

# Unlocking the No & Low Market

By

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# Overview

- Market insight from CGA & NUSSL Students Drink Trackers
- A Look at Non Alcohol Spaces in the market & creating the experience for a non alcoholic space
- Non Alcohol in a regular setting
- Menus, Margins & Perfect Serves.
- Any Questions?

## Drink definition ?

### According to drinkaware:

- **Non Alcoholic 0% alcohol**

- 'Non-alcoholic' drinks don't contain alcohol. Examples include soft drinks such as cola or orange juice, and mocktails that don't contain ingredients that are alcoholic.

- **Alcohol-free:** no more than **0.05%ABV**

- This means that 'alcohol-free' beers can contain a very small amount of alcohol.

To give you some context, a pint (568ml) of 1% ABV beer contains just over half a unit of alcohol

- **De-alcoholised:** no more than **0.5% ABV**

Dealcoholized drinks starts out as regular alcoholic drinks e.g. wine - before having some or most of its alcohol content removed. It's not the same as non-alcoholic wine, which typically contains no alcohol to begin

- **Low alcohol:** no more than **1.2% ABV**

## 'Low & No'? – Key Factors

### Market Size

The trend of moderate alcohol consumption in the UK has increased, driving the expansion of the market for low and non-alcoholic drinks. In 2022, the low and non-alcoholic drinks market saw strong growth, with £255 million in volume sales.

### Low & No Consumer Behaviour:

- 32% of UK adults have limited/reduced their alcohol intake in the last 12 months.
- **39% of those who have limited/reduced their alcohol intake done so to improve their health.**
- 41% of UK adults have drunk low or no-alcohol drinks in the past 3 months.
- 54% of adults who have consumed low or no-alcohol drinks agree that it makes them feel good.

### Which beverage company has the largest share in the low- and no-alcohol drinks market?

Beer dominates volume sales of low and no-alcohol drinks in retail, with an estimated 68% share in 2022. Heineken 0.0% is one of the leading alcoholic-free brands in the market, recording £28 million in value sales in 2022.

Source: mintel

# With consumers looking to lead healthier lifestyles having no/low alcohol options is vital to capture sales in a growing market

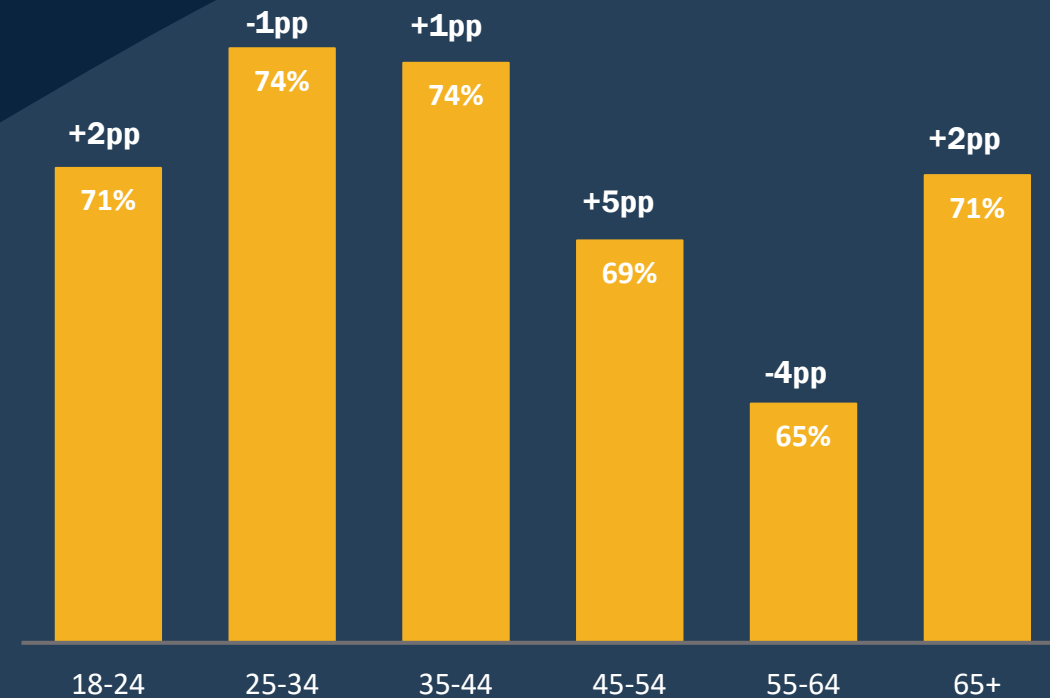
In 2022

# 71%

Of GB adult consumers agree they *'proactively try to lead a healthy lifestyle'*

+1pp vs YA

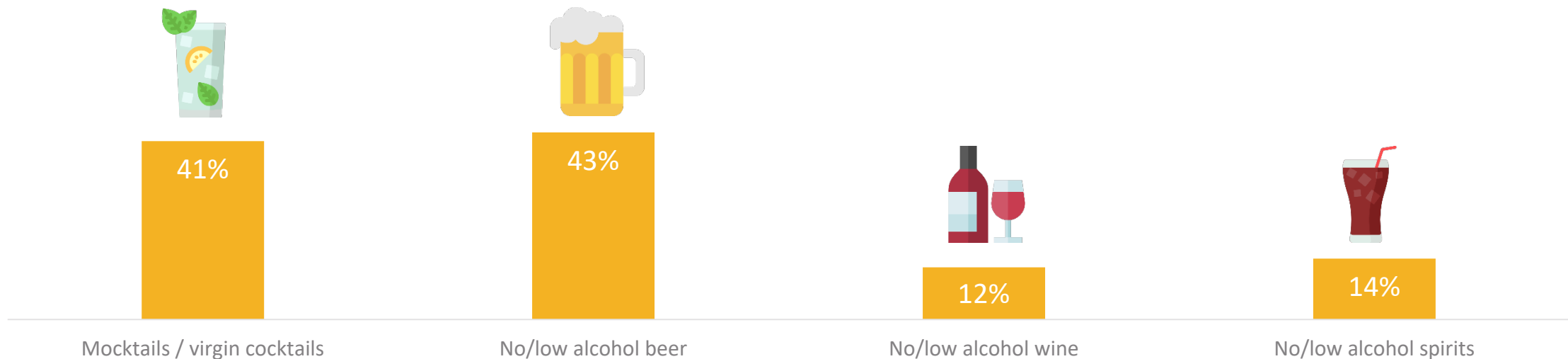
Proportion of consumer agreeing they proactively try to lead a healthy lifestyle: October 2022 indexed vs October 2021



## Most Popular No & Low Drinks by Category

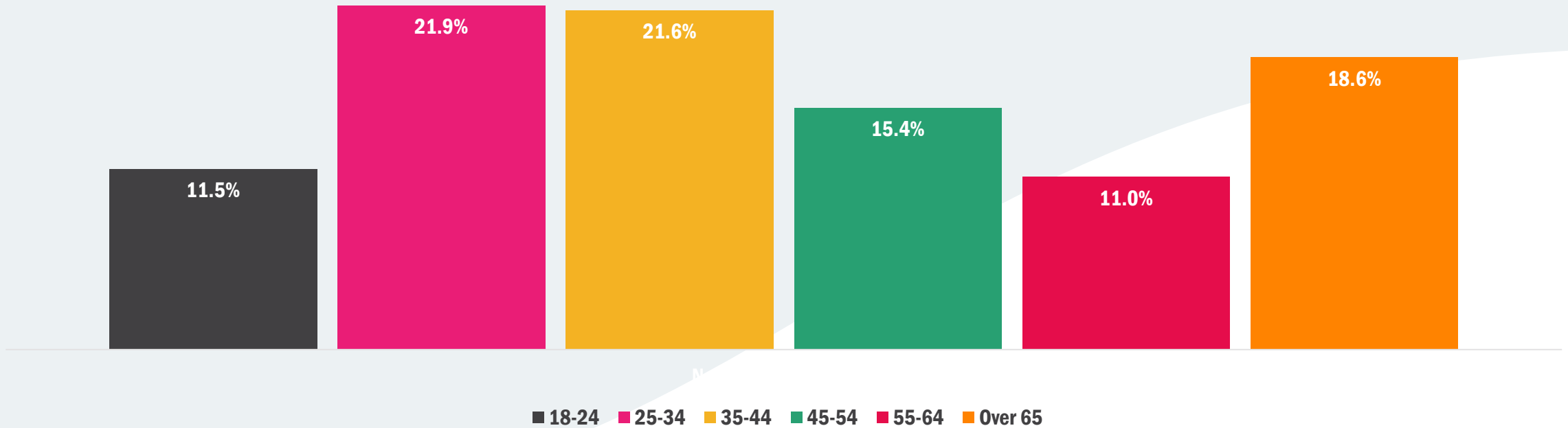
- Mocktails and Beer are the most popular alcohol alternative categories
- Less consumers have tried no/spirits but this is predicted to be a huge growth area
- Wine is the smallest Low & No category but is growing as improvements are made in taste profiles

Over the last 12 months, have you drunk any of the following when at a pub, bar or restaurant?



The No & Low category is more appealing to younger consumers so targeting this demographic is key to drive growth within the category

% of age groups who drink No/Low category in the on trade



## No & Low Market facts

### Topline Metrics for No & Low vs Last Year

Volume (HL)	Value (£m)	Average Distribution	Volume RoS
45,012 (+20.5%)	42.2 (+24.6%)	75,444 (+3.3%)	0.6 (+16.6%)

No & Low now accounts for

# 1%

Of the Beer Category

(+0.1pp vs YA)





# No & Low Market Pricing

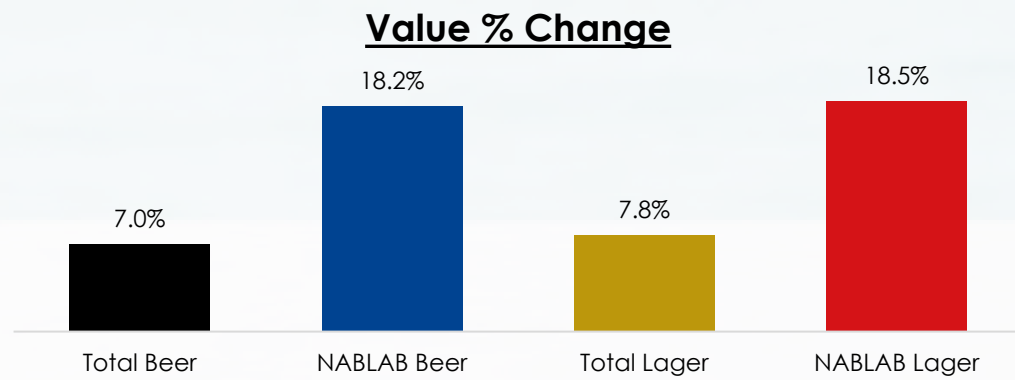
The No & Low beer category is growing ahead of Total Beer

The No & Low beer category consistently commands a higher price point creating a strong opportunity to premiumise the category.

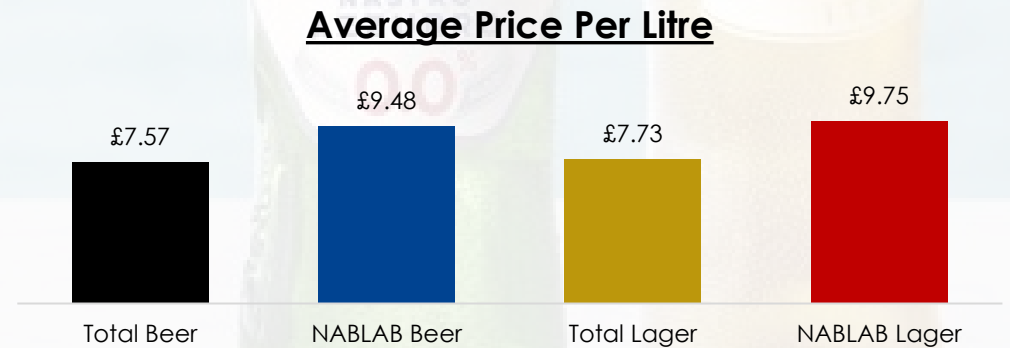
Peroni Nastro Azzurro 0.0% has a RoS higher than the #1 NABLAB brand & the NABLAB Category at a price premium

			<u>Total Packaged NABLAB</u>
Share of Value	39%	13%	
Avg Price	£2.93	£3.81	£3.22
Vol RoS (Bottles/week)	6.1	6.8	6.4

NABLAB outperforms the master category and continues to gain share



Average price of No & Low categories are consistently ahead of the master category



# Top 5 No & Low Beer Brands

Top 5 NABLAB Beers  
Latest 6 Months vs YA



Heineken 0.0



PNA 0.0



Becks LA Alcohol Free (Blue)



Lucky Saint unfiltered Low Alcohol Lager



Birra Moretti Zero

	Heineken 0.0	PNA 0.0	Becks LA Alcohol Free (Blue)	Lucky Saint unfiltered Low Alcohol Lager	Birra Moretti Zero
Value Share	<b>38.7%</b> <b>+1.1pp</b>	<b>10.9%</b> -	<b>9.1%</b> <b>-8.6pp</b>	<b>5.5%</b> <b>+4.6pp</b>	<b>4.3%</b> <b>+3.5pp</b>
Vol Ros (HL/Outlet)	<b>0.6</b> <b>+6.9%</b>	<b>0.6</b> -	<b>0.1</b> <b>-27.5%</b>	<b>0.8</b> <b>+&gt;100%</b>	<b>1.1</b> <b>+&gt;100%</b>

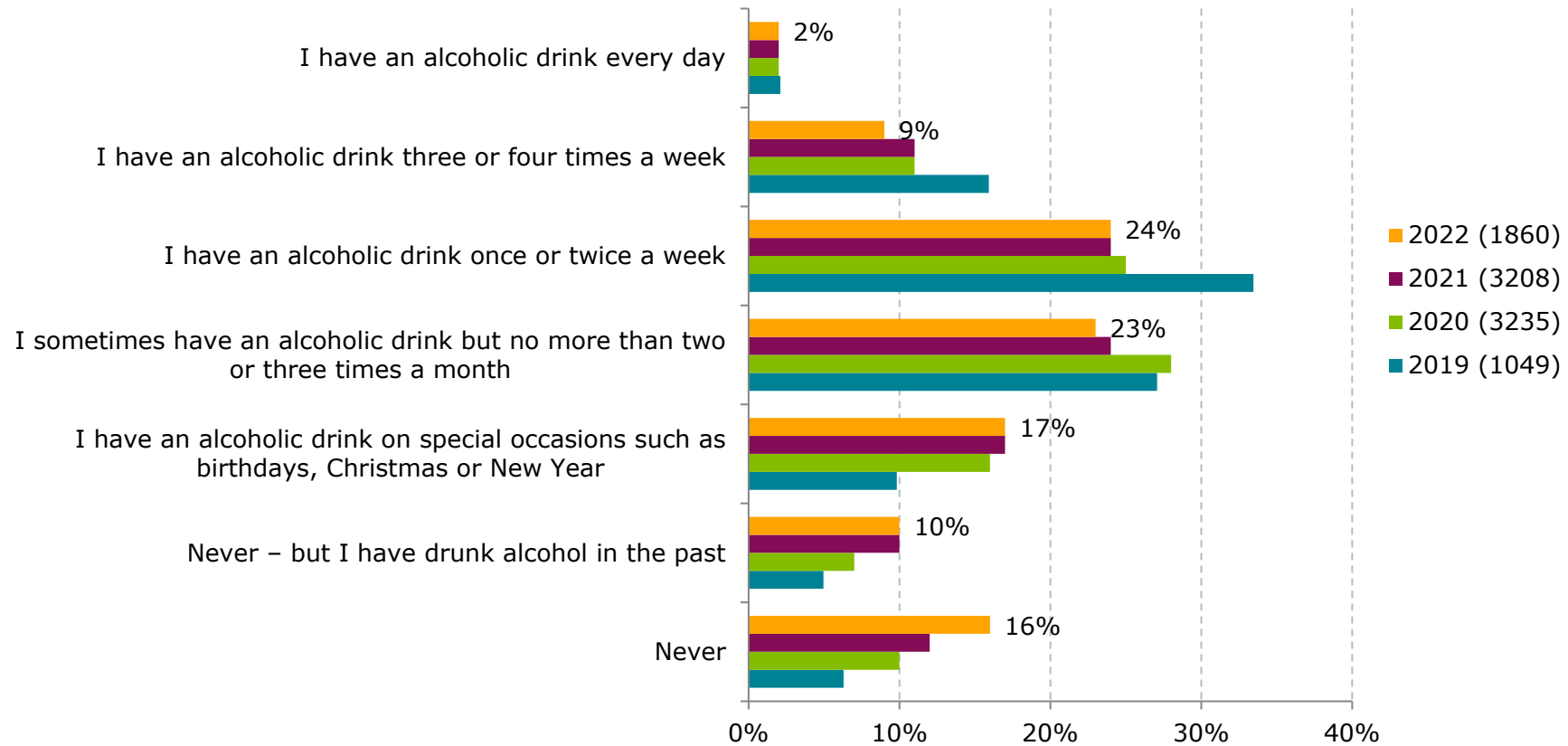
Heineken 0.0 leads the way out of the NAB/LAB brands, with PNA 0.0's launch proving successful as it comes in second place.



Just over a third of students continue to be regular drinkers, drinking more than once or twice a week.

Tracked

### Frequency of drinking alcohol



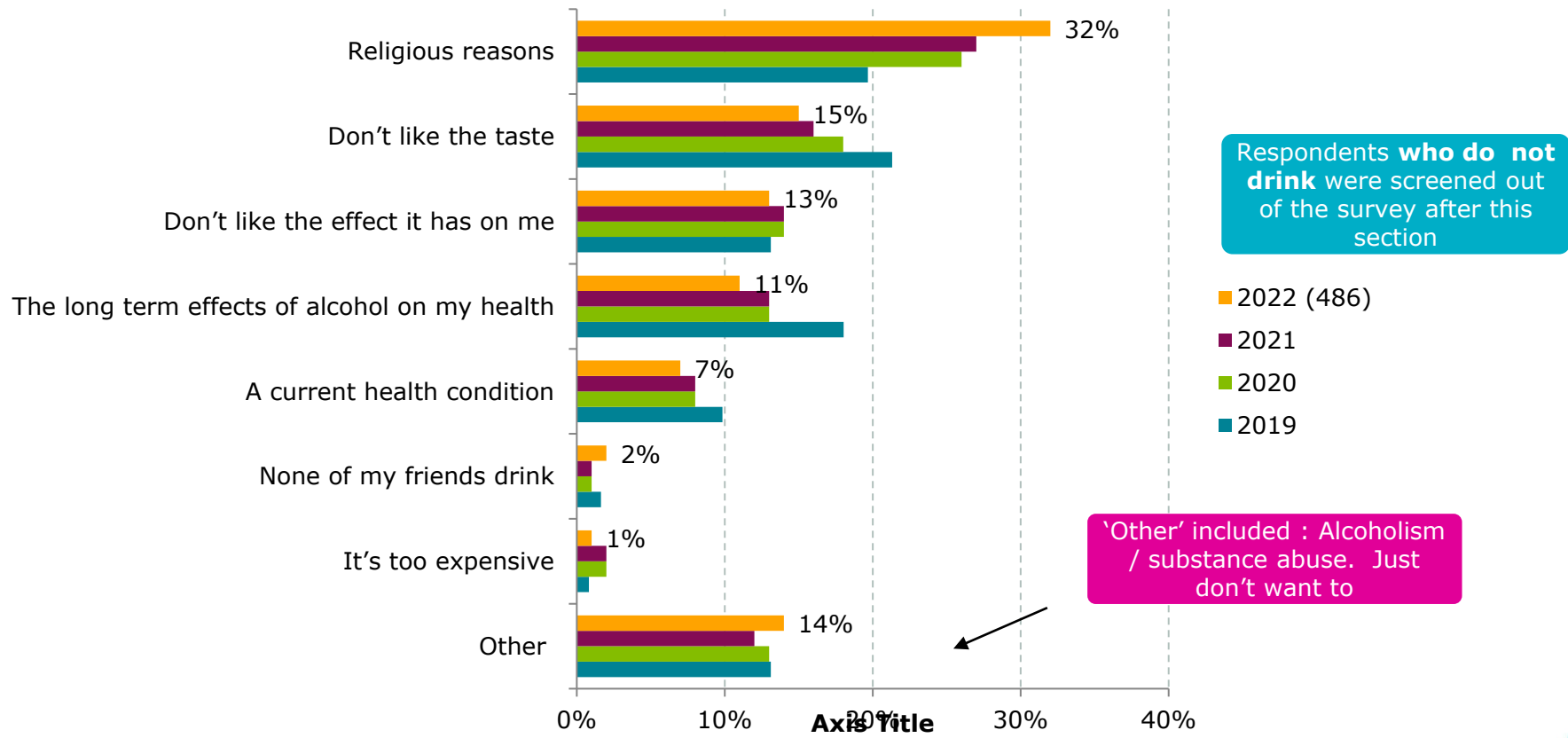
Base: (In brackets)

A3. How often, if at all, do you drink alcohol?

Continuing a pattern since 2019, students are increasingly likely to say they don't drink because of religious reasons.

Tracked

### Main reasons for not drinking



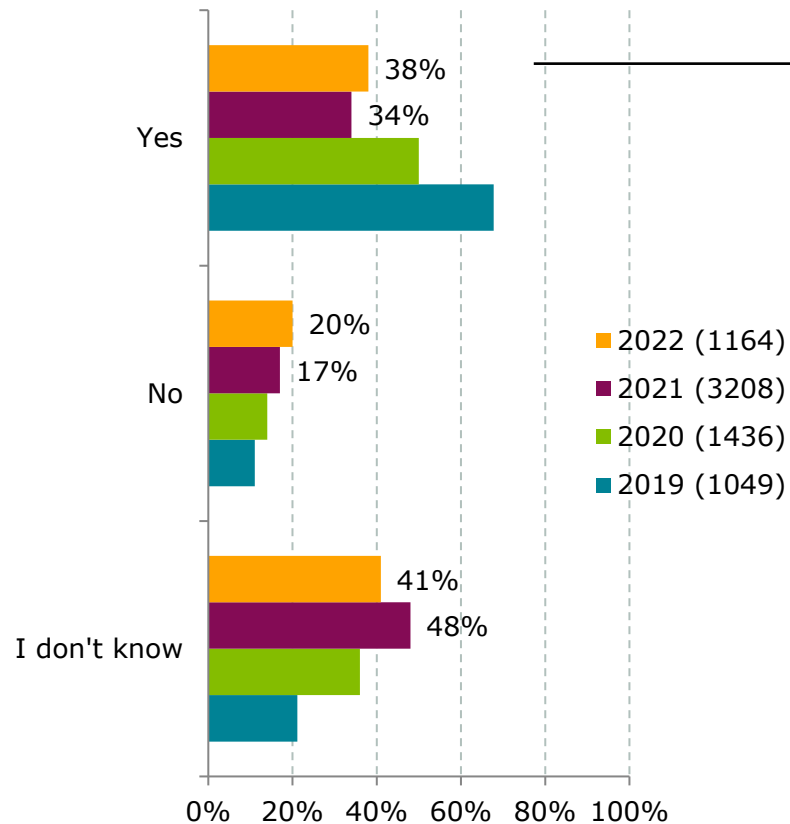
Base: (In brackets) Balance: Those who ever drink alcohol

A8. Which of the following best describes your main reasons for not drinking?

Almost 2 in 5 say their SU runs a bar or nightclub. The majority of these students believe their SU bar should offer non alcoholic drinks

Tracked

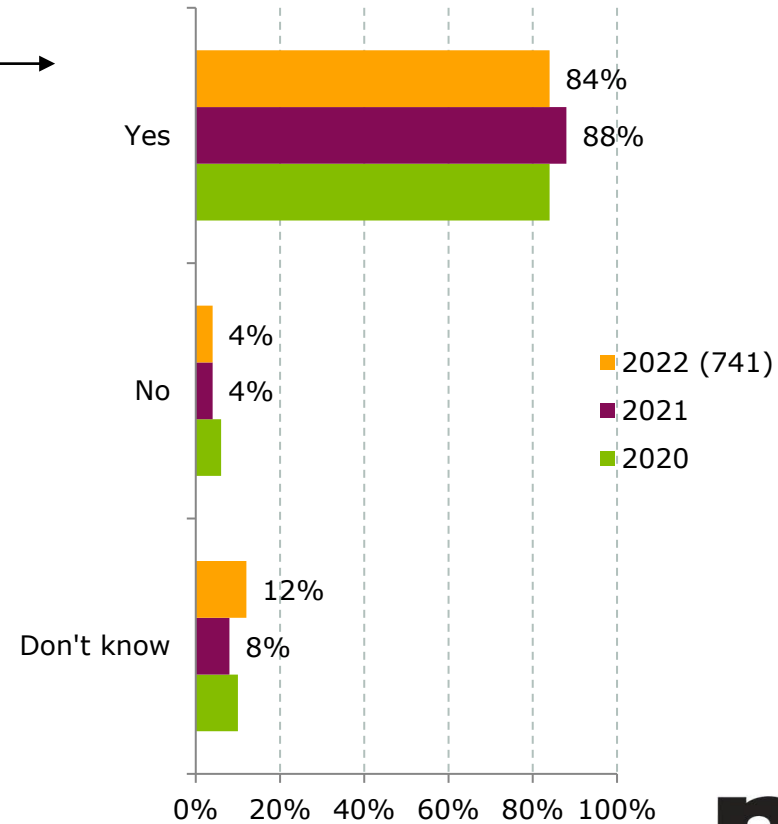
**Does SU run a bar or nightclub?**



Base: (In brackets)

**A4. Does your students' union run a bar or a nightclub?**

**Should SU bar offer a menu of non alcoholic drinks?**

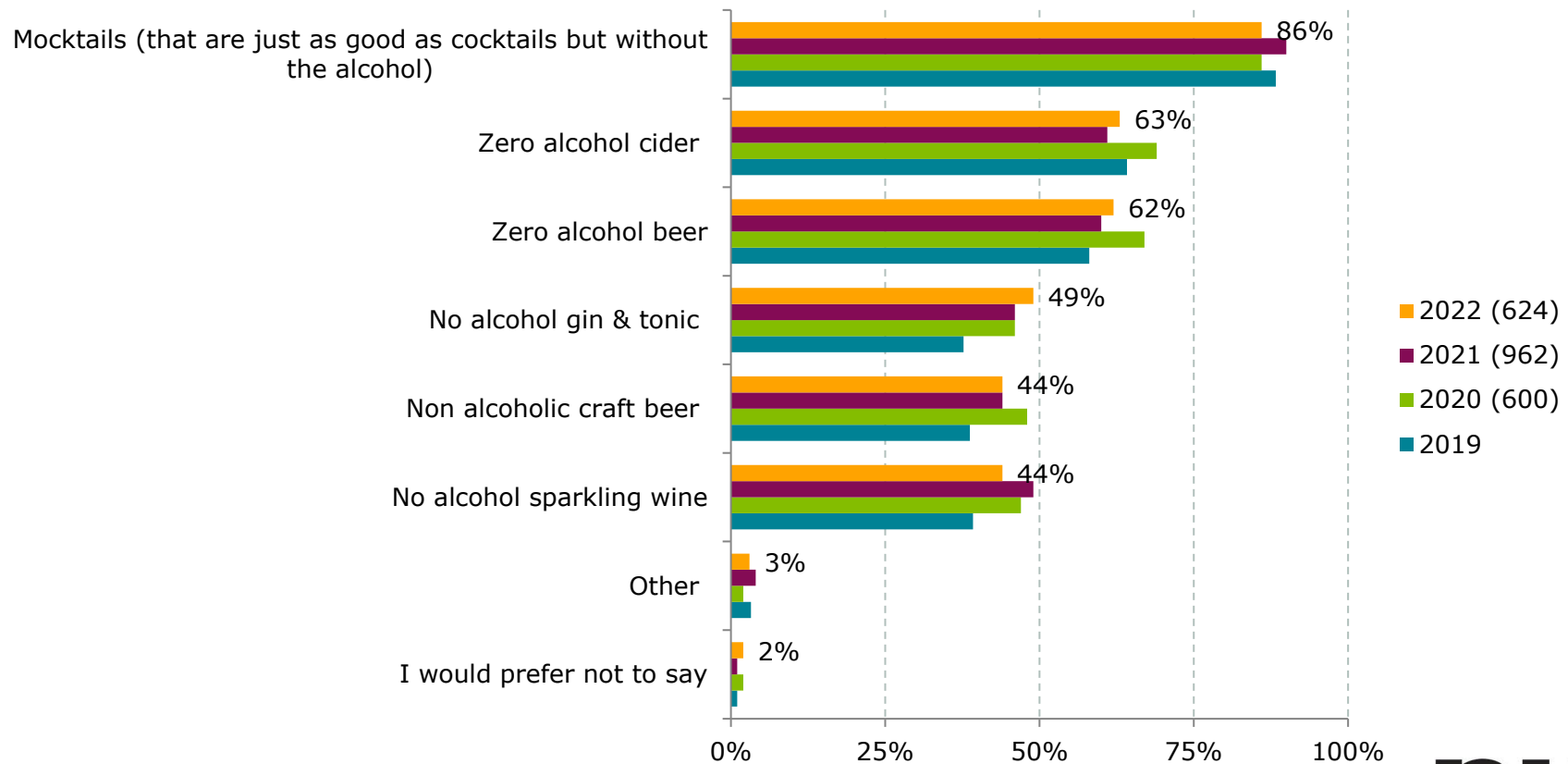


Base: (in brackets). Balance: Don't know if SU has a bar / SU doesn't have a bar

**A5. Do you think your students' union bar should offer a menu of non alcoholic mixed drinks and bottled non alcoholic beers, wine and ciders?**

While all options are popular, mocktails continue to be the most popular non alcoholic drinks students believe should be stocked by their SU, followed by non alcoholic cider and beer.

### Type(s) of drinks that should be served at SU bar

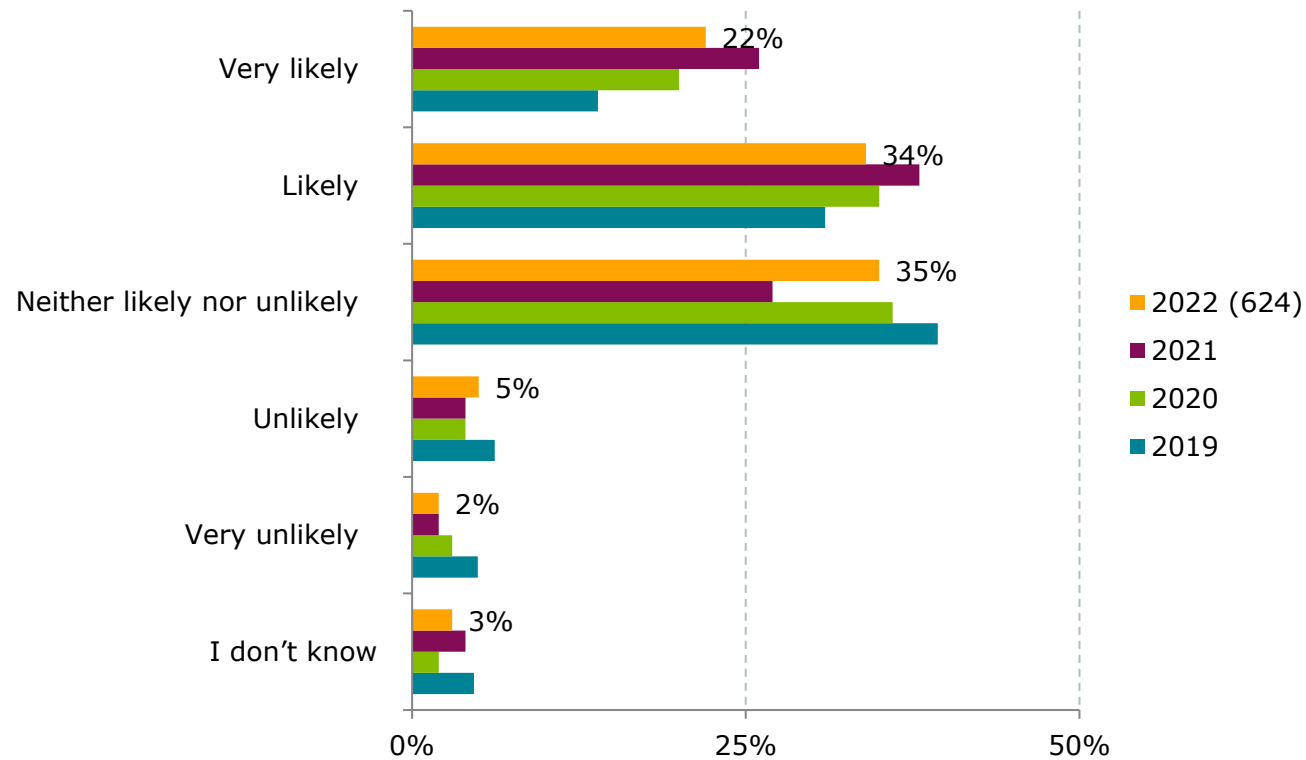


Base: (In brackets) Balance: Don't think SU bar should stock non alcoholic drinks

**A6. What type(s) of drinks do you think should be on the menu at your students' union bar?**

Almost 2 in 5 students claim they would be likely to visit their SU bar if it served non alcoholic drinks; this is a drop from 2021.

### Likelihood to visit SU bar if it offered a menu of non alcoholic drinks?



Base; (In brackets) Balance: Don't think SU bar should stock non alcoholic drinks

**A7. If your students' union bar offered a menu like this how likely would you be to visit it?**

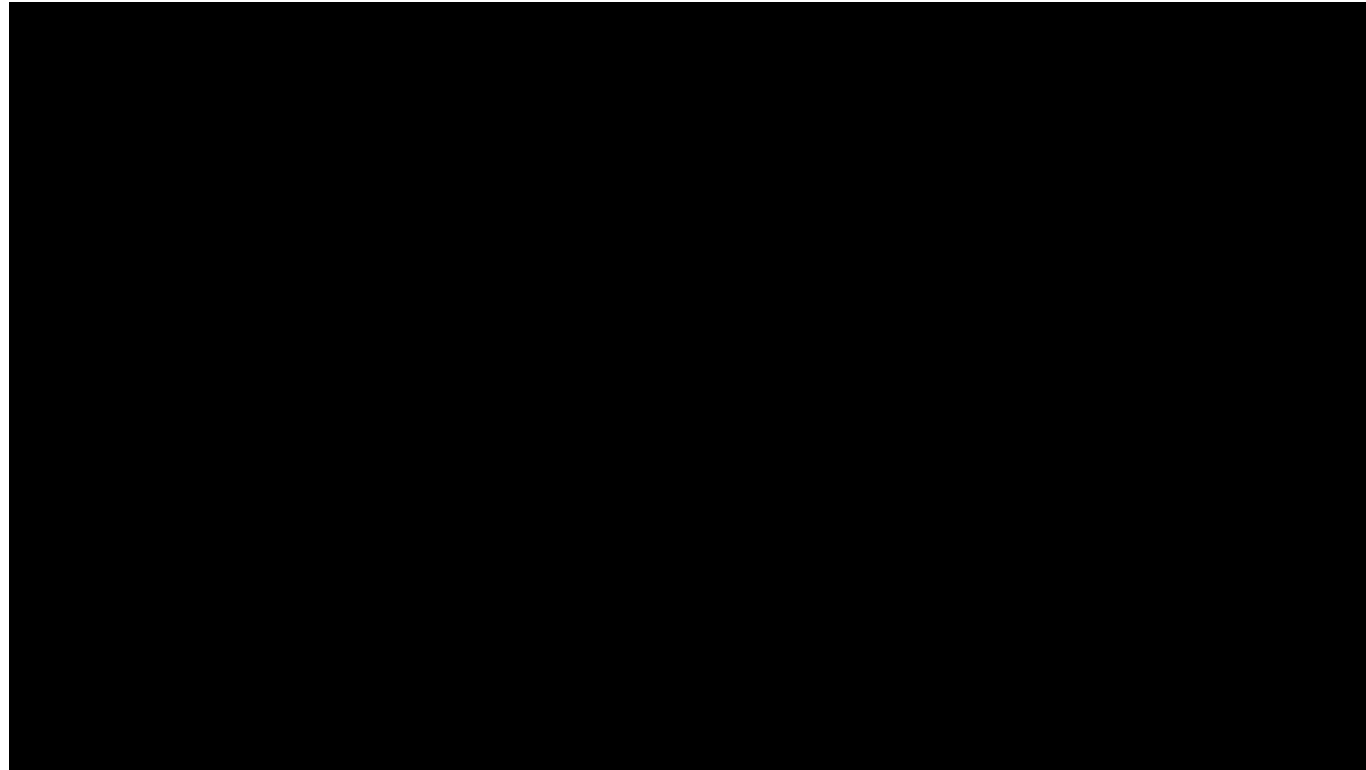
# Non Alcohol Spaces

- Drink experience is important but not the total experience
- Consider your food offering – how does it re-enforce the customer experience
- What need state does your space fulfil? Relaxation, letting off steam, mindful consumerism,
- Be clear about what your concept is and who your customer is



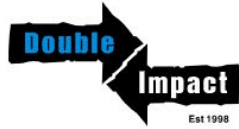


# The Nest Hastings – Egg tooth creative space and therapy



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East Midlands' first ever alcohol-free bar,  
restaurant and venue



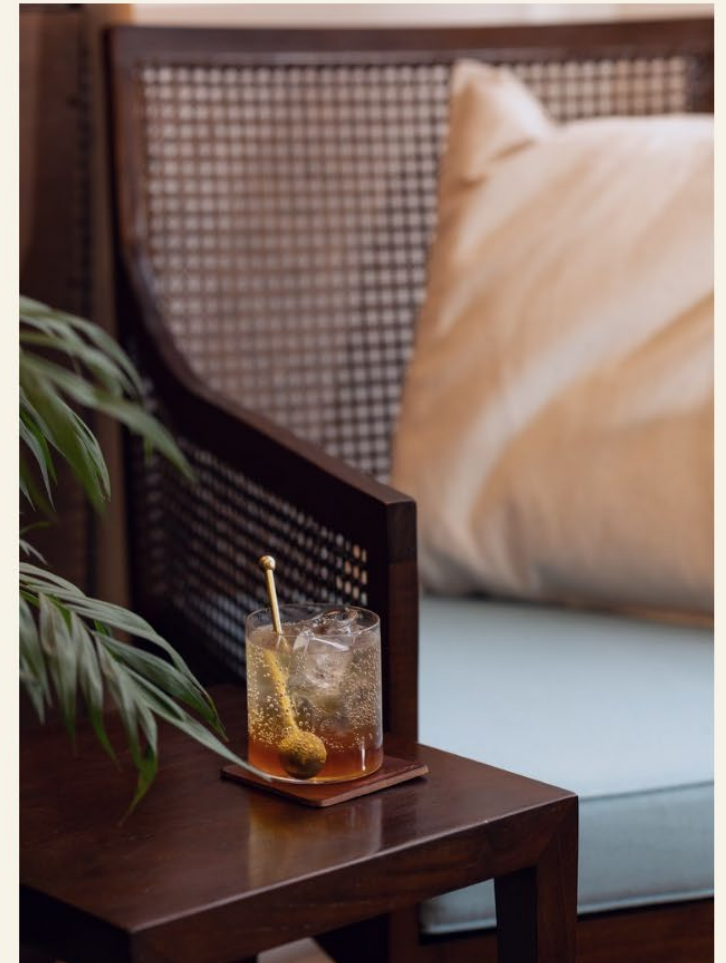
# Proudfoot & Co – environmentally conscious

## A DRINKS LOUNGE FOR THE BOLD AND CURIOUS

At Proudfoot & Co. we curate a modern menu of non-alcoholic drinks and nibbles that are rooted in the integrity of the past.

This means doing everything from the ground up. By researching hundreds of old cookbooks, we are rediscovering ancient brewing techniques and production methods. We forage every day for a lost local pantry of ingredients, keep our own bees, tap local trees for syrup, and ferment in-house. Many of our drinks have no air-miles on them, and we can trace every ingredient from its source.

[View Menu](#)



# Games bars – deliver on experience.

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## TWENTY TWENTY TWO

### MANCHESTERS NO.1 PING PONG BAR

Twenty Twenty Two is a bar, ping pong room and event space in the heart of the Northern Quarter, Manchester. Open 7 days a week.

Twenty Twenty Two, The Basement, 20 Dale Street (entrance on Little Lever Street), Manchester. M1 1EZ



# New products and experiences remain key to elevating consumer experiences out of home

**Exceeds expectations**



Experiential activations

Exclusivity

New experiences

Good food presentation

New or different food/drink choices

Value for experience

Community links

Ethical values

Extensive range of drinks

Locally sourced produce and drinks

Premium / high quality alcoholic drinks

Extensive / varied range of plant-based options

**Essential**



A good atmosphere / ambience

Friendly staff

Sustainable ingredients

Quality food offering

A venue where I feel safe

Clean toilets and facilities

Knowledgeable staff

Healthy options

Use of technology for payment and ordering

Good service

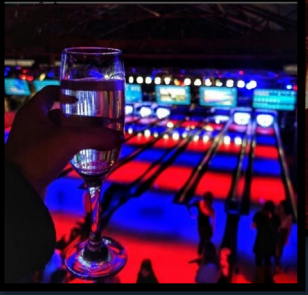
Value for money



**Elevated**



# But new, rotating, integrated attractions are needed to raise the appeal of experiential venues



## Elevated experience



## Essential experience



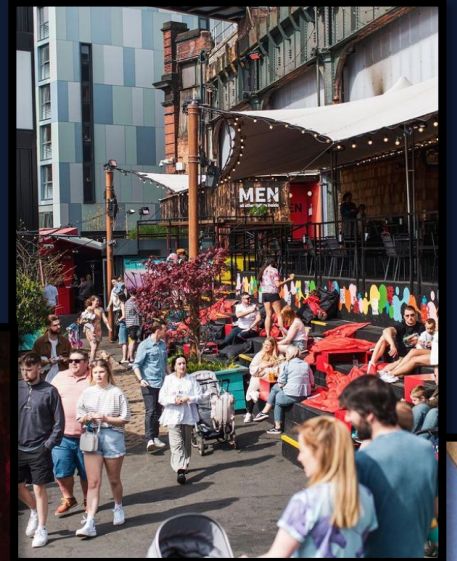
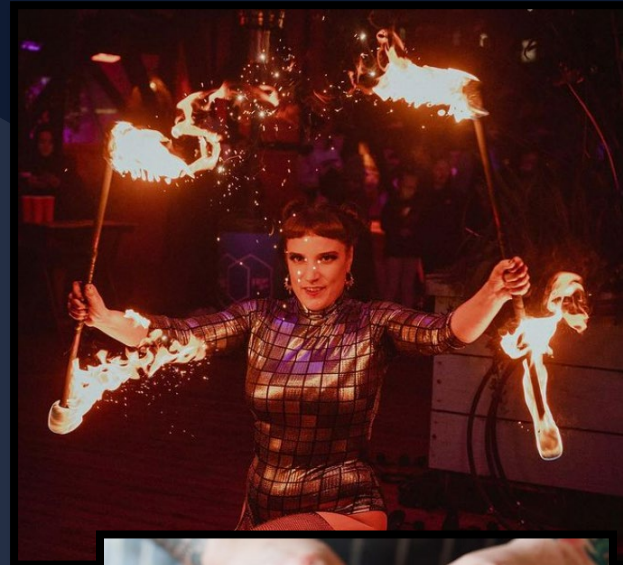


Shufl. — Essential experience



Escape to Freight Island

— Exceeds expectations



Mr. Fogg's — Elevated experience



# How do you bring the category alive in your Student Union?

Rhys Foster, National Accounts Mixologist from Signature Brands will now illustrate how to activate the category



# TOP TIPS FOR CREATING YOUR MENU

Don't call them  
Mocktails!  
They are cocktails  
in their own right

## NO ALCOHOL COCKTAILS

**NO ALCOHOL PORN STAR MARTINI**  
Lyre's White Cane non-alcoholic drink,  
passion fruit, vanilla syrup and freeze dried  
raspberries. Served with a shot of  
lemonade. *134kcal*

**TANQUERAY 0.0 COLLINS**  
Tanqueray 0.0, lemon juice, sugar and soda.  
Garnished with dehydrated lemon. *107kcal*

**NO ALCOHOL ESPRESSO MARTINI**  
Lyre's White Cane non-alcoholic drink,  
Lyre's Coffee Originale, vanilla syrup and  
coffee. *84kcal*

**NO ALCOHOL MOJITO**  
Lyre's White Cane non-alcoholic drink,  
sugar syrup, lime & mint, topped with soda.  
*57kcal*

Presentation and 'Instagram-ability'



Create twists on  
classic recipes and  
flavours, they are  
popular for a  
reason!

Utilize high quality  
mixers and syrups  
to create simple  
'spritz' serves



# Orange Spritz

Amount (ml)	Product	Unit Cost	Serve Cost
30	Monin orange spritz syrup	£4.85	£0.21
75	Sea Change 0% Prosecco	£53.21	£0.67
25	Marlish Soda Water	£11.76	£0.06
Total Drink Cost			£0.93
Sell Price			£4.50
Cash Margin			£3.57
GP %			79%





# Tropical Collins

Amount (ml)	Product	Unit Cost	Serve Cost
50	Coconut Water	£14.84	£0.19
20	Lime Juice	£6.67	£0.13
15	Agave Syrup	£6.98	£0.21
25	Marlish Sicilian lemon sparkling water	£11.54	£0.07
Total Drink Cost			£0.60
Sell Price			£4.00
Cash Margin			£3.40
GP %			85%

# Raspberry & White Choc Spritz

Amount (ml)	Product	Unit Cost	Serve Cost
20	Monin white choc syrup	£4.85	£0.14
10	Lemon Juice	£6.67	£0.07
100	Marlsh raspberry sparkling water	£11.54	£0.29
Total Drink Cost			£0.50
Sell Price			£4.50
Cash Margin			£4.00
GP %			89%

Raspberry & White Choc Spritz





## Apple & Mint Chill

Amount (ml)	Product	Unit Cost	Serve Cost
125	Frobishers Apple Juice	£18.18	£0.38
15	Lemon Juice	£6.67	£0.10
10	Mint Leaves	£6.98	£0.14
25	Marlish Elderflower sparkling water	£11.54	£0.07
Total Drink Cost			£0.69
Sell Price			£4.00
Cash Margin			£3.31
GP %			83%

**Alcohol-free does not need to be associated with limited choice and dull taste.**

**Gone are the days when your options were just sugar filled carbonated soft drinks, laced with enough caffeine to blow your socks off!**

**There is absolutely no excuse for poor quality drinks just because they are “alcohol-free!”**

**By offering quality choices for both the moderating and non drinkers, you can also maximise the GP and cash margin potential from a category in HUGE growth!**

**Let's explore this :-**

## **No alcohol-free options**

**Your average moderating/non-drinker is very unlikely to drink 4/5 soft drinks, probably 2 at most, meaning a spend of approx. £4**

## **Quality alcohol-free options**

**Moderating and non-drinkers are much more likely to feel included and there for be consume drinks at a similar level to those drinking alcohol – 3+ drinks, meaning a spend of approx. £12+, with a high cash margin!**