearly, these authors (with an opportunistic view vs. RBV-advocates) have different thoughts of how to define and practice competitive strategy, although Spanos and Lioukas (2001) noted that these perspectives share a common thread: they both contend that a firm must attain either a differentiated position (by having different and/or better quality products) or a low-cost position in relation to the competition. The concept of positioning will be presented later on in this part of the paper.
2.2 SME Strategy

Given that SMEs account for such a large portion of the market today (kkv.se, 2012-05-04), it is natural that a lot of research is being done in the field. Topics such as marketing, profitability, and growth strategies have been frequently discussed.

It has been noted that since it is hard for large companies to accurately use and measure marketing metrics, they made it clear that SMEs are no exception in this. More so than larger enterprises, SMEs have difficulties due to a number of reasons. They may have a lack of reliable multi-year financial data, skewness of company revenues due to the loss or acquisition of a large customer, and cultural small-mindedness set by the owner. As a minimum, they should focus on working with the marketing mix (the four P’s), targeting, positioning and segmentation in order to learn to gain relevant information of the market and their operations as a whole (Brooks and Simkin, 2011). Siu and Kirby (1998) acknowledged that marketing, as a whole, is essential to SMEs’ development, both operationally and strategically, and a cornerstone in laying a foundation for SMEs’ continued existence (Siu and Kirby, 1998).

Chaganti et al (1989) argued that SME’s, in comparison to larger firms, have far more limited options when it comes to what strategic orientation to commit to. However, they continue by noting that SME’s have greater possibilities for adapting strategies to changes that occur in the competitive environment, enabling them to have a few well-sharpened strategies that would work well for a variety of settings. Further on, they concluded that according to their study, SME’s who strategically focus on differentiation through quality-image and product scope were the ones who were the most profitable, no matter the competition. This means that being different compared to competitors, whether it is by for example design, product features, brand image, technology, and/or focusing on satisfying a specific customer segment are both pivotal concepts when it comes to SME strategies (Chaganti et al, 1989).

To summarize, all of these authors state that positioning is of vital importance for SMEs. The need to separate them from the others by using this is a key to their success and continued existence. We will proceed by presenting the concept of positioning.
2.3 Positioning

When reviewing literature concerning positioning, we found that there’s a lack of a universally acknowledged definition of the concept of positioning. We did, however, find in our literature search that there are two distinctive perspectives on how positioning often can be viewed: market positioning and psychological positioning. Both Day and Wensley (1988) and Fuchs and Diamantopoulos (2010) agreed that positioning indeed can be divided into two separate categories, but they both stressed the importance of incorporating both perspectives in their positioning strategy to achieve the most advantageous position. This is often not the case however, and most companies tend to emphasize more on one perspective than the other (Day and Wensley, 1988). As we will focus on analyzing market positioning, we included psychological positioning in order to give the reader a more comprehensible view on the concept as a whole, using previous research within the field of positioning.

2.3.1 Psychological Positioning

In his 1988 article, Edward DiMingo laid forth his view of psychological positioning. He argued that the role of psychological positioning strategy in a company is to encourage the buyer to make a tryout purchase of the product. He then stated that there are three key elements that a product should instill in a buyer: who the company is, what the product does, and what to expect from the purchase (DiMingo, 1988).

The definitions laid forth by Borna and Chapman (1993), Armstrong et al (2009), and Solomon et al (2010) bear clear ties to behavioral science when addressing positioning. Borna and Chapman (1993) argued that the position of a company is created by the consumers’ perceptions of a product or company, and not by the organization itself. Another advocate of this view on positioning is Armstrong et al (2009), who emphasized that positioning is about creating a certain mindset in a consumer’s mind and thus, create a specific position. Also, Solomon et al (2010) argued that positioning is about convincing consumers to categorize a given product in a given category, meaning that a company should affect the consumers’ perceptions of how a product and a company should be seen. To distill this outlook on positioning, one could say that psychological positioning is about being perceived as different in the eyes of the consumer.
2.3.2 Market Positioning

Another way of how to see positioning is from a competitor-based perspective, which is often called strategic (or market) positioning. It argues that positioning is not based on customer thoughts and perception, but rather a conscious choice of deliberately being different and unique compared to competitors; to perform a set of well-chosen activities that together creates a fit (Porter, 1996).

Aaker and Shansby (1982) further acknowledged and emphasized that positioning, as a concept, is more about a frame of reference in relation to the competition. They mean that the decision of which position to strive for is often made in relation to the competitors in order to put a company in a measurable context. Aaker and Shansby proves a point by exemplifying the Bank of California’s positioning strategy: “when the Bank of California positions itself as being small and friendly, it is explicitly, or perhaps implicitly, positioning itself with respect to Bank of America” (p. 56). To achieve strong market performance, a positioning strategy should be the result of a mix between the targeted segment’s needs and the unique competencies that firm possesses in relation to competitors (Burke, 2011).

DiMingo (1988) defined the essence of market positioning “hinges on doing a better job of serving the chosen market than competitors do” (p. 35). To clarify, Day and Wensley (1988) emphasized that companies must understand their own offerings and capabilities and compare them to their competitors in order to create a positional advantage. Fahy and Smithee (1999) agree and state that a company must review their own resources and assets that are hard to imitate and understand in order to find a suitable position on the market that they can sustain.

Aaker and Shansby (1982) further stated the importance of a conscious choice when it comes to choosing the positioning strategy, saying that “positioning usually means that an overt decision is being made to concentrate only on certain segments. Such an approach requires commitment and discipline because it’s not easy to turn your back on potential buyers” (p. 61). To simplify this view on positioning, one could say that market positioning is about actually being different, in relation to competitors.
2.3.3 Porter’s Positioning Bases

In his 1996 article, *What is Strategy?* Michael Porter laid forth his view on strategic positioning, and argued that it is about either doing different things or doing the same things differently, compared to the competition. He presented his idea that there are three different positioning strategies that a company can base their positioning strategy on; *variety-based*, *needs-based*, and *access-based* positioning. These strategies are not mutually exclusive, and he means that they often overlap (Porter, 1996).

**Variety-based Positioning**

This positioning basis proposes that a company should focus on providing a subset of products or services, thus focusing on that subset and neglects choosing a specific customer type and segment. This makes economic sense when you produce this subset at a lower cost and with better quality than your competition. To illustrate this, an example could be a car repair firm that solely offers windshield and other window repairs, rather than a full car repair. By doing so, they can focus on providing their customers with more expertise within their subset of repair activities, rather than providing a full car repair, out of which window repairs is a part of (Porter, 1996, p. 66)

**Needs-based Positioning**

This, according to Porter, is very close to the traditional view of serving a specific customer segment or type, covering their needs as much as possible. Certain groups of customers have certain preferences, and a company that utilizes a needs-based positioning tries to tailor their activities to suit their target segment(s). The automobile industry is a great example of this, since different car brands attract different customers, even though the underlying need is the one of transportation. Some focus on luxurious, unique, and/or added features, while others simply aim at providing a car that takes the buyer from point A to point B (Porter, 1996, p.66)

**Access-based Positioning**

This basis of positioning is based on the accessibility of the customers. The concept of customer accessibility can be derived from the actual geographical accessibility of the customer base, or the size of it. To exemplify this basis, one could think of Amazon.com as an example of access-based positioning. They operate exclusively on the Internet, thus excluding customers who are not connected to the Internet since their store is completely digital.
This allows customers who are connected to the Internet to browse their store, no matter their actual geographical location (Porter, 1996, p. 67).

When discussing Porter’s positioning bases, it is important to keep in mind that these three bases are not set in stone. They are guidelines of how to make a conscious choice of which position to strive for in a given market. Another thing that is vital to be aware of is that the different bases can be overlapped. Should a company solely focus on one of these bases, they may very well hinder their own success. To prevent this, they should assess their own situation and perhaps mixing some of these bases may lead to a more suitable position on the given market for that particular company.

2.3.4 Basic Positioning Strategies
To continue and further develop Porter’s positioning bases, Hooley et al (1998) takes these bases into consideration, and stresses that given the fact that they are combinable, there is a near-infinite amount of ways to position yourself as a company, depending on what is most suitable for the company and its condition. With Porter’s ideas in mind, they came up with six different positioning dimensions that companies put emphasis on in the market. These dimensions are also combinable, just like the ones that Porter (1996) presented, but a company must make sure not to have contradictory strategies. Also, some dimensions are interconnected; for example, if a firm focuses on some kind of combination of providing premium quality products, that are innovative and have differentiated features, including superior service and the ability to be tailored for individual needs, it is only natural that they charge a higher price on their product, given the costs of creating such a product offer.

(Adapted from Hooley et al, 1998, p.106)
On the same token, if a firm aims at providing low-priced products, they will probably offer a combination of (or include) basic quality, mimicked design, limited service, standard features, and a generalized offering. In most cases, companies employ combinations of the six dimensions, depending on their situation and what suits them. Simply put, choosing one dimension may require a trade-off of another (Hooley et al, 1998).

2.4 Trade-offs

Porter (1996) stated that striving for a unique position will not guarantee a lasting advantage over one’s competitors on the market. This is due to that a unique position is likely to attract imitators, who want to copy this position. No matter how competitors try to imitate a specific company, trade-offs are a good way of defending a position and at the same time works as a way to strengthen this position. A trade-off is simply to focus on one thing and thus, sacrificing attention of other things. He argued that this creates a need of making a choice of what strategy to go for, and what a company should offer (Porter, 1996). Luxurious brands are a good way of exemplifying the concept of trade-offs. Should Armani decide to create low-priced fashion sold in a general store, customers would probably be confused and it would be an inconsistency of what Armani, as a brand, stands for.

Another view of how trade-offs are of vital importance can be found in Hayes and Wheelwright (1984). Although they write out of a manufacturing perspective, they discuss the concept in a strategic manner. They mean that it is almost impossible to effectively strive for superior performance in all aspects of the company, and that a company that does this might end up being second or third best at everything, which calls for focus and trade-offs (Hayes and Wheelwright, 1984).

2.5 Capabilities

A capability by itself can be defined as the space between the intention of achieving something and the outcome of actually achieving it, resembling the capacity to achieve the intended outcome. In organizational terms, the capabilities can resemble different things depending on the context. It can, for example, represent the equipment, skills and planning that allow the company to achieve a profitable outcome with the intention of providing a certain product or service. Capabilities are often mirrored in a company’s activities which enable it to achieve certain outcomes that are vital for the company’s prosperity and survival (Dosi et al 2000; Winter, 2000).
Capabilities can further be defined as a company’s capacity to successfully deploy resources with the goal of reaching a certain achievement, often in grouping with organizational processes. These processes can be tangible, intangible or based on information that are specific for each company and that in time evolves and develops through interactions with the company’s resources. Therefore, a company’s capabilities are embedded within a company and are not easy to transfer to another without also transferring its ownership, thus if a company no longer would to exist, its capabilities would perish with it. This can be drawn into the conclusion that capabilities must be built within the company and are not able to be bought (Makadok, 2001).

With the definition of what a capability in itself constitutes as presented, the term can also be divided into different categories. These different categories of capabilities have different subtypes of capabilities, which in turn have different implications on a company’s performance. The different categories of capabilities are dynamic capabilities, generic capabilities, ordinary capabilities, heterogeneous capabilities, homogenous capabilities, and organizational capabilities (Drnevich, 2011). We have, in this paper, focused on only looking at organizational capabilities within our respondent’s organizations. This is due to that we are interested in looking at the organization itself from a corporate point of view, as this is aligned with our purpose of this study. However, we thought that it would be of value to present the different capabilities, for the sake of distinction.

Dynamic capabilities can be defined as a company’s ability to preserve its competitiveness by combining, redesigning, enhancing and defending the company’s intangible and tangible assets. It is also the company’s capacity to identify opportunities and threats and to capitalize upon the identified opportunities (Teece, 2007). Generic capabilities can be described as the combination of a company’s ability to identify and understand the market and its competitors as well as to make use of resources and processes within the company in order to create value for the customer (Juga, 1999). Ordinary capabilities can be defined as the capabilities in which a firm possesses that allow them to keep their business running short term (Drnevich, 2011). Heterogeneous capabilities can be described as those capabilities within a company that are different, or even unique, within an industry compared to competitors which in turn can facilitate the superior performance of the company (DeSarbo et al, 2007). Homogeneous capabilities, which are the opposite of heterogeneous capabilities, can be described as the capabilities within a company that are shared amongst the competitors in a given industry (Sakikibara, 1997).
An organizational capability can be viewed as a company’s main source of advantage when it comes to performance. Such a capability can be defined as a company’s ability to repeatedly perform productivity-related tasks that affect the value created between input and output. The essence of organizational capabilities is knowledge, and more specifically, the combination of specialized knowledge of individuals. The combination of specialized knowledge is in turn dependent on the quality and nature of routines that are rooted within a company, which are enhanced through the exchanging of knowledge within the company. The internal knowledge of the firm, created through the integration of individual knowledge is seen as greater than the sum of its parts, which in this case is the knowledge possessed by each individual.(Knight et al 2004). Organizational capabilities can also be described as the sum facilities, employee skills and managerial abilities that a company possesses. It can further be generally exemplified as a company’s distribution skills, marketing skills, organizational skills, product development skills and so on, which can differ depending on the industry the company operates in (Matsusaka, 2001). O’Regan and Ghobadian (2004) refer to organizational capabilities as a company’s ability to undertake productive activities through its employees. Another definition of organizational capabilities can be presented as a company’s ability to make use of the company’s resources in order to perform a coordinated task with the purpose of achieving a certain goal (Helfat, 2003).

2.6 SME Communication Channels
Gilmore et al (2001) stated that SMEs truly differ from large firms when it comes to marketing. This is mainly due to their natural limitations, such as resources, expertise, and impact on the market. Further, they argued that SME marketing is often made up of disorganized and informal activities that match the industry norms. They went on by saying that networking is a great way of marketing an SME, with their natural limitations accounted for. There are a number of ways of how to do this networking. It can happen through trade fairs, personal contacts, and marketing intermediaries.

Another way of reaching the customer is through the Internet, which companies must regard as a tool and develop strategies for utilizing it (McBride, 1997). A company should improve their strategic flexibility by promoting the use of the Internet in the organization. Furthermore, an SME should use it for communication purposes to enhance their strategic capabilities further, even though they, as an SME, has limited resources and access to certain markets (Nieto and Fernández, 2006, Celuch and Murphy 2010).
Placing the Keg: How Five Swedish Microbreweries Position Themselves

The Internet has proven to improve SMEs’ communication, external relationships, as well as data processing patterns (Nieto and Fernández, 2006). Opoku et al (2007) argued that the website of an SME should act as a tool that can communicate the intended positioning of the company, and consider what they communicate carefully, since it should be used to convey an atmosphere that should represent how they want to be depicted as a company.

Trade shows are also a very important way for SME’s to communicate their positioning. These trade shows provide both the sellers, who are there to exhibit their products and services, and visitors attending the show an exceptional chance to interact and discuss business (Hansen, 1996). Trade shows do not simply give the company a physical booth to stand in; it is said by Evers and Knight (2008) that trade shows give companies, and SMEs in particular, a foundation for which its network infrastructure can be enhanced, which can ultimately lead to company growth. Trade shows also act as a neutral territory in which small firms may reach out and enhance their networking. They are also important for start-up firms as an entry-point to get recognized and perhaps start working on long-term relationships with attendees (Evers and Knight, 2008). There are several reasons for participating in trade shows. A company who attends a trade show has the possibility of absorb leads about the market, promote what the companies stand for, and to establish and maintain contact with potential and current customers (Dekimpe et al, 1997).
3. Methodology

3.1 Research Approach

This study is carried out based on a positivistic scientific approach. Positivism is a perspective of science that advocates that true knowledge is derived from what the senses detect, meaning that data is collected and confirmed by our senses (Bryman and Bell, 2011). Positivistic research emphasize on utilizing experimental methods, deductive theorizing, having an objective view of the researched problem, and demonstrating possible changes that have occurred within the phenomenon (Gillham, 2000).

3.1.1 Inductive versus Deductive Research

There are two views of how to relate theory to research, them being inductive and deductive. Inductive research is applied when a researcher finds data and builds a theory based on the given data. It is impossible to be completely sure about inductive conclusions, as they are only based on some empirical observations, and cannot account for all possible scenarios and situations where a certain phenomenon occurs (Ghauri and Grønhaug, 2005, Bryman and Bell, 2011).

The opposite, deductive research, is applied when a researcher comes up with a hypothesis (or hypotheses) built on what has been researched previously in the given area of research. Based on this, the researcher tests the hypothesis empirically in order to decide whether to reject or accept the given hypothesis. This is the most common view of the association between research and theory (Bryman and Bell, 2011). Inductive research does not offer a 100% insurance that the researched phenomenon is true, and neither does deductive. Deductive research need not to be true in reality, but the rational reasoning behind deductive research makes it logical (Ghauri and Grønhaug, 2005).

This paper has a deductive view of the relationship between theory and research. This is because we build our investigation on previous research and theories, which we then use as background for our empirical study, in order to answer our research questions.
3.1.2 Quantitative versus Qualitative Research

3.1.2.1 Quantitative Research

It is useful to make a distinction between whether the approach of the empirical data collection is of a quantitative and/or qualitative nature. Quantitative research is used when the aim is to quantify and be able to make a generalization of the area of interest (Ghauri and Grønhaug, 2005). Political opinion polls when an election is drawing near are a typical example of quantitative research, since the researchers draw generalized conclusions of the population’s opinions. A researcher wants to have a large amount of respondents that are a good representation of the entire population of interest, in order to validate the results of the research and to make a generalized conclusion. This research can often be replicated and is often presented in statistical terms. A common way to collect data for quantitative research is using questionnaires (Bryman and Bell, 2011).

3.1.2.2 Qualitative Research

A qualitative research approach, however, differs from the quantitative view. The general objective of a qualitative approach is to collect data with the intention of getting a deeper understanding of a certain area of interest (Bryman and Bell, 2011). Qualitative research often includes a reflection of different perspectives of knowledge and the research in question. This is why qualitative research often focuses on the respondent’s point of view (Ghauri and Grønhaug, 2005). Qualitative research is often exploratory in nature, as the researcher wants to get a deeper understanding of a specific phenomenon. He or she often uses small samples, in order to dig deeper into the research phenomenon (Malhotra, 2010). This can be achieved by in-depth interviews with a small sample of respondents that possess substantial knowledge of the problem at hand. This provides the researcher with very detailed data, and allows him to interpret the data, with the intention of finding a more complete understanding of the problem that the researcher wants to understand. A big difference between these two approaches of data collection is the ability to recreate the same study, due to the fact that interpretations are subjective and two researchers may interpret the same data differently. Also, this approach is very flexible, since it allows the researcher the ability to ask follow-up questions in order to cover as much ground as possible. One may call this a two-way communication, compared to the one-way communication of quantitative data collection (Bryman and Bell, 2011).
This study has focused on a qualitative approach to the gathering of data. In order for us to be able to address our research questions as satisfying as possible, we need to gain a deeper and a more complete understanding. A large part of our study has been based around the interpretation of beliefs and attitudes of our respondents, and also, we do not want to draw any generalized conclusions of the studied problem. Principally, we felt that we would get a greater reward on the data collection by having in-depth interviews with our respondents, where a two-way communication can take place.

3.2 Research Design

By choosing a design of how research will be conducted, one gets a structure to follow and a clear path in the process of investigating the specific problem that the research deals with. This gives the research a meaning, and a researcher can answer his questions and fulfill the purpose of the study. There are three ways to design an academic research: experimental, causal, and descriptive research. The latter two designs are subcategories of conclusive research, since the aim with these designs are to draw conclusions (Bryman and Bell, 2011).

3.2.1 Exploratory Research

The first of the three, exploratory research, is usually not employed in the field of business research, but it sometimes is. When employed, experiments are carried out and it is most often used as a benchmark for which other studies then can measure with. As such, it is a cornerstone in determining the direction of future research (Bryman and Bell, 2011). It is a very flexible and versatile research design, where the researcher should be able to observe, retrieve information, and construct clarifications that later can be used to further develop an approach to the phenomenon in question (Ghauri and Grønhaug, 2005; Malhotra, 2010).

3.2.2 Causal Research

Secondly, causal research is carried out in order to find connections between one variable and how it affects the outcome of another variable. It is very useful in mapping the changes in variables over a period of time. A researcher maps these cause-and-effect relationships by manipulating one or more independent variables and observing the changes in the dependent ones (Malhotra, 2010). For example, research regarding the implementation and outcome of an enterprise system in the company can be investigated by looking at variables before the implementation and looking at the same variables afterwards. This enables the researcher to draw a causal conclusion of how the variables are affected by the implementation of an enterprise system (Bryman and Bell, 2011).
3.2.3 Descriptive Research

The third design, descriptive research, is a type of conclusive research. The aim is to draw a descriptive conclusion based on the data, in which the researcher tries to find patterns of associations between the data and chosen variables at a single point in time. The above given example of opinion polls are a good way to exemplify descriptive research, since it shows a situational picture of what voters will be voting at that point of time (Bryman and Bell, 2011). Descriptive research is very dependent on the structure of the data collection, and that the variation in the data collection is as small as possible. It is therefore important to conduct, for example, interviews in the same manner to avoid data variation (Ghauri and Grønhaug, 2005).

When choosing what type of research design that would be used in this paper, we concluded that a descriptive approach would suit our purpose the best. The reasons for neglecting the other two was first and foremost that our field of study doesn’t require an experimental approach, since there is a lot of previous research in the field that we investigate, thus excluding an experimental approach. Also, since causal design is researched over a longer time span and is often costly, this rendered us to exclude this type of research since we do not possess these critical criteria for such a research design. By excluding these, we arrived at the conclusion that a descriptive approach suited our research the best, since we then could fulfill our purpose by investigating the patterns and associations of variables at a single point in time, based on the qualitative data that we had collected.

3.3 Data Sources

3.3.1 Primary Data

When collecting data for research purposes there are two types of data sources in which a researcher can utilize. The first data source is called primary data, and it represents the type of data that is collected personally by the researcher and is suitable to answer a specific research question (Ghauri and Grønhaug, 2005; Malhotra, 2010). Primary data can, for example, be collected through interviews, questionnaires, or observations, allowing the data to specifically suit the field of interest as well as being up-to-date. The negative aspect of collecting primary data is that it may take a lot of time, there may be issues with non-responses, and it may be costly (Bryman and Bell, 2011).
In this study, primary data has been the main data source. This was due to the fact that the interviews conducted were the foundation on which the analysis was based on. A primary data collection suits this study the best, given that the investigation required the beliefs, thoughts, and attitudes of the people involved, which were not available through any secondary data sources.

3.3.2 Secondary Data

The other source of collecting data is called secondary data and it constitutes the types of data which is not directly aimed at solving the researcher’s purpose but still available for the researcher to utilize (Malhotra, 2010). Even though secondary data isn’t collected directly from the researcher, it still possesses a number of benefits. Secondary data is often easy to access and is not costly to gather. By the usage of good secondary datasets, a researcher may have access to high-quality data that previously has been gathered by professional researchers. With such high-quality and easy accessible data, the researcher has the ability to establish a rigorous foundation for his or her investigation, as well as to enhance the understanding around the research problem. Another useful benefit with using secondary data is that it may act as an indicator for the researcher if there are any problems or difficulties surrounding the research and it may sometimes provide a solution to the problem that the researcher is investigating (Bryman and Bell, 2011). Secondary data has some drawbacks as well, out of which the fact that the secondary data has been collected for other purposes than the problem at hand, and has thus often limited relevance and accuracy, as well as not being fully fitted for the specific research problem (Ghauri and Grønhaug, 2005).

Secondary data sources were also of use to us, however. We have used websites to find information about the companies that we interview, annual reports, and newspapers. It served as a good compliment to the primary data sources, since it enlightened us about the current state of the market and the companies present in it. We have used secondary data when presenting the companies’ cases, as we felt that it was unnecessary to use the little time we had with each brewery to ask simple questions about their company history and such, as this information was most often readily available.
3.4 Research Strategy

A research strategy is developed in order to get a specified orientation in which the research will be directed in. Below are five examples of research strategies, and their characteristics: what type of research question, the need for control over behavioral events, and if it is focused on contemporary events (Yin, 2009).

<table>
<thead>
<tr>
<th>Research Strategy</th>
<th>Form of Research Question</th>
<th>Requires Control Over Behavioral Events</th>
<th>Focuses on Contemporary Events</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experiment</td>
<td>How, why</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Survey</td>
<td>Who, what, where, how many, how much</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Archival Analysis</td>
<td>Who, what, where, how many, how much</td>
<td>No</td>
<td>Yes/No</td>
</tr>
<tr>
<td>History</td>
<td>How, why</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Case Study</td>
<td>How, why</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>

(Adapted from Yin, 2009, p. 8)

3.4.1 Experiments

A research strategy that focuses on experiments tries to answer a hypothesis by verifying, falsifying, or establishing validity by answering how and why variables differ when they are changed. Changes are made within the independent variable and the researcher observes the change within the dependent variable (Ghauri and Grønhaug, 2005). By doing so, a researcher can draw patterns of associations between the variables and thus, answer the questions how a variable changes and why a variable changes. An experiment requires the control over the variables, whatever the variable may be, and an understanding and focus of the contemporary events surrounding the experiment (Bryman and Bell, 2011).

A reason for us not using this strategy was that our study had neither interest nor a requirement for conducting any experiments in order to solve our research problem.
3.4.2 Survey

A survey is most often used with the intention of a statistical presentation of the research, based on a sampling of the population of interest. A survey can be used by a researcher to find out data regarding the respondents’ attitudes, motivations, behavior, awareness, and lifestyle (Malhotra, 2010). The intention of using a survey is to answer questions such as who, what, where, how many, and how much the given variables affect the population and/or what they think of these variables, in order to solve the research problem. After having conducted a survey and analyzed the outcome, a researcher can draw a general conclusion of the population, based the representative sample. This type of strategy does not require the control over the affected variables, but a focus on present events is needed (Bryman and Bell, 2011).

This study have not used this type of research strategy, since the aim of the study was not to draw any general conclusions, but instead focus on an in-depth analysis of how and why single entities are the way they are.

3.4.3 Archival Analysis

By applying a research strategy based on an archival analysis the researcher takes on a method form of observation, where the researcher gathers and analyses documents or archives in order to solve his or her research problem. This type of research strategy strives on answering the questions, similar to the survey strategy, of who, what, where, how much and how many. The archival analysis strategy does not require any type of control over the behavioral events during the gathering and analyzing of the needed data. Due to the fact that the archival analysis strategy is based on the collection of documents and archives the researcher has the option of focusing on past or present events, or both, depending on what the research problem requires (Bryman and Bell, 2011).

This research strategy did not suit our investigation due to the fact that we needed to gather data concerning the thoughts, beliefs and attitudes directly from the respondents in order to accurately address our research problem. Archival analysis did not provide such data, and thus, this research strategy was neglected.
3.4.4 History

Basing research on history is about understanding the present, or to plan for the future, by analyzing the past (Ghauri and Grønhaug, 2005). This strategy of research based on history focuses on collecting and analyzing historical data with the intention of answering questions such as why and how. Naturally, this strategy does not focus on present-day events and practices, but rather a historical viewpoint which is used to make a conclusion (Bryman and Bell, 2011).

This did not fit our thesis, given that our phenomenon was relatively new, and thus, a historical research strategy would provide us with insufficient data. Simply put, in order for us to tackle our research problem, we could not have a historical viewpoint.

3.4.5 Case Studies

This leaves us with the last research strategy presented in the table, case studies. A case study is both a useful and frequently used approach of qualitative inquiry. This strategy deals with the selection of a case or a collection of cases, in which the researcher makes an in-depth investigation, including collecting and analyzing data in relation to the chosen theories. A case can be about a company, a product, a person, or a group of people that the researcher builds an exemplification upon, which in turn aids the overall goal of the thesis (Gillham, 2000). It is often used by researchers to stress factors that they deem worthy of attention, and cases with both good and bad outcomes can be presented to be able to draw a conclusion based on this. The case study strategy has the goal of answering questions such as why and how certain variables act in relation to the context of the research. To follow the model presented above, this type of research strategy does not require any control over the subjects and their responses, and there is a focus on current events (Bryman and Bell, 2011; Gillham, 2000).

We chose to work with case studies, given that it was the most suitable research strategy for our investigation. We chose this method based on the fact that it allowed us to deeply investigate and exemplify the relation between certain companies and the variables of positioning and organizational capabilities. Since we had our purpose in mind when choosing research strategy, we could effectively exclude other research strategies. Case studies did not only allow us to make an in-depth investigation that allows us to acquire our respondents’ beliefs, attitudes, and thoughts, but it was also fitting for us since it focuses on current events, which was a prerequisite for us in order to fittingly address our research problem.
3.5 Data Collection Method

There are several different ways of collecting data in order to deal with a research problem. The choice of what method or methods to use when collecting data depends on what research strategy and design the researcher has previously chosen to follow. A researcher can choose to triangulate the collection of data, which means that he or she uses three different types of data collection methods. Triangulation strengthens the paper and makes it more rigorous in terms of the empirical foundation that later is to be analyzed (Bryman and Bell, 2011).

3.5.1 Content Analysis

The first method to be presented is the content analysis method. The objective of content analysis is to analyze the content of documents and texts in order to see how frequent different characteristics in the content are communicated. It is an objective, quantitative, and systematic description of the chosen form of communication, such as documents, texts, and dialogues (Malhotra, 2010). This method allows the researcher to see what key characteristics the documents and texts tries to communicate. It is executed in the way that the researcher starts by deciding what characteristics to look for. Then the researcher codes the characteristics by deciding what words or phrases that are connected to the characteristics. After the researcher has made a coded framework he or she matches the content of interest to the coding frame, and thus allowed to draw conclusions based on the identified matches. A content analysis possesses the advantage of that it easily can be presented statistically but it requires statistical software skills as well as a sharp sense for source criticism (Bryman and Bell, 2011).

This data collection method was not be used in this study simply because of the fact that this study required an analysis based on the thoughts, beliefs and attitudes of the respondents which could not be collected through any texts or documents.
3.5.2 Focus Groups

Another method in which data can be collected through is by focus groups. A focus group is a group of individuals chosen by the researcher to discuss the research problem, thus providing data to be analyzed. The data is collected through the discussion that the individuals in the focus group have. The discussion that is created is influenced by the composition of the group, its size, and the personalities of the individuals (Ghauri and Grønhaug, 2005). The number of respondents in focus groups varies, but a generally acceptable amount is between five and fifteen. It is very often used in qualitative research, since the discussion is held up by respondents, with a researcher who acts as a moderator to keep them on track. A secretary may be used, but most often, focus groups are recorded, since they last longer than interviews and develop the problem deeper. Also, given the number of people talking, it is hard to keep up with everyone, naturally.

One major advantage of this method is that a researcher can delve deeper into the attitudes, beliefs and perceptions of his or her respondents, and thus get a better understanding of the problem at hand (Bryman and Bell, 2011). A major disadvantage is, however, the fact that it requires the physical presence of all participants, which is also the reason why we are not able to conduct this method. It would be too complicated to gather all people from the breweries in Sweden that we are interviewing, and take too much time and money to complete.

3.5.3 Observations

Another method for collecting data is by observations, also called ethnography. Collecting data through observations means that the researcher observes the behavior a subject, which may include a single person, a group of people or an entire company in order to collect data in order to unravel a specific research problem. It is a systematic method of collecting data, as the researcher records the information that he or she observes, and can in that way understand the phenomenon of interest in a deeper way (Malhotra, 2010). Researchers performing undergraduate projects or a master’s thesis may not have time to conduct a full-scale observational/ethnography data collection procedure. In such a case, the researcher can conduct a micro-ethnography, meaning that the researcher focuses solely on one or a few aspects of an organization and its culture. A micro-ethnography is usually conducted in a time span of a few weeks to a few months (Bryman and Bell, 2011).
The advantage of collecting data through observations is that the researcher can get a deeper understanding of the company culture as well as first-hand data, due to the fact that the researcher is present in the setting. A downside with an observational data collection method is that the data which is collected may be contaminated if the subject or subjects of the study behaves differently because they know that they are being observed (Ghauri and Grønhaug, 2005).

This method for collecting data has not been used in this study mainly because that we had chosen to investigate several different companies in order to deal with our research problem and if we were to employ this data collection method, it would consume too much time. We were well aware that this method could be very useful and rewarding for our research, in terms of observing how organizational capabilities facilitate the companies positioning strategies, but the time constraints did not allow us to do this.

3.5.4 Survey

A very common way of collecting quantitative data is by conducting a survey. A survey resembles a method of gathering data in order to gain a broad understanding of a particular research problem with the intention of being able to draw a general conclusion of the research problem. A survey can generate data through the use of questionnaires, which is a series of straight-forward questions which often does not feature any room for analytical answers. A survey can either include the entire population around the given research or be focused on a representative sample of the population, which then acts as the foundation for concluding the outcome of the population. By focusing on a representative sample of the population of interest, the researcher can save both time and money and still make a valid conclusion of the entire population if the survey is correctly conducted. A big drawback of this is of course that the sample must be very well composed in order to make an accurate generalization (Bryman and Bell, 2011). A prominent advantage of conducting a survey is that it is very easy to administer and the outcome of the survey easily can be presented statistically. Also, variability caused by different interviewers is erased, seeing that fixed-response questions do not require any interview skills (Malhotra, 2010).

The use of a survey as a tool for collecting data is a common way of conducting quantitative research, which has the overall goal of being able to make a generalization. This was not the aim of our research, since our research was focused on a qualitative approach. Given the aforementioned reasons, this data collection method was neglected.
In-depth Interviews

The intention of an interview is to obtain information from an interviewee by the interviewer. Interviews are often personal, with two people (the interviewer and the interviewee) sitting face-to-face, and the interviewer asks questions which the interviewee are supposed to answer. This method of collecting data is a relevant tool when conducting qualitative research, in which the researcher wants to get as deep and rich information as possible. Depending on the structure of the interview, it can either be very strict, if it follows a structured manuscript, or it can be very flexible, if the interviewer decides to keep it unstructured. It can be a combination of both, which is called semi-structured (Bryman and Bell, 2011). The semi-structured interview follows a predesigned form, but allows the interview to be flexible at the same time, since the order of the questions can be switched around, and also leaves room for probing and follow-up questions. This enables the researcher to gain a deeper understanding facilitated by discussing the interviewee’s deeply rooted personal thoughts, beliefs, and attitudes concerning the current topic (Ghauri and Grønhaug, 2005; Malhotra, 2010).

Interviews, if part of a larger research project, can prove to be costly and consume a lot of time. Another prerequisite in order to use this data collection effectively is that a skilled interviewer is needed in order to keep the interview on the right track. One thing that an interviewer must keep in mind, and also avoid, is interviewer bias, which means that the interviewer has a prejudicial approach to the interview. He or she may start the interview with a notion of what the results may be, and thus, the interviewer formulates the questions that lead the interviewee towards that result. Another type of bias can be found in the interviewee, which is called social desirability bias. This occurs when an interviewee responds to questions with the intention of being socially desirable, meaning that he or she responds in a way that they think is expected from them. These two biases are important things to keep in mind when conducting interviews in order to make the interviews as valid and valuable as possible, which requires a skilled interviewer (Bryman and Bell, 2011; Ghauri and Grønhaug, 2005).

We have used this method of collecting data, given that it was useful in understanding the interviewees’ beliefs, attitudes, and thoughts concerning our research subject, which was the underlying reason. We have used a semi-structured interview type, which allowed us to discuss with the interviewee and ask probing questions in order to get useful data for a deep and complete analysis of the researched problem.
This technique of collecting data has allowed us to form questions that have revealed information about microbreweries’ positions, and to discuss how their organizational capabilities facilitated them in reaching a positioning strategy. We have conducted this via telephone, mainly because it was cheaper way of conducting interviews, since the breweries are scattered across Sweden, and travelling around to each and every brewery would cost us a lot of time and money. This way, we overcame this drawback. Also, social desirability bias has been reduced, given that the interviewees cannot be affected by the personal characteristics of us as researchers. However, a big setback with this was that we could not observe the interviewees and act upon observational cues.

3.6 Data Collection Instrument

3.6.1 Operationalization and Measurement of Variables

In order for us to be able to accurately analyze the data that we have collected, we needed to define what we intend to measure. By doing so, we could find certain variables within the data, which then could allocated and matched with the theoretical framework and the concepts that we intended to measure.

Firstly, we needed to define which variables that would help us measure the concepts that we wanted to measure in our research. We had two different concepts that we wanted to measure in each case study, namely positioning and organizational capabilities. By doing so, we could then allocate the data with the variables that could measure these concepts validly.
3.6.1.1 Hooley et al’s Positioning Dimensions

This research has viewed positioning in terms of how companies are positioned in relation to their competitors. By having defined what positioning is in this study, we could then decide what variables that measure positioning in this sense. This means that we have deduced the concept of positioning into variables, which have acted as measurement sticks for our study.

By finding these different variables within the data that we have collected, we have been able to allocate and identify different characteristics that together have represented the given brewery’s positioning. To establish variables that determine the different positioning characteristics, we have assessed our theoretical framework and used Porter (1996) and Hooley et al’s (1998) different positioning bases and dimensions as a fundament for determining which data that we could allocate to positioning, and in turn, which of that data we could connect to the different dimensions and bases. This has helped us to describe and clarify the different breweries’ positioning strategies.

<table>
<thead>
<tr>
<th>Construct</th>
<th>Potential Variables</th>
<th>Interview Question No.</th>
</tr>
</thead>
</table>
| **Positioning: Price**  | ● Actual price  
● Price in relation to commercial and microbreweries  
● Price communication | No. 3, 4, 5, 6, 11, 12, 13, 14, 15, 19, 20                  |
| **Positioning: Quality**| ● Raw material  
● Cost of production  
● Product attributes  
● Craftsmanship                                                                 | No. 3, 4, 5, 6, 10, 11, 12, 13, 14, 15, 19, 22               |
| **Positioning: Innovation**| ● Experimental extent of:  
○ Flavors  
○ Styles  
○ Production process  
○ Ingredients  
○ Packaging  
○ Labeling                                                                 | No. 3, 4, 5, 6, 10, 11, 12, 13, 14, 15, 19, 21, 23, 24       |
| **Positioning: Service**| ● Guided tours  
● Beer tastings  
● Additional services                                                                 | No. 3, 4, 5, 6, 11, 12, 13, 14, 15, 16, 17, 18, 19, 25      |
| **Positioning: Benefits**| ● Low-calorie  
● Seasonal  
● Alcohol-free                                                                 | No. 3, 4, 5, 6, 11, 12, 13, 14, 15, 23                      |
| **Positioning: Tailored Offerings**| ● Customizable labels  
● Customizable brews                                                                 | No. 3, 4, 5, 6, 11, 12, 13, 14, 15, 24                     |
Given that our study is not of a quantitative nature, we have not focused on quantifying words or variables in order to find out what positioning a specific brewery has. Instead, we will describe the different breweries’ positioning strategies based on the combination of the dimensions and bases. In order to identify the different dimensions and bases within the collected data, we have used the definitions of the different bases and dimensions and compared the responses to these. Therefore, we listed potential indicators (i.e. variables) that points towards the different bases and dimensions. Also, we presented both objective (e.g. actual price) and subjective (e.g. price communication) potential indicators that determined the measurement of the different dimensions and bases.

Potential indicators for price were the actual price of the product, and the price in relation to both commercial breweries and microbreweries, as well as how much effort the company the puts in communicating the price. Quality could be measured by the actual quality of the raw materials used in the brew, as well as the cost of production.

Also, the attributes of the product (such as if it has been bottle conditioned) and other variables such as the design of the bottle, the attention given to the production itself and how good the brewmaster is (i.e. craftsmanship).

To measure the innovativeness of the breweries, one could use how much they experiment with flavors, styles, the production process, and ingredients. The packaging could also be innovative, including the bottle itself, the label, as well as additional packaging features that is not considered to be standardized. How much the brewery emphasizes on service could be indicated by, for example, if they guided tours of the brewery and/or beer tastings.

The potential indicators for determining what benefits the different breweries can provide could be seen as how they add benefits to their beers. Such indicators could be if they offer low-calorie beers, or seasonal beers suited for special occasions and holidays. Indicators for the focus on tailored offerings were if the brewery offer customizable labels and customizable beer.
3.6.1.2 Porter’s Positioning Bases

Potential indicators for the different positioning bases varied between the three. Indicators for a variety-based positioning could be a focus on one or a few styles of beer, due to special knowledge, expertise, limited capacity, and/or limited financial funds. For the needs-based strategy, potential variables were ecologically brewed beer, low-calorie beer, low-alcohol and/or alcohol-free beer, low-priced beer, and taste preferences, which all are aimed at satisfying different needs for different segments. Lastly, access-based positioning could be indicated by, for example, if the brewery only is available in special pubs, certain cities, and if the beers are only available through ordering via Systembolaget.

<table>
<thead>
<tr>
<th>Construct</th>
<th>Potential Variables</th>
<th>Interview Question No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positioning: Variety-based</td>
<td>● Focus on a few styles due to:</td>
<td>No. 2, 3, 4, 5, 6, 8, 9, 10, 11, 12, 13, 14, 15, 19, 22</td>
</tr>
<tr>
<td></td>
<td>○ Knowledge</td>
<td></td>
</tr>
<tr>
<td></td>
<td>○ Expertise</td>
<td></td>
</tr>
<tr>
<td></td>
<td>○ Capacity</td>
<td></td>
</tr>
<tr>
<td></td>
<td>○ Financial funds</td>
<td></td>
</tr>
<tr>
<td>Positioning: Needs-based</td>
<td>● Ecological</td>
<td>No. 3, 4, 5, 6, 10, 11, 12, 13, 14, 15, 20, 21, 22, 23, 24, 25</td>
</tr>
<tr>
<td></td>
<td>● Low-calorie</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Alcohol-free</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Low-alcohol</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Low price</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Taste preferences</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Quality criteria</td>
<td></td>
</tr>
<tr>
<td>Positioning: Access-based</td>
<td>● Availability</td>
<td>No. 3, 4, 5, 6, 11, 12, 13, 14, 15, 16, 17, 18</td>
</tr>
<tr>
<td></td>
<td>● Distribution</td>
<td></td>
</tr>
</tbody>
</table>

These variables have been used in order to effectively analyze and conclude how to accurately decide what positioning strategy each microbrewery has.

3.6.1.3 Organizational Capabilities

We have adopted Helfat’s (2003) view on organizational capabilities, which sees them as a company’s ability to make use of the company’s resources in order to perform a coordinated task with the purpose of achieving a certain goal. In order for us to find indicators within the data that we have collected, we established potential variables to help us measure the collected data with the concept of organizational capabilities. Potential variables may include the extent of synergy in the brewery, managerial prowess, and utilization of available expertise, experience, technology, machinery, skills, knowledge, and innovativeness. Also, variables that indicate how committed and driven the staff is about brewing were of interest.
These indicators have allowed us to measure the different breweries’ organizational capabilities and helped us to analyze how they facilitate the breweries’ in reaching their positioning strategies.

### 3.6.2 Interview Guide

An interview guide is a list of questions that covers the specific topics of interest in an interview. This guide is a tool for the interviewer to use when interviewing respondents. In a semi-structured interview, the interviewer has some flexibility when asking the questions, and this flexibility allows him or her to ask questions in a different order and allow for probing questions (Bryman and Bell, 2011).

Our interview guide (found in Appendix 1) was designed with the intention of extracting data and finding variables that allowed us to measure the concepts of the theoretical framework. It was designed to be executed via telephone, and the questions asked were presented in order to create a continuous flow with a clear theme in each section. This was done in order to minimize respondent confusion and to maximize respondent focus on each theme. It was designed with major questions, in which room was left open for discussion and in-depth probing of the respondent. We also included subquestions, concerning the same topic, to help us maximize the data extraction, our understanding of the brewery, and our ability to develop a rigorous case study.

<table>
<thead>
<tr>
<th>Construct</th>
<th>Potential Variables</th>
<th>Interview Question No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Capabilities</td>
<td>Synergy</td>
<td>2, 3, 4, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25</td>
</tr>
</tbody>
</table>
3.6.3 Pretesting

Pretesting was employed, in which that our interview guide was reviewed by Professor Hooshang M. Beheshti, PhD, who is a Professor of Management at Radford University in Virginia, United States. He reviewed it and gave us suggestions for improvement, which was taken into consideration and we developed our interview guide accordingly.

3.7 Sampling

When conducting research, the researcher can either decide to investigate the whole study population or a sample of it. Should the researcher conduct an investigation that includes the whole population, it is called a census survey. By doing so, the researcher includes every individual of the population of interest, and creates validity that way. However, if a researcher chooses to base their study on a sample of the given population, it is called a sample survey. This sample should be a representative part of the population as a whole, in order to conduct a valid research. The choice of which survey method to choose depends on the researched subject (Bryman and Bell, 2011). Census surveys are often costly and time consuming, which is the underlying reason for choosing to conduct research based on a sample (Ghauri and Grønhaug, 2005).

In our study, we have utilized a sampling method of the population. Representative, in our case, does not entail any other factors but that the company must be a microbrewery. Also, we have chosen to base our research on a sample due to the time and monetary constraints that are imposed on us.

3.7.1 Sampling Frame

A sampling frame is a listing or a set of directions from which the sample is selected (Ghauri and Grønhaug, 2005). The sampling frame that we used was determined by investigating different websites dedicated to microbreweries. We used a brewery map available at svenskaolframjandet.se, which is a webpage hosted by Svenska Ölfrämjandet (The Swedish Beer Consumers’ Association), whom is a member of EBCU (The European Beer Consumers’ Union). This brewery map list all Swedish breweries present today, and although this map is not exclusively designed for microbreweries (since it also contains commercial breweries in Sweden) we used this map as a guide when choosing appropriate respondents. Before contact, we evaluated the chosen respondents by the aforementioned criteria of what constitutes a microbrewery.
3.7.2 Sample Selection

To determine the size of our sample, we had time constraints and our research strategy in mind. We had limited time in doing this research project, and to be able to do as qualitative research as possible within the timeframe, we chose to do case studies. Having concluded that we will do this, we discussed within the group, and with our supervisor, about an appropriate sample size for our research. Ultimately, we decided upon including five different Swedish microbreweries, making sure that it was enough respondents to validate the research, and not too many, with the timeframe in mind. Also, we did not choose to include more than five respondents in order for each and every case not to lack in quality.

3.8 Data Analysis Method

There are different ways to analyze qualitative data, and grounded theory, analytic induction, and pattern matching are a few ways of doing it.

3.8.1 Grounded Theory

Grounded theory is a method of analysis where the researcher collects data, analyses the data, and eventually constructs a theory or theories based on the analyzed data. This analysis method is based on a few key tools, such as theoretical sampling, coding, theoretical saturation, and constant comparison (Bryman and Bell, 2011). It is a reversed way of traditional research, where the researcher first does a literature review, collects data, and then analyzes it. Thus, there is no preconceived hypothesis when using grounded theory. A common method of collecting data when using grounded theory is through interviews. After having done the data collection, a researcher tries to code the collected data, and put these codes into categories which then can be used to build a hypothesis (Allan, 2003).

We have not used this method of analyzing data, as we have a deductive research approach. As such, using grounded theory is not suitable if the traditional way of research is applied.

3.8.2 Analytic Induction

Analytic induction is an analysis method where the researcher analyzes data, seeking universal explanations of the phenomenon of interest. To make this more graspable, the researcher starts out with a research question and then builds a hypothesis around this research question. After this, the data collection starts. If, during the data collection, the researcher encounters cases that are inconsistent with the stated hypothesis, the researcher is left with two choices.
Either he or she redefines the hypothesis in order to exclude this inconsistent case, or he or she reformulates the hypothesis so that this inconsistent case is included in the research. This process is continued until a universal explanation of the researched phenomenon can be established (Bryman and Bell, 2011).

We have not used this data analysis method, simply because we were not striving for establishing a universal explanation of how microbreweries position themselves, nor which universal organizational capabilities facilitate microbreweries in the reaching of their respective positioning strategy.

3.8.3 Data Reduction and Pattern Matching

Pattern matching is a data analysis method that strives for taking collected data and reducing it, so that patterns easily can be found. The steps that are included in this method of analyzing data are data reduction, data display, and pattern matching. First, after all the data has been collected, it should be reduced by selecting, focusing, and simplifying the most relevant data. After having reduced the data, the researcher should organize and compress the data in order to easily make it displayable. The researcher can use tables and matrices for this, in order to provide a sturdy foundation for conclusions to be drawn. Lastly, the researcher draws conclusions by searching for patterns and identifying potential regularities and irregularities backed up by the theoretical framework (Miles and Huberman, 1994).

Data reduction and pattern matching is the analysis method that has been used in this study, as it supported our deductive research approach and thus, it was the most suitable method of analyzing data for this research.

3.9 Quality Criteria

3.9.1 Content Validity

Content validity (often also called face validity) is pivotal for academic research. The researcher must make sure that the measurement instrument for the research is valid and relevant to tackle the research problem, given that a well-designed instrument is key for finding accurate and specific data (Bryman and Bell, 2011). To determine content validity, a systematic and objective evaluation of the measurement instrument should be used to determine that the measurements capture what they are supposed to (Ghauri and Grønhaug, 2005; Malhotra, 2010).
In order to establish validity of the content of this research, we have consulted our supervisor regarding our interview guide that we used when interviewing our respondents. Our supervisor is a Professor of Management at Radford University, Virginia and we considered him to be highly capable of determining whether our instrument was of good or bad quality.

3.9.2 Construct Validity
Construct validity is determined by a researcher’s ability to show how well the measurement instruments actually measured the concept that was to be measured (Malhotra, 2010). For example, this can be increased through triangulation, which means that the researcher uses three different data collection methods, in order to make sure that the data collected is valid, and most importantly, that it measures the concept that they intend to measure (Bryman and Bell, 2011). Due to the limited time that was given, we deemed that triangulation was not an option. For our research, we have established construct validity by operationalizing every question in our interview guide, and including justifications and explanations of why and how each question relates to the researched concept. Our supervisor has also evaluated our measurement instrument, in order to determine the validity of it.

3.9.3 External Validity
External validity concerns the extent to which the findings can be generalized. It is the reason why quantitative researchers put a lot of thought behind the sample selection. The researcher wants to acquire a random, but very representative, sample in order to enhance the external validity of the research, and thus enhance the generalizability (Ghauri and Grønhaug, 2005).

External validity can be threatened in a couple of ways. If a researcher tries to generalize a certain gender-dominated population (e.g. nurses), the researcher might compromise the external validity if he or she bases the sampling on the dominating gender. Another way that the external validity can be compromised is if the researcher neglects the Hawthorne effect (the population knows that they are being experimented on and this awareness may change their response). Also, the researcher must be aware of the setting of the experiment and take into account that the results may differ depending on the setting of the experiment, which can compromise the generalizability of the results. For example, results may differ if the research is carried out in a laboratory or in the population’s natural setting. These are factors which the researcher must take into account in order to enhance the generalizability and the external validity of the research (Bryman and Bell, 2011).
3.9.4 Reliability

The reliability of the research is mainly concerned with how consistent the researcher measures the researched concept. It can be assessed by looking at how well the research can be repeated at another point in time, if the research contains protocols of each case study and if these are presented in a database with consistency amongst them, the researcher can prove that the research is reliable. Also, if the researcher presents detailed steps of how the data was collected, handled, and analyzed, reliability increases (Bryman and Bell, 2011). We have tried to establish reliability by providing detailed case study protocols and interview protocols of the multiple case studies and interviews that we conducted. Also, we have provided a comprehensive step-by-step procedure of how our data was collected, handled and analyzed.
To summarize our methodology chapter, we have constructed a model, in order to show the steps that the chapter follows. This will, hopefully, provide the reader with an overview of how the research has been conducted.
4. Empirical Investigation

The presented case studies have been constructed using interviews with one employee from each respective brewery, after which the data was transcribed, reduced, and finally, presented in the manner shown below. The transcriptions that we reduced can be found in the appendices 2-6.

4.1. Nynäshamns Ångbryggeri

4.1.1 Background

Nynäshamns Ångbryggeri started out in 1988 as a club called Hagges Bärsklubb (trans. Hagges Beer Club) in Nynäshamn, south of Stockholm, Sweden. This club, featuring the founders Tony, Pär, Lars, and Christer, as well as some other people, was an outlet for them to try different beers. Soon after the start, they arranged annual trips around Europe to visit local breweries and taste their brews. This eventually led the club to get their own club house, in which they brewed their first beer. This was brewed in the kitchen of the clubhouse, and the idea of starting an own brewery started to take shape. During the early 1990’s, they developed the skills and knowledge that was necessary, and in 1997 their production started. They chose the name Nynäshamns Ångbryggeri, as it was the name of an old brewery that had operated in Nynäshamn during the early part of the 20th century. As they recycled the name of a previous local brewery, they decided to give their beers names using local landmarks and skerries. Since then, their beers have won numerous awards at Stockholm Beer and Whiskey Festival and other beer festivals, with their flagship beer (which was also their first commercial brew) Bedarö Bitter being one of their most successful. Also, their beer Bötet Barley Wine was awarded “Best Barley Wine in the World” at the World Beer Awards. Their regular assortment consists of six beers, and their seasonal/special selection is a range of 10 different beers. They have around two beers that are part of the standard assortment at Systembolaget (nyab.se, 2012-04-16).

The initial intention of starting a brewery was simply to see if it was commercially viable and to satisfy their love for brewing, and the goal they had when starting out was to make the brewery a source of livelihood for the founders. It was intended only to be sold in Nynäshamn, but the reception, both locally and at various beer festivals, allowed them to grow in conjunction with this. As they grew, the need for creating a brand for them grew too, and they therefore strategically bought a bottler.
This allowed them to sell bottled beer (instead of only kegs) that could be placed on their restaurant tables to let the customer see what he/she was drinking, which created awareness. The success they had during the early years (which indeed proved to be a viable source of livelihood) allowed them to expand, and the goal changed into being able to stay competitive amongst other breweries, both commercial and microbreweries. Also, they want to continuously have as many of their beers available at Systembolaget as possible.

4.1.2 Positioning Strategy
When talking about their positioning strategy, they think that they are different from commercial breweries in the way that they put major emphasis on the quality and raw material behind their brews. Also, they do not pasteurize their beers, something that major breweries most often do. However, they do not think that they are very different from other microbreweries, other than their large capacity, variety, and their award-winning beers. As such, they want to be perceived as an elegant choice that fits finer restaurants and appeal to individuals who are above 30 years of age, and are trendy, urban, and has a moderate to high income.

They are aware of that they may communicate a snobby, pretentious, and picky picture of themselves, but they want to change this by releasing a book in conjunction with their 15th anniversary this year, which will show the history and craftsmanship, to facilitate them in communicating their preferred values and strengthen these.

The brewery distributes their beers both to restaurants and via Systembolaget. This way, their beers are available in all of Sweden, given that they can be ordered through Systembolaget. They are also available in minor quantities in Norway and New York City, United States. Their way of reaching out to customers is mostly through word-of-mouth from existing customers and specialized pubs, who spread the word in the industry and the beer community. Their way of keeping customers loyal is done through good service, personal deliveries, and constant personal contact.

Their products have a higher price than others, and the brewery says that they price their products based on their quality, which is the main attribute of their beers. This is an intentional choice in order to fit their target group. Comparing this to the actual price of their flagship beer Bedarö Bitter, it is in a higher price range at Systembolaget and the price is 28 SEK for a 500 ml bottle (systembolaget.se, 2012-05-05). When it comes to experimenting with new types of brews, tastes, and packaging, they have tried different recipes as well as
new types of kegs. They offer special beers for Christmas, Easter, and summer. They do offer more special ales during winter and fall. Given the heaviness of these brews, they are more suited for these seasons than spring and summer. They don’t offer any customizable offers for consumers, but when they are approached with an offer of developing a brew that both parties benefit from, they will consider it. For example, they created a celebratory beer for the steamship S/S Blidösund’s 100th anniversary. In terms of services, they do offer guided tours of the brewery, which also includes beer tastings and snacks. Sometimes they offer pump cleaning and deliver some more experimental brews for customers that they think can handle them, in terms of tapping and selling.

4.1.3 Organizational Capabilities
All of the four founders are still present in the company, and the workforce has increased with eight additional employees. The four founders found use of their skills from their previous occupations and knowledge in beer. One was a plumber before starting the brewery, and his knowledge was pivotal during the early stages and still is, seeing that he was able to do all the piping necessary to start brewing. Above all, they could utilize their previous knowledge about beer and the making of it. The twelve employees are divided in four major roles; CEO, sales, production/technology, and brewing. All of these roles are seen as equally important, and each employee should be dedicated and devoted to the craft of making good-quality beer. When asked about what capabilities they think are the most important when aiming at creating as good a beer as possible, they thought that interest, knowledge, devotion, determination, pushing the boundaries of brewing, curiosity, and having a good first brewer/brewmaster with an exceptional feeling for beer are the most important ones. They strive to have a constant consensus amongst the employees when deciding what to brew, and even though this consensus is important, they have a first brewer who has the final say about the brewing process, since he is responsible for composing recipes and ordering raw material.

See appendix 2 for transcription of the interview that we collected this information from.
4.2 Oppigårds Bryggeri

4.2.1 Background

Oppigårds Bryggeri is a small brewery located in Hedemora, in the central part of Sweden and consists of seven employees. The story behind the founding of Oppigårds Bryggeri stems back to the year of 1984 when the owner Björn decided to take his fascination of brewing to another level by borrowing a book about brewing from the local library. He then started to evolve his brewing skills at home and continued to develop these skills through the use of more advanced literature about brewing. Björn and his wife Sylvia started to build their own brewery during the year of 1997 but became finalized in 2003 when the brewery opened, and in 2004 they started to sell their brews to restaurants and via Systembolaget. Up until today, Oppigårds Bryggeri has won several medals for their different brews and was appointed as 2009’s best brewery at the Stockholm Beer and Whiskey Festival. They have also expanded their brewing facility which increased their brewing capacity, and they created a visitation center, allowing up to 50 people to visit the brewery to see how they create their brews and taste them. Oppigårds brewery has an assortment that consists of 13 different beers and they offer different types of ales and lagers, including seasonal brews such as Christmas and Easter brews (oppigards.com, 2012-04-16).

The initial intention behind Oppigårds Bryggeri was that the founders wanted to combine their interest for brewing and entrepreneurial spirit. At the start, they decided that their strategy was to niche themselves from larger, more commercial breweries, since they understood that their brewery could not (and still can’t) compete with these breweries in terms of volume and price. This put aside, the main philosophy that they wanted to work with was that they wanted to brew beer that they themselves were proud of, which was full of character and did not heed to price and volume. They still work with this ethic in mind, and with the initial goal behind the operations of being able to make a living out of the brewery having been fulfilled, they now work with improving the quality of their beers, by constant development and investments.
4.2.2 Positioning Strategy

Oppigårds Bryggeri perceives itself as being a well-established brewery that is readily available at each Systembolag, which delivers quality beer to the average Swede. Given their target group, they want to communicate affordable quality. The actual price of their flagship beer Golden Ale at Systembolaget is 17.50 SEK for 330 ml (systembolaget.se, 2012-05-05). They want to communicate to customers that their beers are a taste experience, which is very important. They put a lot of emphasis on their variety, both in terms of tastes and styles. Also, they like to see their beers as a good compliment to food, similar to wines. They believe that their customers perceive them as being a small brewery that are able to keep an even quality, and that they are a very welcoming and open brewery, that gladly answers questions from customers since they believe that customers should have an easy time to find out what they are drinking and where it is from. When asked what differentiates them from other breweries, both commercial and microbreweries, they think that in contrast to commercial breweries, that they work more extensively with different styles and tastes, since they think that they put a lot of emphasis on creating a beer that they themselves can stand for and enjoy. They believe that by brewing by hand, one experiences both risks and rewards. It is risky in terms of beers going bad, but the craftsmanship that is put into the beer usually proves to enhance the beer’s quality and enable them to develop unique flavors and characteristics. When it comes to other microbreweries, believe that they are welcoming and open about creating dialogues with consumers and to show consumers what they do and their craft. Also, they believe that their range of beers may differentiate them from some of the other microbreweries on the market, as well as their national availability.

Their national distribution is a big thing for them, given that they are, according to themselves, located “in the middle of nowhere”. By distributing 90% of their production via Systembolaget, they gain national recognition seeing that they have three beers that are part of Systembolaget’s standard selection. The remaining 10% of their produced beer are delivered to restaurants and pubs, and a small part of this is exported to Norway, Finland, and the USA. In order to reach out to their customers, they use their homepage. Other than that, they do not have any outlined PR. Their most utilized channel of reaching out to customers about their products is word-of-mouth, both between restaurants and consumers. The curiosity about microbrewed beer has been sparked in Sweden, and they try to utilize this to their advantage.
Placing the Keg: How Five Swedish Microbreweries Position Themselves

Given this curiosity, they think that people speak highly of their brews because they always work with quality improvements. By doing so, they think that their products always are welcomed by consumers.

The price of Oppigårds’ beer has deliberately been set in the medium price range. The idea behind this was that a larger mass of people should be able to enjoy their beer. Quality is the main goal with their beers, and is always something that they emphasize and develop. Should they accumulate enough capital, they always try to invest in new ways of creating and sustaining better quality. They recently acquired a new capping machine to further ensure a quality improvement in their beers. When experimenting with different styles and coming up with new beers, they work in the way that if the employees are all positive and comfortable with brewing a new type, they brew a big batch right away. If not, they have a small brewing system with which to experiment with. Since they want to keep the recognition factor, they do not experiment with packaging. They put emphasis on providing seasonal beers, and aim at having around four seasonal beers, which are specially designed for Easter, Christmas, summer, and fall available at Systembolaget in the adequate season. Also, they allow the winner(s) of the national home brewing championship to brew their winning beer at a larger scale, which later is sold at Systembolaget as a special edition. They are very proud of being able to contribute to the emerging scene of home brewing. They do not produce any low-alcohol, low-calorie, nor alcohol-free beers. However, they are in the midst of developing a low-alcohol beer. Should they be approached with customizable offers from consumers, they often deny these. However, should this prove to be mutually beneficial, they will consider fulfilling such an order. As for extra services beyond their beers, they usually have beer tastings in pubs that act as a representative event for themselves, as well as they can organize beer tastings at their own brewery. Also, should a restaurant or pub require, Oppigårds can provide these with their special Oppigårds Bryggeri glasses.
4.2.3 Organizational Capabilities

Today, the organization consists of seven employees, which are all assigned to their own role. Five of these, with the CEO Björn included, are assigned to brewing. The other four brewers are certified brewing technicians, and one of these is also a biologist and laboratory manager. Given the complex production of beer, the skills of a biologist were very helpful. Besides the biologist, the CEO Björn has a degree in economics, which was something that he could utilize when it came to accounting and other economic aspects of the brewery. Also, Björn had a long experience of brewing at home prior to starting the brewery. Sylvia, who had a background working in the pedagogical sector, could utilize her previous knowledge during guided tours and beer tastings, as well as minor customer-related aspects. They think that everyone has something to contribute, and they try to utilize their employees’ previous knowledge and capabilities where they can contribute the most. The above given example of the biologist, who tests the different values of the beer (such as acidity and ABV) is an indicator about their philosophy that one should utilize what one has. They do believe that all roles are equally important, and regard their organization structure as flat, meaning that there is no clear hierarchy. When developing different brews, they aim at having a consensus amongst the employees before decisions are taken, which they think is possible due to their small size, where the process of idea to reality is simple and effective. Even though they think that everyone has equal contributory value, they believe that there are some characteristics that an employee should possess if they are to work in their organization, and these are knowledge, commitment, and passion. By possessing these, the employees can bounce ideas off each other (given their knowledge), and commitment and passion to the art of brewing is important, so that everyone are willing to pinch in extra if needed. When asked about which capabilities that an employee should possess in order to create as good a beer as possible, they thought that to strive for continuous improvement is very important. Besides that, other important factors are team spirit, expertise, and a passion for brewing. Given that their employees have knowledge about beers and different brews, they aim at having a continuous conversation about the beers that they should offer.

*See appendix 3 for transcription of the interview that we collected this information from.*
4.3 Oceanbryggeriet

4.3.1 Background
Oceanbryggeriet is located in Gothenburg, Sweden, and consists of three founders Peter, Thomas, and Rodrigo. In the year of 2007, the three founders of Oceanbryggeriet sat in a local pub drinking a few beers. While enjoying their brews they came to thinking that they themselves could try to brew when they realized that one of them had knowledge about brewing, one had knowledge within economics and the last of the three had selling skills. As their idea rose, they came upon the opportunity of purchasing brewing equipment from Jämtlands Bryggeri, which they instantly capitalized upon. With the equipment and the utilization of their own knowledge, they created a brewery in an old mortise in Gothenburg where they started to sell their brews to restaurants that specialized in serving different beers. Today their brews can be purchased nationwide through Systembolaget, and they have personal deliveries in Gothenburg, Stockholm, and Malmö. Oceanbryggeriet has an assortment of 18 different beers, and the styles of beers that they offer are different ales and lagers which may differ depending on the season and they also offer a Christmas brew (oceanbryggeriet.se, 2012-04-16).

The initial intention with founding Oceanbryggeriet was to make the brewery a valid source of income for the founders. To achieve this, they formed a strategy around only selling to pubs and restaurants, seeing that they could utilize one of the founders’ contacts within the restaurant industry in Gothenburg in order to find suitable customers for their beers. They still work with this strategy, and they aim to expand their customer base. At the start, they formed an overall goal with the brewery, which was to become the natural choice of beer in the Gothenburg area. They wanted their customer group to consist of both people with a special interest in beer and people without it. As the brewery has grown, they believe that they have achieved this. Another goal that they want to achieve is to get a better presence at Systembolaget, meaning that they want to have a larger variety of their beers available with a larger geographical area.
4.3.3 Positioning Strategy
From a market perspective, they see themselves as a small-scale and meticulous brewery. They want to communicate that their products and product range is a stable one, and is working well in their main market of Gothenburg, since they believe that being a local choice makes them notable. They think that they are perceived by their customers as a brewery that delivers beer that is wholesome and done with finesse. The differences between themselves and commercial breweries are many. In all essence, it is a completely different organization and process, and they think that Oceanbryggeriet focus more on doing niched types of beers with a lot more craftsmanship behind each bottle. However, they do not believe that they differ a lot from other microbreweries, and they try to differentiate themselves by having different beers than others.

Regarding their distribution, they said that they distribute to almost all parts of Sweden, and can, in some instances, be found in Denmark and Norway. Of their 18 different beers, only a few are found at Systembolaget’s website for ordering, but at the three closest Systembolag to their brewery, they have a wider selection and can be bought in a physical store. Otherwise, their beers are only available on tap (systembolaget.se, 2012-05-06, oceanbryggeriet.se, 2012-05-06). In order to reach out to their customers, they try to establish a presence at social media, such as Facebook. They also try to use word-of-mouth, which they believe is of pivotal importance, since it is a type of “free advertising” that can help in spreading the word about their products. In order to keep their customers loyal to Oceanbryggeriet, they aim at being a very stable supplier with a consistent quality. With this they mean that a customer should be able to order their beer and have it delivered to them in three days time, generally.

When pricing their products, they are situated in the mid to high range of prices. With this, they aim at being able to sustain as a company, being able to make investments, and allow a larger mass to get a hold of their products. At Systembolaget, the actual price of almost all of their beer is 29 SEK for a 500 ml bottle (systembolaget.se, 2012-05-05). They want to have a high, consistent quality, which they believe is the most important aspect of their beers. In terms of experimenting with new types of brews, styles, tastes, and packaging, they do not experiment very much. This is due to their traditionalist view of beer. They do, however, modify recipes to try if it will taste better with a new combination of ingredients. Even though they do not experiment that much, they do however offer seasonal beers, which are fitting for the current season. They also provide low-alcohol brews during the summer.
When it comes to customizable offers, they do offer customers the possibility to make their own version of their beer. This is a costly customization that allows the customer to create their own labels and recipe, but should the customer simply want to have their own label on an already existing beer, they can provide this also. They aim at taking on these requests every time it is fitting to their schedule. Also, they provide tours around the brewery and arrange company events, which may include beer tastings. They can also provide summer clothing for restaurants that sell their beer, and they simply try to solve the wishes of their customers to the greatest extent.

4.3.3 Organizational Capabilities
The organizational structure of Oceanbryggeriet is based around three employees, which are the founders. Two of them are responsible for brewing, handling, and preparing for shipping, while the third is responsible for selling and distributing the beer. The distribution between the roles was evident even before the start, since each of the three founders has knowledge in different fields. This allowed them utilize their previous knowledge. Even though they each have special knowledge, they thought that each role within the organization was of equal importance, since each of the employees contributed with their special, pivotal knowledge. For example, their first brewer has worked at Jämtlands Bryggeri and on Ireland. Even so, they did state that the first brewer was not as easily replaced as the other two, making this role more important in the short run. The first brewer had, according to them, an 80% impact on the beers that they make, seeing that he writes the recipes and manages the raw material, but he does not have executive power over what beers to make. They want to have a consensus between the employees when deciding on a new type of beer. They see the role of a first brewer to be a person with experience, precision, expertise, knowledge, and meticulousness. They believe that these capabilities directly influence the quality of the beer, making them very important. Whilst a first brewer should possess these capabilities, it is equally important that the whole organization possesses characteristics similar to an industrial thinking, meaning big volumes and being able to fulfill the order that they receive. Also, they should all have a critical eye for the whole process.

See appendix 4 for transcription of the interview that we collected this information from.
4.4 PangPang Brewery

4.4.1 Background
PangPang Brewery was founded by Fredrik Tunedal in Stockholm during the summer of 2011 when Fredrik felt that he wanted to take his previous experience of home brewing to the next level and produce beer in larger scales. He eventually found suitable premises, more specifically an old bakery, in which to brew, and gathered enough equipment to get his production underway (pangpangbrewery.se, 2012-04-16)

The initial intention when starting PangPang Brewery was to fill a gap which Fredrik had noticed in the Swedish beer culture. He felt that there was a lack of a brewery that mastered all the aesthetic aspects and he felt that a whole-package brewery was missing. This led Fredrik to the point of creating his own brewery which would embrace a unique way of brewing beer. PangPang Brewery took into consideration what and how other breweries in Sweden had done and decided that they had to go in a different direction and find their own way of brewing. Instead of looking at buying used equipment, which inevitably would require a larger starting capital, he made some of the necessary parts by himself. He understood early on that his way of brewing meant that a lot of hard work for small volumes would be a fact, which he embraced as a strengthening aspect. The initial goal with PangPang Brewery was simply to be able to produce and deliver a beer to the market. After the initial goal became reality new goals arose and today the goal is to become the best brewery in Sweden, in all aspects; best product, best packaging, best taste, and in the long term, best service.

4.4.2 Positioning Strategy
From a market perspective, PangPang Brewery perceives themselves as “under the radar” on the Swedish beer market, and that their existence may slip other microbreweries minds. The fact that they are the smallest on the market is, according to him, a pro since it allows him to operate differently. The main attribute that PangPang Brewery wants to communicate through their products is explosiveness with extreme contrasts from the fine restaurants, which are PangPang’s customers. The violent aesthetic on the labels is a major contrast to fine-dining, and has proven to be attention-grabbing. This put aside, they believe that they are perceived by their customers as a small brewery, which puts more than enough effort into quality, innovation, and thoroughness. What they believe differentiates them from commercial breweries, besides volume and variety, are the generosity of raw material used when brewing, not using the raw material more than it should, more attention to taste, and a focus on special recipes. Also, PangPang does not filtrate nor pasteurize their beer, which most commercial
breweries do. When compared to other microbreweries, PangPang sees themselves different, first and foremost by the sheer size of the brewery and that they take even less shortcuts when it comes to brewing, letting the brewing process take even more time than other microbreweries do.

PangPang delivers to the three closest Systembolag in Stockholm from where the brewery is located, as well as 15 restaurants, out of which the majority are in Stockholm. They perform personal deliveries to all of these customers and Systembolag. PangPang tries to rely on word-of-mouth between drinkers and the media. They do not have any outlined marketing activities besides Facebook, as they are not in need of any more customers at the moment, due to the scale of operations. In order to keep their customers loyal they always strive for delivering a constant high-quality product and to always be responsive to what the customers are thinking, they can keep their current customers loyal to PangPang. When applicable, they try to deliver added value to their beers, to strengthen the relationships with their customers.

A recent example is the brown paper bags that they provided to customers, which was a result of that Systembolaget did not see the label of their beer Puttin’ In Hours appropriate enough to be sold, and needed to be changed. Therefore, they provided customers with a brown paper bag to cover the label.

Even though price is not emphasized on in PangPang Brewery, they can be seen as priced on an upper scale level, mainly due to the scarcity of their production volume. The price is also on a premium level due to the fact that they need to have a high price in order to sustain their way of brewing, which is based around the usage of the best raw material available for brewing beer. In this research, PangPang Brewery has the highest price of all the breweries, and at Systembolaget their beer Puttin’ in Hours had a price of 41,80 SEK for 330 ml (systembolaget.se, 2012-05-05). This price reflects the quality of their beer, as quality is the most important aspect of PangPang Brewery’s beer, both in terms of taste and quality of the beer itself, as well as the whole process, according to our respondent. When it comes to experimenting with new types of brews, tastes, and packaging, they do not experiment as much as they would like to, as the scale of operations hinders the possibility to do so. That said, they are in the midst of experimenting with packaging. They have, in fact, handed out brown paper bags to their customers in response to Systembolaget’s rejection of PangPang Brewery’s bottle label. They do not offer any types of brews other than the two that they currently sell, mainly because of PangPang’s current size, as well as their heavy focus on
perfection that they have employed on their current brews. However, brewing other types of beers will be taken into consideration as the company grows. When it comes to customizable offers PangPang Brewery is constantly met with different propositions but they are always denied. They believe that, for example, brewing their beer and letting someone else put their name on it contradicts the basic idea of a microbrewery and it neglects the craftsmanship of the beer itself and its creator. Currently, PangPang has not included any other customer services other than personal deliveries, but in due time, and as company grows they hope to develop additional services to be available for their customers.

4.4.3 Organizational Capabilities

The organizational structure of PangPang Brewery is based around two employees, one full-time and one part-time. Fredrik Tunedal fulfills all the roles in the company, such as CEO, sales, production, and brewer. Although he is the sole full-time employee of the company, there is a part-time employee that assists in bottling, which is a delicate process. Fredrik was a home brewer for a couple of years before the start of PangPang Brewery, which meant that he had knowledge about the brewing process prior to the founding. Our respondent believes that the key to success, in his organization, is the simplicity itself and that he is in control of all parts of the organization. The importance of Fredrik Tunedal’s roles in the PangPang organization is of the utmost importance, since he is the only full-time employee who fulfills most of the roles. He believes that motivation, versatility, the ability to neglect prestige and to work with a positive attitude towards different goals are the most important characteristics to possess in an organization.

For PangPang Brewery the combination of attentiveness to external impressions, not to give up on your product, and self-criticism are the most important capabilities when it comes to brewing as good a beer as possible, resulting in a beer that is appealing to the customers, which he can be proud of and stand behind.

See appendix 5 for transcription of the interview that we collected this information from.
4.5 Helsingborgs Bryggeri

4.5.1 Background
Helsingborgs Bryggeri was founded in 2010 by two beer enthusiasts, but idea of starting a brewery in the Helsingborg region started before that. One of the founders, Hans Nelson, had registered the name Helsingborgs Bryggeri, which was the name of an old brewery in Helsingborg, with the hopes of starting a new one and continue the brewing tradition in Helsingborg (helsingborgsbruggeri.se, 2012-04-18). Hans said that the main reason for registering this name was because he had visited a brewery in Bamberg, Germany, and was so overwhelmed that he felt that the same tradition and craftsmanship had to be brought to Helsingborg. Hans was then approached by Rasmus Varfeldt, who also had an idea of starting a brewery and gave Hans three choices: Hans could sell the rights to the name to him, Rasmus could use a different name, or that they could start up the brewery together. Hans decided to go with the last option, and in 2011, they came out with their first beer. Their current premises are situated closely to the previous brewery, enhancing the feel of carrying the brewing tradition on.

The intention when starting the brewery was to create a brewery that is rooted in the region, and trying to make it the obvious choice for people who live in Helsingborg; something they can relate to and be proud of. The initial strategy was to create a beer representative of the Helsingborg region, which had an individual taste profile; a beer that was appealing to a large mass, but still retained a microbrewed character. The initial goal when starting the brewery was to brew at a volume of 50,000 liters the first year, and in the second year, brew at a volume of 100,000 liters. The first goal was achieved during the first half of the founding year. Given this large demand of their product, they decided that the goal for 2012 is to brew 120,000 liters, instead of 100,000.

4.5.2 Positioning Strategy
When asked about how they believe Helsingborgs Bryggeri is perceived from a market perspective, they see their brewery as having a very strong local presence, at this early stage that they currently are in. They want to communicate attributes such as being the local choice with high quality and craftsmanship, which carries on the brewing tradition in the Helsingborg region. The original brewery was founded in 1850, and they want to emphasize that they are continuing this tradition. Helsingborgs Bryggeri believes that they are perceived by their customers as being the new, local choice and that continues the brewing tradition.
As such, they think that their customers, both consumers and restaurants, see some pride in having a brewery in the city. Helsingborgs Bryggeri thinks that the difference between them and commercial breweries are, first and foremost, that they genuinely produce beer with more passion, using better raw material and a better overall process, with a focus on the craftsmanship and not mass production. However, they do not think that they differ a lot from other microbreweries, but they believe that every microbrewery has their own way of doing things and their own touch on their beer.

The brewery distributes their beers to the three closest Systembolag, but their beer can be ordered to all over Sweden through Systembolaget. They also deliver to all the Bishop’s Arms pubs in Skåne. They try to reach out to their customers with the use of their homepage, including newsletters that they send out to registered members.

They try to keep their customer base to an extent so that they can deliver, as they have had more demand than supply since the start. They believe that they can keep their customers loyal by establishing a transparent relationship and by delivering high-quality products.

When asked about how important the price was for their end-product, they thought that the price of their product was irrelevant, since they value good quality as the most pivotal aspect of their beers, which simply results in a higher price. They received some complaints of their high price at the start, and they aim at reducing the price in the future, in order to increase its local appeal. An example of their price at Systembolaget could be that for a lager in a 330 ml bottle, one has to pay 19.90 SEK (systembolaget.se, 2012-05-05). When it comes to experimenting with new types of brews, tastes, and packaging, they experiment a lot, and their main focus when experimenting are new tastes and styles. They try to include all employees within the brewery when experimenting, as they want to let every employee contribute with their own ideas. When a good idea arises, they try to capitalize on this to see what they can make of it. For example, they tried a chili pepper beer on an exhibit in Copenhagen, and decided that they wanted to make their own version of it. Another example is that they created a Saint Patrick beer after having an Irish brewer visiting. This was later sold in conjunction with Saint Patrick’s Day. Also, they created a licorice beer together with the licorice factory in Ramlösa. They also make a seasonal Christmas brew and they are planning on releasing another two seasonal beers during the summer. As for low-alcoholic alternatives, they offer an amber ale at 2.8% ABV. When it comes to customizable offers, they take these into consideration, and can most often fulfill these requests.
An example is that they made a beer in collaboration with Bishop’s Arms in Helsingborg which was called Pride. They are planning to do a beer for each deadly sin; also a collaboration. A customer can order a beer with their own label on it, and theoretically, a customer can also design their own beer in terms of flavor, style, and character. Regarding additional services, they can create events together with customers, where the brewery provides glasses and banderols, among other things. Also, they provide guided tours of the brewery for groups.

4.5.3 Organizational Capabilities
The organizational structure of Helsingborgs Bryggeri includes both of the founders, as well as six additional employees. The roles within the brewery consists of CEO, production manager, marketing manager, chairman of the board, brewing technicians, and brewing apprentices. Rasmus fulfills the roles of CEO and production manager, and Hans fulfills the roles of marketing manager and chairman of the board. Prior to the founding of the brewery, Hans had worked with communication and marketing, which he could utilize extensively before, during, and after the founding.

Rasmus, on the other hand, was an engineer and had worked with ice cream factories and other sorts of food engineering, and could utilize a lot of his knowledge when building the brewery. They do believe in and strive for having a team work ethic within the brewery, making every role equally important. However, they did say that it is inevitable to ignore that the first brewer has the most vital role, since he is in direct control of the finalized product, despite their strive for an organizational consensus when brewing. They believe that the most important capabilities that a brewer should possess are knowledge and expertise, which can be applicable to larger volumes than simply brewing at home. Also, a brewer should have a sense of taste and finesse, much like a chef. Even though the first brewer has the most vital role they think that each and every employee within the brewery should possess the ability to be constantly conscious about the quality of the product, to have a passion for brewing, as well as commitment and purposefulness.

See appendix 6 for transcription of the interview that we collected this information from.
5. Analysis

In order to illustrate the analysis of the different positioning dimensions and bases, we have applied each case to Hooley et al’s model of positioning dimensions and Porter’s positioning bases, which we adapted and created a model for.

5.1 Nynäshamns Ångbryggeri

5.1.1 Positioning Strategy

5.1.1.1 Hooley et al’s Positioning Dimensions

Going back to Hooley et al’s (1998) basic positioning strategies (presented in 2.3.5), there is a near-infinite way of positioning yourself as a company. To apply the different dimensions that they developed on the case of Nynäshamns Ångbryggeri, we can start describing their positioning strategy by going through each dimension and assessing where they would fit in on the chart shown in chapter 2.3.5. However, one must remember that in this model, some dimensions are mutually exclusive, such as low price combined with high quality, while most of the other dimensions are naturally combinable, such as high price with high quality.

Nynäshamns Ångbryggeri price their products in a deliberate high price range, since they believe that it fits their target group, which is individuals above 30 years of age, which are trendy, urban, and have a moderate to high income. Therefore, their price dimension can be described as high, and they are thus situated to the far right in the chart, as shown below.

Their target group is not the only factor for deliberately choosing to price their products on a high price range; they also base their price on the quality and the costs that comes with it. They believe that quality is the main attribute of their beer, and providing beer with this premium quality is, for them, of outmost importance. Given the many awards that their beers have been given, premium quality is not only an attribute that they strive for, but also an attribute that has been recognized.

Since Nynäshamns Ångbryggeri doesn’t extensively experiment with new types of brews, tastes, and packaging, other than trying on some new recipes and crafting their own versions of existing styles and a new type of keg. Putting this in the perspective of the dimensions, they cannot be considered as imitators (to the far right on the chart) due to the fact that they actually do experiment, but the focus of their positioning strategy is not emphasized upon being an experimental brewery, and thus cannot be placed to the far left (as innovators).
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They do offer a wide variety of different brews, but all of these are their variations of classic styles. Thus, we consider them to be somewhere in the middle of these two extremes.

The next dimension to be analyzed is the service of the company. According to Hooley et al (1998), a company can be placed between positioning itself as a company that provides superior service (to the far left) or as a company that chooses to provide limited services (to the far right). Taking into account that microbreweries do not really have an emphasis on clearly defined services that they provide, we can instead look how willing the microbreweries are to do a little extra something for their customers that ultimately can be considered as a service. In Nynäshamns Ångbryggeri’s case, they offer tours of the brewery, including beer tastings and snacks, which can be considered as a complete experience that is provided by Nynäshamns Ångbryggeri. They sometimes offer pump cleaning for the restaurants that they deliver to. One of the more interesting services that they provide is that should a customer (i.e. a restaurant of pub) be a good partner, they may be granted access to a larger assortment of beers if Nynäshamns Ångbryggeri considers this partner to be able to appropriately handle this/these beers in terms of tapping and selling.

(Adapted from Hooley et al., 1998)

Putting this into Hooley et al’s dimensions’ perspective, they do offer certain services and they cannot be considered to be a brewery that heavily emphasizes on delivering superior services (as they focus on providing superior beer), but on the same token they cannot be considered as having limited services given that they actually do offer some services, which we consider, in this context, constitute as having more than limited services. Thus, they cannot be placed to the far right, but close to it.
When analyzing the extent of differentiation of benefits of their selection of beers, a company can either position itself by either providing differentiated benefits of their products or undifferentiated benefits. To measure this, we have decided that the extent of benefits is decided by the emphasis on seasonal, special, low alcohol, and/or non-alcohol beer. In the case of Nynäshamns Ångbryggeri, they offer seasonal and special beers, but no low or non-alcoholic beverages. We therefore see them as having differentiated benefits, but not to a large extent nor to a small one either. Therefore, we simply see them as having a medium emphasis on their differentiated benefits that they provide.

In order for us to measure how the breweries are positioned in terms of providing tailored offerings, we chose to find their general disposition to accept requests about customizations of brews and/or labels, both from organizations and consumers. Nynäshamns Ångbryggeri does not accept requests from consumers, but they do consider organizational collaborations, should they be mutually beneficial for both parts. Therefore, we acknowledge that they do provide tailored offerings, but to a very limited extent. Therefore, they are situated between the middle and to the far right in the chart, meaning that they provide more than just standard offerings, but to a low degree.

5.1.1.2 Porter’s Positioning Bases

Given that the bases are not mutually exclusive, we can describe Nynäshamns Ångbryggeri’s case with a combination of the three different bases by first looking at the tendency of variety-based positioning.

Since variety-based positioning can be described as deliberately sticking with just a subset of a product or service, as in the example given in 2.3.4. In Nynäshamns Ångbryggeri’s case, they do not just offer a subset (i.e. a single beer style). Given that they do not only stick with a subset, their positioning strategy cannot be seen as being based on this type of positioning. Therefore, we would say that the grade of this base in their positioning strategy is low.

A positioning base that is evident in Nynäshamns Ångbryggeri’s positioning strategy is needs-based positioning. Needs-based positioning is simply about satisfying the needs of a specific customer segment, and Nynäshamns Ångbryggeri has a clearly defined customer segment that they want to reach out to, which is finer restaurants and individuals who are above 30 years of age who are trendy, urban, and have a moderate to high income. Given that this is their target group, they want to communicate values with their beers that speak to it. In order to speak to this target group, Nynäshamns Ångbryggeri has first and foremost won
numerous prizes and awards for their beers for their taste and quality, they can more easily put a higher price and communicate exclusiveness to both finer restaurants and individuals. Also, by looking at their seasonal assortment of brews, they also satisfy customers who seek a beer to go with the seasonal occasions, also pointing towards a positioning strategy based on satisfying certain customer segments’ needs. Therefore, we would say that Nynäshamns Ångbryggeri’s positioning strategy is highly based on needs-based positioning.

Lastly, access-based positioning is measured by us by looking at to what extent the brewery base its positioning strategy around the availability and distribution of their beers. Looking at the case of Nynäshamns Ångbryggeri, they are such an established brewery (and, in fact, the most established brewery in this research), and their distribution is nation-wide and some of their beers are present in Systembolaget’s standard assortment. They also have a major presence at restaurants all over Sweden and also minor quantities in Norway and New York City. Taking this into account, we believe that their positioning is not based or defined by their accessibility, since they are available all over Sweden and even abroad too. Therefore, we consider that the tendency for them basing their positioning around access-based positioning to be very low.
5.1.2 Organizational Capabilities

A capability by itself can be described as the space between the intention of achieving something and the outcome of actually achieving it. An organizational capability in the context of this paper is a company’s ability to make use of a company’s resources in order to perform a coordinated task with the purpose of achieving a certain goal.

The capabilities that we found that are important for Nynäshamns Ångbryggeri and their daily operations are utilization of prior knowledge, interest, knowledge, devotion, determination, pushing the boundaries of brewing, curiosity, skills of the brewer, teamwork, and synergy. For the purpose of a useful analysis, we have compressed these capabilities into four major capabilities, which are experience, knowledge, motivation, and teamwork. By doing so, we have found four major capabilities that we believe helps in reaching their positioning strategy.

We believe that experience is of vital importance for Nynäshamns Ångbryggeri first and foremost for them to be able to position themselves as providing premium quality. Having experience within the organization enables them to reflect upon what they have done in prior years when it comes to quality and therefore use this experience to maximize the quality of their brews. Experience also allows them to brew beer that fits the season and the needs of their target group.

Knowledge assists them in reaching the quality that they seek within their products and that defines their positioning strategy. It may help them in understanding the raw material and the process of making beer. We also believe that their knowledge clearly allows them to create a beer that is highly suitable for their target group, since they know what their target group expects and desires.

Motivation facilitates their positioning strategy of providing premium quality in the way that Nynäshamns Ångbryggeri and its employees have a passion and devotion for brewing. Motivation helps in the way that they also have a constant strive for continuous improvements, which contribute the reaching of premium quality that they so highly emphasize in their positioning strategy.
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Teamwork is essential to Nynäshamns Ångbryggeri in the reaching of their positioning strategy, seeing that they have a high number of employees (in this context) who all must have the same quality criteria and mindset, in order to constantly provide premium quality in all of their 16 varieties of beer. Teamwork may also be an important capability for them in the understanding and reaching of their clearly defined target group, and that everything they do is in the spirit of satisfying the needs of their target group.

5.1.3 Case Summary

To conclude the case of Nynäshamns Ångbryggeri, their positioning strategy, and the capabilities that facilitate them in reaching that specific positioning strategy, we can first and foremost start by describing their positioning strategy. Nynäshamns Ångbryggeri is a high-price microbrewery that provides premium quality with a medium level of innovation and differentiated benefits, and a medium to low level of services and tailored offerings. The positioning strategy is also heavily based on the needs of their specific customer segment. The capabilities that allow them to reach this strategy are experience, knowledge, motivation, and teamwork.
5.2 Oppigårds Bryggeri

5.2.1 Positioning Strategy

5.2.1.1 Hooley et al’s Positioning Dimensions

To apply Hooley et al’s positioning dimensions on Oppigårds Bryggeri, we have devised a chart of how their positioning strategy fits in.

The price of Oppigårds products are deliberately set to a medium to high price range, which is in line with their notion of wanting to create beers for a larger mass. The large mass is not only the reason for the medium to high price range, as they must maintain a high quality, which naturally results in a higher price. Therefore, they are placed on the chart one step from the far right, representing a high price, but still lower than the extreme.

(Adapted from Hooley et al, 1998)

Quality is, for Oppigårds Bryggeri, the main goal with their beers. They try, however, to provide quality for their customers at an affordable price. Since they do try to constantly improve the quality of their beers, such as investing in various equipment that enhance the overall quality, it is clear that they strive for providing high quality for their customers. Therefore, they can be put to the far left on the chart above, which represents an emphasis on high quality.
Oppigårds Bryggeri does not put a heavy emphasis on innovation in their positioning strategy. When it comes to experimentation with tastes and styles, they are quite conservative and they want to reach a consensus before experimenting. Experimentation with packaging is neglected, as they want to keep the recognition factor of their brand. With this in mind, Oppigårds Bryggeri can be considered to have a medium to low level of innovation, which is why they are placed between the middle and far right in the chart.

Oppigårds Bryggeri provides guided tours around the brewery, which includes beer tastings. They also have beer tastings in pubs and restaurants that acts as a representative event for themselves and their products. They can also provide branded glasses to pubs and restaurants, should they require so. Taken this into account, we have placed Oppigårds Bryggeri in the middle of the chart, given that they do provide services around their products, but they provide these services if the opportunity arises.

Regarding the differentiated benefits that Oppigårds Bryggeri provides, they do offer seasonal beers that are suited for the given seasons. One thing that they pride themselves on is that they allow the winner of the national home brewing championship to brew the winning beer at their premises, which acts as a special edition in their assortment. However, they do not offer any low or non-alcoholic beers, but are in the midst of developing a low alcohol beer. In regard to the chart, they are placed in the middle, which represents a medium emphasis on the differentiated benefits of their beers. This is due to the fact that they do provide seasonal beers and an annual special edition, but other than that, there is no evident emphasis on this.

When it comes to tailored offerings, Oppigårds Bryggeri aims at undertaking these both from organizations as well as consumers, but only when they have time, capacity, and that the outcome is mutually beneficial. This means that they are open both for individuals as well as organizations for creating tailored offerings, but this is not something that they openly suggest to customers, nor is it an evident part of their positioning strategy. Therefore, they are placed in the middle of providing tailored offerings and standard offerings, given that they will consider it.
5.2.1.2 Porter’s Positioning Bases

Concerning Oppigårds grade of variety-based positioning, they offer 13 different styles and variations of beer. This simple fact undermines a positioning strategy based on a subset of products, and they do not delimitate themselves to a subset of styles. To exemplify how they could have based their positioning on a subset of styles, imagine if they only would have offered their Golden Ale. If that would be the case, and that customers would overlook other breweries and beers in the same style, then it would make economic sense and their positioning strategy would be based on their expertise in that subset. As this is not the case, we consider than that they have a low grade of this way of basing their positioning strategy upon.

Since the grade of needs-based positioning determines how much a positioning strategy is based around the needs of a specific customer segment, we look at the extent that Oppigårds Bryggeri tries to satisfy a certain customer segment. In their case profile, they describe their way of doing beers for the “average Swede”. This is not really a specified customer segment, since it tries to encapsulate a rather broad target group. They want to be welcoming and open for everyone, both in the way that customers are welcome to visit them and also welcome to call them and discuss their products. While this target group is not very specified within its boundaries, we think that their philosophy of offering high-quality beer at an affordable price with a very open and welcoming spirit makes it fitting for this broad and unspecified target group.
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However, since the target group and its needs are very undefined, this comes with a large number of different requirements and therefore, they do not base their positioning on a specific type of need. As a combination, we consider their grade of needs-based positioning in their positioning strategy to be of a medium grade, since they do try to satisfy needs, but they are very broad and unspecified.

The last positioning base to be analyzed is access-based positioning. In Oppigårds Bryggeri’s case, they sell 90% of their production to Systembolaget, which in turn gives their products accessibility on a nation-wide level, and they have three products in Systembolaget’s standard assortment. According to them, this is of huge importance as they themselves are situated in “the middle of nowhere”, and by distributing this majority of their output via Systembolaget, they get national recognition. As such, the remaining 10% are distributed to pubs and restaurants, and they are also present in some small instances in Norway, Finland, and the USA. Seeing that they do have nation-wide coverage with beers in the standard assortment of Systembolaget, they do not base their positioning strategy on accessibility and thus, gives them a low grade of access-based positioning.

5.2.2 Organizational Capabilities

The organizational capabilities that Oppigårds Bryggeri found of importance were utilization of prior knowledge, synergy, teamwork, knowledge, commitment, passion, mindset of continuous improvements, expertise, and communication. As we did before, we will reduce these into capabilities that are more easily categorized. As such, we see that similar to the previous case, experience, knowledge, motivation, and teamwork are four encapsulating capabilities that represents the above mentioned capabilities.

The experience of Oppigårds Bryggeri has proven to be of pivotal importance for them and their performance. This can be seen in their utilization of prior knowledge where they have employees from different backgrounds, with individual areas of expertise. As an example, they have a former biologist who works as a brewing technician who can utilize his prior knowledge when testing the acidity and ABV of the beer. Also, the founder Björn is a former economist that used this when starting up.

According to Oppigårds Bryggeri, knowledge is important to possess when making beer. Their way of using knowledge to facilitate their way of working is evident when looking how they work with quality. Seeing that they are very conscious about this, they know that by working with quality improvements, they can deliver great beers to customers.
Knowledge is also pivotal for Oppigårds Bryggeri in the way that they are the ones in our investigation with the lowest price, and by using knowledge, they can provide high-quality beer but still keep the prices down. This is something that requires knowledge, to say the least. Knowledge is also important for them to have an open and continuous conversation about what beers to offer, since they all can contribute to this conversation with their knowledge about beer.

Motivation helps Oppigårds in that they are all passionate about brewing and they all possess a high level of commitment and devotion to the brewery and its operations. An example in which motivation has a major underlying role is evident in that they want to deliver high quality at an affordable price, and they think that it is natural to pinch in extra if extra work is needed in order to sustain this philosophy.

Teamwork is also an essential part of the above given example, since should someone need help with something, pinching in is also natural to do, showing a highly functional team of employees. Teamwork is of outmost importance also due to their size. They are seven employees and many duties to fulfill, making teamwork one of the keys for this brewery to function.

5.2.3 Case Summary
To conclude the case of Oppigårds Bryggeri, we found that their positioning strategy can be described as a brewery that offer premium quality beer at an affordable price, with a medium to low level of innovation, and a medium level of service, differentiated benefits, and tailored offerings and they base their strategy around a medium level of needs-based positioning a low levels of access-based and variety-based positioning. The capabilities that facilitate them in reaching this strategy are experience, knowledge, motivation, and teamwork.
5.3 Oceanbryggeriet

5.3.1 Positioning Strategy

5.3.1.1 Hooley et al’s Positioning Dimensions

In order to describe Oceanbryggeriet’s positioning strategy through Hooley et al’s different dimensions, we can start by looking at the price level that they have situated themselves in.

Oceanbryggeriet are situated on a price level that is quite high. The price is set to become a mean that allows them to sustain as a company and to make investments. This means that they need to have a high price in order to be able to continuously produce high-quality beers (in terms of raw material) and at the same time make investments to sustain the quality (in terms of ensuring the quality via good equipment). The actual prices of their beers are around 30 SEK for 500 ml bottles at Systembolaget, something that we deem as being priced high. Therefore, they are situated to the far right on the chart, meaning that they are positioned using high prices.

Quality for Oceanbryggeriet is considered to be the most important aspect of their beers. They strive continuously for improving and sustaining high quality. This is connected to their above mentioned will to invest in new equipment when then have enough capital to do so, in order to facilitate the high quality that they want to provide.
They highly value the raw material behind their beers, and want to deliver a beer that is wholesome and done with a lot of craftsmanship. Therefore, they are situated on the far left on the chart, representing a positioning strategy that includes providing premium quality to their customers.

According to them, Oceanbryggeriet are traditionalists when it comes to beer. That means that they want to make beer in a traditional way, with traditional flavors and traditional styles. Naturally, they do not put a great emphasis on experimenting with beer, other than modifying recipes to enhance quality and taste. This is why they are situated on the right part of the chart, between a medium level and a low level of innovation. The reason why they are not to the far right (the lowest level of innovation, imitation) is because they do experiment to the extent that they make their own versions, something that we consider to constitute as a sense of innovation, albeit on a low level.

As the two previous cases did report, Oceanbryggeriet arranges tours around the brewery and company events at both their own premises and others. Something that has shown to be particular in this case is that Oceanbryggeriet can provide summer clothing to their customers in the restaurant and pub segment. Their philosophy around providing additional services for their customers is that they try to solve the wishes and suggestions from their customers to the greatest extent possible. These are the main reasons for them to be situated in the middle of the chart, which represents a level of services that can be described as not heavily emphasized, but not neglected.

Oceanbryggeriet provides differentiated benefits to their customers by having a wide selection of seasonal beers and special editions, as well as selling low-alcohol beer during summertime. In this context, we believe that they have a significant amount of differentiation to be above average, but not to an extreme level. Therefore, they are situated between the far left and the middle.

Lastly, the degree of tailored offerings in Oceanbryggeriet’s positioning strategy can be described as being extensive. Just like the degree of services that they provide, they try to solve requests about customizations of both labels and the beer itself, and requests that would fall in between. They aim at taking on these requests every time it is fitting for their schedule. All in all, this shows that Oceanbryggeriet puts significant emphasis on this.
Therefore, they are situated between the far left and the middle in the chart, as they can create tailored offerings to a large extent, but not if it means that their normal operations are put behind schedule.

5.3.1.2 Porter’s Positioning Bases

In order to further describe Oceanbryggeriet’s positioning strategy, we take Porter’s different positioning bases into consideration.

Starting with variety-based positioning, we see that Oceanbryggeriet offers a rather wide variety of beers – 18 different beers in a wide variety of styles, including seasonal beers and low-alcohol beers. As such, it is evident that they do not focus on a particular subset of beer styles, but rather pride themselves with their large variety. Seeing that variety-based positioning is about focusing on a subset, it is clear that this is not something that Oceanbryggeriet base their positioning strategy upon. Therefore, they are considered to have a low level of this positioning base in their positioning strategy.

It is not evident that Oceanbryggeriet has a specified target group of individuals that they want to satisfy, but rather a geographical segment that they want to reach out to. Seeing that they want to become the first choice of beer for citizens of Gothenburg, they want to reach out to both beer enthusiasts and regular consumers in this area. As they have a clear goal with what they want to achieve, they work hard with fulfilling the needs of their customers and establishing a sturdy presence in the Gothenburg restaurant scene. This clearly points at a focus on needs-based positioning, since they have a target group that they aim to reach out to.
On the same token, their segment that they want to concentrate on is still very undefined, since it basically includes who can drink beer within the Gothenburg region. Therefore, the level of needs-based positioning in their positioning strategy can be considered to be of a medium to high level.

To continue on this token, access-based positioning is something that Oceanbryggeriet puts emphasis on. Given their goal of being the number one choice for Gothenburgers, they put a lot of emphasis on the locality of their beers. They have established a strong presence within the restaurant scene in Gothenburg, and most of their beers are only available on tap and in the three closest Systembolag around Oceanbryggeriet, making it unavailable to buy in other parts of Sweden, unless it’s ordered. Even though you can order via Systembolaget’s homepage, it is only a very limited assortment available online. This geographical emphasis creates a barrier of accessibility for those who do not live in Gothenburg. With this in mind, we consider Oceanbryggeriet to base their positioning strategy on a medium to high level, making it a significant part of their positioning strategy.

5.3.2 Organizational Capabilities
The organizational capabilities that Oceanbryggeriet found important for helping them achieve their positioning strategy were utilization of prior knowledge, expertise, teamwork, skills of the brewer, experience, synergy, knowledge, meticulousness, industrial thinking, and self-criticism. Developing these into a concentrated number of capabilities, one could say that they join the prior cases in what they think is important: experience, knowledge, motivation, and teamwork. However, a notable capability that Oceanbryggeriet thought is important is industrial thinking. This is interesting, as it is connected to their goal of becoming the local choice in Gothenburg, and as such, one needs to think in large volumes.

Experience facilitates their positioning strategy in the way that the three founders all have their own skill set, which has proven to be of value. One was good with economics, the other had connections within the restaurant industry in Gothenburg, and the third one had previously been a brewer at Jämtlands Bryggeri and on Ireland. This prior knowledge has evidently helped them significantly in establishing Oceanbryggeriet in Gothenburg by, for example, utilizing the knowledge of the restaurant industry and the contacts that one founder had.
Knowledge facilitates their positioning strategy in the way that they have knowledge of how to handle and utilize raw material and equipment to create and sustain the high quality that they offer. Knowledge is also a big factor behind their current situation in terms of their large assortment, showing great versatility about styles of beer. One founder has knowledge about marketing, and has used that when establishing presence in Gothenburg.

The largest motivation that fuels Oceanbryggeriet is to become the local choice in Gothenburg, as well their passion for brewing and their self-criticism to become better brewers.

Teamwork is a very important asset for Oceanbryggeriet, since they are three employees with a large load to pull. They must have a functional teamwork in order to think big volumes and successfully produce such high amounts of beer with premium quality. It is important that they all pinch in if needed and to create some sort of synergy.

5.3.3 Case Summary
To summarize Oceanbryggeriet’s positioning strategy, it is a brewery that offers premium quality beer at a high price, with a conservative view on innovation within beer making, a medium level of services, and a medium to high level of differentiated benefits and tailored offerings. This is combined with a medium to high emphasis on both needs-based and access-based positioning, and the capabilities that facilitate this positioning strategy are experience, knowledge, motivation, teamwork, and industrial thinking.
5.4 PangPang Brewery

5.4.1 Positioning Strategy

5.4.1.1 Hooley et al’s Positioning Dimensions

PangPang Brewery is an interesting case, given that there is only one full-time employee working at full capacity, with some additional help from a part-time employee when putting capsules on the bottles.

Starting by looking at the price level that PangPang Brewery are situated at, it is clear that they have a high price. Simply by looking at the price of 41,80 SEK for 330 ml at Systembolaget, PangPang Brewery has the highest price of all the breweries in this research. Given the small employee force and the fact that it started less than a year ago, their operations are not as large and developed. The output of PangPang Brewery is thus limited, and simply to make economical sense, a high price is needed. The price is also largely based around the usage of the best raw material available, something that they pride themselves with. Using the best material is of course costly, especially with a limited output. With this in mind, we can define PangPang Brewery’s price level as high in their positioning strategy, which makes them situated at the far right of the chart.

(Adapted from Hooley et al., 1998)

Quality is the most important aspect of PangPang Brewery, as they strive for being the best on the market in all aspects of the brewing process. This includes raw material, which they strive for having the best of and using it accordingly.
PangPang Brewery’s way of brewing can be defined as taking absolutely no shortcuts, instead letting things take their time and not to push the raw material more than needed. This facilitates their philosophy of always striving for perfection when brewing, which is evident in their mindset of how they define quality. Therefore, we consider that PangPang Brewery emphasize heavily on quality in their positioning strategy, which places them on the far left on the chart.

When it comes to innovation at PangPang Brewery, they want to experiment but their limited scale of operations limits them in doing so. Even though they do not emphasize on being innovative at the moment, they have plans on emphasizing more on experimenting. Even though they do not have a major emphasis on experimentation with styles and tastes, they did an experiment with packaging in which they handed out brown paper bags for their bottles as a response to when Systembolaget rejected their label. Therefore, there is a spirit of innovation, but currently at a low to medium level, which places them between the middle and the far right on the chart.

PangPang Brewery does not offer any additional services besides personal deliveries, but they are hoping to develop additional services for their customers in the future as the brewery grows. With this simple fact in mind, it is evident that they do not currently emphasize on services even though they would like to in the future. As such, they are positioned to the far right in the chart.

Given their limited number of beers and their small capacity, PangPang Brewery does not offer any types of seasonal beers, special editions, low or non-alcoholic beers. This shows that PangPang Brewery has little to no emphasis on any differentiated benefits at this point of time, which puts them to the far right on the chart.

Lastly, PangPang Brewery rejects all offers of customization or other tailored offerings, even though they are constantly given propositions to fulfill. Their philosophy about this is that they do not understand why a brewery would brew a beer and let someone else put their name on it, believing that it contradicts the basic of a microbrewery and neglects the craftsmanship of the beer itself and its creator. Therefore, they are naturally situated on the far right on the chart due to their attitude towards tailored offerings.
5.4.1.2 Porter’s Positioning Bases

Seeing that PangPang Brewery only offers emphasizes on two different beers due to their small capacity, among other things, the grade of variety-based positioning is rather evident. The reason why they solely focus on these two varieties is that they have a limited capacity and size, combined with their focus on perfection. Therefore, they do not want to move forward until they are fully satisfied with the brews that they offer. Perhaps this is temporary, seeing that they only have been around for almost a year, and they may likely expand their operations, but for the time being, much of their positioning strategy is based around the small and concentrated variety of the beers that they provide. We believe that PangPang Brewery philosophy of perfection may very well make customers see past some brand loyalty of other brands just to have PangPang Brewery’s beers in their assortment, which is something that shows that the variety-based positioning has been successful. Therefore, we find the degree of variety-based positioning in PangPang Brewery’s positioning strategy to be high.

When it comes to needs-based positioning, PangPang Brewery also scores high. They do not have a defined target group, but rather a goal (and in turn, needs) that they want to fulfill. They are present at finer restaurants, and the violent aesthetic of their labels works as an explosive contrast to the fine dining environment and its customers. They believe that this is one of the key factors in their positioning strategy, since they provide a premium quality beer that is attention-grabbing and unusual in the context of fine dining.
Besides the fine diners, PangPang Brewery also tries to fulfill the needs of beer enthusiasts, seeing that they only focus on the best raw material available and strive for a beer done with perfection. Thus, we consider PangPang Brewery’s positioning strategy to be highly centered around needs-based positioning. Access-based positioning in the case of PangPang Brewery can also be considered as being evident. Given their small size and exclusiveness (in terms of output and scarcity), PangPang Brewery can only be found in the Stockholm area, as well as one restaurant in Växjö, Sweden. They currently have 15 restaurant customers, with 14 located in Stockholm and the last one in Växjö. Other than being available at finer restaurants, their products can be bought at the three closest Systembolag from PangPang Brewery’s location. If a customer is not located in Stockholm and Växjö, there is no way to get a hold of PangPang Brewery’s products. Their current capacity may be the underlying reason behind this situation, seeing that their current customer base is more than enough for the brewery to satisfy. Even though PangPang Brewery wants to expand, their current situation and their limited availability outside Stockholm and Växjö fosters a high degree of access-based positioning within their positioning strategy.

5.4.2 Organizational Capabilities

The organizational capabilities that PangPang Brewery found important for them to reach their positioning strategy were utilization of previous knowledge, self-criticism, purposiveness, commitment, devotion, hard-working mindset, motivation, versatility, prestige-neglecting, positive attitude, and attentiveness to external impressions. To boil these down into more graspable yet encapsulating capabilities, PangPang Brewery follows three of the four key words of experience, knowledge, and motivation, but given their small size and the fact that they only have one full-time employee, teamwork was not of importance.

Instead, they thought that self-criticism and attentiveness to external impressions were important for their positioning strategy. Naturally, self-criticism is of importance when you are just one full-time employee, who has to cover all the major roles within the brewery, combined with their focus on achieving perfection of beer making. To be critical of one’s own work and to be versatile becomes naturally important when one works alone. To be attentive of external impressions becomes also very important for PangPang Brewery in order to satisfy their customers in the best way possible by taking in the impressions that customers exude.
Experience is also very important, seeing that the only full-time employee must fulfill all the roles within the brewery, making experience that can be used pivotal in order to sustain quality of the beer, establishing a presence within the fine dining sphere, as well as sustaining as a company overall.

The knowledge PangPang Brewery possesses facilitates their positioning strategy in the way that they know how a good beer is produced and how it should taste, which allows them to base a large part of their positioning strategy around a subset of beers. This may sound as an evident knowledge that all breweries need, but considering PangPang Brewery’s short lifespan, it makes it even more evident. This is because they have a single full-time employee that must possess a lot of knowledge about beer making and about running a company. It also helps PangPang Brewery to understand how to make their beer stand out in the fine dining sector with their aesthetic contrasts and brown paper bags.

Motivation is very important for PangPang Brewery, as they strive for being the best brewery in all aspects. Having such a goal and mission as well as having only one full-time employee, motivation must act as a fuelling component in the organization for them to reach this. For example, they thought that the devotion and commitment to beer making is imperative for being a good brewer, which both can be categorized under the key word motivation, since this has to fuel the employee when working. Also, they thought that it a hard-working mindset was important, which is also connected to this, enabling them to pinch in extra hours in order to deliver as good a beer as possible.

5.4.3 Case Summary

We can conclude that PangPang Brewery is a brewery that has a positioning strategy defined by premium quality for a high price, a low to medium emphasis on innovation, and low to no emphasis on services, differentiated benefits, and tailored offerings. PangPang Brewery centers their positioning strategy largely on all three positioning bases, and the organizational capabilities that facilitate them in the reaching of this strategy are experience, knowledge, motivation, self-criticism, and attentiveness to external impressions.
5.5 Helsingborgs Bryggeri

5.5.1 Positioning Strategy

5.5.1.1 Hooley et al’s Positioning Dimensions

Helsingborgs Bryggeri is the last case that we will analyze in this research. In order for us to fully describe their positioning strategy, we will conduct the same method of analysis as we did with the previous cases.

Helsingborgs Bryggeri is also relatively new on the market, and launched their first beer in 2011. The price they set on their products is on a high level, and their flagship beer Helsingborgs Lager costs 19.90 SEK for 330 ml. They view price as irrelevant, seeing that it is only natural for them to have a high price in order for sustaining quality and themselves as a company. They work towards reducing the price, seeing that they are aiming at becoming the local choice in Helsingborg, and that their high price has attracted negative attention. Based on this, we consider Helsingborgs Bryggeri to have a high price level and we place them to the far right on the chart.

![Positioning Dimensions - Helsingborgs Bryggeri](image)

(Adapted from Hooley et al, 1998)

Their positioning strategy puts a lot of emphasis on quality of raw materials and the finished product. They believe that this is the core value of their product, and this is why it is so heavily emphasized. It is evident that quality is important for Helsingborgs Bryggeri, seeing that their strategy is to create a beer representative of the Helsingborg region and that has an individual taste profile with a microbrewed character. They believe that their quality, in terms
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of using better raw material on a small scale, with a focus of craftsmanship, is what differentiates them from commercial breweries and views quality as one of their defining pillars in their positioning strategy. Therefore, we put Helsingborgs Bryggeri to the far left on chart, which represents premium quality.

After investigating Helsingborgs Bryggeri, we have found a clear emphasis on innovation. Since we measure innovation in terms of experimentation with tastes, flavors, styles, and packaging, among others, we have found that Helsingborgs Bryggeri is very innovative. They do have, as most breweries have, a wide variety of different styles, but they put a lot of emphasis on trying out new styles and flavor combinations of beer. The whole process of experimenting with beer is something that they feel comfortable with and gladly do. For example, they have one beer flavored with chili pepper, and another flavored with licorice. Given that their brewery is rather new, this shows a great innovative spirit, given that they already have two unique beers on the Swedish beer market.

When it comes to services, Helsingborgs Bryggeri provides tours around brewery which includes beer tastings. They can also create events together with customers, as well as provide various restaurant articles. This shows that Helsingborgs Bryggeri has a notable array of services that they can provide that revolves around their beers, and we consider them to have a medium level of services, since they do not emphasize heavily upon services, but they are willing to provide these if customers desire such. They are therefore placed in the middle on the chart.

To understand the grade of prominence of differentiated benefits in Helsingborgs Bryggeri’s positioning strategy, we look at to what extent the brewery provides seasonal beers, special editions, low calorie, and low- or non-alcoholic beers. In their case, they provide seasonal beers as well as special editions, such as their St. Patrick’s Day beer. The above mentioned chili pepper and licorice beers also fall under this category. They also offer low-alcohol amber ale. They are planning to do a beer for each deadly sin, which strengthens their emphasis on providing special editions. Seeing that they evidently have a wide selection of beers with differentiated benefits and plan on creating more in the future, we consider that Helsingborgs Bryggeri has a medium to high level of differentiated benefits, and are therefore positioned in between the medium and high level of differentiated benefits on the chart.
Helsingborgs Bryggeri’s general attitude towards tailored offerings is positive and open-minded; they welcome offers about customizable labels and customizations of beer, both from consumers and organizations, and take them into consideration. Their licorice beer was done in collaboration with Ramlösa Lakritsfabrik, and they also made a beer in collaboration with Bishop’s Arms in Helsingborg which was called Pride. Given this, Helsingborgs Bryggeri can be considered to have a positive attitude and a medium emphasis on tailored offerings, and is therefore placed in the middle of the chart.

5.5.1.2 Porter’s Positioning Bases

Connecting their positioning strategy to their experimental emphasis, it is clear that they do not stick with a subset of beer styles, but rather provide a wide variety in relation to their short lifespan. We can see a trend in Helsingborgs Bryggeri about the grade of variety-based positioning, and what we see is that even though they have been around for a year, they already have eight different beers. They show no signs of specializing within a subset of beers, and we can therefore conclude that Helsingborgs Bryggeri has a low degree of variety-based positioning in their positioning strategy. When looking at the case of Helsingborgs Bryggeri, we can see that they have a clear goal when it comes to fulfilling a certain need. They want to carry on the brewing tradition within the Helsingborg region and to become the local choice. Therefore, they do not have a specific target group of individuals that they aim on satisfying, but rather the entire Helsingborg region. They try to create beers representative of the Helsingborg region and something that the people of the region can relate to and be proud of, and this was the initial intention too.
This shows that they put a heavy emphasis on trying to satisfy the needs of the Helsingborg region, which is evident in their positioning strategy. We consider them thus to have a medium to high level of needs-based positioning in their positioning strategy.

The level of access-based positioning in Helsingborgs Bryggeri’s positioning strategy can be measured by looking at the availability (or rather, scarcity) of their beers and their distribution. As with many microbreweries, they are available at the three closest Systembolag and are available to order via Systembolaget’s website. They are also available in Helsingborg and the surrounding region in restaurants and pubs. Their products are most easily bought and/or consumed in the region, which relates to their overall goal and intention of becoming the local choice in the region, and this creates a barrier of accessibility for outsiders. Therefore, we consider Helsingborgs Bryggeri to have a medium to high level of access-based positioning within their positioning strategy.

5.5.2 Organizational Capabilities

Helsingborgs Bryggeri thought that the capabilities that were important for them in reaching their positioning strategy were utilization of prior knowledge, teamwork, skills of the brewer, synergy, knowledge, expertise, finesse, sense of taste, passion, commitment, purposiveness, and self-criticism. We think that these can be reduced into four representative words that capture the above mentioned capabilities. These are experience, knowledge, motivation, and teamwork.

Experience facilitates them in reaching their positioning strategy in the way that both of the founders had prior knowledge in different fields that proved to be of use when starting and running a brewery. There is a clear connection between the goal of the brewery (which is to become the local choice in the Helsingborg region) and one of the founder’s experience in communication and marketing has helped in both establishing and continue to establish a strong presence within the region and to be able to convey their values and message.

Knowledge helps them in creating and maintaining the quality of the beer as well as selection the right raw material to use for their beers. They also thought that knowledge was important for them in order to be able to brew high-quality beer in larger volumes without losing either quality or taste. Another way of how knowledge helps them is that they need a broad knowledge of what the region as a whole would prefer, instead of trying to satisfy just one or a few types of individuals.
Helsingborgs Bryggeri believes that motivation is of pivotal importance, seeing that their love of what they do fuels them in creating high-quality beer for the region. Also, the fact that they have the goal of becoming the local choice in the region and to carry on the brewing tradition is very motivating.

At Helsingborgs Bryggeri, they are eight employees. The need for teamwork is evident, seeing that they brew eight different beers and aim at brewing a total volume of 120,000 liters of beer during 2012. The initial goal was to brew 100,000 liters this year, but this increased due to the large demand. This rather heavy load requires teamwork and communication, which is why this capability is of great importance for them.

5.5.3 Case Summary
To conclude the case of Helsingborgs Bryggeri, we can define their positioning strategy as being one with a high price for premium quality, with a high level of innovation, a medium to high level of differentiated benefits, and a medium level of services and tailored offerings. Furthermore, this is combined with a low level of variety-based positioning and medium to high levels of both access-based and needs-based positioning. The capabilities that facilitate them in reaching this strategy are experience, knowledge, motivation, and teamwork.
5.6 Cross-case Comparison

After having analyzed each case and summarized what positioning strategies the microbreweries in our study use, and how different organizational capabilities can help them in reaching that particular strategy, we find it suitable to compare the cases to fully realize their differences and similarities. In order to keep the consistency, we will do this in the same fashion as we have done with the cases: analyze the strategy using Hooley et al’s model, using Porter’s three positioning bases, and comparing what organizational capabilities the different breweries found important.

5.6.1 Hooley et al’s Positioning Dimensions

This comparative model, which is adapted from Hooley et al (1998), shows the different breweries together on a single chart, which makes for a useful comparative analysis.

As seen in this chart, four out of five breweries are positioned on a high price level, except for Oppigårds Bryggeri. We believe that the reason behind this is that their lower price level is in accordance with their philosophy of providing high-quality beer at an affordable price.

As for quality, all breweries position themselves as having premium quality. We believe that that providing premium quality beer with a lot of craftsmanship and love is what most microbreweries strive for and is a defining value that they hold. In this study, all breweries stated that they started it for the love of brewing and to make their own version of a good beer, thus naturally making quality a defining factor.
Innovation turned out to hold rather mixed views between the breweries, but the majority (three out of five) had a traditionalistic view on beer making. They created their own version of a certain style, but didn’t emphasize on experimenting with new styles, flavors, packaging, and ingredients. However, an interesting outlier and the one that stood out the most was Helsingborgs Bryggeri, based on that they have an innovative view of how to combine flavors, such as their chili pepper and licorice beers. Before this study, we weren’t aware of these flavor combinations, and it is interesting to see how such odd combinations are marketable.

As for services, most breweries offered a tour around the brewery, complete with beer tastings, and this was predicted. Additional services such as everything between pump cleaning and providing beer glasses are also, in our opinion, services that we find natural for a brewery to offer. The outlier in this case is PangPang Brewery, who doesn’t offer any types of services. According to them, this is because they are such a newly started brewery, but they have expressed a wish to be able to provide services as the brewery grows. To conclude this, all breweries more or less strive for having a couple of services to provide on a medium level.

Comparing the differentiated benefits that the different breweries offer, we found that there were only minor differences between them all that separated them from each other. Most of them provide seasonal beers and special editions, but only two provided low-alcohol beer. This may sound trivial, but this is something that the majority of the breweries in this study neglect. We think that the two breweries that provide low-alcohol beer also provide a differentiated benefit in the form of offering an alternative for those who are not able to drink full-strength beers, which we think is an important aspect to highlight. Also, PangPang Brewery was the one brewery who did not offer any types of differentiated benefits, and we believe that this is attributed to the small size and capacity of the brewery.

The last comparison to make in this model is about the extent of emphasis put on tailored offerings in the different breweries’ positioning strategies. As seen in the chart, this dimension provided very mixed results. The majority of the interviewed breweries take customization and collaborations into consideration whether they come from individuals or organizations. A common factor among these breweries is that if a collaboration or customization would be accepted, it must have a significant amount of mutual benefits. However, Oceanbryggeriet has a remarkably positive attitude towards these kinds of offerings, and they try to respond to every type of request from their customers.
This is connected to the capability of industrial thinking, and they try to think in big volumes and to grow continuously, combined with always trying to maximize their capacity. In this study, PangPang Brewery has a unique attitude towards these kinds of customizations and collaborations, seeing that they do not understand why a microbrewery would accept these requests, as they believe that it contradicts the very idea of a microbrewery and the craftsmanship behind the beer.

### 5.6.2 Porter’s positioning bases

By looking at variety-based positioning within each brewery’s positioning strategy, we can see both similarities and differences. The majority of the breweries have a low grade of variety-based positioning in their strategies, seeing that they provide a wide variety of styles. This is a simple observation that rules out this type of positioning from their strategies, and we believe that the reason for them to have such a wide variety of styles is because the interest for brewing and trying on new styles comes naturally for them since they all are beer enthusiasts.

The big outlier here is PangPang Brewery, who heavily emphasizes a variety-based positioning strategy, since they only provide two beers. This could be connected to their goal of providing the best beer in all aspects, or it could be due to their very limited capacity, or simply a combination of the two. When it comes to the extent of needs-based positioning in the different breweries’ positioning strategies, there is no significant outlier to highlight.
Every brewery has its own target segment and respective needs to satisfy, and the only difference is that Oceanbryggeriet and Helsingborgs Bryggeri have a geographical segment that they aim at reaching out to, while the others have demographical segments instead. Needs-based positioning is very similar to a classic view of positioning, and is something that Porter too highlights in his 1996 article. We believe that this base of positioning is naturally attractive for most microbreweries, seeing that it provides an easy-to-grasp way of working.

Access-based positioning proved to become an interesting comparison, seeing that we found that two breweries have a low grade, two breweries have a medium to high grade, and one brewery has a high grade of this positioning base in their positioning strategy. To start off with the low grade breweries, both Nynäshamns Ångbryggeri and Oppigårds Bryggeri have nation-wide coverage and are present in Systembolaget’s standard assortment. Having a nation-wide distribution naturally reduces the extent of positioning based on accessibility. The two with a medium to high grade of this positioning base are Oceanbryggeriet and Helsingborgs Bryggeri. They are available to order via Systembolaget’s website, but compared to the two previous breweries, they are not a part of Systembolaget’s standard assortment. Also, this reflects their strategy of becoming the local choice in their respective cities and their accessibility is significantly higher in Gothenburg and Helsingborg, respectively. PangPang Brewery, however, have a high grade of access-based positioning in their positioning strategy. Compared to the other breweries, they are not available to order nation-wide at Systembolaget unless you order to the three closest Systembolag in relation to the brewery’s location. They only way of getting a hold of their products is either by visiting one of PangPang Brewery’s restaurant clients in Stockholm, to buy at the three closest Systembolag, or to visit the only restaurant client outside of Stockholm, which is in Växjö, Sweden. Given this huge scarcity, there is an evident accessibility barrier for consumers outside of Stockholm, which results in a high level of access-based positioning within their positioning strategy.
5.6.3 Organizational Capabilities

The organizational capabilities that each brewery found important in facilitating them in the reaching of their respective positioning strategy can be summarized as experience, knowledge, motivation, teamwork, self-criticism, and industrial thinking. Across the board, experience, knowledge, and motivation were capabilities that all breweries found important. Four out of five breweries thought that teamwork is an essential capability. The brewery that did not state this capability was PangPang Brewery, and this can be attributed to the fact that there is only one full-time employee that fulfills all the major roles within the brewery.

<table>
<thead>
<tr>
<th>Construct</th>
<th>Nynäshamns Ångbyggeri</th>
<th>Oppigårds Bryggeri</th>
<th>Oceanbryggeriet</th>
<th>PangPang Brewery</th>
<th>Helsingborgs Bryggeri</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Capabilities</td>
<td>Utilization of prior knowledge</td>
<td>Utilization of prior knowledge</td>
<td>Utilization of prior knowledge</td>
<td>Utilization of prior knowledge</td>
<td>Utilization of prior knowledge</td>
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<tr>
<td></td>
<td>Interest</td>
<td>Synergy</td>
<td>Teamwork</td>
<td>Experience</td>
<td>Hard working</td>
</tr>
<tr>
<td></td>
<td>Knowledge</td>
<td>Commitment</td>
<td>Skills of the brewer</td>
<td>Synergy</td>
<td>Motivation</td>
</tr>
<tr>
<td></td>
<td>Devotion</td>
<td>Passions</td>
<td>Experience of the brewer</td>
<td>Knowledge</td>
<td>Industrial thinking</td>
</tr>
<tr>
<td></td>
<td>Determination</td>
<td>Mindset of continuous improvement</td>
<td>Teamwork</td>
<td>Meticulousness</td>
<td>Industrial thinking</td>
</tr>
<tr>
<td></td>
<td>Pushing boundaries of brewing</td>
<td>Expertise</td>
<td>Scopes</td>
<td>Professionalism</td>
<td>Prestige-neglecting</td>
</tr>
<tr>
<td></td>
<td>Curiosity</td>
<td>Communication</td>
<td>Experience</td>
<td>Positive attitude</td>
<td>Positive attitude</td>
</tr>
<tr>
<td></td>
<td>Skills of the brewer</td>
<td></td>
<td>Experience</td>
<td>Tidiness</td>
<td>Positive attitude</td>
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<tr>
<td></td>
<td>Teamwork</td>
<td></td>
<td>Experience of the brewer</td>
<td>Professionalism</td>
<td>Positive attitude</td>
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<tr>
<td></td>
<td>Synergy</td>
<td></td>
<td>Experience</td>
<td>Professionalism</td>
<td>Positive attitude</td>
</tr>
</tbody>
</table>

(The complete list of the capabilities that each microbrewery found important, unreduced)

Also, PangPang Brewery, Oceanbryggeriet, and Helsingborgs Bryggeri thought that self-criticism was important, but it was a defining factor for PangPang Brewery, again seeing that there is only one full-time employee and this employee must be able to be critical of his own work in order to excel. Industrial thinking was a very defining factor for Oceanbryggeriet, which goes hand in hand with their ambition to become the local choice in Gothenburg, since it is a big city with a lot of people in their geographical segment. This creates an obvious need for big volumes, which, for them, defined industrial thinking.
6. Conclusions and Reflections

6.1 Conclusions
After having collected data from five different microbreweries, analyzed the cases by using Porter positioning bases, Hooley et al’s positioning dimensions, and theories concerning organizational capabilities, we have reached several conclusions.

As a whole, we can conclude this study by saying that premium quality is the most common dimension within the breweries’ positioning strategies and is the defining dimension for them. This is because the fact that all the microbreweries that we interviewed stated that they started a microbrewery simply because of their love for brewing and to make their own version of a good beer, which makes high quality a natural aspect to strive for. This goes hand in hand with a higher price overall, due to the quality of the raw material and the process behind each beer.

Overall, innovation is very individual, but a trend towards being traditionalists is evident. The majority of the interviewed breweries created their own version of a certain style, but didn’t experiment with new styles, flavors, packaging, and ingredients. Services are mostly on a medium or lower level, seeing that each brewery operates on a rather small scale and focuses on producing great products rather than providing services. Differentiated benefits are something that most breweries have, and there are only minor differences between the breweries. These differences mainly constitute of whether or not the breweries offer low-alcohol options in their beer assortment or not.

Tailored offerings are a very individual matter, and all breweries have their own view of these offers. Some have a very positive attitude towards both customizations to consumers and collaborations with other organizations, and some will only take it into consideration if it is mutually beneficial. One brewery did not even take these offers into consideration, as they believe that it contradicts the very idea of a microbrewery and the craftsmanship behind the beer.

Combining these dimensions with the different positioning bases, we can see that overall the breweries base their positioning strategies on the needs of their respective segment. Given that needs-based positioning is similar to a classical way of positioning, it becomes naturally attractive for most microbreweries as it provides them with a graspable goal, namely to satisfy their own defined segment.
There is some degree of access-based positioning in some cases due to the geographical segmentation. This geographical segmentation is both intentional, where some microbreweries want to become the local choice in their respective cities, as well as unintentional, simply due to limited capacity and distribution.

This study shows that there is not a heavy emphasis on variety-based positioning, due to the fact that the microbreweries has such an interest in brewing, which naturally results in them developing their own versions of classic styles, and they therefore provide a variety of beers. This rules out variety-based positioning, given that they do not focus on a subset of styles, which in this study is considered to represent a low emphasis on variety-based positioning. There was, however, one case of high variety-based positioning, due to the small scale of operations, which constrains them from providing a variety of beers and styles.

The organizational capabilities that facilitate the breweries in the reaching of their positioning strategies are experience, knowledge, and motivation, which were of importance in all cases. The reason for the importance of these three capabilities is that the breweries believed that these help in creating the best beer possible for them. Four out of five stated that teamwork is also of the essence, mainly due to the high workload in relation to the number of employees and the sizes of the breweries. Three thought that self-criticism was important, as this facilitated them in striving for perfection. There was one case where industrial thinking was considered to help them to reach their positioning strategy, and this capability was important in the way that it helped them to think in large volumes in order to satisfy their large geographical segment.
6.2 Reflections

Reflecting upon the work that we have done, we have met both obstacles and successes. For the first part of this research, we only knew that we wanted to conduct research about microbreweries. We both have an interest in microbrewed beer on a personal level, and to be able to apply this personal interest to academic research was very tempting. However, it was easier said than done to find a suitable academic approach and theme for this. As microbreweries are a relatively new trend in Sweden, not much academic work has been conducted within the field. Even in the USA and the UK, where this microbrewery trend started, no extensive research has been conducted that we are aware of. When we realized that positioning was something that we could work with, we changed our research questions several times before settling with the well-designed pair we have used when conducting this research.

In the beginning, when we chose to work with microbreweries and positioning, our supervisor Hooshang Beheshti, PhD, helped us in forming a structured process which to work with. When it came to finding suitable theories, several ideas were scrapped or remade, and the process of finding theories was uncertain and a rough patch of our thesis. What really turned this thesis around was a reality check from our supervisor, who made us realize that we had to put in a lot of extra effort in order to make this thesis valuable. After this reality check, we found ourselves working harder than ever, to prove to both our supervisor and ourselves that we could do it.

After the theoretical chapter was sorted out, the methodological chapter was next. During the writing of this chapter, we were given a course in methodological writing in business research. This was very valuable, and we believe that it really gave us a sense of how to structure our work and to understand the process behind conducting research. This course made the writing of this chapter a rather smooth process, as we now had a clear sense of what each and every part of this meant to the thesis.

When it came to the empirical investigation, we believe that the smooth process of the methodological chapter provided us with a solid fundament upon which to proceed. We started by finding suitable breweries to contact, after which we contacted them by email to see if there was an interest in participating in our study. We were lucky enough to find a very suitable and varied group of breweries that had different backgrounds, locations, sizes, and lifespan.
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We visited a very welcoming and small brewery outside of Växjö early in the empirical investigation, but eventually we decided not to include them in our research as we believe that they would not have contributed as much as the other breweries in our group of breweries. There were some breweries that responded quite fast, and others that had to be chased and persuaded. As the interviews were conducted, we felt welcomed by the breweries and we really felt that the respondents wanted to contribute and it proved that they had provided us with a good amount of relevant information. Reflecting upon the collection of empirical material, we feel that it was a smooth process; however, we could have done some things differently. For example, we could have conducted interviews with more breweries, to increase the validity of the thesis. Also, we could have conducted two interviews at each brewery instead of one, as we believe that this could have improved and enriched our empirical data. We are, however, very content with the data that we collected and feel that it gave us a very stable foundation that we could easily base an analysis upon.

The process of analyzing the data was a very direct process; the data that we collected was very pliable and easy to handle, which ultimately made our analysis a very structured procedure. We believe that by choosing a theory with an applicable model, we found that the process of analyzing was easier to grasp and to get a better overview in terms analyzing each case and comparing them. The analytical process paved the way for us to make a well-founded overall conclusion to finalize our bachelor thesis.
7. Implications, Limitations, and Future Research

7.1 Managerial Implications
Understanding that positioning strategy is part of the competitive strategy and could create a competitive advantage, we believe that this study can provide knowledge for managers at microbreweries in the way that the research may help managers to avoid positioning themselves incorrectly, since this is hard to adjust. The research contributes knowledge about how microbreweries can utilize different positioning strategies and underlying factors behind the strategies, which has been based on real cases. Given that this research provides such a variety of cases in terms of backgrounds, sizes, lifespan, and locations, managers can extract knowledge of different breweries and their situations. Therefore, no matter the background, size, lifespan, and location of a brewery the managers of breweries can benefit from reading this thesis which provides a variety of cases.

Since it is essential to emphasize and acknowledge the importance of identifying and exploiting organizational capabilities in order to successfully reach a certain strategy, managers at microbreweries can get an insight of how other microbreweries have identified and exploited their capabilities. This research can serve as an eye-opener for managers to reflect upon how their microbrewery is handling organizational capabilities, and possibly find new capabilities to exploit. This can ultimately strengthen their positioning and increase their competitive performance.

7.2 Academic Implications
This research contributes academically by showing how both Hooley et al.’s positioning dimensions and Porter’s positioning bases can be applied in actual situations to describe a company’s positioning strategy. In this study, microbreweries have been used as a spectrum of application, but we believe that other academicians can basically use the same theoretical framework and apply it to other industries and types of companies, in order to establish descriptions of other investigated companies’ positioning strategies. Also, since the theoretical framework includes capabilities, the research may contribute to the understanding of how capabilities (in this case organizational ones) can help a company to achieve certain strategies (which in this case are positioning strategies). That said, this research may shed some light on the relationship between capabilities and strategies, and may contribute to the understanding of this relationship.
Given the flexibility of the theoretical framework and the relationship between strategies and capabilities, it can be applied to other instances and situations. For example, one might take this research into consideration when looking at how a company’s capabilities can facilitate the reaching of a social media strategy, production strategy, purchasing strategy, and so forth.

### 7.3 Limitations

Naturally, each study has its limitations, and ours is no different. Time is a limitation that had a huge impact on our study, as we were given one semester to complete this research. The limited time has restrained us in a number of ways. For example, if this research would have lasted over a longer period of time, we could have included more breweries in our analysis and expanded a more in-depth construct to measure and evaluate the research questions proposed. Also, we could have perhaps compared Swedish microbreweries and their positioning strategies with microbreweries from other countries, both where the microbrewery trend is new and where the trend is maturing (for example the USA).

We had to use telephone interviews due to geographical obstacles. Given that the microbreweries we investigated are spread across Sweden, both from north to south and east to west, it would have been too costly and would have taken too much time to be physically present at each interview. This could have improved and strengthened the empirical data, since we believe that being physically present and having a face-to-face interview is more rewarding, and that the interviewee would be more dedicated to the interview.

Something that we believe would have been interesting to do, but the time and monetary constraints would not allow us to do, would be to collect data through observations and actually see and experience how the microbreweries organizational capabilities could facilitate them in reaching their respective positioning strategy. We believe that this could have been a very rewarding data collection method, given that the breweries have a small employee force and therefore, we could have gotten a deeper and more complete understanding of how these capabilities actually work in practice.

Given the nature of this study and the fact that the results are not intended to be generalizable, there is a limited external validity. Given that our purpose is to describe the different microbreweries’ positioning strategies and which organizational capabilities help them in reaching their positioning strategy, external validity becomes limited in the way that the overall purpose is not draw any generalizable conclusions, as we simply strive for describing the breweries’ situation and make a snapshot of this point in time.
7.4 Future Research

To carry this specific research forward, one may very well simply include more breweries in order to create a more generalized view of how microbreweries’ positioning strategies work, and how organizational capabilities facilitate them in the reaching of their respective positioning strategies on a general level. This could be done both through a qualitative and/or quantitative research approach. To expand it qualitatively, research could be conducted by face-to-face interviews in order to extract even more information from the different microbreweries to get an even deeper understanding of their strategies and capabilities. Qualitative research could also be conducted by observations with a focus on organizational capabilities, in order to experience and observe what capabilities are important and how they actually affect a positioning strategy.

To delve deeper into this research by using a quantitative research approach, research could be conducted by surveys, both by a sampling survey and a census survey. A census survey could be possible to conduct in Sweden at this point in time, given that there are around 50 microbreweries established in Sweden, which is a manageable amount to investigate. The surveys could be designed based on the theoretical framework that is established in this research, and with Hooley et al’s model, the respondents could pinpoint where they perceive that they are positioned on the chart, given its simplicity. This could be combined with a list of capabilities that are based on the ones found in this research (and/or other organizational capabilities) with room for the respondent to add capabilities if they wish. Data from such a survey could provide a good basis for making generalizations about how Swedish microbreweries position themselves and which organizational capabilities facilitate Swedish microbreweries to reach their positioning strategies.

Further research could also be conducted from the consumers’ perspective, i.e. how consumers perceive Swedish microbreweries and their positioning strategies. This could be done by surveys and/or by conducting focus groups with suitable beer enthusiasts. For example, surveys could be handed out at beer festivals and events, and focus groups could be conducted at these as well. These events and festivals may be suitable settings to find potential respondents. The data about consumers’ perceptions of microbreweries’ positioning strategies could later be analytically compared with research from the microbreweries perspective, in order to find differences and similarities between the different perspectives.
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Appendix 1 – Interview Guide

- How was the company founded?
- Were you able to employ any of your prior knowledge, both from previous occupations and previous knowledge about beer?
- What was your intention when starting a brewery?
- Did you have any type of strategy when starting out, and how was it designed in relation to the market and to the employees?
- Did you any defined goals and objectives when you started out? If so, which?
- Have these goals been achieved and/or changed?
- How does the organization look today and what roles are present?
- Are all roles equally important, or is any role more important?
- What characteristics are important to possess within the organization?
- Do you have someone who is responsible for brewing? If so, how does he/she affect the beers that you offer?
- How do you perceive your own brewery from a market perspective?
- Which attributes do you want to communicate to the market?
- How do you think you are perceived by your customers?
- What differentiates you from commercial breweries?
- What differentiates you from other microbreweries?
- How broad is your distribution?
- How do you reach out to your customers?
- How do you keep your current customers loyal to your brand?
- Which capabilities are the most important in order to create as good a beer as possible?
- Do you think that the price is an important factor of your end-product?
- Do you put effort in experimenting with new types of brews, tastes and packaging? If so, how do you come up with these experiments?
- Is quality an important part of your beers? In what way?
- Do you offer any types of seasonal, special editions, low alcohol, alcohol-free, and/or low-calorie beers, and if so, how much emphasis is put on this?
- Do you offer any customizable offers?
- Do you have any services revolving around your beers available for your customers to utilize?
Appendix 2 – Nynäshamns Ångbryggeri Transcription
We spoke with marketing manager Marcus Wärme during this interview, conducted 2012-03-30.

- **How was the company founded?**
  o NYAB was founded in the 90’s, when four guys started a beer club called Hagges Bärsklubb. This club organized trips around Europe to local breweries, where the seed of starting an own brewery was sown. They were homebrewers and brewed in the kitchen of the clubhouse, where they experimented with tastes and styles. With their homemade brew, they competed in the annual national homebrewing championship, which they won. In 1997, the officially was granted permission to brew and sell their own beer, which marked the beginning of Nynäshamns Ångbryggeri.

- **Were you able to employ any of your prior knowledge, both from previous occupations and previous knowledge about beer?**
  o One of the founders/owners was working as a plumber prior to the founding, and he employed his skills with pipes by doing all the piping needed for the brewery to start brewing, which was pivotal for them during the early stages, and still is.

- **What was your intention when starting a brewery?**
  o The initial with the founding of NYAB was simply see if it was commercially viable, but most of all, to satisfy their own love of brewing. Initially, the focus was to sell their products in Nynäshamn and thus, giving them some indication whether it would be worth the effort. According to them, they started this brewery just in time of when the trend of niched beer and breweries was on the rise. This sparked the interest amongst its customer group (namely restaurants and pubs). Strategically speaking, NYAB grew in conjunction with their customer base.

- **Did you have any type of strategy when starting out, and how was it designed in relation to the market and to the employees?**
  o Early on in the production process, they made a strategic choice of investing in a bottler. This allowed them to be able to get their bottles out on restaurant tables instead of having their brews sold in glasses that belonged to competitors. This became strategically important, because by having their bottle on the table, the consumer saw what brand of beer he/she was drinking, and thus created some brand awareness.

- **Did you any defined goals and objectives when you started out? If so, which?**
  o The primary goal, which was created by the founders, was to be able to have the brewery as a source of livelihood.

- **Have these goals been achieved?**
  o Yes.

- **Have any goals changed since the start?**
  o Yes! Now the aim is to be able to stay competitive amongst the largest breweries, microbreweries included, in Sweden. Also, they want to
continuously keep their brews available on Systembolaget; both old and new brews.

- **How does the organization look today and what roles are present?**
  - The four founders are still present, even though one quit and then started again. They are twelve employees, divided by four major roles. These are CEO, sales, production/technology, and brewing.

- **Are all roles equally important, or is any role more important?**
  - For them, all roles are equally important.

- **What characteristics are important to possess within the organization?**
  - They said that dedication and devotion are the two most important characteristics for the whole brewery and their way of working.

- **Do you have someone who is responsible for brewing? If so, how does he/she affect the beers that you offer?**
  - First of all, their style of making beer is to create a consensus in the organization regarding what styles to brew. However, they have a person in charge (which they call First Brewer), who has the final say regarding these decisions, and who is also responsible for composing recipes and raw material handling, in terms of ordering and managing.

- **How do you perceive your own brewery from a market perspective?**
  - They want to be perceived as an elegant choice, and thus communicate attributes that appeal to people who are above the age of 30, who is trendy and urban, having a moderate to high income, and that the beer fits in finer restaurants. They are currently working on releasing a book in conjunction with their 15th anniversary based on the brewery’s history and their way of creating brews, which they think will facilitate their communication of values to their customers.

- **How do you think you are perceived by your customers?**
  - They believe that they can be seen as a bit picky, pretentious, thorough, and aware of their stance as a brewery. They believe that by releasing the book that they currently are finishing they might be able to change, clarify and strengthen existing and potential customers’ perceptions of the brewery.

- **What differentiates you from commercial breweries?**
  - The main difference between commercial breweries and NYAB is the emphasis put on the quality of the raw material behind the brews. The respondent said that they would never consider replacing the best available sorts of material for other sorts in order to save money, instead they do not take monetary factors into consideration when deciding upon what raw material to use. Another significant difference is that they never pasteurize their brews.

- **What differentiates you from other microbreweries?**
  - There is no significant difference between them and other microbreweries other than that they provide a larger range of different styles and types of brews, which has been possible due to the fact that they have enough space for
a wider production. Another thing that differentiates NYAB from other microbreweries is that their beers have won numerous awards over the years which they see as an indicator of superior quality.

- **How broad is your distribution?**
  - NYAB’s distribution is mainly national due to the Swedish alcohol monopoly. In Sweden they mainly distribute their brews to the major cities. However, they distribute their brews to a few restaurants and pubs in Norway and New York, USA.

- **How do you reach out to your customers?**
  - Their way of reaching out to customers is mostly through word-of-mouth and rumors. This is done through existing customers, such as specialized pubs and restaurants that spread the word through their industry.

- **How do you keep your current customers loyal to your brand?**
  - Through good service, personal deliveries, and constant personal contact. They proud themselves with providing accurate deliveries on time with personal drivers.

- **Which capabilities are the most important in order to create as good a beer as possible?**
  - Interest, knowledge, devotion, determination, pushing the boundaries of brewing, curiosity, and having a good first brewer/brewmaster with an exceptional feeling for how to brew as good a beer as possible.

- **Do you think that the price is an important factor of your end-product?**
  - The price is an important factor, as their brews are priced based on their quality, and thus have a higher price. This is intentional, as it suits their target group.

- **Do you put effort in experimenting with new types of brews, tastes and packaging? If so, how do you come up with these experiments?**
  - They try on different recipes, which is their main experimental field. They have tried experimenting with KeyKeg, which is a new type of beer keg, made out of plastic and paper.

- **Is quality an important part of your beers? In what way?**
  - Quality is, according to them, their USP and of outmost importance.

- **Do you offer any types of seasonal beers, and if so, how much emphasis is put on this?**
  - They do offer seasonal brews, and their main seasons for which to provide these are Christmas, summer, and Easter. They do offer more special ales during fall and winter, but not any brews that adhere to any specific holiday, as they are mostly just more appropriate during that time of the year, and they sell more heavier ales and stouts during this period.

- **Do you offer any customizable offers?**
  - They don’t offer any customizable offers for consumers, but when they are approached with an offer of developing a brew that both parties benefit from, they will consider it. For example, they created a celebratory beer for the steamship s/s Blidösund’s 100th anniversary.
- **Do you have any services revolving around your beers available for your customers to utilize?**
  - They provide guided tours of the brewery, which also includes beer tastings and snacks. Sometimes they offer pump cleaning and to deliver some more experimental brews for customers that they think can handle them, in terms of tapping and selling.
Appendix 3 – Oppigård Bryggeri Transcription
We spoke with the co-founder Sylvia during this interview 2012-04-04.

- **How was the company founded?**
  o Oppigård Bryggeri was founded in 2003, but the idea of starting a brewery stemmed from the founder Björn’s interest in brewing at home. This eventually evolved into a real brewery during seven years, in which they collected knowledge and equipment. Björn is now running the brewery with his wife Sylvia and five other employees.

- **Were you able to employ any of your prior knowledge, both from previous occupations and previous knowledge about beer?**
  o Björn has a degree in economics, which he could utilize when it came to accounting and other economic aspects of the brewery. Also, Björn had a long experience of brewing at home prior to starting the brewery. Sylvia, who had a background working in the pedagogical sector, could utilize her previous knowledge during guided tours and beer tastings, as well as minor customer-related aspects. Another employee was working as a biologist prior to his employment at the brewery, and he is in charge of quality management of the beer production process, given his prowess of the biological factors when producing beer.

- **What was your intention when starting a brewery?**
  o The founders wanted to combine their interest for brewing with an entrepreneurial spirit.

- **Did you have any type of strategy when starting out, and how was it designed in relation to the market and to the employees?**
  o Their initial strategy was to brew beer that they themselves enjoyed and were proud of. They wanted to brew beer with character, without any thought about volume and price. Given their small size, their strategy was to niche themselves, and they thought that this was the best strategy since they believe that their brewery could not, and still can’t, compete with larger breweries in terms of volume and price. This philosophy has not changed drastically as of now.

- **Did you any defined goals and objectives when you started out? If so, which?**
  o Their initial goal was to be able to make a living out of it.

- **Have these goals been achieved and/or changed?**
  o The brewery is a viable source of income for the employees, and today their focus lies of raising the quality of their beers through constant quality developments and investments.

- **How does the organization look today and what roles are present?**
  o Today, Oppigårds Bryggeri employs seven people. Out of these, five are directly bound to brewing, and four of these are certified brewing technicians. The sixth employee takes care of practical issues and machine maintenance, and Sylvia is in charge of administration and visitations.

- **Are all roles equally important, or is any role more important?**
They do believe that all roles are equally important, and regard their organization structure as flat, meaning that there is no clear hierarchy. When developing different brews, they aim at having a consensus amongst the employees before decisions are taken, which they think is possible due to their small size, where the process of idea to reality is simple and effective. Everyone has something to contribute, and they try to utilize their employees’ previous knowledge and capabilities where they can contribute the most. The above given example of the biologist, who tests the different values of the beer (such as acidity and ABV) is a good example of their philosophy that one should utilize what one has.

- **What characteristics are important to possess within the organization?**
  - They thought that the most important characteristics to possess when working in a brewery are knowledge, commitment, and passion. This enables them to constantly bounce ideas off each other, which can end up with interesting ideas given the varying backgrounds of the employees. They thought that working at such a small brewery requires commitment and passion, since they are a limited staff and everyone should help in putting in hours when receiving a group for a guided tour or represent at an exposition.

- **Do you have someone who is responsible for brewing? If so, how does he/she affect the beers that you offer?**
  - They strive for creating a dialogue between the employees regarding the brewing and what beers to brew. No one have any executive power, although Björn takes on responsibility for the operations. They therefore have neither a first brewer nor brewmaster, and everyone affects the beer in terms of their individual knowledge.

- **How do you perceive your own brewery from a market perspective?**
  - They perceive themselves as being a well-established brewery that is readily available at each Systembolag, which delivers quality beer to the average Swede.

- **Which attributes do you want to communicate to the market?**
  - They want to communicate to customers that their beers are a taste experience, which is very important. They put a lot of emphasis on their variety, both in terms of tastes and styles. Also, they like to see their beers as a good compliment to food, similar to wines.

- **How do you think you are perceived by your customers?**
  - A small brewery that are able to keep an even quality, and that they are a very welcoming and open brewery, that gladly answers questions from customers since they believe that customers should have an easy time to find out what they are drinking and where it is from.

- **What differentiates you from commercial breweries?**
  - They believe that they differ from commercial breweries in that they work more extensively with different styles and tastes, since they think that they put a lot of emphasis on creating a beer that they themselves can stand for and enjoy. They believe that by brewing by hand, one experiences both risks and
rewards. It is risky in terms of beers going bad, but the craftsmanship that is put into the beer usually proves to enhance the beer’s quality and enable them to develop unique flavors and characteristics.

- **What differentiates you from other microbreweries?**
  - They believe that they are welcoming and open about creating dialogues with consumers and to show consumers what they do and their craft. Also, they believe that their range of beers may differentiate them from some of the other microbreweries on the market, as well as their national availability.

- **How broad is your distribution?**
  - They distribute 90% of their production through Systembolaget, and the remaining 10% to restaurants. They distribute nation-wide, as they have beers that are part of Systembolaget’s standard assortment. They do export some to Finland, Norway, and the USA.

- **How do you reach out to your customers?**
  - They do not have any outlined way of reaching out to their customers other than their homepage, but they believe that their way of reaching out to customers is mainly through word-of-mouth and the curiosity of trying new microbrewed beers has started to get a good foothold in Sweden. To exemplify, they said that if you are from Gothenburg, you’ve probably tried some beers from there, and if you’d go someplace else, you’d want to try the local brews. This shows, according to them, the curiosity that is on the rise.

- **How do you keep your current customers loyal to your brand?**
  - They work continuously with quality improvements, since they believe that by constantly deliver quality beer, their products are always welcomed by the consumers.

- **Which capabilities are the most important in order to create as good a beer as possible?**
  - They believe that a keen eye for raw materials and be generous with the hops are important, but most all, they believe that a sense of striving for continuous improvement is most important. Other capabilities could include allocation of expertise, managerial prowess, team spirit, and a passion for brewing.

- **Do you think that the price is an important factor of your end-product?**
  - They think that price is not the most important part of their end-product, as they deliberately positioned themselves in the mid-price range to make their beers available for a larger number of people.

- **Do you put effort in experimenting with new types of brews, tastes and packaging? If so, how do you come up with these experiments?**
  - If the employees are feeling comfortable with creating a new type of beer (for them), they brew a big batch right away. Should they not be completely comfortable with brewing a big batch of a certain brew, they have a small brewing system that they conduct experiments with. They are very conservative about experimenting with packaging, as they want to keep the recognition factor.

- **Is quality an important part of your beers? In what way?**
Quality is the main goal with their beers, and is always something that they emphasize and develop. Should they accumulate enough capital, they always try to invest in new ways of creating and sustaining better quality. They recently acquired a new capping machine to further ensure a quality improvement in their beers.

- **Do you offer any types of seasonal beers, and if so, how much emphasis is put on this?**
  
  They put emphasis on providing seasonal beers, and aim at having around four seasonal beers, which are specially designed for Easter, Christmas, summer, and fall available at Systembolaget in the adequate season. Also, they allow the winner(s) of the national home brewing championship to brew their winning beer at a larger scale, which later is sold at Systembolaget as a special edition. They do not produce any low-alcohol, low-calorie, nor alcohol-free beers. However, they are in the midst of developing a low-alcohol beer.

- **Do you offer any customizable offers?**
  
  They do not offer any types of customizable offers.

- **Do you have any services revolving around your beers available for your customers to utilize?**
  
  They usually have beer tastings in pubs that act as a representative event for themselves, as well as they can organize beer tastings at their own brewery. Also, should a restaurant or pub require, they can provide these with their special Oppigårds Bryggeri glasses.
Appendix 4 – Oceanbryggeriet Transcription
We spoke with marketing- and economical manager Rodrigo Arvidsson at Oceanbryggeriet 2012-04-04

- **How was the company founded?**
  - The company was founded in 2007, in Gothenburg. They came up with the idea of starting a brewery when they realized that one was good at brewing, another was good at economics and marketing, and the last one was into the restaurant industry in Gothenburg. This coincided with the offer of buying the old brewing system from another microbrewery, Jämtlands Brewery.

- **Were you able to employ any of your prior knowledge, both from previous occupations and previous knowledge about beer?**
  - The fact that each of the three founders had knowledge in a specific field, they could all utilize their previous knowledge. Each and everyone were assigned to a specific post(s) when starting. For example, Rodrigo, who was good with economics and marketing, was assigned to doing just that.

- **What was your intention when starting a brewery?**
  - The initial intention was to make the brewery a valid source of income for the founders as soon as possible. They wanted to start with only selling to pubs and restaurants, seeing that they had an opening there given that one of the founders was very active within this scene.

- **Did you have any type of strategy when starting out, and how was it designed in relation to the market and to the employees?**
  - Their strategy was to find information about the Gothenburg restaurant scene and find suitable pubs and restaurants for their products. They aimed at making deals with these suitable restaurants and then just continue from there. They still continue doing this and aim to expand their customer base, but they also want to get a better presence at Systembolaget.

- **Did you any defined goals and objectives when you started out? If so, which?**
  - They aimed at becoming the natural choice of beer in the Gothenburg area. They want their customer group to include both beer connoisseurs and people with an opposite view of beer.

- **Have these goals been achieved and/or changed since the start?**
  - They would say that they have achieved this, although they do want to get a larger presence at Systembolaget.

- **How does the organization look today and what roles are present?**
  - They have two employees who are responsible for brewing, handling, and preparing for shipping, while the third is responsible for selling and distributing the beer.

- **Are all roles equally important, or is any role more important?**
  - They thought that each role in the company was of equal importance, since each and everyone was needed. Should one be absent, the whole company suffers. However, they said that the first brewer is more important in a short-term view, as he cannot easily be replaced, whilst other roles can.
- **What characteristics are important to possess within the organization?**
  - Our respondent thought that one needed to have an industrial thinking; big volumes and be able to fulfill the orders they receive. Also, one should be meticulous in the creation of beer, as it is a very complex process.

- **Do you have someone who is responsible for brewing? If so, how does he/she affect the beers that you offer?**
  - Our respondent said that their first brewer had an 80% impact on the beers they make (seeing that he writes the recipes) but no executive power. They all agree on a style of beer to brew, and the first brewer orders and manage the raw material used in the brew.

- **How do you perceive your own brewery from a market perspective?**
  - They see themselves as a small-scale, meticulous brewery. They see their products and product range as being stable, and work well in Gothenburg, their main market at the moment. They see themselves as being a local option around pubs and restaurants across Gothenburg.

- **Which attributes do you want to communicate to the market?**
  - They want to communicate the attribute of stability to the market, as they see their beers as stable and notable.

- **How do you think you are perceived by your customers?**
  - They think that their products are perceived as very clean and done with finesse.

- **What differentiates you from commercial breweries?**
  - In all essence, the whole process of brewing is different, according to our respondent. They focus more on doing niched styles of beers and craftsmanship. They basically have different processes.

- **What differentiates you from other microbreweries?**
  - They believed that they were not very different from other microbreweries, and they try to differentiate themselves by having different types of beers than others.

- **How broad is your distribution?**
  - They distribute to almost all of Sweden, and can be found, in some instances, in Norway and Denmark.

- **How do you reach out to your customers?**
  - In effort to reach out to customers, they try to establish a presence at social media such as Facebook, as well as word-of-mouth. The latter is of pivotal importance, according to them. This type of “free advertising” can propel a brewery to a larger mass.

- **How do you keep your current customers loyal to your brand?**
  - They aim at being a very stable supplier, with that a customer should be able to order something and it should be readily available, generally within three days. Also, to be able to have a stable quality of their beers is really important according to them.

- **Which capabilities are the most important in order to create as good a beer as possible?**
- **Do you think that the price is an important factor of your end-product?**
  - Price is an important factor, in terms of being able to sustain as a company and being able to invest. Positioning-wise, they are situated in the mid-range of prices.
- **Do you put effort in experimenting with new types of brews, tastes and packaging? If so, how do you come up with these experiments?**
  - They do not experiment very much, as they want to have a traditional view on their beers. They can, however, adjust recipes in order to try if the beer tastes better.
- **Is quality an important part of your beers? In what way?**
  - They said that quality is the most important part of their beers.
- **Do you offer any types of seasonal beers, and if so, how much emphasis is put on this?**
  - Yes, they offer seasonal brews. They aim at having two types of seasonal beers each month, so that there always is an assortment of beers fitting for the season. They offer low-alcohol brews during summer.
- **Do you offer any customizable offers?**
  - They offer customers to customize their beers. They aim at taking on these requests at any given moment, should it be fitting in their schedule. Customers can customize simple things such as labels, as well as more costly offers, such as brewing a beer with a new recipe.
- **Do you have any services revolving around your beers available for your customers to utilize?**
  - They offer tours around the brewery and company events, among other services. They can clean their beer pipes, summer clothing for restaurants; they simply try to solve the wishes from their customers.
Appendix 5 – PangPang Brewery Transcription
We spoke with Fredrik Tunedal, who is the man behind PangPang Brewery on 2012-04-16.

- **How was the company founded?**
  o The company was founded by Fredrik Tunedal during the summer 2011, when he wanted to take his home brewing to the next level, and produce his brews on a larger scale. He eventually found suitable premises in which to brew and gathered enough equipment to get his production underway.

- **Were you able to employ any of your prior knowledge, both from previous occupations and previous knowledge about beer?**
  o As said before, he was a home brewer for a couple of years before the start of PangPang, which meant that he had knowledge about the brewing process prior to the founding.

- **What was your intention when starting a brewery?**
  o The intention of starting PangPang became clear as he noticed a gap in the Swedish beer culture, which he wanted to fill with his own brewery. He thought that there was no brewery that delivered all parts of what he thought a beer experience should be. He especially thought that there was a lack of a brewery that mastered all the aesthetic aspects as well, and not just providing a well-tasting fluid. Basically, he felt that a whole-package brewery was missing. He had noticed that these kinds of breweries are more common in, for example, the USA, but not in Sweden.

- **Did you have any type of strategy when starting out, and how was it designed in relation to the market and to the employees?**
  o PangPang looked at how and what other breweries in Sweden had done, and understood that he had to go in a different direction and find his own way of producing beer. Instead of looking at used equipment, he made some parts by himself too. He understood that his way of brewing meant that a lot of hard work and small volumes, which he embraced as a strength.

- **Did you any defined goals and objectives when you started out? If so, which?**
  o He simply wanted to be able to produce and deliver a beer to the market.

- **Have any goals changed since the start and have these goals been achieved?**
  o After the initial goal was achieved, new goals arose and today the goal is to become the best brewery in Sweden, in all aspects; best product, best packaging, best taste, and in the long term, best service.

- **How does the organization look today and what roles are present?**
  o Fredrik Tunedal fulfills all the roles in the company, such as CEO, sales, production, and brewer. Although he is the sole full-time employee of the company, there is a part-time employee that assists in bottling, which is a delicate process. Fredrik believes that the key to success, in his organization, is the simplicity itself and that he is in control of all parts of the organization.

- **Are all roles equally important, or is any role more important?**
In this case, the importance of Fredrik Tunedal’s roles in the PangPang organization is of the utmost importance, since he is the only full-time employee who fulfills most of the roles.

- **What characteristics are important to possess within the organization?**
  - Motivation, versatility, the ability to neglect prestige, and to work with a positive attitude towards different goals.

- **Do you have someone who is responsible for brewing? If so, how does he/she affect the beers that you offer?**
  - In PangPang’s case, Fredrik Tunedal has executive power over the brewing process and all aspects that it encompasses. This affects the beers that PangPang produces in every way.

- **How do you perceive your own brewery from a market perspective?**
  - He believes that he is “under the radar” on the Swedish beer market, and that he is even smaller than other microbreweries. The fact that he is the smallest on the market is, according to him, a pro since it allows him to operate differently.

- **Which attributes do you want to communicate to the market?**
  - They want to communicate values in their products that appeal to attentive beer drinkers with an eclectic mind. They want to communicate an explosive aura of their products, with extreme contrasts from the fine restaurants, which are PangPang’s customers, are appealing. The violent aesthetic on the labels is a major contrast to fine-dining, and this attention-grabbing.

- **How do you think you are perceived by your customers?**
  - They believe that they are perceived as a small brewery, that puts more than enough effort into quality, innovation, and thoroughness.

- **What differentiates you from commercial breweries?**
  - The major differences, besides volume and variety, are the generosity of raw material used when brewing, not using the raw material more than it should, more attention to taste, and a focus on special recipes. Also, PangPang does not filtrate nor pasteurize their beer, which most commercial breweries do.

- **What differentiates you from other microbreweries?**
  - The sheer size of PangPang is a big difference, and they believe in that by letting things take their time and not taking shortcuts, they get a better beer.

- **How broad is your distribution?**
  - PangPang delivers to the three closest Systembolag in Stockholm from where the brewery is located, as well as 15 restaurants, out of which the majority are in Stockholm. He performs personal deliveries to all of these customers and Systembolag.

- **How do you reach out to your customers?**
  - PangPang tries to rely on word-of-mouth between drinkers and the media. They do not have any outlined marketing activities besides Facebook, as they are not in need of any more customers at the moment, due to the scale of operations.

- **How do you keep your current customers loyal to your brand?**
They believe in that by delivering a constant high-quality product and always being responsive to what the customers are thinking, they can keep their current customers loyal to PangPang. When applicable, they try to deliver added value to their beers, to strengthen the relationships with their customers. A recent example is the brown paper bags that they provided to customers, which was a result of Systembolaget did not see the label of their beer Puttin’ In Hours appropriate enough to be sold, and needed to be changed. Therefore, they provided customers with a brown paper bag to cover the label.

- **Which capabilities are the most important in order to create as good a beer as possible?**
  o Fredrik Tunedal believes that a combination of attentiveness to external impressions, not to give up on your product, and self-criticism. By combining these, he believes that a person will brew as good a beer as possible that is appealing to the customers, which he can be proud of and stand behind.

- **Do you think that the price is an important factor of your end-product?**
  o The price is not heavily emphasized, and is currently based on what is needed for them to keep their business going. The current price, both at Systembolaget and at restaurants, are at a premium level.

- **Do you put effort in experimenting with new types of brews, tastes and packaging? If so, how do you come up with these experiments?**
  o They do not experiment as much as they would like to, as the scale of operations hinders the possibility to do so. That said, they are in the midst of experimenting with packaging. After the rejection of their label at Systembolaget, they offered restaurant customers brown paper bags to hand out to the consumers who drank the beer, as a response.

- **Is quality an important part of your beers? In what way?**
  o This is the most important aspect of PangPang, as they aim at having the best quality around all aspects of the brewing process.

- **Do you offer any types of seasonal beers, and if so, how much emphasis is put on this?**
  o They do not, but will be taken into consideration as the brewery grows.

- **Do you offer any customizable offers?**
  o They do get a lot of propositions about doing this, but they are always neglected. They believe that brewing their beer and letting someone else put their name on it contradicts the basic idea of a microbrewery and it neglects the craftsmanship of the beer and its creator.

- **Do you have any services revolving around your beers available for your customers to utilize?**
  o Other than personal deliveries, they do not offer any services, but as the brewery grows, they aim at developing different services.
Appendix 6 – Helsingborgs Bryggeri Transcription

We spoke with Hans Nelson, who is the marketing manager and chairman of the board, on 2012-04-18.

- **How was the company founded?**
  - Helsingborgs Bryggeri started in 2010 by two beer enthusiasts, but idea of starting a brewery in the Helsingborg region started before that. One of the founders, Hans Nelson, had registered the name Helsingborgs Bryggeri, which was the name of an old brewery in Helsingborg, with the hopes of starting a new one and continue the brewing tradition in Helsingborg. Hans said that the main reason for registering this name was because he had visited a brewery in Bamberg, Germany, and was so overwhelmed that he felt that the same tradition and craftsmanship had to be brought to Helsingborg. Hans was then approached by Rasmus Varfeldt, who also had an idea of starting a brewery and gave Hans three choices: Hans could sell the rights to the name to him, Rasmus could use a different name, or that they could start up the brewery together. Hans decided to go with the last option, and in 2011, they came out with their first beer. Their current premises are situated closely to the previous brewery, enhancing the feel of carrying the brewing tradition on.

- **Were you able to employ any of your prior knowledge, both from previous occupations and previous knowledge about beer?**
  - Prior to the founding of the brewery, Hans had worked with communication and marketing, which he could utilize extensively before, during, and after the founding. Rasmus, on the other hand, was an engineer and had worked with ice cream factories and other foods engineering, and could utilize a lot of his knowledge when building the brewery. Also, Rasmus became responsible for purchasing of the necessary equipment as well as being the project leader.

- **What was your intention when starting a brewery?**
  - The intention when starting the brewery was to create a brewery that is rooted in the region, and trying to make it the obvious choice for people who live in Helsingborg; something they can relate to and be proud of.

- **Did you have any type of strategy when starting out, and how was it designed in relation to the market and to the employees?**
  - The initial strategy was to create a beer representative of the Helsingborg region, which had an individual taste profile; a beer that was appealing to a large mass, but still retained a microbrewed character.

- **Did you any defined goals and objectives when you started out? If so, which?**
  - The initial goal when starting the brewery was to brew at a volume of 50,000 liters the first year, and in the second year, brew at a volume of 100,000 liters.

- **Have these goals been achieved and/or changed?**
  - The first goal was achieved during the first half of the founding year. Given this large demand of their product, they decided that the goal for 2012 is to brew 120,000 liters, instead of 100,000.

- **How does the organization look today and what roles are present?**
The organizational structure of Helsingborgs Bryggeri includes both of the founders, as well as six additional employees. The roles within the brewery consists of CEO, production manager, marketing manager, chairman of the board, brewing technicians, and brewing apprentices. Rasmus fulfills the roles of CEO and production manager, and Hans fulfills the roles of marketing manager and chairman of the board.

- **Are all roles equally important, or is any role more important?**
  - They do believe and strive for having a team work ethic within the brewery, making every role equally important. However, they did say that it is inevitable to ignore that the first brewer has the most vital role, since he is in direct control of the finalized product.

- **What characteristics are important to possess within the organization?**
  - The characteristics that they thought had most importance was to be constantly conscious about the quality of the product, passion for brewing, as well as commitment and purposefulness.

- **Do you have someone who is responsible for brewing? If so, how does he/she affect the beers that you offer?**
  - They do, and this person has the most to say about the beers that they offer. They strive for having a consensus when deciding what to brew, as it will be a representation of the Helsingborg region, but the first brewer still has the final word.

- **How do you perceive your own brewery from a market perspective?**
  - They see their brewery as having a very strong local presence, at this early stage that they currently are in.

- **Which attributes do you want to communicate to the market?**
  - They want to communicate attributes such as being the local choice with high quality and craftsmanship, which carries on the brewing tradition in the Helsingborg region. The original brewery was founded in 1850, and they want to emphasize that they are continuing this tradition.

- **How do you think you are perceived by your customers?**
  - They think that they are perceived as being the new, local choice and continue the brewing tradition. As such, they think that their customers, both consumers and restaurants, see some pride in having a brewery in the city.

- **What differentiates you from commercial breweries?**
  - They think that the difference between them and commercial breweries are, first and foremost, that they genuinely produce beer with more passion, using better raw material and a better overall process, with a focus on the craftsmanship and not mass production.

- **What differentiates you from other microbreweries?**
  - They do not think that they differ a lot from other microbreweries, but they believe that every microbrewery has their own way of doing things and their own touch on their beer.

- **How broad is your distribution?**
They deliver beer to the three closest Systembolag, but their beer can be ordered to all over Sweden through Systembolaget. They also deliver to all the Bishop’s Arms pubs in Skåne.

**How do you reach out to your customers?**
- They reach out to their customers with the use of their homepage, including newsletters that they send out to registered members. They try to keep their customer base to an extent so that they can deliver, as they have had more demand than supply since the start.

**How do you keep your current customers loyal to your brand?**
- They believe that they can keep their customers loyal by establishing a transparent relationship and by delivering high-quality products.

**Which capabilities are the most important in order to create as good a beer as possible?**
- The most important capabilities that a brewer should possess are knowledge and expertise, which can be applicable to larger volumes than simply brewing at home. Also, a brewer should have a sense of taste and finesse, much like a chef.

**Do you think that the price is an important factor of your end-product?**
- They thought that the price of their product was irrelevant, as they aim at brewing with good quality in mind, which simply results with a higher price. They received some complaints of their high price at the start, and they aim at reducing the price in the future, in order to increase its local appeal.

**Do you put effort in experimenting with new types of brews, tastes and packaging? If so, how do you come up with these experiments?**
- They experiment a lot, and their main focus when experimenting are new tastes and styles. They try to include all employees within the brewery when experimenting, as they want to let every employee contribute with their own ideas. When a good idea arises, they try to capitalize on this to see what they can make of it. For example, they tried a chili pepper beer on an exhibit in Copenhagen, and decided that they wanted to make their own version of it. Another example is that they created a Saint Patrick beer after having an Irish brewer visiting. This was later sold in conjunction with Saint Patrick’s Day. Also, they created a licorice beer together with the licorice factory in Ramlösa.

**Is quality an important part of your beers? In what way?**
- Quality is of the pivotal importance, as they want to deliver as high quality beers as possible.

**Do you offer any types of seasonal beers, and if so, how much emphasis is put on this?**
- They have created a Christmas beer, and they aim at doing two different seasonal beers for summer, them being a witbier and a summer beer. The above given examples of their experimental beers have been released as special editions.
- Do you offer any customizable offers?
  - They take these into consideration, and can most often fulfill these requests. An example is that they made a beer in collaboration with Bishop’s Arms in Helsingborg which was called Pride. They are planning to do a beer for each deadly sin; also a collaboration. A customer can order a beer with their own label on it, and theoretically, a customer can also design their own beer in terms of flavor, style, and character.

- Do you have any services revolving around your beers available for your customers to utilize?
  - Should a restaurant want it, they can create events together with Helsingborgs Bryggeri, where the brewery provides glasses, banderols, among other things. Also, they provide guided tours of the brewery for groups.
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Linnaeus University
SE-391 82 Kalmar/SE-351 95 Växjö
Telephone +46 772 28 80 00