

Cider - UK - December 2010

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What is this report about?

The cider market has been one of the real success stories of the alcohol market over the past five years, helped by clever innovation which has constantly updated its appeal to its core 18-34-year-old consumer base. However, looking forward, 2011 and beyond threatens to be even tougher for the industry, with duty and VAT forcing a sharp rise in its retail selling prices (RSP) as well as those of its competition. To continue its present rate of growth, cider must persuade drinkers to prioritise it more rather than just seeing it as an alternative to what they usually drink. The category also needs to do more to sell itself to non-cider drinkers, many of whom are willing to try it, but find that it rarely falls on their radar.

What have we found out?

- Innovation and greater segmentation will continue to drive the cider market, with new customer groups already emerging such as the 2.3 million, primarily younger (18-24 year-olds), female drinkers who drink the new pear/other fruit ciders but not traditional apple cider.
- Smaller volume serves are key if the cider market is to attract more women, as almost half (47%) of non-cider drinking females prefer not to drink bottles or pints.
- By promoting cider as a compliment to British roasts, or encouraging Spanish-style drinking of cider in "shots" among friends, the market can attract more non-drinkers into the category. Currently, three in five people in the UK do not drink cider, and it never occurs to the majority (66%) of them to do so.
- The introduction of an 'extra cold' draught format, as is currently being trialled through Magners Golden draught, can become an important tool to tempt young male drinkers to drink cider rather than beer or lager. Currently, 67% of male non-cider drinkers prefer beer if they are having a pint yet Mintel's Lager report – UK, November 2009 found that the extra cold draught serve was the biggest attraction among young beer drinkers.
- While twice as many cider drinkers now see it as a year-round rather than as a summer-only drink, there are still 4.4 million drinkers who only drink cider in warm weather, and mulled cider brands can challenge this perception and associate cider with the festive period.
- Cider has rich potential to further grow its user base, with 10.4 million UK adults prepared to consider drinking it in the future. These 'potentials' were most likely to drink other British/Irish products such as whisky and ale/stout, suggesting that they are particularly receptive to communication emphasising local provenance.

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