Lager - UK - November 2009

Report Price: £1500 / $3000 / €2250

What is this report about?

Amidst very challenging market conditions, sales of lager have fallen sharply year on year since 2007, and 2009 has been no different. While the recession has accelerated the decline, the problems lie far deeper, in the market's inability to attract a broader audience than 18-34-year-old men. This is increasingly relevant as the population's consumption of alcohol continues to decline.

However, despite its problems, the lager market is worth a substantial £11.4bn, more than any other alcohol product. It also has enormous potential with female consumers through the marketing of lager in a similar vein to wine: focusing on lower calories, smaller serves, a fruitier taste and as a complement to eating.

What have we found out?

- Since 2004, lager value sales fell by 11% to reach £11.4bn in 2009. Nevertheless, it remains the largest selling alcohol drink.
- While the trade defines premium lager as having an ABV (alcohol content) of around 5% and above, only one in ten regular lager drinkers think that stronger lager is better quality.
- Since 2003, standard lager (usually an ABV of around 4%) has become increasingly popular compared to premium, and now accounts for three out of every five pints drunk.
- The two biggest selling brands (Carling and Foster's) are both standard lagers and have benefitted from the popularity of their extra cold draught among younger drinkers. Stella Artois is the third largest brand, despite being market leader in the off-trade.
- Whether lager is served extra cold is the greatest motivator when choosing between brands, influencing 4m regular lager drinkers/potential drinkers. Second is provenance, with 3m being influenced by whether a lager brand is from a traditional beer making country e.g. Czech Republic.
- In 2009, twice as many men (32m) drunk lager as women (16m). This is a challenge for the market as in-home drinking is increasingly taking over from pub drinking, meaning a compromise purchase between genders is vital.