And what are the biggest challenges?

Jim Watson, Senior Beverage Analyst
James.Watson@Rabobank.com
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Putting US beer sales in context – it’s doing well!
Increase in beer demand globally driven by emerging markets

Worldwide beer consumption is expected to grow further

Forecast beer consumption growth by region

Source: Euromonitor, Canadean, Rabobank estimates
Top 12 movers in the beer industry (measured channels)

Source: IRI

2016-19 absolute growth in dollar sales

Source: IRI
New challengers finding success across beverage categories...
A look at where growth in coming from in non-alc

**US non-alc bev $ share**
- Bottled Water: 25%
- Carbonates: 37%
- Juice: 17%
- RTD Coffee: 2%
- RTD Tea: 7%
- Energy Drinks: 8%
- Sports Drinks: 4%

**US non-alc bev $ share of projected 2018-23 growth**
- Bottled Water: 40%
- Carbonates: 23%
- RTD Tea: 11%
- RTD Coffee: 6%
- Juice: 7%
- Energy Drinks: 11%
- Sports Drinks: 2%

Source: Euromonitor
Top 12 movers in the beer industry – in the other direction

2016-19 absolute DECLINE in dollar sales

Source: IRI
Seltzer growth is explosive – and driving the beer category

**Sales of top two hard seltzer brands in measured channels**

- Truly
- White Claw

**US Beer growth in measured channels**

- Total beer
- Total beer (excl. White Claw and Truly)

Source: IRI
Premiumization remains on track in alcohol

Spirts volume growth in 2018

Wine sales volume growth in 2018 (measured off-premise)

Source: Nielsen

Source: discus
Overall beer pricing is good, but…

**YoY change in US beer pricing**

- 2019: -5.0%
- 2018: -4.0%
- 2017: -3.0%
- 2016: -2.0%
- 2015: -1.0%
- 2014: 0.0%
- 2013: 1.0%
- 2012: 2.0%
- 2011: 3.0%

**Source:** IRI
What consolidation looks like across the beverage industry globally

Percent of retail volume generated by top companies, by segment

Source: Euromonitor
What coffee shows us about consolidation in the US vs the world

Source: Rabobank, leading coffee importer

Consolidation among US coffee roasters

Consolidation among world coffee roasters
Beverage companies repositioning portfolios

- Acquisitions at a premium
- Expansion into new categories
- Divestitures of low-end brands
- Disruptors go mainstream
Global landscape for low/no alc beers is very country specific

Percent of beer consumption at 3.5% ABV or below
I can’t find too much sober-curiosity in the US data

Source: bw166
Alcohol consumption is smoothing out

Past month use, among LDA adults

Base year prevalence of Past Month Alcohol Use (2010)

Shift in prevalence of past-month alcohol use, 2010-2018

White Men
Black Men
Hispanic Men
White Women
Black Women
Hispanic Women

Past month use, among LDA adults
E-commerce sales in the US are a big opportunity for all alcohol segments

**2019 Sales By Category**

- **Wine** USD 2.2bn
- **Beer** USD 155m
- **Spirits** USD 230m

**Combined Total Alcohol Ecommerce Sales in US**

USD **2.6bn**

**2019 YOY Growth**

22%
Thank you for listening!

Reach out to me with any questions/comments at:

James.Watson@Rabobank.com

And check out our podcast - Liquid Assets to learn more about what is happening across the entire beverage industry