Beer - UK - 2022

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This report looks at the following areas:

- The impact of the cost-of-living crisis on value and volume sales of beer.
- Shifts in purchase channels in the aftermath of the COVID-19 pandemic and amidst the cost-of-living crisis.
- Shoppers' priorities when buying beer, with favourite beer type leading.
- Trends in launch activity in the beer category, and opportunities for further innovation.
- Consumers' perceptions of beer as a potential meal accompaniment, and how to strengthen these associations
- Challenges and opportunities for low/non-alcoholic beers.

Using the 'right' glassware, for example branded or matched to the type of beer, is held to make drinking beer more enjoyable by 47% of category drinkers/buyers. Offering these receptacles should therefore allow brands to associate their products in shoppers' minds with a more pleasurable drinking experience, thus encouraging repeat purchase.

Beer's discretionary nature, in common with alcoholic drinks generally, has seen it become a target for cutbacks in both off- and on-trade channels in 2022 amidst rising pressure on household incomes. This is likely to continue in 2023 as inflationary pressures on household incomes continue. However, the view of beer as an affordable treat, held by 59% of category drinkers/buyers, should insulate it from cut-backs to some extent.

Beer's higher usage frequency among under-45s means that it will lose out from the UK population ageing, with the population of 20-34s set to decline and 35-44s to remain static over 2021-26. The ongoing trend of venue closures and the shift towards hybrid working patterns as a result of the COVID-19 pandemic also pose barriers to the on-trade sector regaining its previous market position.

"Pro-actively offering dish-matching recommendations for their drinks should help beer brands to tap into increased at-home meal occasions. Meal pairing suggestions are relevant to driving usage occasions in the on-trade and can serve to encourage trading up where craft/premium products are recommended."

– Alice Baker, Senior Food & Drink Research Analyst, November 2022

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Pro-actively offering dish-matching recommendations for their drinks, both in-store and via online retail channels, should help beer brands to tap into increased at-home meal occasions during the income squeeze. Meal pairing suggestions are also relevant to driving usage occasions in the on-trade and can serve to encourage trading up where craft/premium products are recommended.

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