



Import Beer
Category Perspective

Uncovering Import Beer’s growth drivers and identifying key strategies for future success

Key Takeaways

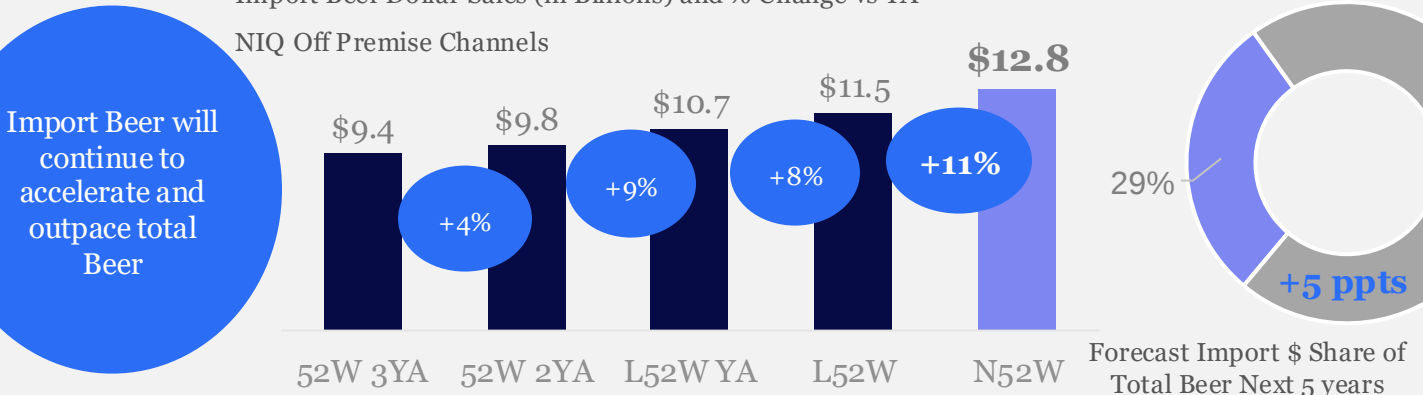
- Import Beer remains an attractive category for investment as it is forecasted to grow to \$18.4B in the next 5 years (+10% CAGR), gaining 5 ppts of dollar share; outpacing Total Beer
- Consumer’s desire for effortless shopping and portability has accelerated Import Beer’s growth in Online and Convenience; in turn making strong go-to-market strategies in these channels' imperative
- With 40% of Import Beer’s growth being driven by new buyers, strategies to drive recruitment and retention are likely to drive high returns for brands
- Consumers are looking for flavorful products without the carbs, calories or high ABV. Including low calorie/carb claims on products while innovating with low ABV/Chelda flavoring options are likely to drive sales



- Import Beer is growing 4x faster Online vs In-Store
- Import Beer is growing 2x faster than Total Beer online
- Online Import Beer buyers increased spend by 14.3% vs YA



Import Beer Dollar Sales (in Billions) and % Change vs YA
NIQ Off Premise Channels



Import Beer will continue to accelerate and outpace total Beer

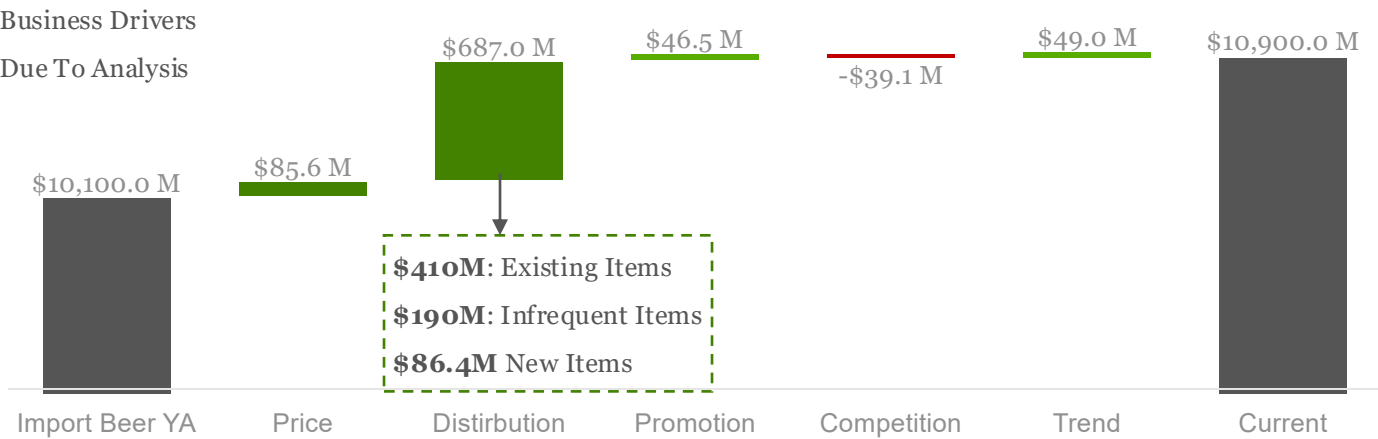
Mexican Imports continue to dominate the category; dollar sales are forecasted to grow (+10% CAGR) in next 5 years reaching 85% of dollar share.



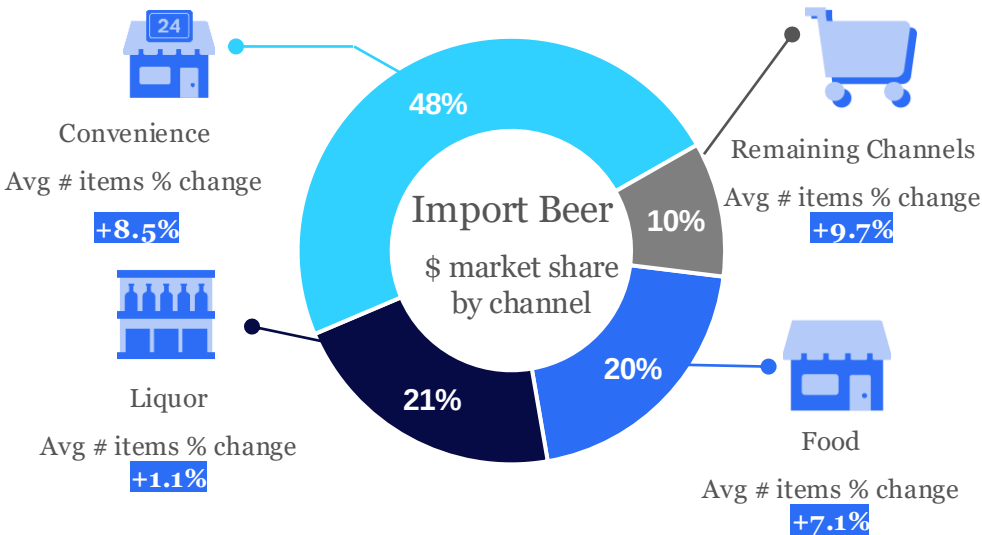
Mexico Holland Ireland Canda Japan AO

\$ Share	83.2%	8.9%	2.1%	1.5%	0.5%	1.5%
\$ % chg vs YA	8.8%	(1.3)%	4.3%	(1.1)%	12.5%	1.5%
Case % chg vs YA	6.1%	(2.9)%	2.2%	(4.3)%	14.3%	(2.5)%

Distribution is #1 growth driver, which is driven by existing items.



Import Beer is increasing items across channels; especially in Convenience as convenient location and quick in & out are top retail drivers for BevAl purchases

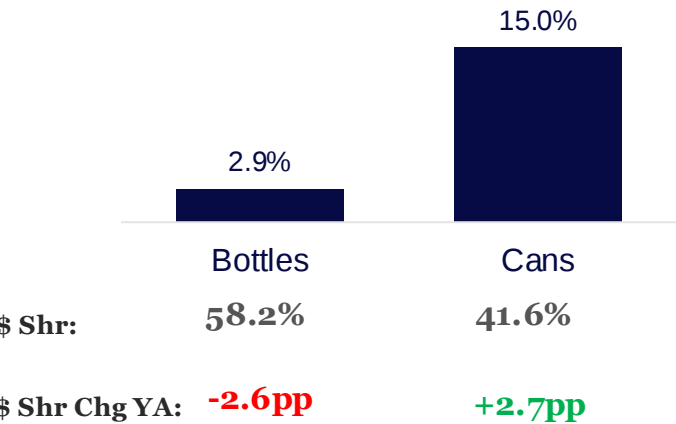


Import Beer is attracting consumers seeking portability

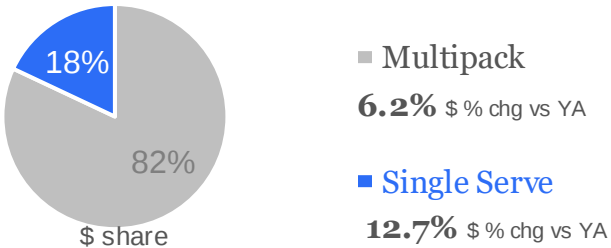
Can format and single serve options for individual consumption are driving shoppers who want to consume Import Beer in all their favorite locations

Import Container Type

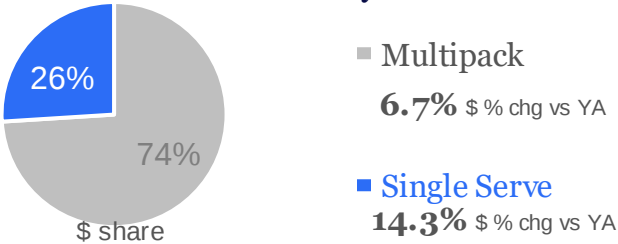
\$ % Chg vs YA



All Channels



Convenience Only



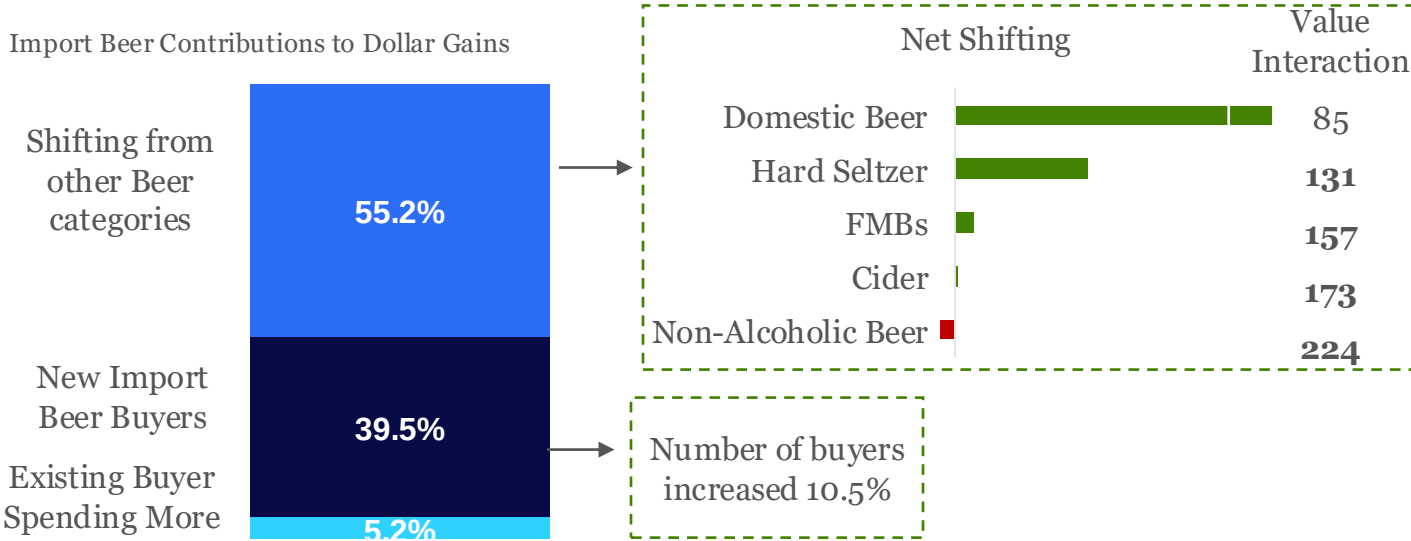
Hispanic buyers are spending 1.7x more on average than Non-Hispanic buyers but Non-Hispanics drove 59.3% of growth

% of value; highest value index

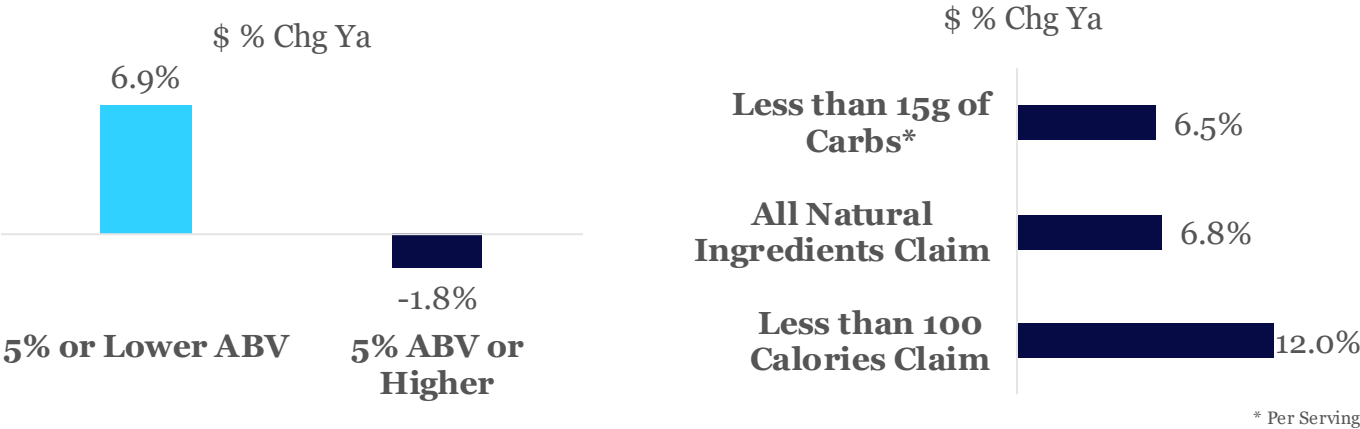


Gen Z's value was up 16% vs YA, and number of buyers grew 12% vs YA, generating a 133 value/buyer growth index for Import Beer

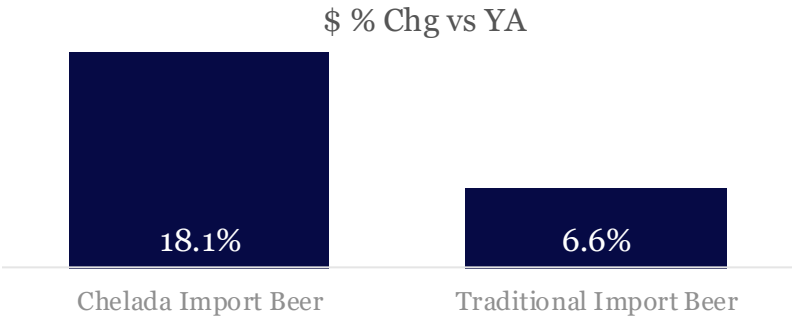
Import Beer gaining value from shifting as consumers attraction to flavor and taste experience influence drinking occasions



Lower %ABV and Low Calorie/Carb claims are striking a chord with Import Beer Drinkers as consumers are more cautious of their alcohol consumption and calorie/carb intake when drinking Import Beer.



Import Beer is providing flavor offerings that BevAl buyers are craving



Increase in Import Beer innovations sales are driven by consumers shift to moderation (lower ABV %) and flavor exploration

Innovation Items
(3.3%)
vs YA

Innovation Sales
\$266M
+32% vs YA

Innovation Contribution
2.4%
+0.4pp vs YA

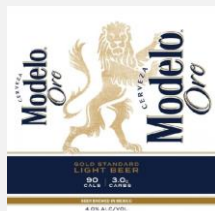
Innovation Type
92%
are Line extensions

- Despite an overall decline in Import Beer innovations, 5% or lower ABV innovation items grew +3.8% vs YA
- 10% of New Items were 0%-3.9% ABV and accounted for 39% of New Item Sales
- 4 out of the Top 10 Import Innovations were Chelada
- 17% of New Items were Cheladas, and account for 44% of New Item Sales

Strategies for a winning future in Import Beer

Stake Your Claims:

Prominently market and display wellness claims and focus on lower ABV% offerings



Flavor Forward:

Innovate with flavors that resonate with consumer base



Go Portable

Focus on can offerings both in single serve and larger pack size



Go Omni:

Capitalize on the omnichannel shopper with strong in-store and online strategies



Sources: NIQ Retail Measurement | US ALC - Integrated | Total US xAOC + Conv + Liq Plus | L52W 06/29/24
 NIQ OmniShopper | Total US | Total In-Store Outlets | Buyers purchasing Import Beer | L52W ending 06/15/24
 Customer Success Data Science, 5 yrs RMS history Import Beer
 NIQ Ominsales | US Omni Beval | L52W 05/25/24
 NIQ CGA On-Premise Data | Total US | L52W w/e 5/18/2024
 NIQ Innovation Measurement | Import Beer | L52W 06/19/24
 NIQ Business Drivers – Beer_ALC | Total US xAOC + Conv + Liq | L52W 07/13/24
 BevAI Omnishopper Fundamentals 2024 | Import Beer

Craving more? Our NIQ team will provide you with Import Beer and other BevAI insights specific to your Brand's unique needs. **Connect with us today!**

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