

Attitudes towards Low- and Non-alcoholic Drink - UK - April 2015

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

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“Cost is also a barrier hampering over-45s’ interest in the market and introductory offers or money-back guarantees could encourage trial to try to address the doubts about the quality of these drinks.”

– Chris Wisson, Senior Drinks Analyst

This report looks at the following areas:

- Managing expectations of saving money on low/non-alcoholic drinks
- Winning over older drinkers
- Competing more efficiently with soft drinks
- Following in German footsteps

Lower/non-alcoholic variants remain a niche part of alcoholic drink markets in the UK, with a quarter of adults having drunk them in the six months to February 2015. With many Brits cutting back on their consumption of alcohol on health grounds, there are opportunities for reduced alcohol drinks to thrive as less calorific options. However, they appear to be losing out to soft drinks, which are many drinkers’ preferred alternative to standard-strength alcoholic drinks for a variety of occasions. Links to being too expensive and having an unappealing taste continue to hamper the market.

Nevertheless, there have been encouraging signs of rising lower-alcohol beer sales since the introduction of the 2.8% ABV (Alcohol by Volume) tax band, with the segment being buoyed by an increasing number of high-profile operators. However, lower/non-alcoholic wines continue to struggle, largely due to perceptions of their inferior taste and a lack of innovation. An increase in NPD (New Product Development) activity, store visibility and marketing support is likely to be needed to drive these segments into more robust growth in the coming years.

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

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