

## White Spirits and RTDs - UK - December 2018

Report Price: £1995.00 | \$2693.85 | €2245.17

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“The importance that many white spirits buyers place on product details underlines the need for companies to highlight attributes such as ingredient varieties and provenance prominently on pack. Securing good distribution and visibility in the on-trade is also crucial for brands in order to drive retail purchase.”  
**– Alice Baker, Research Analyst**

This report looks at the following areas:

- **Product details are important to many**
- **Trial in the on-trade is a major driver of retail purchase**
- **Pre-mixed cocktails in trendy flavours have strong potential**

Estimated at £7.5 billion in 2018, the total UK white spirits and RTDs market grew by 35.8% over 2013-18, driven by inflation and by volume sales growth in some segments towards the latter end of the period. The gin boom continues to gather momentum, with RTDs also enjoying rapid growth in 2018 with volumes sales up 10% year on year. Further inflation is projected for white spirits and RTDs over 2018-23, while the ageing UK population and alcohol moderation trend will contribute towards a slowdown in volume sales growth.

Drinking in the on-trade is a major driver of retail purchase; trying a white spirit in a pub/bar/nightclub has encouraged 58% of users/buyers to buy it from a shop, rising to 72% among under-35s. Product details such as sourcing and production methods are key to creating standout in an increasingly crowded market and are deemed important when buying white spirits for half (49%) of drinkers/buyers. Meanwhile, the high level of interest in pre-mixed versions of trendy cocktails among the younger generation highlights this as a key area of opportunity for RTDs.

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The implications

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## The facts

The implications

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Alcohol brands extend into RTDs

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Competition heats up in RTDs

Craft spirit brands extend into RTDs

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Advertising spend rises substantially in 2017

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Diageo remains the leading advertiser in 2017

Smirnoff continues its focus on inclusivity

Smirnoff's 'Soda Smash' cocktail campaign focuses on vibrant ingredients

Other cocktail recommendations imply versatility

Gordon's focuses on relaxing after setbacks...

...including offering free G&Ts to commuters experiencing train delays

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Gordon's Pink advert targets social media lovers  
 Bacardi remains the second largest advertiser in 2017  
 Bacardi's 'Do what moves you' campaign encourages people to follow their passions  
 Bombay Sapphire celebrates creativity...  
 ...including allowing people to customise their drinks' flavours and colours  
 Pernod Ricard ups advertising spend over 2017/18  
 Malibu encourages people to 'unleash their summer selves'  
 Absolut uses nudity to reinforce transparency message  
 New global campaign for Olmeca focuses on memorable experiences  
 Lidl Christmas advert highlights quality as well as price  
 Leading and niche brands adopt feminist message  
 RTD brands continue to target young adults  
 Hooch links with music and movies  
 VK targets Fresher's Week  
 Other selected campaigns  
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 Silent Pool creates garden for Chelsea Flower Show  
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Figure 50: User profile of Bombay Sapphire, October 2018

#### Smirnoff is the most widely seen as good value

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Malibu scores highest on the fun factor

Figure 52: User profile of Malibu, October 2018

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WKD scores well on the fun factor

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Six in ten adults drink white spirits, while over a third drink RTDs

Pre-mixed versions of trendy cocktails appeal to three in ten

Trial in the on-trade is a major driver of retail purchase

Product details are important to many

Concerns about artificial ingredients are a barrier for RTDs

Few see any type of white spirit as sophisticated

## Usage of White Spirits and RTDs

Six in ten adults drink white spirits

Figure 55: Usage of white spirits, by type, September 2018

Ageing UK population offers little support to white spirits

Nearly seven in ten have moved on from the brands of their youth

No gender bias in white spirits

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Over a third drink RTDs

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Concerns around artificial ingredients are a barrier

Ageing population will also hinder RTDs

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Pre-mixed versions of trendy cocktails appeal to three in ten

Premium products should be particularly well-placed to benefit

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A new flavour remains a significant enticement

Companies must promote flavoured versions' special qualities to avoid flavour fatigue

A quarter are interested in spirits from different countries than usual

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Colour changing drinks appeal to a third of under-35s

Colour-changing products would work well for parties and on social media

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Trial in the on-trade is a major driver of retail purchase

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Product details are important to half of white spirits drinkers/buyers

Giving more background information could help to revive interest in white rum

Consumer interest in product details helps to drive growth in smaller gin brands

Regionality is important to many

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Recipe cards and in-store positioning can help to promote dish-matching suggestions

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