



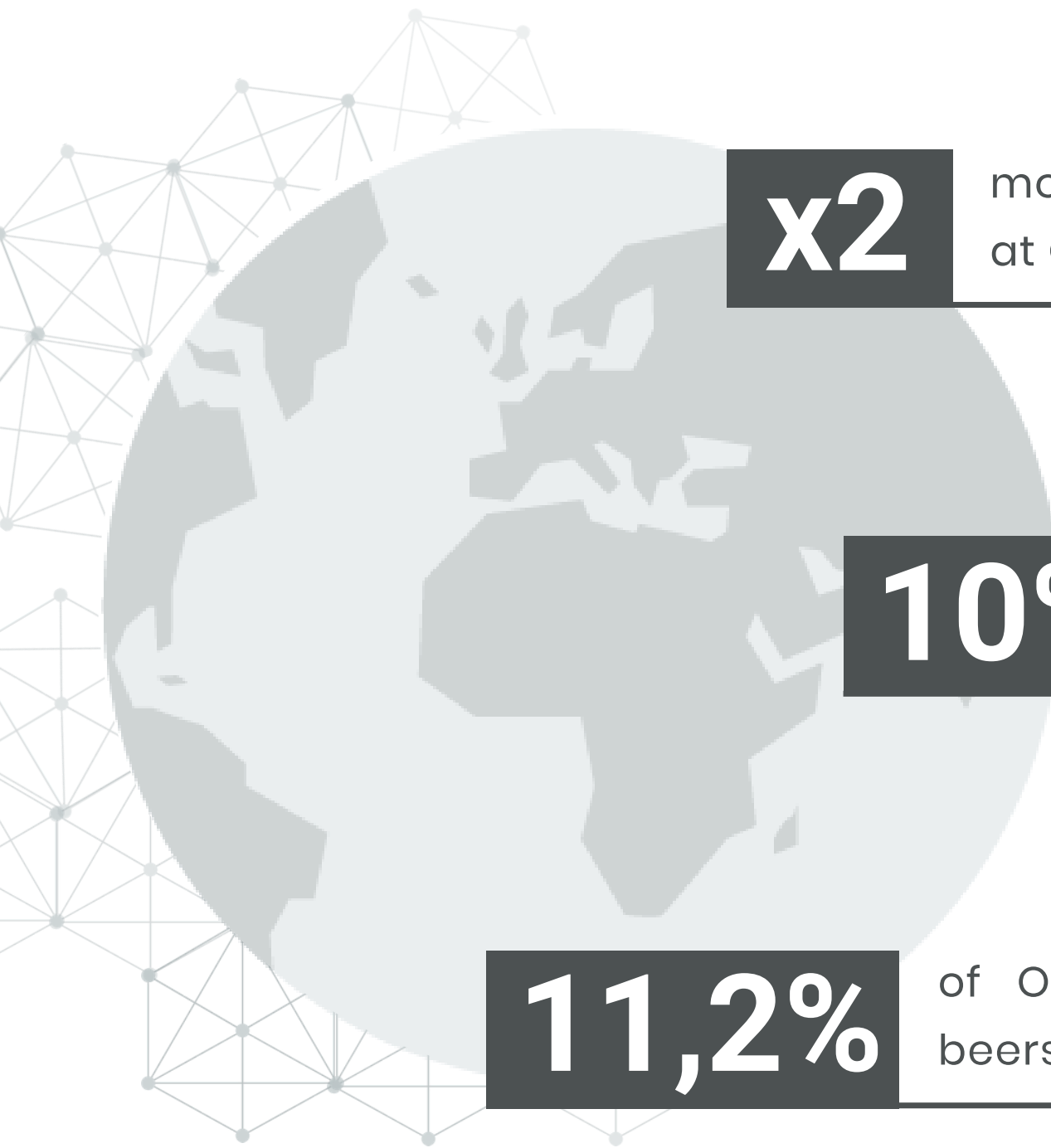
ONLINE BEER MARKET ANALYSIS

UK CASE

JULY 2020 // DATAIMPACT.IO



EXECUTIVE SUMMARY

**x2**

more beer products available at Ocado than at Sainsbury's.

10%

average decrease in the size of the beer category between P1 and P4 due to Covid-19.

11,2%

of Ocado products are craft beers and the rate is increasing.

x3

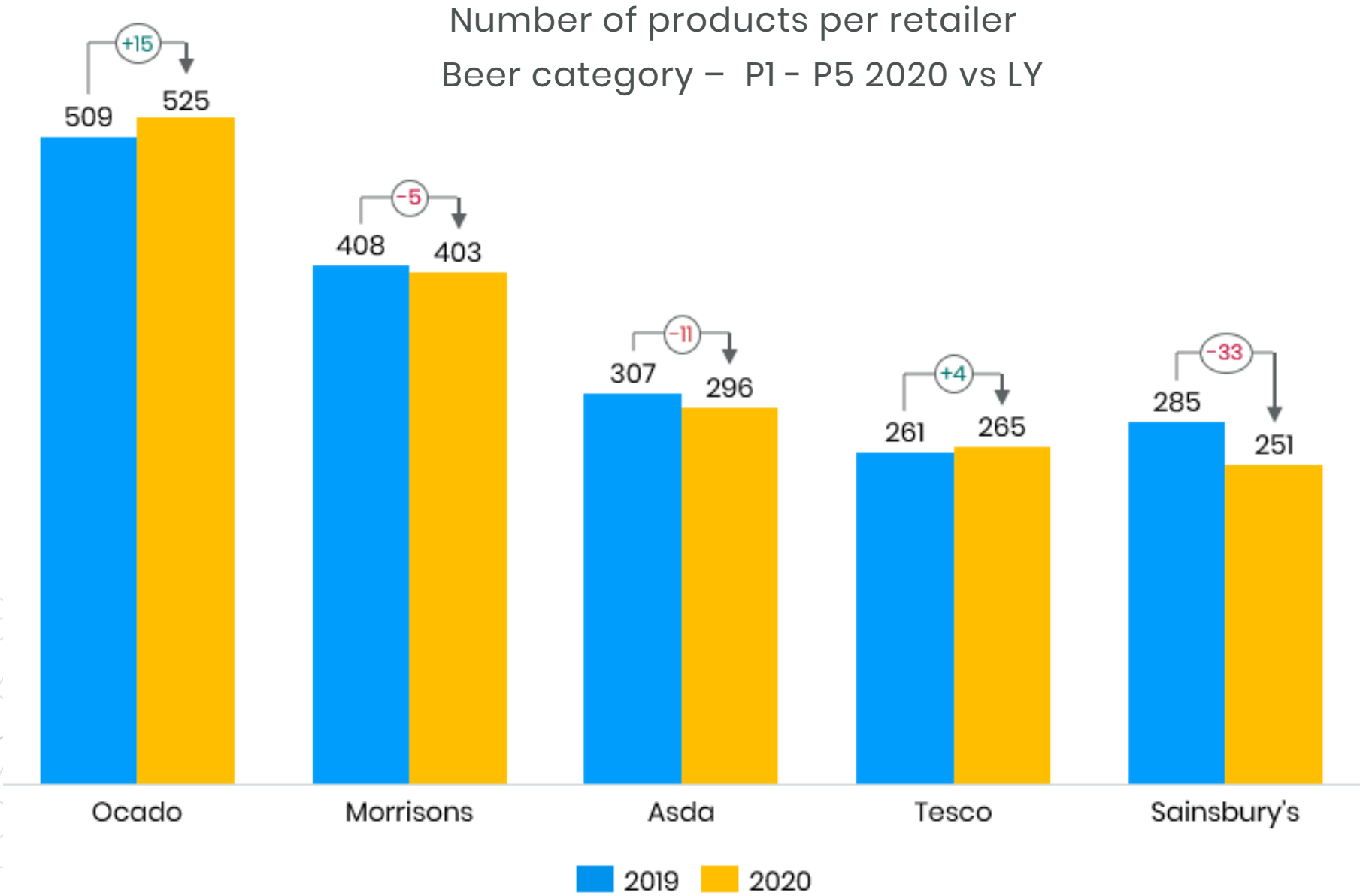
maximum gap on number of beer products between Tesco superstores.

55%

of beer products are small brands and their share increased by 3pts during the Covid-19 crisis.

AN IMPORTANT DISPARITY IN THE RANGE OF PRODUCTS OF THE BEER CATEGORY AMONG RETAILERS

This gap is growing as Ocado increased its number of products compared to a decrease at Sainsbury's

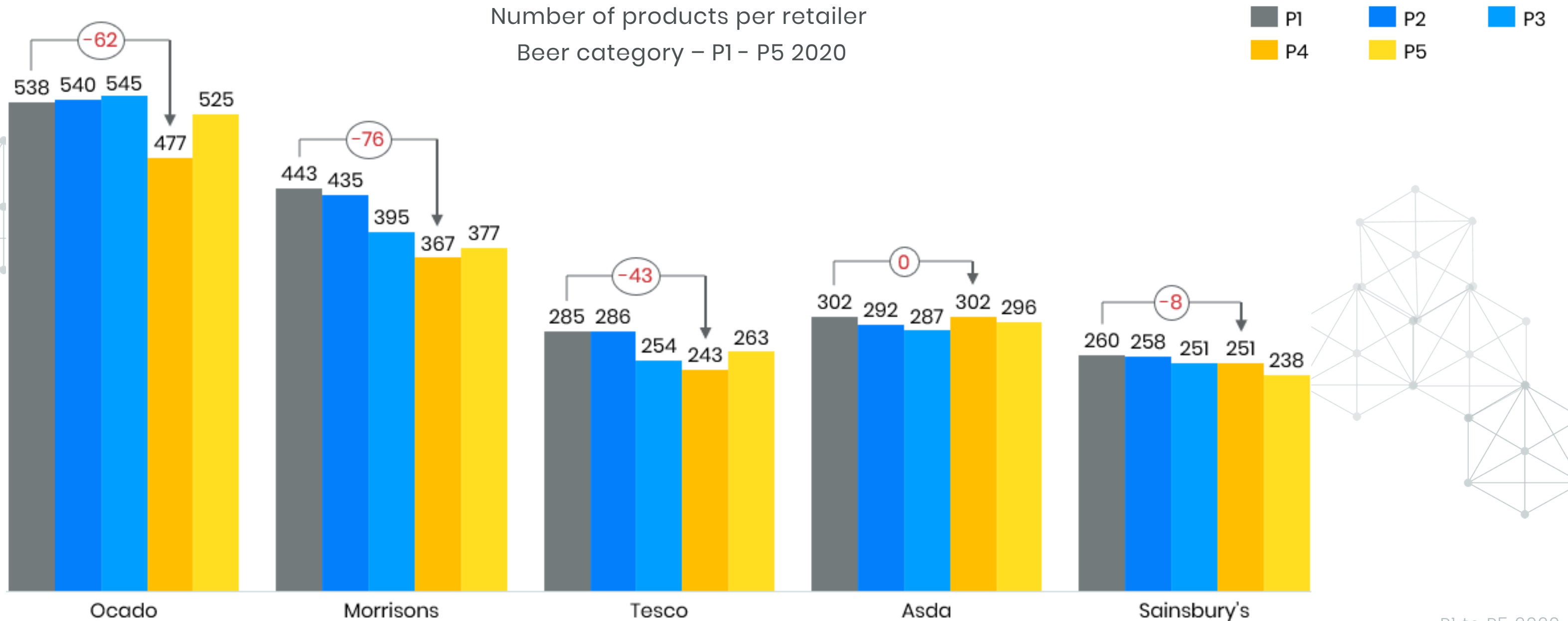


Ocado and Tesco increased their number of products in the Beer category in 2020 vs the same period in 2019 (+15 products at Ocado and +4 products at Tesco).

However, Morrisons, Asda and Sainsbury's decreased their beer product portfolio and especially Sainsbury's with -33 products.

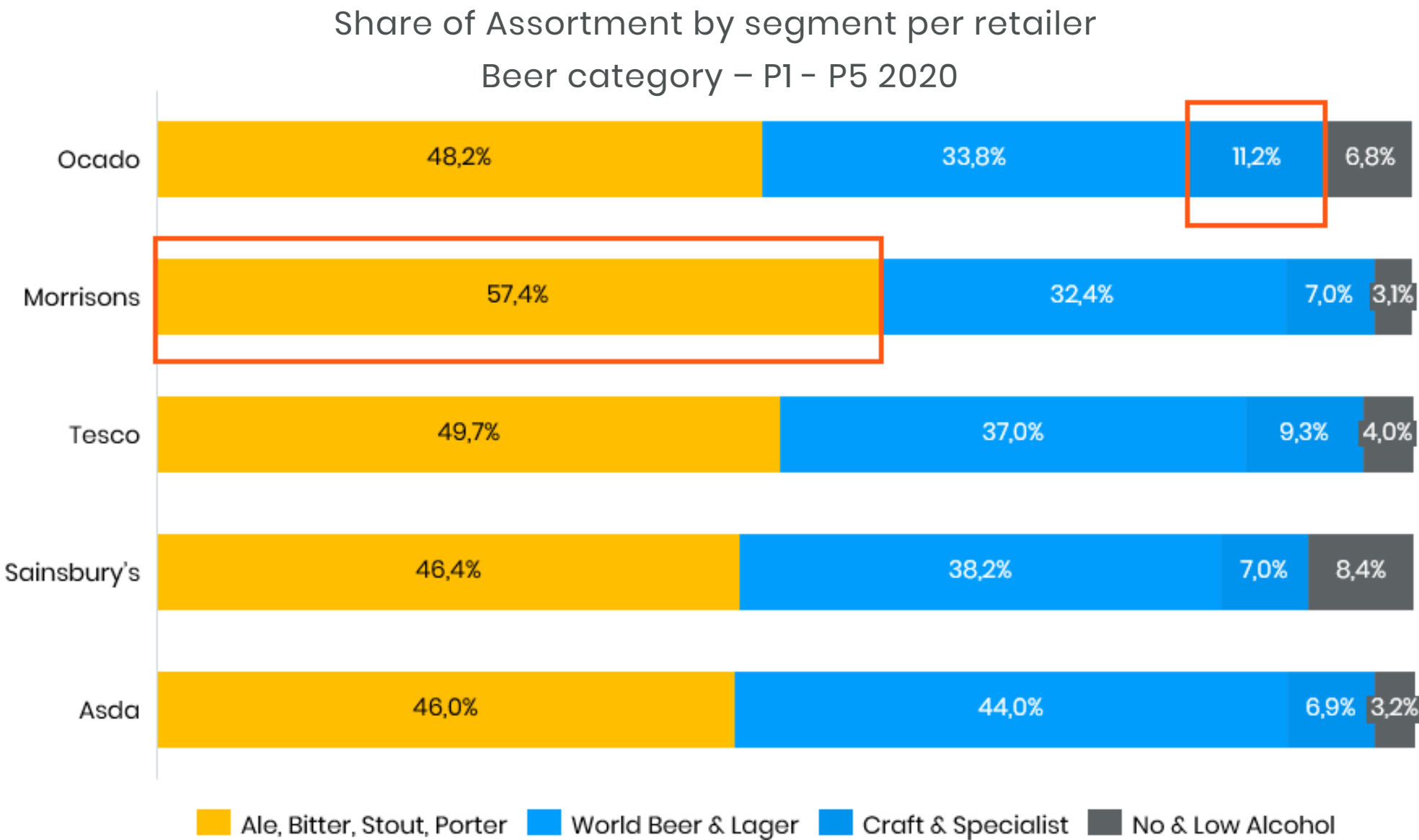
SINCE THE BEGINNING OF THE YEAR AND THE COVID-19 CRISIS, THE AVERAGE SIZE OF THE CATEGORY IS DECREASING ACROSS RETAILERS

An average decrease of the size of the category of 10% between P1 and P4



THE CATEGORY STRUCTURE IS SIMILAR ACROSS RETAILERS, NONETHELESS, WE CAN SEE CERTAIN SPECIFICITIES RETAILER-WISE

Craft beers at Ocado represent more than 10% of the offer



Morrisons with 57% of Share of Assortment on the Ale, Bitter, Stout, Porter segment particularly prioritize this segment compared to other retailers.

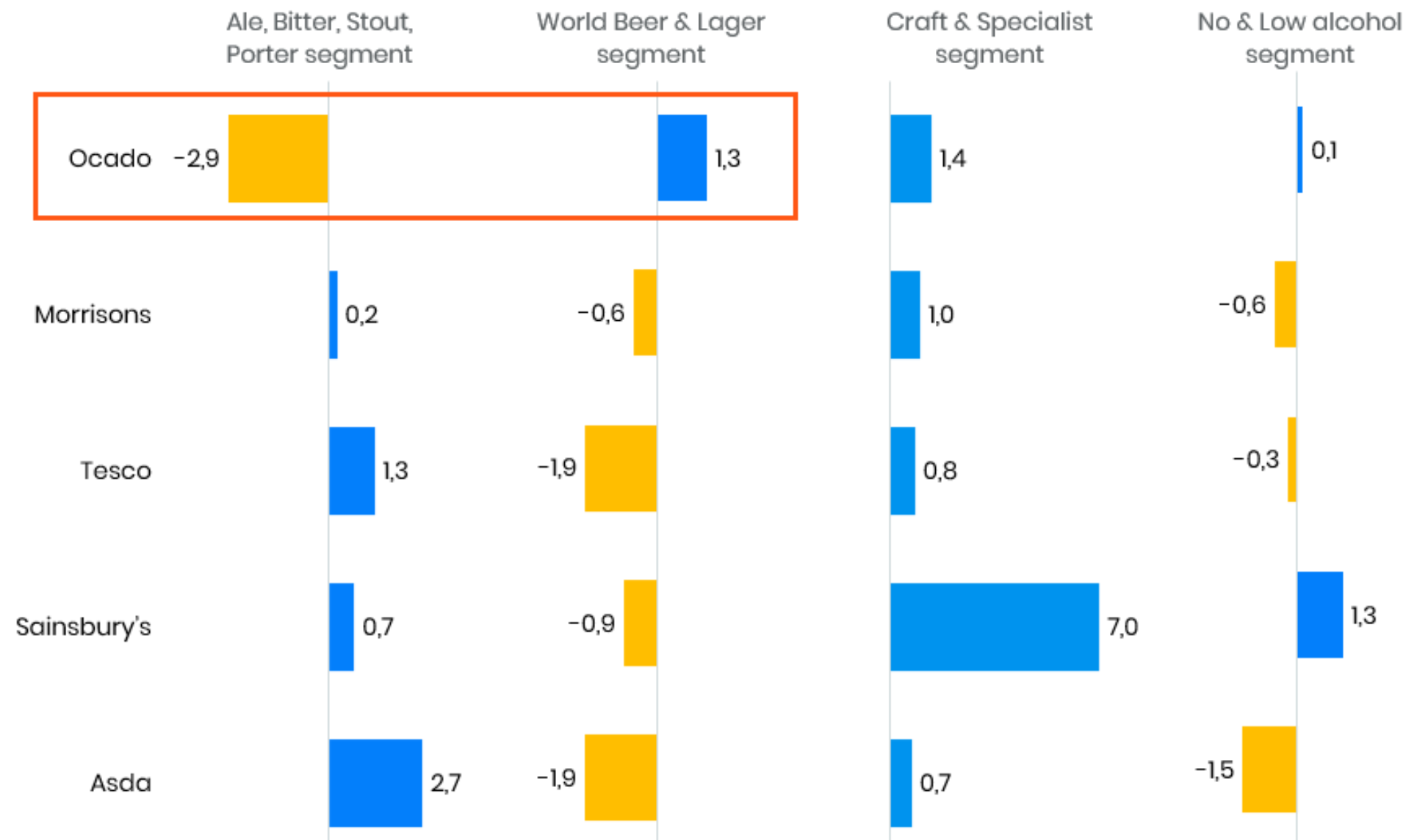
World Beer & Lagers are the second largest segment with between 32% to 44% of the SoA.

Moreover, Sainsbury's provide bigger space to its No & Low Alcohol segment with a Share of Assortment of 8,4%; and Ocado to its Craft & Specialist segment (11,2% of the assortment).

HOWEVER, SINCE THE BEGINNING OF THE YEAR AND THE COVID-19 CRISIS, THE AVERAGE SIZE OF THE BEER CATEGORY IS DECREASING ACROSS RETAILERS

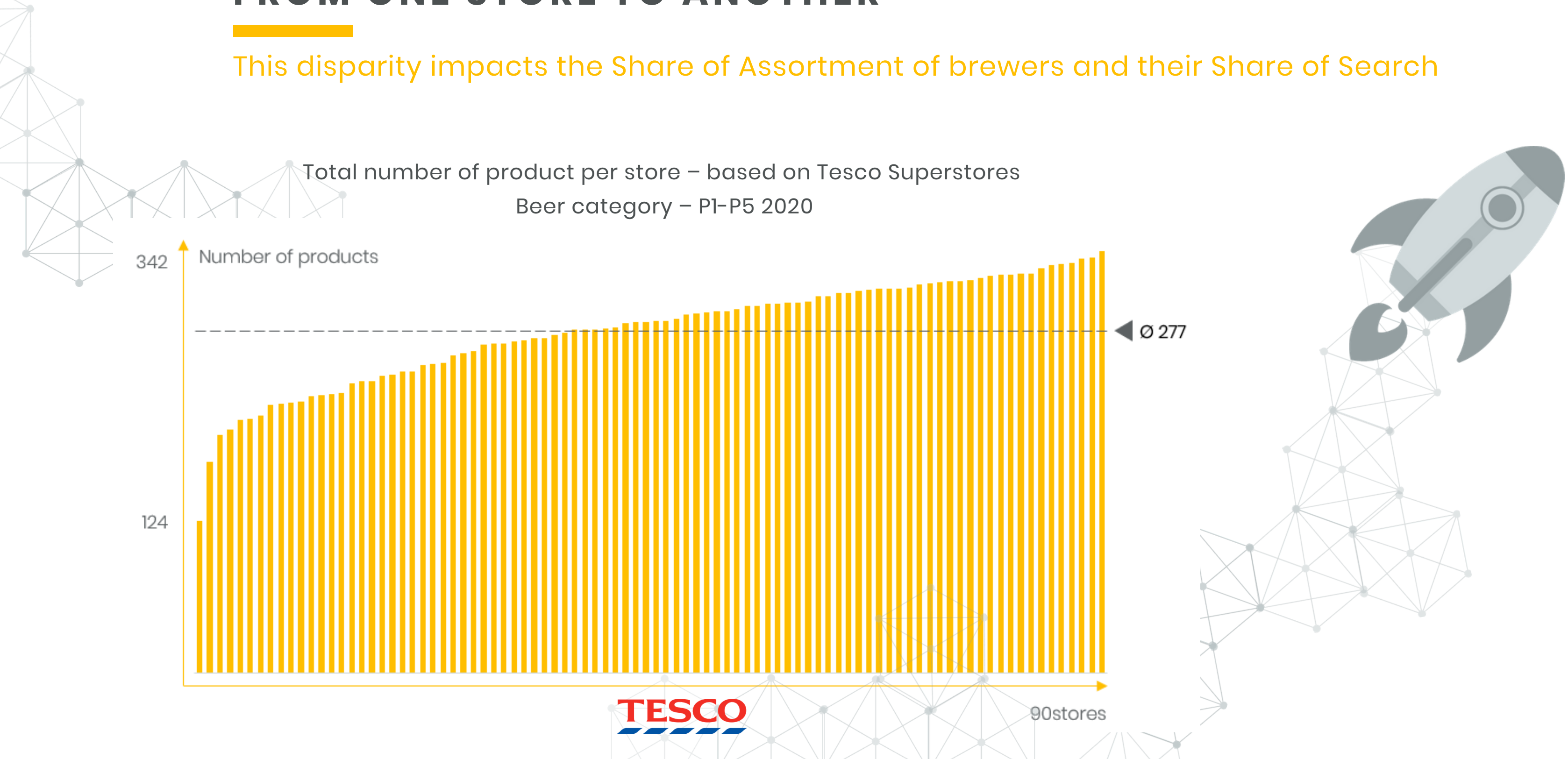
Sainsbury's increased its Craft & Specialist portfolio by 7pts

Evolution of the share of
assortment by segment
per retailer
Beer category
P1 - P5 2020 vs LY



AMONG TESCO SUPERSTORES, THE SIZE OF THE BEER CATEGORY COULD VARY FOR MORE THAN A DOUBLE FROM ONE STORE TO ANOTHER

This disparity impacts the Share of Assortment of brewers and their Share of Search



A GAP OF NEARLY 200 PRODUCTS BETWEEN 2 TESCO SUPERSTORES IN THE BEER CATEGORY

A distribution disparity accross stores could have an impact on Share of Search and taxonomy

Wigston Superstore - Tesco Store - 329 beer products

Beer & Cider

Showing 1-24 of 329 items | [Show 48 per page](#)

Filter by: ☐ New (29) ☐ Special Offers (175) ☐ My Favourites

8 Categories 130 Brands Lifestyle & Dietary

Sort by: Relevance

 Birra Moretti Lager Beer 12 X 330ml Write a review > Rest of shelf > £ 14.00 £3.54/litre 1 Add	 Estrella Damm Bottles 12X330ml Write a review > Rest of shelf > £ 14.00 £3.54/litre 1 Add	 Magners Apple Cider 10X440ml Can Write a review > Rest of shelf > £ 8.00 £1.82/litre 1 Add	 Kronenbourg 1664 Beer 15 X 440ml Write a review > Rest of shelf > £ 14.00 £2.13/litre 1 Add
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Ilford Superstore (Barkingside) - Tesco Store - 130 beer products

Beer & Cider

Showing 1-24 of 130 items | [Show 48 per page](#)

Filter by: ☐ New (6) ☐ Special Offers (67) ☐ My Favourites

8 Categories 75 Brands Lifestyle & Dietary

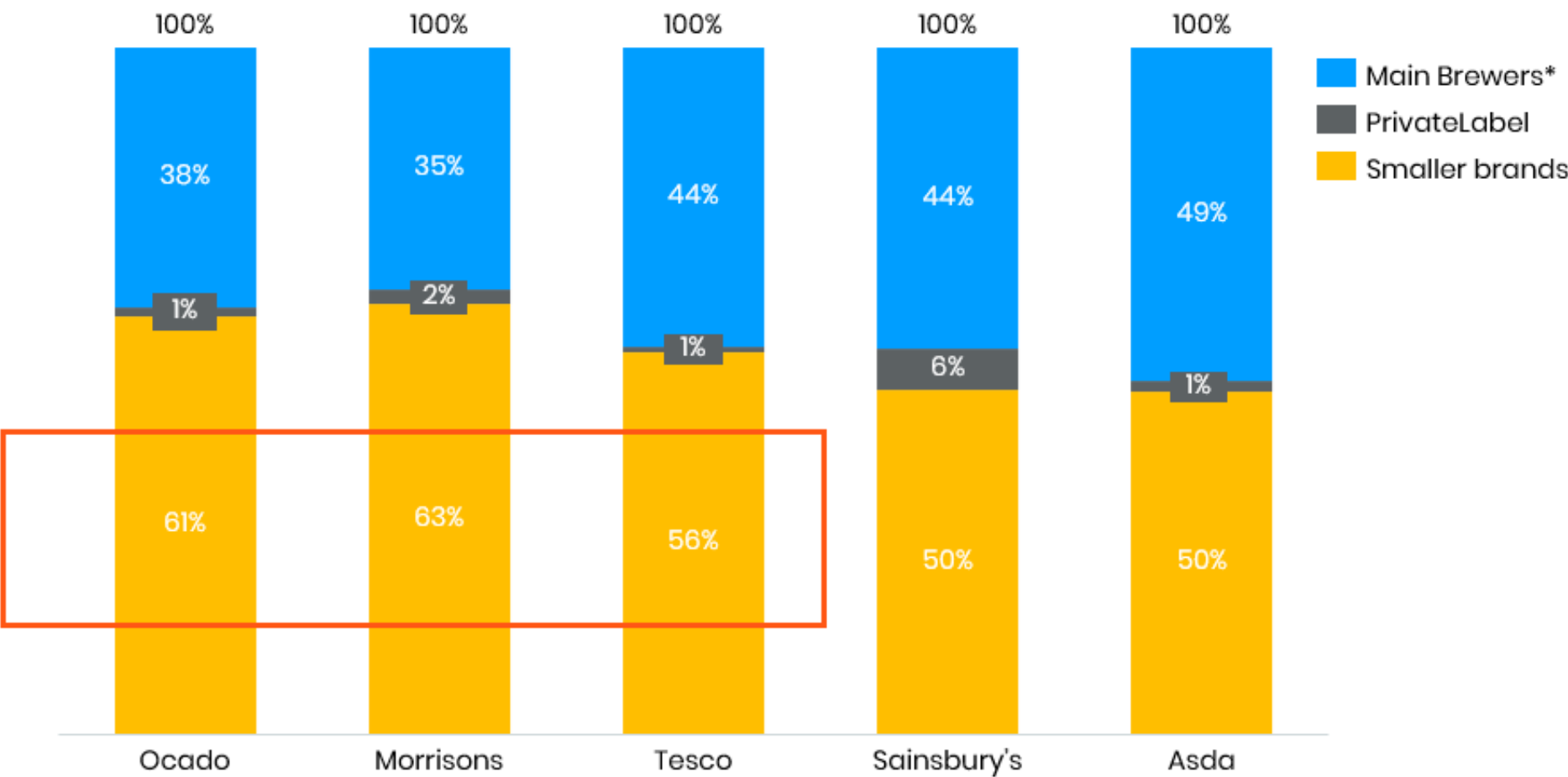
Sort by: Relevance

 Estrella Damm Bottles 12X330ml Write a review > Rest of shelf > £ 14.00 £3.54/litre 1 Add	 Thatchers Gold Cider 10X440ml Can Write a review > Rest of shelf > £ 9.00 £2.05/litre 1 Add	 Carling Lager 18X440ml Write a review > Rest of shelf > £ 12.00 £1.52/litre 1 Add	 Coors Light 20 X 330ml Write a review > Rest of shelf > £ 11.00 £1.67/litre 1 Add
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SMALL MANUFACTURERS REPRESENT MORE THAN 55% OF THE TOTAL ASSORTMENT AT SOME RETAILERS

Small players represent 60% of the Ocado assortment partly due to the penetration of crafts beers

Share of assortment by segment per retailer
Beer category – P1 – P5 2020



At Ocado, Morrisons and Tesco, smaller brands' products represent more than 50% of the Share of Assortment.

At Sainsbury's, there are also more smaller brands than main brewers, but the retailer proposes more of private label products than the other retailers (6%).

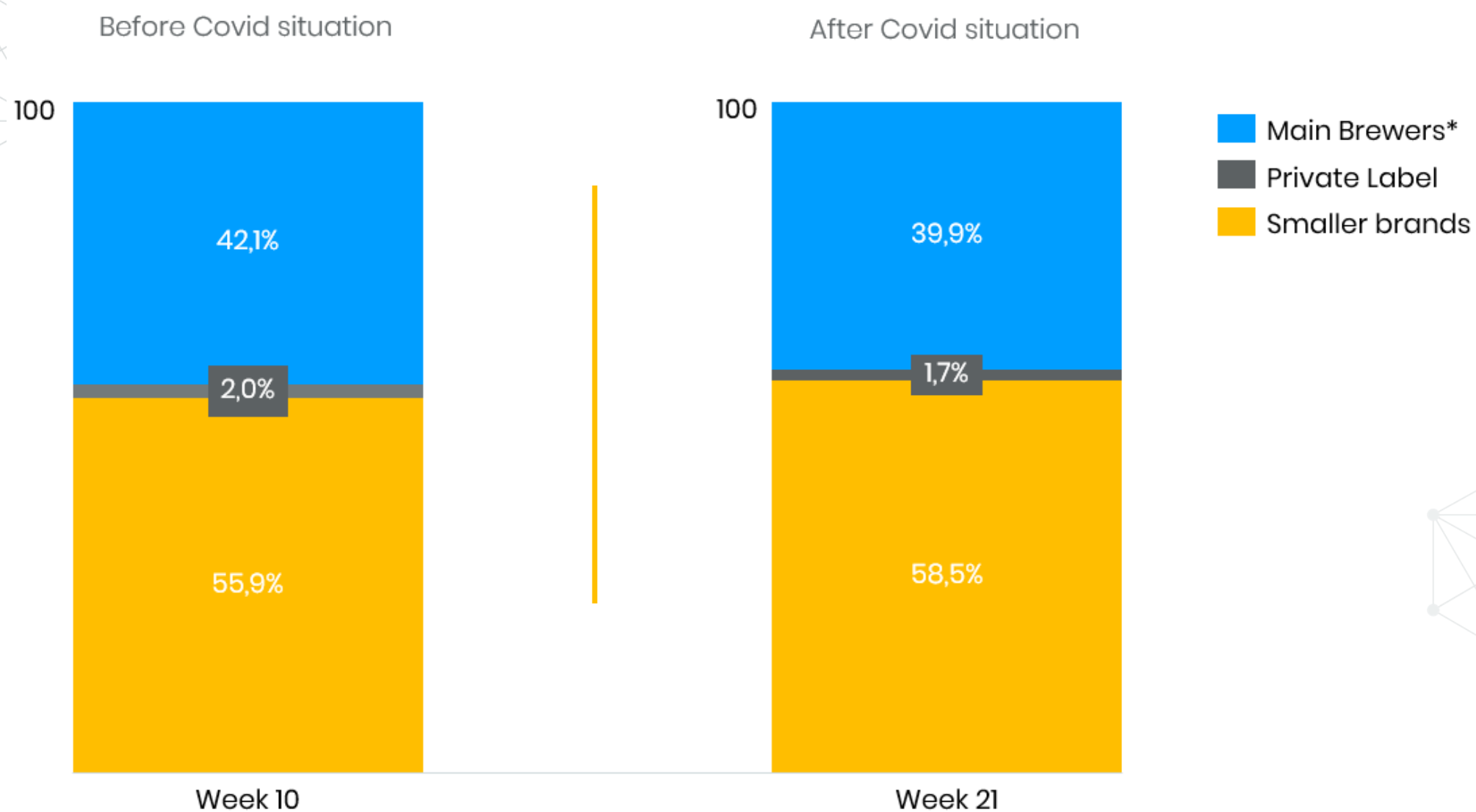
Finally, the main brewers represent 53% of Share of Assortment at Asda.

*Main brewers : Ab Inbev, Asahi, Brewdog, Carlsberg, Diageo, Heineken, Bavaria

DURING THE COVID-19 CRISIS, SMALLER PLAYERS STRENGTHEN THEIR SHARE OF ASSORTMENT

Smaller brands' Share of Assortment increased by 3pts in average

Share of Assortment – All retailers
Beer category – Week 10 & Week 21 2020



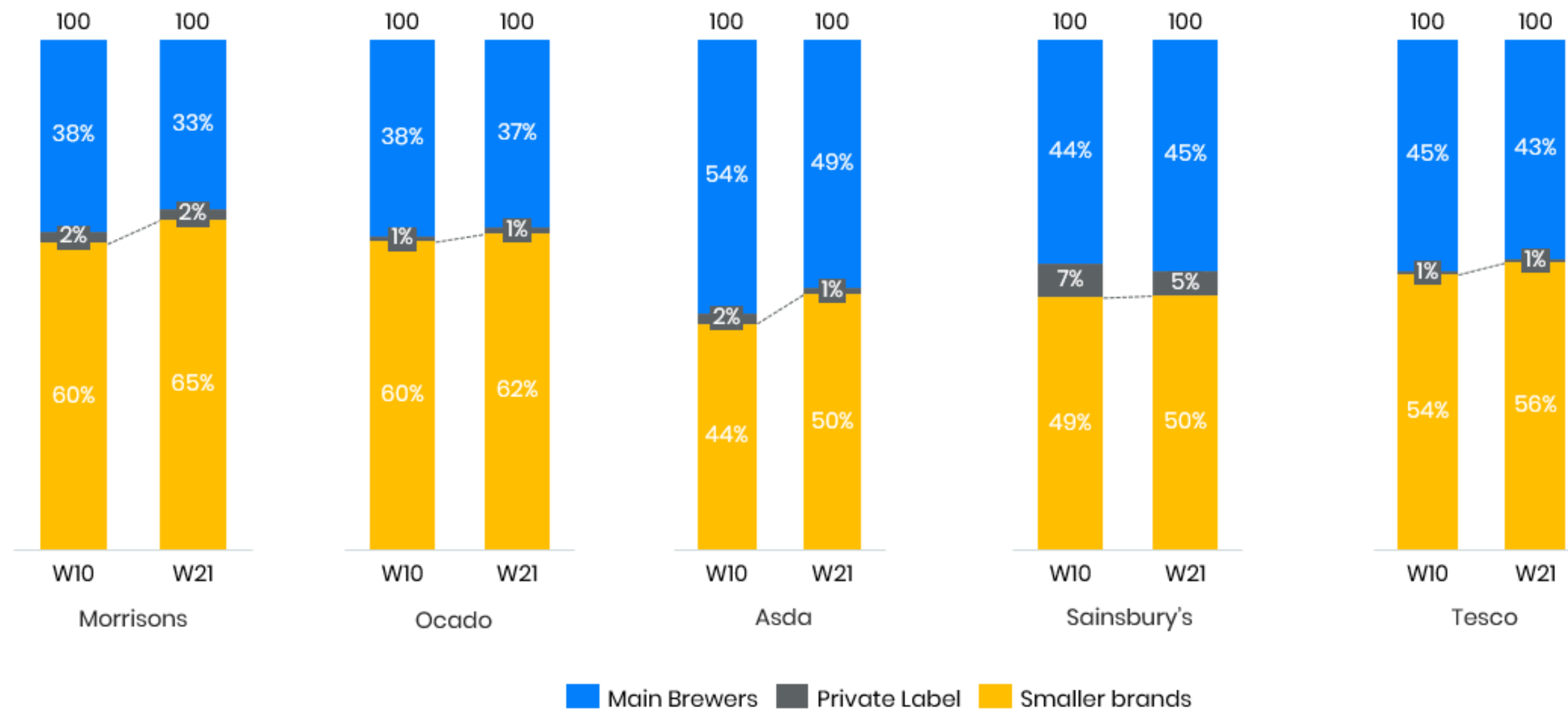
*Main brewers : Ab Inbev, Asahi, Brewdog, Carlsberg, Diageo, Heineken, Bavaria

Week 10 & week 21 2020

THIS TREND IS VISIBLE AT ALL THE RETAILERS DRIVEN PARTLY BY LONG-TERM OUT OF STOCKS ON MAIN BREWERS' BLOCKBUSTERS

At Asda, the main brewers' Share of Assortment decreased by 5 pts

Share of Assortment – All retailers – Beer category – Week 10 & Week 21 2020



GLOBAL TAKEWAYS

1 The Beer market is moving very quickly

It's important to keep track not only of your brand's online presence but also to keep an eye on your competition.

2 There are significant differences between different stores

Having only a data sample is not enough to be able to analyze what is happening with your products. A full data set is the key to a complete overview.

3 Distribution has impact on visibility & search

High Out of Stocks can negatively impact your online presence.

SCOPE & METHODOLOGY

Beer category in the UK

This analysis was made on the Beer market in the United Kingdom following two different KPIs: Distribution and Out of Stocks.

This analysis compares results from P1 to P5 2020 to P1 to P5 2019.

5 retailers have been analyzed; Morrisons, Ocado, Asda, Sainsbury's and Tesco to show the disparities across them.

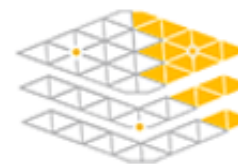
Regarding brewers, we decided to focus on the main brewers (Ab Inbev, Heineken, Carlsberg, Greene King, Molson Coors, Asahi, Bavaria, Diageo, Brewdog, Old Jamaica, and Innis & Gunn), the smaller brands and the PL.

We also focused on the Out of Stocks and the product distribution during the Covid-19 crisis from week 10 to week 19.



Periods of analysis

P1 to P5 2020
vs
P1 to P5 2019



KPIs

Distribution: number of unique product

Share of Assortment (SoA)

Out of Stock : a product is considered as missing if the out of stock is above 7 days in a row



Categories

Beer category split into 4 segments:

- ✓ Ale, Bitter, Stout, Porter
- ✓ World Beer & Lager
- ✓ Craft & Specialist
- ✓ No & Low Alcohol



Retailers /

5 main retailers

- ✓ Morrisons
- ✓ Ocado
- ✓ Asda
- ✓ Sainsbury's
- ✓ Tesco

Brewers

"Others" means all brewers having a small number of products. It could also be local beers.



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