

## Beer - UK - December 2015

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



“That only 29% of beer drinkers are prepared to spend more than £4 per pint reflects the enduring price-sensitivity of the out-of-home beer market.”  
– Chris Wisson, Senior Drinks Analyst

### This report looks at the following areas:

- Finding selling space for smaller beer brands
- The importance of 'craft' and contract brewing
- Cross-category promotions can boost beer and cider sales
- How could the AB InBev acquisition of SABMiller alter the UK market?

Beer is the largest drinks category in the UK, worth £16.7 billion in 2015. Penetration remains high at 63% of adults, with usage still heavily skewed towards men. Following a number of challenging years in the immediate aftermath of the recession, the category's volume decline has been largely halted and volumes have remained broadly level in recent years. Value growth has been modest and buoyed largely by inflation and the growth of many premium brands such as craft beers. Craft beers have driven ale sales in particular as many of the UK's new craft brewers prioritise this style of beer.

From £16.7 billion in 2015, Mintel expects the market to continue growing modestly and reach £18.1 billion in 2020. Much of this will be fuelled by rising prices, with volumes only expected to grow by 2% over the five-year period.

**BUY THIS  
REPORT NOW**

**VISIT:**  
[store.mintel.com](http://store.mintel.com)

**CALL:**  
EMEA  
+44 (0) 20 7606 4533

Brazil  
0800 095 9094

Americas  
+1 (312) 943 5250

China  
+86 (21) 6032 7300

APAC  
+61 (0) 2 8284 8100

**EMAIL:**  
[reports@mintel.com](mailto:reports@mintel.com)

### DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

# Beer - UK - December 2015

**Report Price:** £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## Table of Contents

### Overview

What you need to know

Covered in the report

### Executive Summary

The market

Beer volumes stagnate while values make minor progress

Figure 1: Forecast of UK value sales of beer, 2010-20

Figure 2: Forecast of UK volume sales of beer, 2010-20

Lager's fortunes dictate the market

Companies, brands and innovation

Stella holds off Foster's challenge for top spot in lager

Figure 3: Retail value sales of the top 10 beer brands in the UK, 2014/15\*

Adspend plateaus in 2014

The consumer

63% of adults drink beer

Figure 4: Usage of types of beer, October 2015

Supermarkets remain the most popular place to buy beer

Only 29% of beer drinkers are prepared to spend more than £4 per pint

'Classic' pint glasses remain most popular

47% of beer drinkers think that beer marketing/advertising is too heavily aimed at men

Figure 5: Attitudes towards beer, October 2015

Low prices and recommendations key to trying something new

Figure 6: Factors for encouraging trialling of new beers, October 2015

What we think

### Issues and Insights

Finding selling space for smaller beer brands

The facts

The implications

The importance of 'craft' and contract brewing

The facts

The implications

Cross-category promotions can boost beer and cider sales

The facts

The implications

How could the AB InBev acquisition of SABMiller alter the UK market?

The facts

The implications

**BUY THIS  
REPORT NOW**

VISIT: [store.mintel.com](http://store.mintel.com)

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: [reports@mintel.com](mailto:reports@mintel.com)

## Beer - UK - December 2015

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

### The Market – What You Need to Know

- Beer volumes stagnate
- Lager's fortunes dictate the market
- The off-trade outperforms the on-trade

### Market Size and Segmentation

#### Beer volumes stagnate while values make minor progress

- Figure 7: Total value and volume sales of beer, at current and constant prices, 2010-20
- Figure 8: Forecast of UK value sales of beer, 2010-20
- Figure 9: Forecast of UK volume sales of beer, 2010-20

#### Lager's fortunes dictate the market

- Figure 10: Total value and volume sales of lager, at current and constant prices, 2010-20
- Figure 11: Forecast of UK value sales of lager, 2010-20

#### Ales continue to achieve encouraging growth

- Figure 12: Total value and volume sales of ale/bitter, at current and constant prices, 2010-20
- Figure 13: Forecast of UK value sales of ale/bitter, 2010-20

#### Stout's decline slows

- Figure 14: Total value and volume sales of stout/porter, at current and constant prices, 2010-20
- Figure 15: Forecast of UK value sales of stout/porter, 2010-20

### Channels to Market

- The off-trade outperforms the on-trade
- Figure 16: Value and volume sales of beer, by channel, 2010-15

### Market Drivers

- Alcoholic drink prices continue to rise
- Figure 17: UK excise duty rates for selected alcoholic drinks, 2005-15
- UK consumers continue to cut back on alcohol
- The continued rise of craft
- An embattled on-trade industry
- Bridging occasions and the gender divide
- Population changes could also impact the market

### Key Players – What You Need to Know

- The UK market set for notable change
- Stella holds off Foster's challenge for top spot in lager
- Traditional canned ales under pressure
- Little change in the stout/porter segment
- Adspend plateaus in 2014
- High-profile innovation remains commonplace

### Market Share

BUY THIS  
REPORT NOW

VISIT: [store.mintel.com](http://store.mintel.com)  
CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094  
Americas +1 (312) 943 5250 | China +86 (21) 6032 7300  
APAC +61 (0) 2 8284 8100 |  
EMAIL: [reports@mintel.com](mailto:reports@mintel.com)

## Beer - UK - December 2015

**Report Price:** £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

### The UK market set for notable change

Figure 18: Leading manufacturers' shares of beer sales in the UK off-trade, 2014/15\*

### Stella holds off Foster's challenge for top spot in lager

Figure 19: Retail value sales of the leading lager brands in the UK, 2012/13-2014/15

### Budweiser and Corona drive AB InBev's strong performance

### Molson Coors also sees a mixed performance

### Heineken on the march

### Traditional canned ales under pressure

Figure 20: Retail value sales of the leading ale/bitter brands in the UK, 2012/13-2014/15

### A number of big winners

### Little change in the stout/porter segment

Figure 21: Retail value sales of the leading stout/porter brands in the UK, 2012/13-2014/15

## Brand Communication and Promotion

### Beer adspend plateaus in 2014

Figure 22: Recorded above-the-line, online display and direct mail total advertising expenditure on beer, 2012-15

Figure 23: Recorded above-the-line, online display and direct mail total advertising expenditure on beer, by category, 2012-15

### Heineken leads the way in beer advertising

### AB InBev and Diageo also invest in their leading brands

Figure 24: Recorded above-the-line, online display and direct mail total advertising expenditure on beer, by advertiser, 2014

Figure 25: Recorded above-the-line, online display and direct mail total advertising expenditure on beer, by top 15 highest-spending brands, 2012-15

### Other selected lager campaigns

### Other selected ale/bitter campaigns

### TV remains the most popular channel for advertisers

## Launch Activity and Innovation

### Guinness pushes innovation

### Innovation in low- and non-alcoholic beer

### Innovation in spirit beers ('speers')

### Other selected NPD activity

## Brand Research

### What you need to know

### Brand map

Figure 26: Attitudes towards and usage of selected beer brands, October 2015

### Key brand metrics

Figure 27: Key metrics for selected beer brands, October 2015

### Foster's has perceived value advantage

Figure 28: Attitudes, by beer brand, October 2015

### Heineken most likely to be associated with being boring and tired

Figure 29: Brand personality – Macro image, October 2015

**BUY THIS  
REPORT NOW**

VISIT: [store.mintel.com](http://store.mintel.com)

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: [reports@mintel.com](mailto:reports@mintel.com)

## Beer - UK - December 2015

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Peroni offers a stylish option

Figure 30: Brand personality – micro image, October 2015

Brand analysis

Peroni enjoys a premium sophisticated and stylish image

Figure 31: User profile of Peroni, October 2015

London Pride has a traditional and authentic image

Figure 32: User profile of London Pride, October 2015

Doom Bar has potential for further growth

Figure 33: User profile of Doom Bar, October 2015

Stella Artois scores highly on usage and trust

Figure 34: User profile of Stella Artois, October 2015

Coors Light seen as cool and refreshing, but lacks trust among consumers

Figure 35: User profile of Coors Light, October 2015

Foster's value and convenience offsets negative perceptions

Figure 36: User profile of Foster's, October 2015

Heineken could be vulnerable to competitors

Figure 37: User profile of Heineken, October 2015

### The Consumer – What You Need to Know

63% of adults drink beer

Supermarkets remain the most popular place to buy beer

Only 29% of beer drinkers are prepared to go over £4 per pint

'Classic' pint glasses remain most popular

47% of beer drinkers think that beer marketing/advertising is too heavily aimed at men

Low prices and recommendations key to trying something new

### Usage of Beer

Beer penetration dips to 63%

Figure 38: Usage of types of beer, October 2015

Figure 39: Usage of types of beer, by location, October 2015

Ale on the rise

Craft beer penetration remains at 20%

Under-35s drive usage in more niche segments

62% of beer drinkers do so at least once a week

Figure 40: Frequency of drinking beer, October 2015

### Locations for Buying Beer

Supermarkets remain the most popular place to buy beer

Figure 41: Locations for buying beer, October 2015

Online opportunities

64% of beer drinkers buy beer from pubs/bars

BUY THIS  
REPORT NOW

VISIT: [store.mintel.com](http://store.mintel.com)

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: [reports@mintel.com](mailto:reports@mintel.com)

## Beer - UK - December 2015

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

### On-trade Spending

Only 29% of beer drinkers are prepared to spend more than £4 per pint

Figure 42: Amount willing to spend on a pint of beer, October 2015

£2-2.49 can be a lucrative bracket for half pints

Figure 43: Amount willing to spend on a half pint of beer, October 2015

### Glassware Preferences

'Classic' pint glasses remain most popular

Tulip glasses fall some way behind the nonic in popularity

Figure 44: Glassware preferences when drinking beer, October 2015

Women are drawn to feminine glasses

### Attitudes towards Beer

Attitudes towards buying beer

Figure 45: Attitudes towards beer, October 2015

Buying online and in person

Many beer drinkers still look for the familiar in the on-trade

Attitudes towards craft beer

Attitudes towards the positioning of beer

### Enticements to Try New Beers

Low prices key to trying something new...

Figure 46: Factors for encouraging trialling of new beers, October 2015

...along with recommendations

Various other factors can also be strong enticements

Other factors only have limited resonance

### Appendix – Data Sources and Abbreviations

Data sources

Abbreviations

Fan chart forecast

Brand research

Brand map

### Appendix – Market Size and Segmentation

Figure 47: Best- and worst-case forecasts for the total beer market, by value, 2015-20

Figure 48: Best- and worst-case forecasts for the total beer market, by volume, 2015-20

Figure 49: Best- and worst-case forecasts for the lager market, by value, 2015-20

Figure 50: Best- and worst-case forecasts for the lager market, by volume, 2015-20

Figure 51: Forecast of UK volume sales of lager, 2010-20

Figure 52: Best- and worst-case forecasts for the ale/bitter market, by value, 2015-20

Figure 53: Best- and worst-case forecasts for the ale/bitter market, by volume, 2015-20

BUY THIS  
REPORT NOW

VISIT: [store.mintel.com](http://store.mintel.com)

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: [reports@mintel.com](mailto:reports@mintel.com)

## Beer - UK - December 2015

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 54: Forecast of UK volume sales of ale/bitter, 2010-20

Figure 55: Best- and worst-case forecasts for the stout/porter market, by value, 2015-20

Figure 56: Best- and worst-case forecasts for the stout/porter market, by volume, 2015-20

Figure 57: Forecast of UK volume sales of stout/porter, 2010-20

### Appendix – Market Share

Figure 58: Manufacturers' shares of beer sales in the UK off-trade, 2014/15\*

Figure 59: Retail volume sales of the leading lager brands in the UK, 2012/13-2014/15

Figure 60: Retail volume sales of the leading ale/bitter brands in the UK, 2012/13-2014/15

Figure 61: Retail volume sales of the leading stout/porter brands in the UK, 2012/13-2014/15

BUY THIS  
REPORT NOW

VISIT: [store.mintel.com](http://store.mintel.com)

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: [reports@mintel.com](mailto:reports@mintel.com)