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The Grocer Guide to...

The Grocer

Beer & cider

Analysis

Strategic thinking

Quality and innovation are at the forefront of beer & cider suppliers' strategies as summer approaches, with a focus on affordable indulgence and seasonality to the fore

With food and drink inflation still creating challenging times for consumers, they are having to make tough daily decisions on expenditure. Yet while downtrading is one aspect of how they save, they are also keen to treat themselves with affordable luxuries. This is where beer & cider suppliers currently sense the greatest opportunity, as shoppers seek out value on the one hand, but quality, premium and innovative drinks on the other.

Nicola Randall, head of marketing at Brothers Drinks Company admits consumers are feeling the pressure from cost-of-living increases[1], but says they are also seeking out treats that excite and reward, to offer small distractions from day-to-day concerns. "Consumers are looking for joyful, fun food and drink products that amplify flavours, colours, textures, aromas and interactivity[2]," she says. "These distractions won't solve [or] save anything, but they might create enough of an enjoyable diversion to appeal."

She also points to "conflicting dynamics" within the market, as while 80% of consumers are trading down, 47% are also trading up[3]. "Alcohol has an extremely wide hierarchy of prices and positioning and many brands (like Brothers) which occupy the middle ground, find that losses in consumer demand from those who move one rung further down the category ladder and away from them, are partially offset by another group moving one rung up the ladder towards them."

Kopparberg agrees that both up- and downtrading are evident, with mainstream brands hardest hit. "To save money, consumers on one end are trading into the value segment of the market with the appeal of an accessible price point, but on the other, premium brands are benefiting as consumers look to their trusted favourites."

The company also points to a resurgence in cider in the latest 12 weeks, growing 2.3% vs last year[4] and, notes that as the summer months approach, the emphasis will be on leading fruit cider brands to fuel further growth [see panel p5]. "A positive we are taking from the year is the importance of a rolling seasonal strategy and the engagement this can bring to the fixture," it says.

Calli O'Brien, marketing controller at Aston Manor Cider points to the impact of financial pressures on shoppers. "Consumer confidence in the UK is currently at a record low[5], even lower than the 2008 global financial crisis," she says. "Expenditure decision-

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making is being heavily impacted."

She reveals that 72% of UK households are now being hit by the rising costs of food and drink[6] and 1.3m households are at risk of falling below the poverty line, as analysts report that household costs for families with two children have risen by £400 a month[7].

However, while this year has caused many to pay more attention to what they are spending their money on, the average consumer was feeling the pinch even before 2022, she adds. "Since Covid hit, the number of financially constrained consumers has risen from 23% to 59%[8]."

Aston Manor's ethos is all around affordability, with its range such as Frosty Jack's and Crumpton Oaks, providing shoppers with an affordable solution, without trading down on quality, she notes.

Thatchers Cider commercial director Jonathan Nixon says: "Like all food and drink producers, we're seeing costs, particularly on energy and labour, rise all around us… and we're needing to tighten our belts. But we are firmly focused on producing our ciders in the way we always have to the absolutely highest standards.

"We're noticing more of a polarising effect at the moment between the mults and convenience," he adds. "Value brands are performing well in convenience, whereas in the mults, sales of premium brands are increasing. So, with our new 4x500ml PMP for Thatchers Gold, aimed at the convenience sector, and the relaunch of our new premium Vintage Cider, which we know will be in demand in convenience, we're expecting to see a change in that balance."

As for the beer category, Kevin Fawell, off-trade sales director at Molson Coors reports that the market is picking up, with several of the company's key brands – Staropramen, Madrí Excepcional and Aspall Cyder – seeing strong growth[9]. "In times of economic uncertainty we tend to see consumers continuing to spend money on smaller indulgences while cutting down on bigger expenditures," he says. Spending a little more on a premium drink could be one of those indulgences, he notes.

That said, people expect quality, whether from a mainstream choice or something more premium, adds Fawell. "That's why popular brands that are performing well will be more important than ever," he says, citing as example the company's Madrí Excepcional brand, which by the end of 2022 and

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within a year of launching in the off-trade, had already delivered more than £60m in value sales[10].

At Heineken UK, Alexander Wilson, category & commercial strategy director – off trade, believes at-home consumption of alcohol is relatively insulated by the cost-of-living crisis vs eating out, but says shoppers have been changing their habits over the past year. "The demand for smaller packs is a consistent trend, as shoppers manage their weekly budgets and look to spend less than £10 per shopping trip on average on beer & cider[11]," he says.

Meanwhile, as small and mid-packs grow their share of spend, consumers are still looking for quality, he adds, noting that the premium price segment is seeing the fastest growth in the beer & cider category[12]. With a portfolio ranging from larger brands such as Heineken and Fosters to more premium beers like Birra Moretti, he believes the company has an offer that can appeal to shoppers on a range of budgets.

With social media influence in play, younger consumers seem to be dictating much of the movement in the category, particularly when it comes to the low & no sector, and, in that regard, beer & cider has plenty of competition on its hands. Hard seltzer brand White Claw, a 4.5% abv sparkling water, claims to be capturing a move away from traditional beer & ciders as the younger generation moves into "modern brands and styles of drinking", says marketing director Michael Dean. The brand now commands a 53% value market share in the hard seltzer category[13]. "With wallets being squeezed more than ever, people are typically spending less in on-premise establishments," he adds. "But, continuing a trend sparked by the explosion of outdoor drinking during the pandemic and particularly as we enter the summer months, off-trade sales experience a seasonal boost."

Key themes in the market

"Premiumisation rises above all other trends [within cider] as consumers search out quality brands that represent value for money," says Thatchers' Nixon. Added to this, he notes that shoppers are getting more adventurous, looking for excitement and innovation.

Kopparberg says the rise of premium is partly down to consumers not willing to risk their disposable income on products that won't meet their quality expectations. However, the company also cites moderation as a trend not to be ignored – whether for reduced-alcohol or alcohol-free products.

The modern consumer takes quality as a given, agrees Brothers Drinks' Randall. "What contemporary consumers really want is to be impressed, not just satisfied. We impress with our flavour innovation [see panel]; it's this attribute which makes us stand out from the crowd."

Molson Coors' Fawell agrees that premiumisation has been driving growth across the alcohol category and that cider is no different, with retailers increasingly trying to elevate their cider ranges to cater for different tastes and occasions. However, he also points to more people choosing alcohol-free options[14], with 41% of UK adults having drunk low- or no-alcohol drinks in the past three months[15]. "We expect this to remain a key trend," he says. "While there are more 0.0% options available than ever before, consumers want zero alcohol drinks that still truly deliver on flavour." To expand on its fulfilment of that mission, earlier this year, the company launched Staropramen 0.0.

In the lager category Heineken UK's Wilson notes that premium brands were up 10.6% in the last quarter and points to "huge growth in penetration as consumers want better-quality products[16]".

That said, with 70% of consumers proactively trying to lead a healthier lifestyle[17] and 68% of UK drinkers saying they have tried an no- & low alcohol beverage[18], he also sees continued growth in this sector. Heineken 0.0 continues to lead the low & no beer category with a 27.3% share of non-alcoholic beer, growing by 3.1% year on year[19], he adds.

Meanwhile, innovation continues

Flavours continue to flourish

"Premium flavoured ciders remain a vital part of the cider category and are now worth more than £230m to retailers[i]," says Molson Coors' off-trade sales director Kevin Fawell. "Berry-flavoured favourites like Rekorderlig Strawberry-Lime continue to lead the way, but tropical ciders now account for 16% of the premium flavoured cider category[ii], while citrus ciders have doubled in size and now command a 12% volume share[iii]."

Playing into the tropical trend, Heineken UK's big launch for 2023 is Strongbow Tropical Cider – a blend of mango and pineapple – which hit the shelves in March, reveals Alexander Wilson, category & commercial strategy director off-trade. He anticipates increased demand for a variety of cider flavours as summer arrives.

Kopparberg, which notes 'peach' is trending across social media, has used this flavour combined with its apple cider to produce its Summer Punch limited edition. "Shoppers are always looking for new and exciting flavours," says the company.

At Thatchers, its Blood Orange cider, launched last year, is "a fantastic example of how an exciting premium fruit cider has had an impact in the market", says commercial director Jonathan Nixon. He says the brand has attracted more shoppers than any other innovation within the BWS category and is "the most successful BWS launch of 2022[iv]".

Meanwhile, Brothers Drinks head of marketing Nicola Randall reveals the company adds a new "curious combination" to its range each year, this year introducing Brothers Raspberry Ripple, featuring raspberry and vanilla, inspired by the classic ice cream flavour.

However, White Claw marketing director Michael Dean – while acknowledging the "explosion in fruity flavoured ciders on the market" – warns cider brands to be wary of category saturation. He cites the hard seltzer experience where big brewers, "who once lined up to capitalise on the hard seltzer 'gold rush', are now leaving the space after attempting (and failing) to replicate the category's success in the US".

to be an important trend in the beer & cider category. Molson Coors' Fawell says diversity is what makes the category so appealing, with world lager now accounting for 35% of total lager sales in the off-trade, up from 27% three years ago[20], he reveals. However, core lagers are still important as they still account for a significant portion of the market, he adds, with the company's Carling brand worth £1.5bn[21] across the on- and off-trade.

Merchandising

When it comes to merchandising in-store, there are three real keys to success, says Brothers Drinks' Randall. "Firstly, stock a wide variety of flavours from across the leading brands – and keep in mind that fruit flavours experience an even bigger summer sales spike than standard apple cider. Secondly, it's important to offer a wide range of pack formats, as cider drinkers purchase for a whole variety of usage occasions and social events – so it's essential to stock single glass bottles, multipack cans and large PET to meet all needs and budgets.

"Thirdly, the importance of supporting NPD cannot be understated: consumers are excited to try new and different flavours... as curious flavours spark intrigue and drive purchase decisions," she adds.

Thatchers' Nixon advises that being in stock is the biggest and most obvious advice the company can give its customers, with enough room for the big sellers. "That's why Thatchers employs a field sales team 70-strong to go out there and help our key customers merchandise their stores. Secondary locations are valuable, but don't sacrifice product in that location if you have limited stock available. Use flex planograms to reflect the changing seasons – in summer, for example, fruit [cider] sales see the biggest lift.

"HFSS has been a challenge, with many customers now using seasonal space in a different way," he adds. "The only real answer to this lost cider space is to have very compelling promotions and ranges in both primary and secondary fixtures."

Alcohol tends to see an uplift in sales over the spring and summer period, says Aston Manor's O'Brien. "Consumers continue to value convenience and many also focus on their drink experience at home. We expect consumers to continue this focus on convenience and, for many, this means buying chilled cider straight from the fridge in local and independent retailers to enjoy at home – no matter the time of year."

With cider "the impulse drink of choice", retailers can respond by offering a 100% chilled range, stocking a wide range of options in cans and bottles, she adds. "If a store has limited chiller space, then it's worth retailers at least ensuring there are a good

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selection of flavoured ciders available, chilled alongside top-selling brands. When a shopper buys cider on impulse, having it chilled and ready to drink is often more important than price. However, promotions still play an important role in communicating value for money that will help to win longer-term customer loyalty."

What's more, a third of shoppers only ever buy cider in cans, so it's important retailers stock both bottles and cans to provide choice for consumers, she says.

Last year, Heineken UK took part in a trial with Sainsbury's to input Heineken-branded low & no fixtures in 30 stores across the UK, reveals Wilson. "This was part of a £200k investment featuring chilled fridges and digital TV screens with Heineken brand messaging. The trial resulted in sales of low & no growing by 17%, he says. "As retailers look to change their use of space across aisles, Heineken is continuing to invest in similar initiatives to encourage shoppers to spend more in the beer & cider category."

Molson Coors' Fawell recommends retailers cater for at-home events with food-and-drink pairings. "Three-quarters of big night in occasions include food[22]," he says. "Offering culinary inspiration and driving incremental sales with meal deals, recipe ideas and guidance on drinks pairings can tap into this.

"For example, Staropramen and its zero-alcohol variant have a subtle sweet flavour and soft malty-fruity aroma, which are an ideal accompaniment for barbecue favourites, such as burgers, chicken and steak."

White Claw's Dean believes retailers should try to place its brand and other RTDs in their own bay, located near to retailers' beer & cider products – a fresh approach for the UK, which has seen "huge success in the advanced US market", he says. "As consumers seek out lighter, refreshing alternatives to beer & cider – a trend demonstrated by over 50% of White Claw's customers migrating from this category – retailers should focus on brand recognition and placing these products prominently in eyesight."

So what's ahead?

Beyond premiumisation, Thatchers' Nixon cites heritage and quality as key trends across 2023, which he says is

becoming really important, particularly to the younger generation, who want to know that what they are drinking is genuine. "We know it's far too easy for a consumer to taste an inferior product and dismiss the entire cider category, so we need to continue to let consumers know there is a better way," he says. "Innovation will always be important and we have strong plans looking ahead." Finally, he cites non-alcoholic as a small but important trend.

Premiumisation, seasonal flavours and moderation are all key trends cited by Kopparberg for the remainder of 2023. "Consumers are looking for trusted brands to deliver quality refreshment for their accessible treating needs," it says. Meanwhile, showcasing seasonal flavours brings excitement to the fixture and a strong alcohol-free offering is more important than ever, as consumers look to leading brands they trust to deliver on taste.

"We believe that both ever-more interestingly flavoured drinks and combination/fusion drinks, which cross over categories, will become of even greater interest to consumers in both the beer and cider categories," says Brothers Drinks' Randall. "People are on the lookout for drinks with a twist; these evolutions have relatively high interest but – importantly in a period when outlays are under the microscope – they are relatively low-risk, so the chances of consumers buying something they find unpalatable and wasteful are relatively slim."

She believes multipacks will diverge in size, with some step-down from eights to sixes and from sixes to fours, to minimise total cash outlay. However, at the other end of the spectrum, she thinks the trend towards full-case sales will continue, as the economies of scale now hold year-round appeal.

Also, consumers will continue to weigh up the cost of a night out vs the cost of a night in, she says. "People will relish nights in pubs and bars, but these will become less frequent and consumers will attempt to recreate the on-trade experience at home."

Meanwhile, White Claw is setting its sights on "breaking into the top 10 RTDs", reveals Dean, which he believes is a goal is well within its reach. Also, British consumers' increased focus on health and wellness is a lifestyle trend not going anywhere fast and the brand will continue to draw in beer and cider drinkers with its lower-calorie alcoholic sparkling water, popular among Gen Z and Millennial audiences, he says.

Heineken UK's Wilson believes the rise of premium beers will continue to grow, as shoppers look to buy the highest quality for their money during times of adversity. Low & no will also stay prevalent as drinkers become increasingly health-conscious, he adds. Linked to this, he notes that it will be interesting to see how brewers and retailers respond to changes in alcohol duty bands from 1 August, in particular the new sub-3.5% band.

Finally, he expects innovation to continue to grow its participation of category sales – as shoppers look for moments of joy to treat themselves during a financially difficult time.

Sources

[1] Kantar, FMCG panel 2022
[2] Mintel data 2022
[3] Kantar, FMCG panel 2022
[4] IRI, Total Market, Cider MAT to 16.04.23
[5] GfK Consumer Confidence Indicator
[6] Levercliff, Consumer Tracking Research
[7] The Guardian, May 2022
[8] NielsenIQ, Unlocking Consumption, global survey
[9] IRI, GB Value data, 52 w/e 25.02.23
[10] IRI, MAT TY end date - 31.12.22
[11+12] Nielsen Scantrack, Total Coverage, MAT to 13.05.23
[13] Circana All Outlets, Value Share of Total Hard Seltzer, latest 52 w/e 19.03.23
[14+15] Mintel, UK Attitudes towards Low- and No-Alcohol Drinks Market Report 2022
[16] Nielsen, 4 w/e 28.01.23
[17] CGA Brand Track, Oct 2021
[18] Portman Group Research 2021
[19] Nielsen Scantrack, MAT to 13.08.22
[20] IRI GB Value data, 52 w/e 25.02.23
[21] IRI and CGA, GB Value Sales, 52 w/e 28.01.23
[22] Kantar Worldpanel, Alcovision, 12 m/e 31.03.21

Flavours

[i-iii] IRI, GB, Value 52 w/e 25.02.23
[iv] Kantar Shopper Panel, 52 w/e 04.09.22

Molson Coors

A balancing act

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KEY BRANDS

Carling
Madrí Excepcional
Coors
Staropramen
Aspall Cyder
Sharp's Doom Bar
Sharp's Atlantic Pale Ale
Rekorderlig
Cobra
Pravha
Blue Moon

To make the most of beer and cider sales, retailers need to strike the right balance between the latest trends and traditional favourites, says Kevin Fawell, off-trade sales director at Molson Coors Beverage Company.

"If you asked most people about the biggest drinks trend at the moment, many would probably say 'premiumisation'; understandably so, given some of the impressive growth we've seen from the more premium brands within the category," he says. "Even in light of the current financial pressures consumers are facing, we're seeing a willingness to spend a little more on small indulgences, such as a premium drink when they're at home.

"Looking at our own portfolio, Staropramen and Aspall Cyder have both performed well[1], and Madrí Excepcional, has quickly transferred its popularity from the on-trade to the off-trade. It generated more than £60m value sales in retail by the end of last year, having only launched in May[2].

"This brings a significant opportunity for retailers – an opportunity that we only expect to grow – but it's important not to put all your eggs in one basket."

Brands like Carling, which is still Britain's No.1 beer brand, worth £1.5bn[3] across the on- and off-trade; Coors, which remains within the top 10 lagers in GB[4]; and Doom Bar, the biggest amber ale in GB[5], still account for a significant proportion of sales, he says.

"While making space for the likes of Madrí Excepcional is key, they should be balanced alongside proven favourites that continue to drive sales, so your range offers something for everyone."

Source

1. IRI, GB Value data 52 w/e 25.02.23
2. IRI, MAT TY end date - 31.12.22
3. IRI and CGA, GB Value sales 52 w/e 28.01.23
4. CGA and IRI data, 52 weeks to w/e 01.01.22, Value sales, All Outlets GB
5. IRI and CGA, GB Value sales 52 w/e 28.01.23

Aston Manor

Hands-on category disruption

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KEY BRANDS

Crumpton Oaks
Frosty Jack's
Chardolini
Knights

Aston Manor Cider has unveiled Frosty Jack's first-ever TV advert, which encourages customers to Crack Open the Unexpected with Frosty Jack's. The tongue-in-cheek advert, which forms part of a wider multi-channel marketing campaign, will be aired on digital channels including ITVX and 4 on Demand from 6 May, reveals the company.

Injecting both fun and personality into the cider category, the campaign features the world's 'most famous' Z-list celebrity hands model – Hans 'the Hands' Handerson. It tracks the former hand actor reliving his glory days and showing off some of his iconic moves while promoting Frosty Jack's.

"The world is overrun with endless numbers of eye-wateringly costly celebrity endorsements," says brand marketing manager Grace Anthony. "So, we wanted to poke some fun by creating the world's most extravagant, famous non-celebrity – and what better way than through a mysterious hands model. Enter Hans Handerson to crack open the unexpected!"

Passing on savings to customers

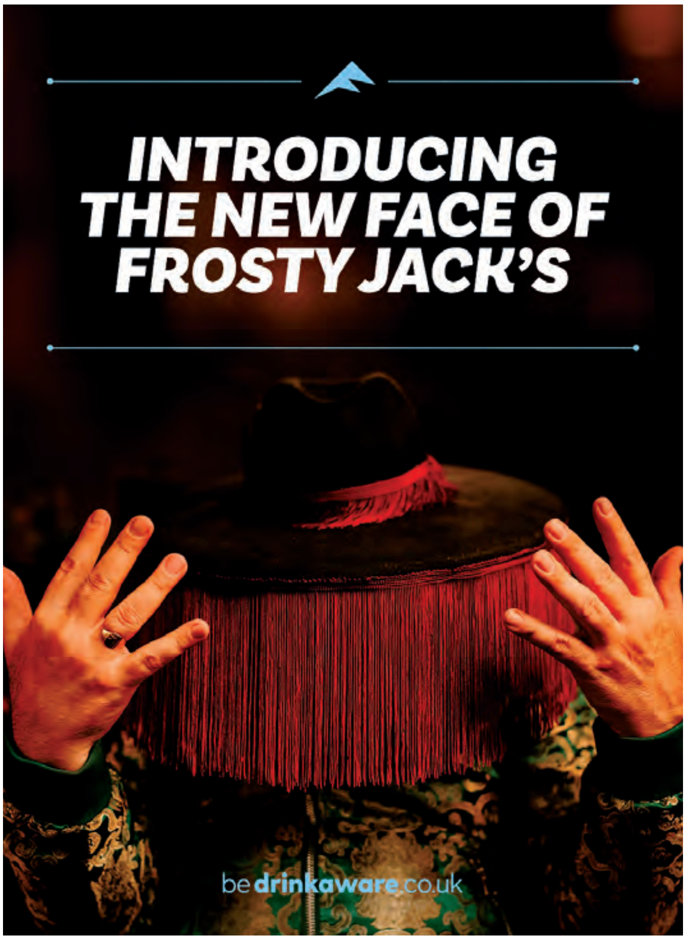
Following on from the success of its Straight Outta Crumpton campaign last summer, Aston Manor has been driven to disrupt the category further – this time through Frosty Jack's, she says.

"The vision behind this campaign is that the money saved by disrupting the status quo and avoiding working with a household name, allows Frosty Jack's to save and pass those savings on to the person who matters most, our loyal customer," explains Anthony. "Frosty Jack's represents inclusion and affordability because we believe that everyone deserves a great, refreshing cider.

"We are delighted to be able to raise awareness of our much-loved and reasonably priced cider, which has proven to be evermore important during the current financial challenges that we are all facing."

The campaign will also feature on YouTube, social media platforms (Instagram and Facebook), and in out-of-home locations, including targeting chicken shops, pubs, student halls and universities across the UK.

One of the largest convenience cider brands in the UK, Frosty Jack's is enjoyed across the country on a regular basis. Frosty Jack's is a refreshingly crisp sparkling cider made from the juice of bittersweet and culinary apples. Available in convenience stores and supermarkets, Frosty Jack's is best served ice cold and offers great-tasting cider at affordable prices.



> **"Frosty Jack's represents inclusion and affordability, because we believe that everyone deserves a great, refreshing cider"**

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Brothers Drinks Co

Festival cider creates ripples

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KEY BRANDS

Brothers Cider
Compton Orchard
Babycham

"Brothers Cider will headline the world's biggest outdoor music festival this year," explains Nicola Randall, head of marketing at Brothers Drinks Company. "But this modern approach to marketing shouldn't overshadow the fact that Brothers has unbeatable heritage: this year marks the 365th anniversary of Gabriel Showering first selling his drinks in Shepton Mallet, and his descendants have been making quality ciders in the heart of Somerset ever since. As 14th-generation cider-makers, the four Showerings siblings behind Brothers Cider have all the tradition and know-how to create exceptional quality products but they also understand the importance of being contemporary and relevant to today's drinkers.

Born in a field in Somerset

"The Brothers brand itself traces its origins back to being first sold at Glastonbury Festival in 1995, with that initial appearance proving a launchpad for the successful retail offering Brothers Cider is today," says Randall.

"As the award-winning Somerset orchards we source our apples from are only five miles from our mill, Brothers may well be pioneering flavoured cider with attention-grabbing taste combinations, but the brand's roots are very much in the soil of Somerset."

Having initially launched as a festival brand – every can and bottle front proudly states 'Born in a field in Somerset' – Brothers Cider appreciates just how important the outdoor music season is. "Festivals are at the very heart of the Brothers Cider brand; in fact, one of our most popular variants is named Festival Apple Cider – testimony to how important the association is," she notes.

"As the Official Cider of Glastonbury Festival 2023, our Festival Apple Cider will be available from over 100 bars to 200,000 attendees over five days at the event held just three miles from Brothers Cider's home in Shepton Mallet, Somerset."

> **"Brothers is renowned for its pioneering cider flavours; our array of curious combinations has broad consumer appeal"**

To further mark the brand's festival origins, this year Brothers launched 500ml bottles of Festival Apple Cider, a product previously only in cans.

The Ripple effect

"Flavour innovation is what we do best at Brothers and the brand is renowned for its pioneering cider flavours," adds Randall. "From Strawberries & Cream to Cherry Bakewell and from Marshmallow to Toffee Apple, we know that our array of curious combinations has broad consumer appeal.

"We've introduced another intriguing flavour this summer – Brothers Raspberry Ripple, combining delicious raspberry swirled with delicate vanilla. Drawing its inspiration from the world of ice cream, this classic flavour conveys a hint of nostalgia and will help stockists tap into consumer excitement around summer socialising occasions.

Halloween harvest

"Another key period for Brothers Cider is Halloween," she notes. "Our Toffee Apple variant is our most widely distributed SKU and its October sales spike grows each year. Halloween is Toffee Apple's time in the spotlight and we dedicate specific marketing resources to help stockists harvest autumn sales."

THE FESTIVAL FLAVOURITE

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Vegan

CIDER THAT THINKS OUTSIDE THE BOTTLE

bedrinkaware.co.uk

Heineken UK

Premium growth drives sales

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Heineken®
Heineken® 0.0
Birra Moretti
Fosters
Red Stripe
Strongbow
Old Mout Cider
Inch's

Contribution from both premium and no & low beers has bolstered category growth as consumers seek better-quality in-home drinking experiences from well-known and trusted brands. This has been particularly evident during the cost-of-living crisis, with many consumers moving from wine and spirits into beer[1].

Heineken UK's portfolio of brands has the biggest reach of any brewer in the UK beer market and is driving growth across the category with its extensive portfolio, offering a range of beverages for all occasions, says Alexander Wilson, category & commercial strategy director – off trade. "This includes Birra Moretti which has grown an incredible 42% since 2016[2] and is now the leading premium beer brand in both the on- and the off-trade," he notes.

"Beer continues to be a high-penetration category and a key footfall driver for retailers, with weekends and events all contributing to strong category uplifts," says Wilson.

"Premium offerings are growing despite the cost-of-living crisis," he adds. "While shoppers are attempting to make savings across large expenditures, smaller purchases – such as alcohol to enjoy at home – are areas where consumers are happy to spend a little more and treat themselves. For example, premium lager has grown by 10.6% in the last quarter, with huge growth in penetration as consumers want better quality products[3]."

The key brand driving this growth is Heineken UK's premium tiered Birra Moretti, which has seen a 0.4% share growth vs YA[4], says Wilson. Birra Moretti has recently expanded its range with the addition of a new 4x440ml can packs in anticipation of drinkers flocking to open spaces during the warmer months and to offer great value for money for those impulse drinking occasions.

"While shoppers are attempting to make savings across large expenditures, smaller purchases – such as alcohol to enjoy at home – are areas where consumers are happy to spend a little more and treat themselves"

Benefiting from the same consumer desire for higher-quality and trusted brands, as well as a general rise in demand from the category, low & no beer sales remain on an upward trajectory, he adds.

"The subsequent rise of low & no has created more options for those looking to cut down their alcohol intake," he says. "Seventy per cent of consumers say they are proactively trying to lead a healthier lifestyle[5] and 68% of UK drinkers have tried a no & low alcohol beverage[6]. The low & no alcohol category has grown by 5.6% over the last year and Dry January saw low & no beer sales grow by 13.8%[7].

Heineken UK is growing ahead of the low & no category and Heineken 0.0 continues to lead it with a 27.3% share of non-alcoholic beer, growing by 3.1% year on year[8], reveals Wilson. "Birra Moretti Zero is an alcohol-free option from Heineken's leading premium beer brand, providing a premium choice for shoppers and continuing to attract new shoppers to the segment."

Source

1. Nielsen, Full Year = 2022 sales, MAT & 12 weeks until 04.02.23
2. Nielsen, 2016 to 2022 CAGR
3. Nielsen, 4 weeks to 28.01.23
4. Nielsen, 4 weeks to 28.01.23 & full years for 2021/2022
5. CGA Brand Track, Oct 21
6. Portman Group Research 2021
7. Nielsen, 4 weeks to 28.01.23
8. Nielsen ScanTrack, MAT to 13.08.22

HEINEKEN

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*Kantar worldpanel 52 weeks to 16th April 2023.

Kopparberg

Packing a punch this summer

DETAILS

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KEY BRANDS

Kopparberg Fruit Cider
Kopparberg Alcohol Free Fruit Cider
Kopparberg Flavoured Gin
Kopparberg Flavoured Rum
Kopparberg Flavoured Vodka

Since its launch, Kopparberg has built its reputation as an expert in premium fruit refreshment and created a loyal customer base along the way, says the company. "A focus on flavour and positioning has seen Kopparberg consistently ranked as the most loved[1] and best-tasting cider brand in the UK[2]," it says. "With more customers than any other cider brand[3] and a product loved by drinkers nationwide, Kopparberg has cemented a position as the best-selling fruit cider in the market[4]."

Kopparberg's success is linked to the strength of its core variants as well as relevant, consumer-centred NPD, it notes. "By continually bringing exciting NPD to the market, Kopparberg has worked to garner more young drinkers than any alcohol brand[5]. Kopparberg's summer exclusive Summer Punch cider flavour pairs the brand's delicious apple cider with a taste of peach – an increasingly popular flavour among UK consumers. While consumers look forward to the arrival of summer, fruit cider consumption is set to spike[6]. As temperatures rise this summer, Kopparberg regularly uplifts more than any other cider brand[7].

"The creative idea behind Summer Punch echoes Sweden's sophisticated simple line designs and illustrations while giving Summer Punch its story and expression, depicting Swedish summer on the lakes, with music and friends. The unique design approach worked well for the brand's previous limited-edition variant, Mixed Fruit Tropical, which became the biggest cider NPD of 2021[8].

"Harnessing another key trend, Kopparberg's new 5% ABV orange-flavoured alcoholic ginger beer is zesty and refreshing, with a delicious blend of ginger spice and citrus sweetness,"

"By continually bringing exciting NPD to the market, Kopparberg has worked to garner more young drinkers than any other alcohol brand[5]"

adds the company. "The orange aroma and taste give it a vibrant and uplifting character, perfect for sipping on a warm summer day or pairing with spicy cuisine. Kopparberg Ginger Beer is a colourful balance of bold flavours and smooth drinkability."

To complement this exciting NPD, the brand has partnered with Ravensbourne University to celebrate and champion the UK's independent creatives, it reveals. Having invited students to create and submit designs for its core flavours – Strawberry & Lime, Mixed Fruit and Pear – the winning design from Paulina Grönlund will appear on over 4.5 million bottles in supermarkets, pubs and bars this summer, as well the brand's out-of-home advertising across the UK. Paulina will also get her university fees paid for a full year, as well as an internship at one of London's most prestigious creative advertising agencies, Neverland.

"The initiative is part of Kopparberg's ongoing commitment to give back to the community and support up-and-coming individuals in the creative industries, This underpins the brand's latest campaign – 'To Firsts That Last' – about creating unforgettable firsts with lasting impact," it says. "The unique and bold design promises to stand out on-shelf in a competitive retail market."

Source

[1+2] Savanta, Top 100 Most Loved Drinks Brands report, n=96,000, Jul '21- Jun '22, 2. Gusto Research, Internal Brand Tracking, All UK adults (2,108) weighted base, omnibus survey 22.04.22 to 24.04.22
[3] Kantar, WPO, Buyers, MAT to 19.03.23
[4] IRI Data, Fruit Cider, Value Sales, 52wks to 16.04.23
[5] Gusto Research, Internal Brand Tracking, All UK adults (2,108) weighted base, omnibus survey 22.04.22 to 24.04.22
[6+7] Savanta, Top 100 Most Loved Drinks Brands report, n=96,000, Jul '21- Jun '22, 2. Gusto Research, Internal Brand Tracking, All UK adults (2,108) weighted base, omnibus survey 22.04.22 to 24.04.22
[8] Gusto Research, Internal Brand Tracking, All UK adults (2,108) weighted base, omnibus survey 22.04.22 to 24.04.22


DESIGNED FOR KOPPARBERG
BY PAULINA GRÖNLUND
LIMITED EDITION
KOPPARBERG
LIMITED EDITION
KOPPARBERG
with Mixed Fruit
LIMITED EDITION
KOPPARBERG
with Strawberry & Lime
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KEY BRANDS

Thatchers
– Gold
– Haze
– Rosé
– Katy
– Zero
– Cloudy Lemon
– Blood Orange
– Vintage
– Rascal

Thatchers' four generations of cider-making expertise means the company always make sure its collection of sustainably crafted ciders hits the right cider spot, with new, premium flavours to help boost retailers' sales, explains Jonathan Nixon, commercial director.

Exciting flavours

Thatchers Blood Orange is this summer's must-stock, says Nixon. "This new, delicious cider attracted more shoppers than any other BWS innovation in 2022, making it the most successful launch of the year[1]," he notes. "Bursting with blood orange flavour, at 4% abv, this vibrant cider is crafted with naturally juicy, aromatic apples chosen for their sweetness. Thatchers Blood Orange is gluten-free, vegetarian- and vegan-friendly, and is available in 500ml bottles, as well as 440ml and new 330ml can packs."

A mix of cider styles

It's really important to have a range of styles on shelf to suit everyone – the ciders people are asking for, supported by high-profile advertising that reaches right into their homes, adds Nixon. "Your range should include Thatchers Gold, our flagship cider that has more shoppers than any other apple cider[2] and has seen the largest value growth of any cider in the last three years[3].

"With an abv of 4.8%, this medium dry cider showcases the very best of what cider-making is all about. In fact, the Thatchers Gold 10-can pack is now the best-selling apple cider 10-pack in the take-home market[4] and we have just launched a 4x500ml price-marked pack (PMP) for independent retail."

> Tap into this year's exciting cider trends and offer your customers a range from Thatchers, the UK's No.1 family owned, independent cider maker[4]

Thatchers Haze, the UK's No.1 cloudy apple cider[5], has a 60% share of the cloudy apple cider market[6], reveals Nixon. "Delightfully refreshing and naturally cloudy, this combination of Discovery, Falstaff, Gala and Jonagold apples is helping drive the shift towards lighter flavours within cider," he says.

Make it premium

Premiumisation has been one of the stand-out trends of the last few years, with Thatchers' brands driving both value and volume, he adds.

"Sitting alongside Thatchers Katy (abv 7.4%) in our premium bottled range is Thatchers Vintage, which has been given a new look this spring. Using the pick of the crop from the 2022 harvest, Thatchers Vintage Cider has a new, higher abv at 8.3% to reflect its premium positioning and stronger appeal to vintage cider connoisseurs. The new profile will be welcomed both by existing shoppers and a wider audience who seek out premium abv products.

"The future of the category lies in great quality, premium cider that offers value to the shopper and reflects provenance and heritage of the cider maker," concludes Nixon. "Thatchers delivers this from the heart."

Source

1. Kantar Shopper Panel, 52 w/e 04.09.22
2. Kantar, August 2022
3. IRI, Cider and Perry, Value sales, 52 w/e 05.12.22 vs 52 w/e 09.12.19
4. IRI, Cider & Perry, 1 Oct, 52 w/e 25.02.23
5. IRI, Cider & Perry, All BWS, Unit/Volume/Value Sales, 52 w/e 31.12.22
6. IRI, w/e 08.10.22

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THATCHERS
THE FAMILY CIDER MAKERS
Data source: Kantar 07.08.22, IRI 52 w/e 25.03.23
*More shoppers than any other apple cider brand.
** Highest volume sales of all cloudy ciders.

White Claw

Hot on the heels of top RTDs

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KEY BRANDS

White Claw

"White Claw has seen fantastic success in the UK since launching in 2020, and the past 12 months have seen exceptional double-digit growth across all channels," says Michael Dean, Mark Anthony Brands UK marketing director. "The brand remains the top hard seltzer in the UK across value, volume and rate of sale, and has a 53% share[1] and space for further penetration into the beer and cider category, where over 50% of White Claw's consumers are migrating from.

"Among Brits, there is an unfamiliarity with the terms 'hard' and 'seltzer', he says. "In light of this, big brewers who attempted to capitalise on the hard seltzer category 'gold rush' are now leaving the space. But White Claw's global dominance means the brand has naturally become synonymous with the term 'hard seltzer' in the UK. We're determined to continue this success into the ready-to-drink (RTD) category, with ambitions to penetrate the top 10 RTDs. With White Claw growing ahead in retail, up 8% vs 5% RTD category growth, it is snapping at the heels of the biggest RTD brands in the UK, establishing itself as a strong contender in the RTD market.

"Over the last two years, White Claw has built a loyal and increasing consumer base among 24- to 32-year-olds in the UK," adds Dean. "But now, with premium beer and cider drinkers migrating and swapping to lighter, lower-cal alternatives, our demographic is expanding up to 44-year-olds.

"Our brand is culturally connected and rubs shoulders with brands that our key audiences know and love, ensuring White Claw stands out from the crowd to the right people. Launching this summer, we've partnered with luxury street-wear brand, Aries, to create a surf capsule collection."

"White Claw remains the top hard seltzer in the UK, with a 53% share[1] and space for further penetration into the beer and cider category"

Following last year's success, White Claw will have a presence at larger festivals this summer, including British Summertime in London's Hyde Park, as well as returning to flagship festival, All Points East. Already this year, White Claw has seen success at its first festival of the season, Snowbombing, where it outsold beer by two to one. "We've also seen rapid expansion in retailer activity, recently moving into Booker Wholesale and Morrisons, helping establish the brand as a year-round RTD," he adds.

"Our long-term marketing aims are to build the brand first and foremost, through the hearts and minds of UK consumers. With the launch of our 'New Wave in Town' campaign advert being broadcast on Channel 4, White Claw is only set to grow further. Backed by a £1m media investment, and hot on the heels of impactful stunts like our 2022 'Cool Wall', 2023 is set to be bigger than ever, increasing White Claw's position as a global leader."

Source

[1] Circana All Outlets, Total Hard Seltzer, latest 52 weeks w/e 19.03.23, Value Share of Total Hard Seltzer

SOURCE: CIRCANA ALL OUTLETS, TOTAL FLAVOURED ALCOHOLIC BEVERAGES, YEAR 2022, VALUE.

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