The Grocer

Focus On: spirits by James Halliwell (james.halliwell@thegrocer.co.uk)

Publishing: 17 September
Advertising deadline: 1 September
Submissions deadline: 26 August

The Story

Brits have splashed out an extra £108.3m on spirits in the past year – that's growth of 3.2% on volumes up 4.4%. Impressive stuff. So what's driving the growth? Which brands and retailers are cashing in? And, with the industry claiming Brits are developing a taste for more expensive and premium tipples, why have average prices fallen in the past year? How can players retain value in this climate?

Key themes:

Retailers and own label: This feature will pay close attention to how different retailers are approaching the category, in terms of their branded and own label ranges, merchandising, price, promotions and so on. Own label is struggling at present as brands enjoy strong growth. Why is this? Is this picture consistent across the sector or are some retailers and ranges bucking the trend?

Premium spirits: Despite the industry's claim that people are drinking more premium spirits average prices are down in most of the major spirits sub sectors. So are drinkers really trading up? What are they trading up to and what's bringing prices down; greater reliance on deals by the retailers to cement a point of difference from the discounters? Smaller formats? What else is driving growth in premium spirits and price reductions?

Value brands: As the discounters continue to steal share of the spirits market, value brands still have a part to play in helping mainstream retailers compete. Some have even lowered abv and increased unit size to allow them to keep prices low and appeal to price conscious consumers. So which brands are performing most strongly at the value end of the market? Who's being priced out of the market?

Cocktail culture: To what extent is growing consumption of cocktails at home fuelling growth in spirits sales? How are brands and retailers cashing in on this trend? What else can be done to encourage drinkers to have a go at recreating the drinks they knock back on a night out at home?

Gin is in: What is driving the explosive growth gin? Which brands are cashing in on the growth and how? What does the coming year have in store for gin?

Sub sectors: We will be analysing everything from blended whisky, vodka, gin and rum to liqueurs, pre-mixed cocktails, cognac and brandy in this feature, exploring which macro trends, brands and other factors have affected their fortunes over the past year. Gin has had the greatest gain of the past year. Why? How are players looking to sustain growth or turn things around?

Discounters: This feature will investigate how competition from the discounters is affecting the spirits aisles of the multiples. It will explore which brands available in the discounters, and at what price, as well as how these retailers are managing to capitalise on events such as Christmas by stocking super premium, but good value spirits, such as 40-year-old Scotch for £50.

Advertising and marketing: This feature will also investigate how the marketing and advertising strategies of the category's biggest players have evolved over the past year and how they will develop in the coming year to sustain growth or return brands to growth.

Innovation: Key to this feature will be a discussion of the latest NPD from the category's brands and own label players, large and small. The feature will explore the market trends that have inspired these innovations and weigh up which new launches are most likely to encourage new trends in the market. We will profile eight of the most interesting new launches in a separate innovation panel.

Key questions the feature is likely to address:

- What consumer trends have impacted the category over the past year?
- How have promotional strategies (both in terms of price and marketing) evolved?
- How have individual retailers' strategies impacted the market?
- How has merchandising changed in the market?
- What impact has own-label had on branded players?
- What's next for the category?