

# AB InBev taps into renewable energy to produce Budweiser beer

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## Dive Brief:

- AB InBev said by 2025 all Budweiser beers brewed globally will use 100% renewable energy, the company said in a statement. Beer that meets this goal will have a "100% renewable energy" symbol on the label. It will first appear on the label of every Budweiser brewed in the U.S. this spring — the first country where the beer will be brewed using 100% renewable electricity.
- AB InBev says switching to renewable energy to produce the 41 million Budweiser beers sold daily will be equivalent to taking 48,000 passenger cars off the road every year.
- "We know that climate change is an important issue for consumers, but they aren't sure how their everyday actions can make a difference," Brian Perkins, Budweiser global vice president of marketing, said in a statement. "The renewable electricity symbol can show consumers that their purchasing choices can have a positive impact."

## Dive Insight:

One of the biggest industry trends that may impact a consumer's decision to buy a product has to do with whether manufacturers are making food and beverages in a sustainable manner. AB InBev has a lot of goodwill to gain by deciding to produce its beer in a more environmentally friendly manner.

For AB InBev, which has watched sales of its popular brews languish — Budweiser recently lost its position as one of the top three beer brands sold in the U.S. for the first time in decades — this may help it retain or regain some of those lost customers.

A 2017 study by the Hartman Group found consumers view sustainability more holistically than ever before, connecting it with several issues related to being a responsible consumer and citizen. Nielsen found in a 2015 report that 66% of respondents said they are willing to pay more for sustainable goods.

To be sure, growers of produce and superfoods such as almonds have been involved with sustainability efforts. And further up the food chain, supermarkets like Walmart have launched efforts to bring more transparency about brands to shoppers.

Budweiser seems to have found a way to stand out among legacy beer and beverage makers with its initiative. As one of the largest beer companies, Budweiser is inviting other brands to

incorporate renewable electricity to tackle climate change. Budweiser also said that it is working with non-governmental organizations to develop a process and guidelines to encourage other brands to adopt its 100% renewable electricity symbol.

Many companies could decide to publicly announce they are incorporating more renewable energy into their production efforts and move on, but AB InBev's decision to put a logo on its cans could be a smart way to subtly remind shoppers about their decision at the same time the individual is drinking their beer — a process that could attract new consumers and foster additional loyalty with current fans. All this, of course, could ultimately translate into a much-needed bump in sales.