Let’s Drink! A Comparative Analysis of the Marketing and Branding Strategies of Cutwater Spirits and Los Sundays

A Senior Project

presented to

the Faculty of the Department of Experience Industry Management

California Polytechnic State University, San Luis Obispo

In Partial Fulfillment

of the Requirements for the Degree

Bachelor of Science

by

Emma Lauren Wells

March 2024

© 2024 Emma Lauren Wells
ABSTRACT

LET’S DRINK! A COMPARATIVE ANALYSIS OF THE MARKETING AND BRANDING STRATEGIES OF CUTWATER SPIRITS AND LOS SUNDAYS

EMMA LAUREN WELLS

MARCH 2024

With spirit consumption on the rise, it has become increasingly important for alcohol companies to craft a unique brand and strategically market themselves towards their target consumers in order to stand out amongst their competitors and drive their product sales. The selected alcohol companies for this study, Cutwater Spirits and Los Sundays, are both relatively new, yet well-known, alcohol brands. The purpose of this study was to examine the marketing and branding strategies of Cutwater Spirits and Los Sundays. Through comparative analysis and an instrument developed by the researcher, data were collected on the companies’ branding strategies including packaging, logo, and mottos, as well as marketing strategies including their Instagram, website, and television advertisements. The results of this study show Cutwater Spirits’ and Los Sundays’ effective branding and marketing strategies as they appeal to the modern consumer lifestyle and cultivate company success.

Keywords: alcohol, tequila, ready-to-drink (RTD) cocktails, branding, marketing.

Cutwater Spirits, Los Sundays
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABSTRACT</td>
<td>ii</td>
</tr>
<tr>
<td>TABLE OF CONTENTS</td>
<td>iii</td>
</tr>
<tr>
<td>Chapter 1 INTRODUCTION AND REVIEW OF LITERATURE</td>
<td>1</td>
</tr>
<tr>
<td>Background of Study</td>
<td>1</td>
</tr>
<tr>
<td>Review of Literature</td>
<td>2</td>
</tr>
<tr>
<td>Purpose of the Study</td>
<td>8</td>
</tr>
<tr>
<td>Research Questions</td>
<td>8</td>
</tr>
<tr>
<td>Chapter 2 METHODS</td>
<td>9</td>
</tr>
<tr>
<td>Description of Organization/s</td>
<td>9</td>
</tr>
<tr>
<td>Description of Instrument</td>
<td>10</td>
</tr>
<tr>
<td>Description of Procedures</td>
<td>10</td>
</tr>
<tr>
<td>Chapter 3 PRESENTATION OF THE RESULTS</td>
<td>12</td>
</tr>
<tr>
<td>Packaging and Logo</td>
<td>12</td>
</tr>
<tr>
<td>Website and Mottos</td>
<td>13</td>
</tr>
<tr>
<td>Instagram</td>
<td>15</td>
</tr>
<tr>
<td>Television Advertisements</td>
<td>16</td>
</tr>
<tr>
<td>Other Branding</td>
<td>17</td>
</tr>
<tr>
<td>Chapter 4 DISCUSSION AND CONCLUSIONS</td>
<td>19</td>
</tr>
<tr>
<td>Discussion</td>
<td>19</td>
</tr>
<tr>
<td>Conclusions</td>
<td>22</td>
</tr>
<tr>
<td>Recommendations</td>
<td>23</td>
</tr>
</tbody>
</table>
REFERENCES ........................................................................................................ 24
APPENDIXES ...................................................................................................... 28
Chapter 1

INTRODUCTION AND REVIEW OF LITERATURE

Background of Study

It takes 90 seconds of initial viewing before people make a subconscious judgment about a product (Singh, 2006), so it is essential for companies to nail down their product branding before beginning marketing tactics. Marketing and branding are what convince consumers to purchase products. A marketing strategy is a function of brand strategy. The two are interrelated, as a brand strategy determines the brand’s identity, and marketing strategy incorporates that brand identity into its tactics. Marketing and branding strategies are implemented in various segments, including the alcoholic beverage industry.

Americans today are drinking more hard liquor and spirits as a result of cultural forces and increased marketing that have transformed attitudes toward spirits. Modern cultural norms including parties, sports games, music festivals, and other events have pushed alcohol to the center of social life. A “standard drink” in the United States contains 0.6 fluid ounces of ethanol, thus, the 2021 national annual capita consumption level of 2.51 gallons of ethanol equates to a person aged 14 or older consuming approximately an average of 535.5 drinks per year (Slater & Alpert, 2023). This number continues to rise.

While the spirits alcoholic beverage category has been on an upward trend for decades, spirits have surpassed beer as America’s number one preferred alcoholic beverage as of 2022 (Conway, 2023). As spirit consumption amongst consumers
increases, it is essential for spirit brands to strategize their marketing and branding in order to attract customers and drive sales. This is especially important for alcoholic beverage brands that are entering the market as they establish themselves as a brand and differentiate themselves from their competitors to stand out to their target market. Two relatively new, yet popular, spirit brands are Cutwater Spirits and Los Sundays Tequila. The purpose of this study was to examine the marketing and branding strategies of Cutwater Spirits and Los Sundays.

Review of Literature

Research for this review of literature was conducted at Robert E. Kennedy Library on the campus of California Polytechnic State University, San Luis Obispo. In addition to books and other resources, the following online databases were utilized: JSTOR, EBSCO, Statista, and ProQuest. This review of literature includes the following subsections: branding, brand identity and personality, social media marketing, the alcohol industry, and marketing and branding within the alcohol industry.

Generally, the first and most important step of marketing is the branding of a product. One of the most important intangible attributes of every product is the brand. The American Marketing Association defines a brand as “any distinctive feature like a name, term, design, or symbol that identifies goods or services” (AMA, 2024, para. 1). Branding is the process of giving an identity or personality to a product. Branding a product is very important for a company because it symbolizes them, differentiates them from competitors, and allows them to be identified by the consumer.
Brand identity “refers to the visual and symbolic elements that represent a brand. These elements include a brand’s name, logo, color scheme, typography, and design elements. These elements work together to create a recognizable image for the brand, which consumers can identify and connect with” (AMA, 2024, para. 6). Brand identity gives a brand its personality. Brand personality is defined as “the set of human characteristics associated with a brand” (Aaker, 1997, p. 347). Consumers associate certain personality traits with certain brands based on that brand’s name, logo, color scheme, and design, which are elements that make up the brand identity. For example, “Absolut vodka personified tends to be thought of as a cool, hip, contemporary 25-year old, whereas Stoli’s [vodka] personified tends to be described as an intellectual, conservative, older man” (Aaker, p. 347).

An important aspect of brand identity and brand personality are the colors used in branding. Colors determine how consumers view the personality of a brand, and thus affect how that brand is perceived. Color psychology shows that product and branding colors influence consumer feelings and subconscious responses. For example, red evokes strong emotions, increases appetite, symbolizes love, and increases passion and intensity, while being especially influential on impulsive shoppers (Braam, 2022). Alternatively, blue represents calmness, influences productivity, curbs appetite, and creates a sense of trust and security in a brand (Braam). Colors have intrinsic meanings that become central to the brand’s identity, contribute to brand recognition, and communicate the desired brand image (Labrecque, 2012). Research shows that the proper use of color increases brand recognition by 80%, raises visual appearance by 93%, and 85% of consumers buy because of color (Braam). Moreover, according to a 2004 study conducted by the Seoul
International Color Expo, 92.6% of people said that visual factors are the most important when purchasing products (Schuemann, 2018). Color is important in logo and package design because brand colors showcase brand identity, affect consumer reactions, and impact the company’s eventual sales.

There is value to the consumer in the visual aesthetic content of products, as brands want to make their products stand out against competitors. For example, in 1996, Pepsi made what the company described as “‘the most important marketing development in its 100-year history’…it is ditching its red-and-blue can and replacing it with an electric-blue one to differentiate it from its main rival, Coca-Cola” (Cooper, 1996, para. 3). Through color, a brand can establish an effective visual identity, form strong relationships with a target market, and position itself among competitors in the marketplace (Labrecque, 2012). The look of the bottle itself, along with the label decision and other packaging decisions, are often as important as the contents of the product (The Brandsmen, 2022). Along with branding, packaging, and design, can come merchandise. Creative and unique merchandise offerings can also contribute to the creation of a unique brand identity and can reflect the brand story.

Brand marketing is “the approach used by companies to promote and establish a brand in a market by creating a unique identity, values, and perceptions that differentiate it from competitors” and it “aims to connect emotionally with consumers, build loyalty, and ultimately drive sales and market share through activities like advertising, public relations, and content marketing” (AMA, 2024, para. 2). A marketing strategy consists of three steps: understand the market, choose a strategy, and execute it (Terech, 2018).
Many companies consider social media platforms as essential tools for succeeding in the online marketplace, as social media has become more ingrained in today’s society. The U.S. has 302.35 million social media users, and this number is expected to surpass 313 million in 2024 (Shewale, 2024). 90% of the total U.S. population actively uses social media with Facebook being used by 74.2% of adults and Instagram being used by 60.7% of adults (Shewale), those being the top two most-used platforms. Social media is becoming more integrated into consumer’s everyday lives, and thus it is important for brands to use digital means to market their products. Through social media, brands can share information, connect with customers, and increase brand awareness.

Most well-known companies have an active Instagram presence and utilize it extensively in their marketing strategy (Chaudhary, 2021). Brand building, sales growth, and increased website traffic are all achieved via the usage of social media platforms such as Facebook, Twitter, and Instagram (Chaudhary). Social media has emerged as a powerful tool for promoting brand awareness, effectively establishing brand-consumer relationships, and fostering brand loyalty. Some of the most significant advantages of social media marketing lie in its ability to deliver content targeted to specific audience segments, offering data analytics about the target audience that allows the business to create personalized content, and the visually appealing nature of certain content formats on social media captivates users’ attention, increasing the likelihood of brand messages being shared and amplified across social networks (Ferdinandus & Alvin, 2023). Social media marketing can catch the attention of Gen X, millennials, and Gen Z, but each generation needs to be addressed uniquely, and each social media platform is used more by specific audiences (Overproof, 2020). Potential customers want to see how the brand
fits into their lifestyle (The Brandsmen, 2022), so by catering marketing strategies to what appeals to a particular demographic, a brand can create a successful campaign for certain target markets.

These branding and marketing strategies apply to various market segments, including the alcohol industry. Alcohol has remained an important part of American culture and society – from celebrations, nights out, meals, events, and more, alcohol tends to be a part of both social and professional gatherings today. As of 2022, the U.S. produces over 52 billion gallons of alcohol annually including beer, spirits, and wine, which is over 15% of the total beverage volume (The Brandsmen, 2022). Plus, a study conducted by the National Survey on Drug Use and Health reported that 86.4% of people aged 18 or older reported that they drank alcohol (The Brandsmen). Moreover, retail of distilled spirits reached over 103 billion U.S. dollars in 2022 (Conway, 2023) and that number continues to rise. In 2022, one of the top five spirits categories by revenue was tequila/mezcal, in which sales went up 17.2%, or up $886 million, with sales totaling $6.0 billion; and one of the top five fastest-growing spirits categories by revenue was premixed cocktails, including ready-to-drink (RTD) spirits, which went up 35.8% to $2.2 billion (Distilled Spirits Council of the United States, 2023). As of 2023, there are 2,150 distillery businesses within the U.S., which is an increase of 7.7% from 2022 (IBISWorld, 2023). This data emphasizes the growth of the alcohol industry and the importance of alcohol brands to create unique branding and powerful marketing campaigns that differentiate them from competitors and sell to consumers.

The branding of the product itself from the logo and package design are also a critical aspect of an alcohol brand’s marketing strategy because the logo and package are
often the first impression a customer has with a brand. Labeling and packaging expectations are changing within the alcohol industry and must meet the expectations of the target consumer. “Clean, simple, and sleek labeling is becoming increasingly popular, touting designs that often balance bold colors, sleek typefaces, and modern design with the traditional roots of a brand” (Whiskey Media, 2022, p. 6).

Effective digital marketing has become essential for alcohol marketing and branding as companies need to reach a wider audience and stand out in a highly competitive industry. Through digital marketing, alcohol brands can tell stories, connect with consumers through media, and create content. Although there are strict marketing rules for the alcohol industry, it is still very much at the forefront of branding and digital reach initiatives. Effective strategies for digital marketing strategies include focusing on “feel good” activities like concerts and festivals, sporting events, and other fun, social gatherings (The Brandsmen, 2022) that can include drinking and be associated with that brand.

There are various marketing channels for brands to utilize when it comes to alcohol marketing, including website, television, and social media, as far as digital media platforms. Websites use content marketing to tell a compelling story to consumers. A crucial aspect of alcohol marketing is showing potential customers your brand. Creating a personal connection with a brand can be done by sharing an “About Us” page on a company website that showcases the brand history, story, and mission that resonates with the consumer. Plus, the direct-to-consumer sales of alcohol gives websites an advantage as brands can make their products available to consumers shopping online, making it a
convenient and attractive option, as “a customer who makes an online transaction will be highly satisfied with a website that provides a great experience” (Khalid, 2022, p. 4).

Ultimately, branding is an essential aspect of marketing a product. Companies can use color, packaging, and logo design to create and share their brand identity and brand personality. Digital marketing strategies, including social media marketing, have become an increasingly important aspect of a company’s marketing tactics as social media is utilized by many consumers on a daily basis. As the alcohol industry grows, alcohol brands, especially those that are relatively new to the marketplace, can apply these branding and marketing tactics to their own strategies to make themselves recognizable to consumers as a unique brand and drive their product sales.

Purpose of the Study

The purpose of this study was to examine the marketing and branding strategies of Cutwater Spirits and Los Sundays.

Research Questions

This study attempted to answer the following research questions:
1. What are the branding strategies of the selected spirits brands?
2. What are the marketing strategies of the selected spirits brands?
3. How effective are the branding strategies of the selected spirits brands?
4. How effective are the marketing strategies of the selected spirits brands?
Chapter 2

METHODS

The purpose of this study was to examine the marketing and branding strategies of Cutwater Spirits and Los Sundays Tequila. This chapter includes the following sections: description of organizations, description of instrument, and description of procedures.

Description of Organizations

A comparative analysis was conducted on the marketing and branding strategies of Cutwater Spirits and Los Sundays Tequila. Cutwater (2024) is a 3000+ award-winning craft beverage company offering a variety of distilled spirits, mixers, and ready-to-drink (RTD) canned cocktails. The company was founded in 2017 as Cutwater Spirits by master distiller Yuseff Cherney, who began canning cocktails because he wanted to make premium-quality drinks he could enjoy while doing the things he likes to do. Cutwater is based in San Diego, California with a guiding motto of “Real spirits. Real cocktails.” The company is best known for their RTD canned cocktails, of which they have 20 variations and continuously innovate new cocktails to join the lineup. Cutwater opened their tasting room and kitchen in San Diego in 2017, where they continue to grow into a loved brand in the spirits realm today (Cutwater).

Los Sundays (2024) is a premium tequila company headquartered in Costa Mesa, California. They describe themselves as “a lifestyle brand disrupting a product-focused category” (LinkedIn, 2024), combining original content with award-winning tequila to
capture the attention of the newer generation of tequila consumers. The tequila company was founded in 2017 by CEO Mitchell Hayes upon the principles of “Quality, Originality, and Style” (Los Sundays). The tequila company has achieved multiple awards from the San Francisco World Spirits Competition and Consumer SIP Awards, with their sustainably farmed 100% Blue Weber Agave tequila earning them multiple Platinum, Gold, and Double Gold industry achievements (Los Sundays).

Description of Instrument

The instrument utilized in this study was a best practices guide developed by the researcher (see Appendix A). The study was designed to analyze and compare the marketing and branding strategies used by the selected alcohol brands; Cutwater Spirits and Los Sundays Tequila. The instrument includes the branding subcategories of packaging, logo/color(s), mottos, story, and merchandise, as well as the marketing subcategories of website, Instagram, and television ads. A pilot was conducted on a similar company, High Noon, to assess the effectiveness of the instrument. After the pilot test was conducted, the instrument was adjusted to include a section for other comments under both the marketing and branding categories to allow the researcher to add additional comments about each company that may not fit into a specified instrument category.

Description of Procedures

A comparative analysis was conducted on Cutwater Spirits and Los Sundays Tequila. The instrument utilized in this study was a best practices guide developed by the
researcher. The study took place over the course of two weeks from February 14th to February 27th, 2024. The researcher analyzed the marketing and branding strategies used by Cutwater Spirits and Los Sundays Tequila. This research was collected in part through gathering primarily branding information from both company’s websites on the Home and About pages. The researcher viewed product offerings and product packaging via the “Canned Cocktails” and “Spirits” pages of Cutwater’s website as well as the “Shop Tequila” and “Shop Seltzer” pages of Los Sundays’ website. The merchandise page of Los Sundays’ website and the tasting room page on Cutwater’s website were also utilized by the researcher. The Instagram pages of the companies were examined by the researcher as well. Television advertisements of the companies found on YouTube and Vimeo were also analyzed by the researcher to gather data on the marketing strategies of the selected spirits brands.
The purpose of this study was to examine the marketing and branding strategies of Cutwater Spirits and Los Sundays. A comparative analysis was utilized to examine Cutwater Spirits and Los Sundays. This chapter includes the following sections: packaging and logo, other branding strategies, website and mottos, Instagram, and television advertisements.

Packaging and Logo

For Cutwater’s canned-cocktail packaging strategies, the all-caps dark blue CUTWATER logo is present on the front of all of their ready-to-drink (RTD) cocktail cans. On each can above this logo is a headline reading: made with award-winning real spirits. Below the Cutwater logo on each can is the large title of the cocktail in the same font and blue color, reading, for example, LIME MARGARITA or TIKI RUM MAI TAI. Under the cocktail name is the alcohol percentage in the canned drink, under which is the Cutwater logo symbol. On the bottom half of the can is a colorful section with images representing the flavors of the cocktail along with a small font describing the taste of the RTD cocktail.

Los Sundays Tequila’s signature color is red, which can be seen on their website, Instagram, merchandise, and product packaging. Los Sundays offers tequila seltzers, which have their bold red signature color on the top 3/4 of the slim can. On this red portion of the can is a small palm tree symbol along with the Los Sunday’s logo title and
the tequila seltzer product name. The bottom fourth of the can is silver in color with a
colorful flavor title, including pineapple (yellow), grapefruit (pink), tropical (turquoise),
and mango (orange). Below the flavor is a product description and alcohol volume
percentage.

Both Cutwater Spirits and Los Sundays Tequila also have bottled spirits. Cutwater
Spirits has a variety of bottled spirits, ranging from whiskey to gin, and more. The spirits
are each in a differing bottle shape and have different labels and colors depending on the
liquor type.

Los Sundays has three primary tequila spirit bottles, including Los Sundays
Coconut, Los Sundays Blanco, and Los Sundays Reposado. The three are each in clear
bottles with a wood-texture cork topping them off and a Sundays tape sealing them. The
coconut tequila is branded white with red font, the blanco branded red with white font,
and the reposado black with white font. All three bottles have the same messaging on the
front of the packaging, reading “Hencho in Mexico” at the top, the Los Sundays Tequila
brand title below that, followed by a description of the tequila as 100% Blue Weber
agave distilled traditionally in Mexico. Below is the alcohol by volume percentage and
the name of the tequila type.

Website and Mottos

Cutwater has multiple slogans describing their brand story, including “Bar-quality
cocktails made with premium, award-winning spirits and high quality ingredients that let
you share more time with your guests.” Cutwater also describes themselves as “Award-
winning cocktails made with real spirits” with the “Real spirits. Real cocktails.” Cutwater
slogan featured on both their website and Instagram. In alignment with their marketing campaigns, Cutwater shares their story: “From the ballpark to the beach, Cutwater allows you to bring the bar wherever you are. Real cocktails made with real spirits.” The first feature on the Cutwater Spirits website is: “Open the bar: elevating cocktails for home entertaining”, which has a “Create Your Ritual” link below it. Clicking on this link opens a slide deck featuring a few of the RTD cocktails and shows how to turn those canned drinks into an elevated cocktail by pouring it into a specific glass and adding a garnish.

Los Sundays tequila is marketed towards their target audience as: “We live to create with originality and strive to deliver all that we do with style in mind. Introducing Los Sundays: a clean, smooth tequila for the people that can be enjoyed neat as a sipping tequila or crafted into your favorite cocktail.” The first page on the Los Sundays website is the left half of the screen showing the signature Los Sundays coconut tequila bottle with the right half of the screen reading their best-known motto: “Only accepting good vibes and tequila”, with the tops of three of their spirits bottles shown: their coconut, reposado, and blanco tequila. The middle is split with a red bar that allows for navigation and features the Sundays logo. The Los Sundays navigation page is fully their signature bright red color, as well as the titles of their website pages. Further down on the website homepage is the “Smooth like a Sunday” motto as well as the “Quality. Originality. Style.” motto, which is what Los Sundays uses to describe the principles upon which the company was founded.
Cutwater’s Instagram has 104K followers and 2,073 posts as of February 21st, 2024. Their posts feature both video reels and photos. Many of the posts star one or multiple of Cutwater’s canned cocktails next to a glass with that cocktail in it or the RTD cocktail being enjoyed by people. Their Instagram is seasonal, with many Christmas-themed posts of their products in the winter and more summer-themed posts in the summer months. Overall, Cutwater's Instagram primarily showcases their canned cocktails in a joyful, fun, and colorful way.

On February 15th, Cutwater posted an Instagram video with the caption: “Our newest canned cocktail joins the lineup next week…Any guesses? [lemon emoji].” The video reel showcases a canned cocktail being opened and poured into a glass, featuring the RTD cocktail with the cocktail name blurred out at the end, but the yellow and lemon part of the canned packaging showing through. Five days later, Cutwater made another video post on their Instagram that introduced their newest canned cocktail, the Lemon Drop Martini. It had some of the same clips as the first video with the can being poured into a glass and the canned cocktail being shown at the end, but this time with the full can and the cocktail name visible. This same tactic can be seen in their release of the spicy pineapple margarita and American rye whiskey lemonade posted on their Instagram in January 2023.

Los Sunday’s Instagram has 65.7K followers and 836 posts. Their Instagram features video reels and photo posts with cool vibes showcasing their seltzer and spirits as well as their merchandise. Their Instagram incorporates their signature fonts and their brand’s red color as well as a blue color that is on a few of their merchandise options as
well. Los Sundays’ Instagram is also seasonal, with summer-themed posts in the summer months, including posts with a pool, the beach, tropical fruit, etc. incorporating Los Sundays’ product offerings in them, then transitioning to winter-themed posts in the winter months featuring a Christmas sweater, candy canes, and more, as a backdrop to the Los Sundays tequila or merchandise.

Television Advertisements

Cutwater’s “Open the Bar” video advertisement plays upbeat music and showcases people on a ski trip unenthused when drinking wine, etc. then surprised when a Cutwater bar emerges from the trees, and happy when drinking Cutwater’s canned cocktails, finishing with a narrator saying “Cutwater. Open the bar.” The company has another “Open the Bar” video with the same concept but on a beach with people looking bored at the beach until a tiki-hut turns into a bar as someone cracks open a Cutwater, and then everyone happily enjoys drinking a canned cocktail.

Cutwater also has a “Here’s to the Lazy Ones” Super Bowl 2022 advertisement. The minute-long video is in black and white with the only color being the Cutwater cans that are placed throughout the video. The advertisement shows various people doing various lazy activities with the voiceover praising their lazy innovations saying, “We see them as Pioneers because the ones who make the most of their time are the ones who are ahead of it.” The end of the video then showcases a few of Cutwater’s colorful canned cocktails alongside the logo with the commentator saying, “Bar quality cocktails in a can.”
One of Los Sundays’ video advertisements is titled “Tastes Like Sunday” and is one minute and forty-six seconds long. The video shows a woman going through every day of the week by herself doing various activities as she says what she does each day. Once it reaches Sunday, she is having a pool party with friends, drinking Los Sundays tequila, and says “Nothing is worth the wait. Nothing compares to you.”

Another Los Sundays video advertisement, called “Los Sundays Tequila: In Between The Chaos”, shows a professional woman going through her daily life in the city: getting on the metro, going grocery shopping, walking through the city, etc. She then walks into a liquor store, purchases a bottle of Los Sundays tequila, and goes back to her apartment to play music, sit on the couch, and pour herself a glass of Los Sundays tequila as she relaxes until her phone buzzes and she gets up. As she leaves her apartment, the narrator comments “For those moments in between the chaos, Los Sundays” as the Los Sundays logo is shown. The brand’s red color is incorporated throughout the video in the woman’s lipstick, grocery basket, Los Sundays truck, the liquor store sign, etc.

**Other Branding**

Something Cutwater has that Los Sundays does not is the Cutwater tasting room and kitchen. The tasting room is a large building located in San Deigo that offers tours, events, and experiences throughout every month. The experiences listed for the month of March 2024 include Spring Cocktails & Charcuterie, Cutwater Spring Cocktail Garden Party, and a Cutwater Spirits Distillery Tour & Tasting. The Cutwater tasting room and kitchen describes itself as one of San Diego’s top distilleries and restaurants since being
founded in 2017, where they serve food and cocktails made with their award-winning spirits. The Cutwater tasting room has its own Instagram handle different than the main Cutwater company page, with 22.2K followers and showcasing photos and videos of cocktails made with Cutwater’s canned cocktails.

Los Sundays tequila has merchandise, which is a branding strategy that Cutwater does not offer. Los Sundays merchandise offerings include a variety of designs of hats, t-shirts, crewnecks, and hoodies, as well as a bag and a welcome mat. All their merchandise is black, white, blue, or red. The Los Sundays merchandise has slogans on it reading ONLY ACCEPTING GOOD VIBES AND TEQUILA in large letters with “Los Sundays por favor” in smaller font below it and a description of Los Sundays tequila with the logo in even smaller font at the bottom of the merchandise product. Other merchandise reads: Sometimes you just need to drink a tequila with your friends, Tequila kills the boredom, and more with various designs. Their merchandise is a large part of the Los Sundays brand, as it is featured on their website above the tequila and spirits page and is featured in many of their Instagram posts.
Chapter 4
DISCUSSION AND CONCLUSIONS

As the alcohol industry continues to increase in revenue and more alcohol companies enter the growing market, it is essential that alcohol companies create a unique brand and strategically market themselves toward consumers in order to differentiate themselves from their competitors and sell their products. The selected alcohol companies for this study, Cutwater Spirits and Los Sundays, are both relatively new, yet well-known, alcohol brands. This concluding chapter includes the following: a discussion of the findings, limitations of the research, conclusions based on research questions, and recommendations for the future.

Discussion

Both Cutwater and Los Sundays have established themselves in the alcohol industry because of their marketing and branding. Although the two companies are both relatively new to the market, they have built up their brand around their story and have cohesive branding that is unique to them. The two companies have both crafted a bold brand that stands out in the market and is aesthetically appealing to customers, which is one reason to credit their success. The branding of Cutwater, for example, sets them apart from customers because of their ready-to-drink (RTD) cocktail packaging design, which stands out against other products in the alcohol market. Los Sundays incorporates their branding design into their alcohol packaging as well as their merchandise offerings. Los Sundays is unique in that they offer a variety of merchandise as a lifestyle brand, which is
something that differentiates them from other tequila companies. Cutwater and Los Sundays have both crafted a brand identity for themselves that represents them and allows consumers to recognize and connect with them (AMA, 2024). Specifically, the branding colors, being red for Los Sundays and darker blue for Cutwater Spirits, are easily identifiable by consumers, thus contributing to the brands’ desired image (Labreque, 2012) and elevating visual appearance, increasing the purchase desire of consumers (Braam, 2022). Plus, the visually appealing, bold, and sleek logo and packaging that is becoming increasingly popular (Whiskey Media, 2022) is something that both Cutwater and Los Sundays incorporate in their branding, meeting the expectations of the target market. These companies are both successful in having cohesive branding strategies. Other alcoholic beverage companies, especially those that are relatively new to the market, should be guided by Cutwater Spirits and Los Sundays. Something that the two could learn from one another is their unique branding strategies, such as Los Sundays merchandise and the Cutwater Spirits tasting room, both of which are unique. Having visually appealing and cohesive branding is something that attracts the modern consumer and should be prioritized by alcoholic beverage companies.

The two companies effectively incorporate their brand into their marketing strategies. Their Instagram, website, and television advertisements utilize the colors and mottos that align with their brand. Both companies have a prominent Instagram presence, which is effective in their marketing as hundreds of millions of people utilize social media with a majority of those people using Instagram (Shewale, 2024). Through gaining a following on social media, both companies are able to utilize their Instagram to successfully launch products, market existing products, and communicate with
customers. Their social media accounts are also great ways for the two companies to build their brands (Chaundry, 2021) and establish themselves among their competitors in the alcoholic beverage market. Cutwater Spirits emphasizes their RTD cocktails in their marketing strategies because that is the premise upon which the company was founded – people drinking cocktails while doing what they enjoy. Cutwater Spirits and Los Sundays both successfully incorporate “feel good” activities into their Instagram posts, website photographs, mottos, and television advertisements. These marketing tactics showcase the products being used in a sample consumer lifestyle, thus allowing the two companies to reach their target audience (The Brandsmen, 2022). This allows consumers to see how a Cutwater canned cocktail or how Los Sundays tequila can fit into their lifestyle, thus appealing to consumers, influencing a positive brand image and a purchase decision.

Both companies have a well-rounded marketing strategy that other alcoholic beverage companies should look towards, especially when it comes to establishing themselves on social media platforms in order to attract the modern consumer. A recommendation for both companies would be to incorporate brand ambassadors and/or celebrity endorsement in their marketing strategies, as it would boost their credibility and draw the attention of more potential consumers. It would also be interesting to utilize TikTok as a means of marketing towards their target markets, especially as that social media platform continues to grow, content creation through that platform would be a way to reach a wider audience.

When critically examining this study, there are several limitations that should be considered. Through the marketing of the two companies, which is what the researcher observed to collect data, both companies are creating a positive image of their brand
through their website, Instagram, and television advertisements. With the two-week data collection window, the researcher was not able to fully observe any drastic changes to either of the companies’ marketing or branding strategies, nor was the researcher able to follow the progression of an entire marketing campaign. Furthermore, the researcher has a positive personal bias towards both companies. The researcher is loyal to Cutwater’s canned cocktails, and the researcher owns merchandise from Los Sundays. Despite the limitations, the research found through this study provides an understanding of the two selected alcohol companies’ marketing and branding strategies.

The results from this study showcase the branding and marketing strategies of the selected alcohol companies – Cutwater Spirits and Los Sundays. These companies are both relatively new to the rapidly growing alcohol market, and they have established themselves well within the industry. Through bold branding design and cohesive marketing strategies, the two companies are able to stand out in the alcoholic beverage market and appeal to the modern consumer. Both Cutwater Spirits and Los Sundays have proven to be successful in their marketing and branding strategies, inspiring consumers to incorporate the companies’ products into their lifestyles.

Conclusions

Based on the findings of this study, the following conclusions are drawn:

1. Cutwater Spirits and Los Sundays apply branding strategies including packaging, logos, colors, mottos, a story, and other unique implementations.

2. Cutwater Spirits and Los Sundays utilize Instagram, television advertisements, and their website to market their products to target consumers.
3. Cutwater Spirits and Los Sundays effectively brand their products by creating a cohesive brand image that appeals to the modern consumer.

4. Cutwater Spirits and Los Sundays have effective marketing strategies by showcasing their products being used in a consumer lifestyle.

Recommendations

Based on the conclusions of this study, the following recommendations are made:

1. Cutwater Spirits and Los Sundays should incorporate brand ambassadors and/or celebrity endorsement in their marketing strategies.

2. Cutwater Spirits and Los Sundays should utilize TikTok in their marketing strategies.

3. Alcoholic beverage companies should prioritize creating a bold and visually appealing brand that will increase the desire of consumers.

4. Alcoholic beverage companies should establish themselves on social media platforms in order to promote their products to the modern consumer.

5. Future research should analyze Cutwater and Los Sundays marketing effectiveness through a quantitative analytics standpoint.
REFERENCES


https://www.ama.org/topics/branding/


https://www.statista.com/topics/1550/spirits-market/#editorsPicks


*IBISWorld.* (2023). Distilleries in the US – Number of businesses.


Los Sundays Tequila. (2024). *Home* [LinkedIn page]. LinkedIn.

[https://www.linkedin.com/company/los-sundays/about/](https://www.linkedin.com/company/los-sundays/about/)

Løs Sundays Tequila. (2024). *Our story.*


https://www.demandsage.com/social-media-users/


https://doi.org/10.1108/00251740610673332


https://www.niaaa.nih.gov/publications/surveillance-reports/surveillance120


APPENDIXES
Appendix A

Instrument
<table>
<thead>
<tr>
<th></th>
<th>Cutwater Spirits</th>
<th>Los Sundays Tequila</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Branding</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Packaging</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Logo/Color(s)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mottos</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Story</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Merchandise</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other/comments</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Marketing</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Website</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Instagram</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Television advertisements</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other/comments</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>