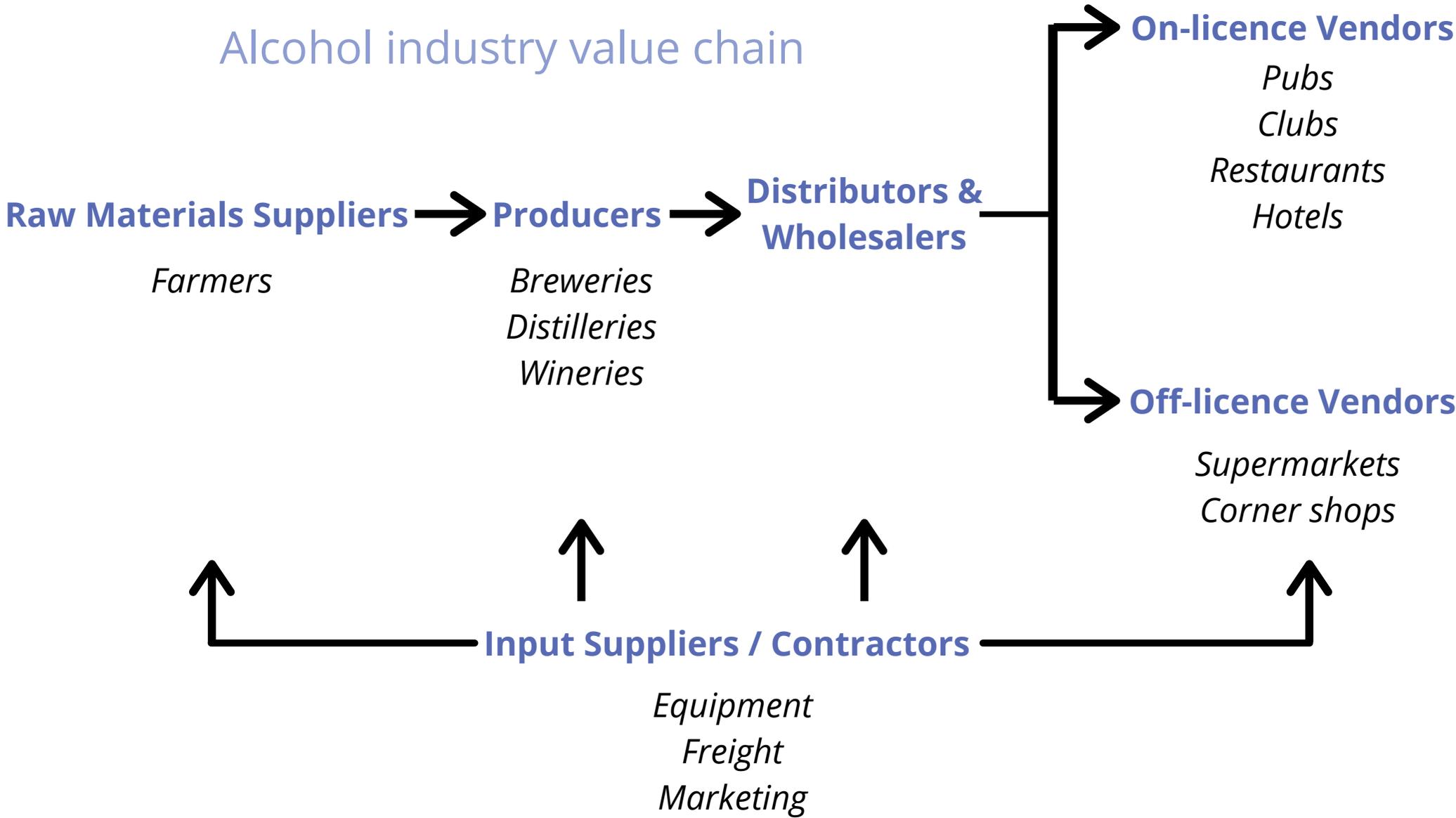


# Industry



# What is the alcohol industry?

Alcohol industry value chain

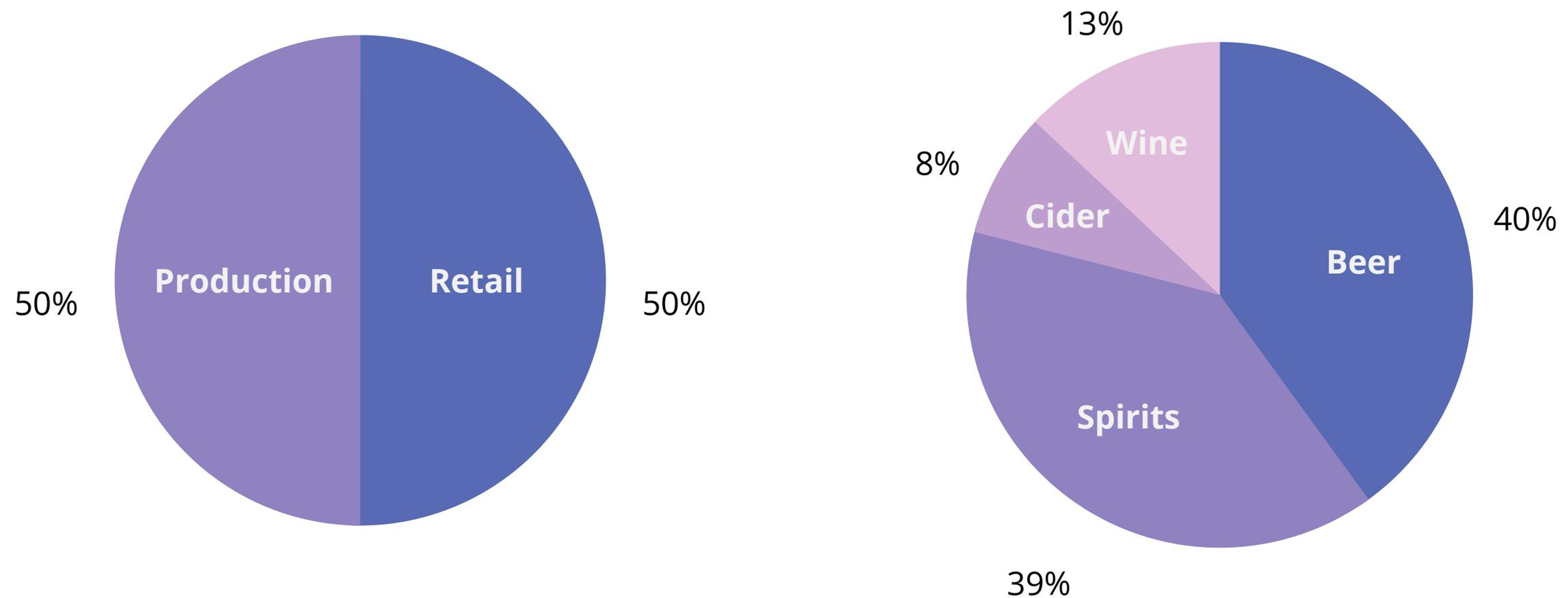


The industry's value chain is supported by a number of collective bodies, which give producers a voice in the public sphere.

This includes trade associations (eg Spirits Europe) and 'social aspects and public relations organisations' (SAPROs, eg Drinkaware).

# How is the alcohol industry split?

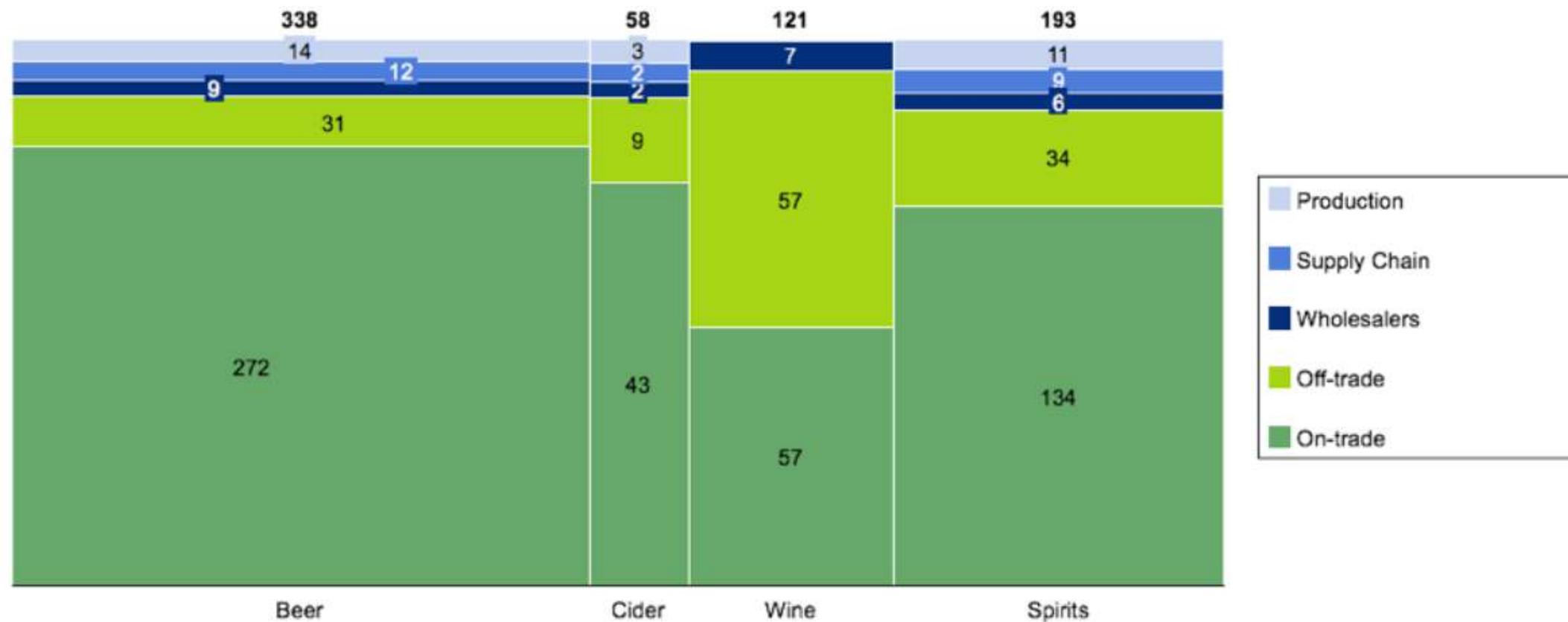
Share of non-tax UK alcohol industry value, 2014



# How many people does the alcohol industry employ?

Alcohol Industry Employment, 2014  
000 Employed

Estimate



Source: MESAS Alcohol Retail Sales Dataset, ONS Business Register and Employment Survey, ONS Annual Business Survey, BBPA Statistical Handbook 2015; Bhattacharya, A. (2017), Splitting the bill: Alcohol's impact on the economy. London: Institute of Alcohol Studies, p. 14

# Who are the top-selling alcohol brands in the UK?

| Company                | Category            | Headquarters           | 2019 global revenue | Major brands   |
|------------------------|---------------------|------------------------|---------------------|--|
| <b>AB InBev</b>        | Beer                | Leuven, Belgium        | £40bn               | Budweiser, Stella Artois, Corona, Skol, Brahma, Quilmes, Victoria Bitter |
| <b>Heineken</b>        | Beer                | Amsterdam, Netherlands | £26bn               | Heinken, Amstel, Desperados, Sol, Strongbow                              |
| <b>Asahi</b>           | Beer                | Tokyo, Japan           | £12bn               | Asahi, Peroni, Grolsch   |
| <b>Carlsberg</b>       | Beer, Cider         | Copenhagen, Denmark    | £8bn                | Carlsberg, Tuborg, Kronenbourg, Baltika, Somersby                        |
| <b>Diageo</b>          | Spirits, Beer, Wine | London, UK             | £13bn               | Johnnie Walker, Smirnoff, Captain Morgan, Baileys, Guinness, Tanqueray   |
| <b>Pernod Ricard</b>   | Spirits, Wine       | Paris, France          | £8bn                | Jameson, Absolut, Malibu, Jacobs Creek                                   |
| <b>Constellation</b>   | Wine, Beer, Spirits | Victor, NY, USA        | £7bn                | Robert Mondavi, Clos du Bois, Blackstone, Modelo, Simi, Ruffino          |
| <b>E &amp; J Gallo</b> | Wine                | Modesto, CA, USA       | £4bn                | Andre, Carlo Rossi, Boone's Farm, Barefoot Wine                          |

# Who are the leading alcohol retailers in the UK (on-trade)?

In 2018, there were 133,000 licensed on-trade premises, including pubs and bars.

The largest UK pub operators are:

| Rank | Brand         | Sales value (£ million) | Category | Producer                                      | Producer Headquarters |
|------|---------------|-------------------------|----------|---|-----------------------|
| 1    | Stella Artois | 533.3                   | Beer     | AB InBev                                      | Belgium               |
| 2    | Smirnoff      | 485.4                   | Vodka    | Diageo  | UK                    |
| 3    | Budweiser     | 418.4                   | Beer     | AB InBev                                      | Belgium               |
| 4    | Gordon's      | 354.2                   | Gin      | Diageo  | UK                    |
| 5    | Foster's      | 350.1                   | Beer     | Heineken (brewed under licence from AB InBev) | Netherlands           |
| 6    | Carling       | 276.5                   | Beer     | Molson Coors                                  | USA                   |
| 7    | Strongbow     | 271.3                   | Cider    | Heineken                                      | Netherlands           |
| 8    | Hardys        | 266.8                   | Wine     | Accolade Wines                                | Australia             |
| 9    | Jack Daniel's | 246.1                   | Whisky   | Brown-Forman                                  | USA                   |
| 10   | Famous Grouse | 216.3                   | Whisky   | Edrington Group                               | UK                    |

# Who are the leading alcohol retailers in the UK (off-trade)?

Around 70% of UK alcohol sales occur in off-trade premises

Major grocery retailers represent two thirds of off-trade sales

TESCO

Sainsbury's

ASDA

Morrisons  
Since 1899

ALDI

LIDL

Specialist alcohol retailers and corner shops represent 25%

Oddbins

Majestic

Bargain Booze

SPAR

Londis

Convenience stores represent a tenth

# How does the alcohol industry influence policy?

## Constituency building

- Forming industry groups and associations to assist coordination and collaboration
- Forming alliances with sympathetic non-trade bodies e.g. think tanks

## Policy substitution

- Corporate Social Responsibility (CSR) programmes, apparently promoting the social good independently of the government
- Developing self-regulation as an alternative to government restrictions

## Information and messaging

- Developing evidence: Funding and shaping original research
- Disseminating evidence: collating and interpreting existing evidence, for the public and policymakers
- Lobbying: making direct proposals and representations to policymakers

## Economic incentives

- Using economic incentives to influence policymakers, particularly employment opportunities and connections

## Trade litigation

- Shaping trade policy to secure favourable terms and access to new markets
- Using legal challenges to undermine unfavourable policies and regulation (typically on the basis of trade law)