The UK Grocery Channel

2025

FUTURE OF CRAFT BEER

Exploring the challenges, perspectives, and opportunities in 2025 and beyond

Contents

Introduction

At **We Are Beer,** our mission is to empower the beer industry through events, insights, and collaboration. As part of this mission, we've launched an industry forum to foster stronger ties and meaningful engagement across the community.

To build a dynamic and informed network, we've conducted ongoing research into the market, the consumer, and the wider environment we all operate in. Recent reports include:

- **Horizons 2024** – Highlighting five major trends shaping the beer industry
- **The Good Beer Drinker 2024** – Profiling consumer types and their motivations across on- and off-trade

Following strong interest in these reports, we commissioned new research into the **future of Craft Beer in the UK Grocery channel**—a fast-growing but sometimes divisive part of the beer landscape. The aim is to explore the challenges, perspectives, and opportunities that will shape the category in 2025 and beyond.

The research, conducted in April to June 2025 includes interviews and insights from UK Grocery retailers and brewers. It was led and authored by **Ben Penrose**, an experienced Food & Beverage expert and passionate Craft Beer advocate. With a background as both supplier and buyer for some of the UK's largest grocers, Ben brings a unique and practical perspective for both brewers and retailers.

This report presents aggregated findings and the key themes emerging from those conversations. We'd like to thank all contributors for their openness and shared enthusiasm for Craft Beer.

> Brewers and Suppliers to UK Grocers have a unique opportunity at hand.
>
> The majority of Buyers spoke of their **passion for the category** and their **pride in the range they'd built**. Citing collaboration with suppliers as important in building a credible category offer and giving their consumers the choice they wished to provide.
>
> **Be thankful for working in Craft Beer** and give consideration for the supplier who must deal with the Household Buyer or someone responsible for buying gravy granules and packaged sauces!"

In addition to qualitative insights, we include a snapshot of current Craft Beer performance in UK Grocery, provided by our sponsor, North Star.

About North Star

North Star is a data-led growth partner for challenger brands in UK consumer goods. They offer affordable, always-on access to Shopper and Market insights to help brands get listed, stay listed, and grow with Grocery retailers. Partnering with Circana and Kantar, their **Polaris** and **Illuminator** tools help suppliers benchmark performance, identify opportunities, and make smarter commercial decisions.

Using the Illuminator tool we can see that Craft Beer has grown in the Off-Trade through increased penetration and total no. of Consumers. The use of Free Standing Display Units (FSDUs) and secondary siting is most likely to have driven this sales growth.

In addition to this growth, Average Price has also contributed a significant upside, albeit at the expense of Volume per Trip and Frequency. This data correlates with the growth in pack size as the category matures.

NORTH STAR

Executive Summary

Challenges, Perspectives, and Vision for the Craft Beer Category

Craft beer continues to offer a unique point of differentiation for grocery retailers, but growth is now dependent on deeper consumer understanding, smarter commercial execution, and greater alignment with retail expectations. As penetration plateaus and consumer preferences evolve, brewers must adapt—shifting from niche appeal to broader relevance, while retaining their credibility and craft-led identity.

Younger consumers are drinking less but better, and new trends such as moderation, functionality, and no/low alcohol are reshaping expectations.

Retail buyers are increasingly seeking commercially capable partners who can support them with insight-led innovation, operational excellence, and collaborative category growth.

Craft breweries must also navigate pricing pressure, shelf space constraints, and the need to deliver clear value in a competitive fixture.

The role of the on-trade remains critical for brand-building, but success in the off-trade hinges on clarity, relevance, and creativity - how this translates on shelf is key!

Key Themes & Implications for Breweries

1. *Penetration*

Theme: Craft beer penetration had slowed in 2024 with limited engagement from older or more mainstream consumers cited as major concerns.

Implication: Breweries must innovate to succeed, through more accessible formats including pack size, mid-strength beers and approachable styles to attract new drinkers to the category.

2. *Style Evolution & Consumer Trends*

Theme: Fruity, sour, and lower-ABV beers are resonating with younger and more diverse consumers.

Implication: Embrace flavour-led innovation but stay taste-centric. Beers must still deliver on quality and experience to meet consumer expectations.

3. *Commercial Capability & Retail Readiness*

Theme: Retail buyers value suppliers who understand grocery dynamics and can deliver commercially viable solutions that deliver growth.

Implication: Breweries must operate with financial rigour, fulfil commitments, and support listings with demand-driving activities. Expect scrutiny on margin, performance, and execution.

4. *Range & Shelf Strategy*

Theme: Space for craft beer is under pressure; range must justify its footprint.

Implication: Retailers seek a Minimum Credible Range (MCR) with high-performing, recognisable SKUs. Innovation will play a role where space allows but quality and consumer preference will win out in the national distribution.

5. *Format & Price Architecture*

Theme: Shoppers are value-sensitive but also want consumption options. Format and pack design play a key role in consumer perception and spend.

Implication: Use 330ml for trial and entry and 440ml for indulgence and style exploration. Align formats with occasions and mission-based shopping (e.g. BBQ, gifting, chilled beer).

6. *On-Trade as the Brand Builder, off-trade as the sales lever*

Theme: Successful on-trade performance boosts off-trade appeal.

Implication: Seed innovation in pubs and bars to build credibility, then scale through retail.

7. *Seasonal & Impulse Activation*

Theme: Seasonal features and cross-category promotions help consumers reappraise the fixture.

Implication: Think collaboratively... where can you and the retailer win together throughout the year?

This could be seasonal events, sporting occasions and special moments (Father's Day, Xmas, etc.) that drive new consumption occasions.

8. *Education & Navigation*

Theme: Shoppers often feel overwhelmed or unsure about craft beer. Where do they start?

Implication: What is your brand architecture, packaging and activation doing to help consumers navigate and engage with the category and fixture? Put your knowledge aside... is it easy to pick up a beer and be confident what's inside the can?

Conclusion:

The craft beer category remains vibrant but is entering a new phase. Success now demands not just brewing excellence but also retail fluency, strategic agility, and a sharp focus on the evolving shopper. Brewers who embrace these challenges with creativity and commercial savvy will be best placed to thrive.

Understanding the UK Grocery Buyer

At the heart of every buyer's decision is one simple goal **"How can I improve performance?"**

In practice, that means:

- Sell more units per shop
- With greater frequency
- To more consumers

There is no space for pride or misconception in the fixture. The consumer speaks the truth by handing over their hard-earned cash in return for goods they want to buy. Buyer and Supplier must evolve their in-store offer by swapping out poorly performing products, tuning ranges and pack formats and maintaining a strong promotional incentive for consumers to buy.

> Commercial levers can be pulled through promotions (**drive frequency**), pack size (**drive consumption**) and unit costs (**spend**). Retailers are looking to find the balance between space for newness and variety - characteristics of the craft beer fixture - whilst driving bigger basket spend through bigger packs and enticing promotions.
>
> The net outcome here is that the operational efficiency of the space improves to meet the standards set by big pack beer – giving the buyer reasons to maintain space against their peer group in Beers, Wines & Spirits (BWS)".

Our research explored the future of Craft Beer in grocery retail through three key lenses:

1. *The Consumer Lens*

Using We Are Beer's Good Beer Drinkers Segmentation Guide, we explored how retailers can cater to the core segments of consumers who actively seek out Good Beer.

We spoke with participants with the ambition to better understand:

Q. How do these drinkers differ from the broader beer category?

Q. How can buyers use range to drive bigger baskets and higher shopping frequency?

Q. Which segments are most valuable to them?

2. *The Cultural Lens*

Drawing from We Are Beer's Horizons 2024 Trends Report, we examined how macro trends shaping the brewing industry influence retail decisions—specifically in product ranging and choosing brewery partners for UK Grocery.

3. *The Commercial Lens*

We explored the trading environment that grocery retailers operate in, and the key commercial considerations buyers weigh when making range decisions.

The report concludes with some key statistics relating to UK Grocery performance provided by North Star, our data partner for this research.

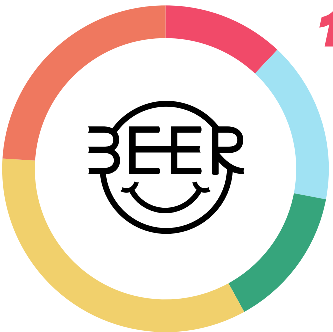
Beers, Wines & Spirits (BWS) is facing a real challenge as volume declines in response to several challenges including price inflation (all categories); post COVID-19 surplus (Spirits) and the rise in moderation.

In UK Grocery, Regular Beer & Cider is in both volume & value decline, whereas Craft Beer continues to grow volume; providing retailers with a little relief from challenging category performance.

NORTH STAR

1. The Consumer Lens

The Good Beer Drinkers Guide - A Different Approach?



Understanding the Craft Beer Consumer:
Insights from the Good Beer Drinker Report

Grocery retailers often define consumers by demographics and purchase behaviour. The Good Beer Drinker Report challenges that lens, offering a more nuanced way to think about the craft beer shopper.

Retail buyers admitted that craft beer ranging relies more on intuition and experience than on data alone. Loyalty card insights, for example, can misrepresent true shopper behaviour, particularly in households where women still lead the weekly shop*.

Buyers described the Good Beer Drinker Grid as a useful checklist for understanding consumer needs and shaping credible ranges.

We shared the report with buyers in advance of interviews to test its relevance and to identify which consumer types were reacting best to in-store commercial levers.

We asked them to evaluate their range decisions through this lens—and how well those ranges delivered against what beer drinkers want.

	Pleasure Seekers	**Deep Connectors**	**Beer Geeks**	**Communiteers**	**Curious Casuals**
Driver	Discovery and newness	Connection and conversation	Knowledge and status	Community and belonging	Cultural experiences
Connect with	Flavour, bold personality	Sessionable, accessible and reliable	Product, techniques, provenance	People, places and stories	Bold brands and variety
In a brand	Vault City	Thornbridge	Verdant	The Kernel	BrewDog
At festivals	Novel beers and serves	Core range icons	Exclusives	Meet the brew team	Entertainment

** In heterosexual relationships, there remains a predominant bias towards women undertaking the regular grocery shop. This presents both data-integrity challenges in respect to cross-basket analysis and how to present products at the shelf-edge where consumer engagement and confidence is lower.*

Pleasure Seekers

Where Discovery meets Novelty

The largest segment. Pleasure Seekers want **regional variety, constant newness**, and **confidence in the range**. They enjoy supporting local brewers but also seek surprises. The singles range is critical here; delivering "**range credibility**" and echoes the experience of a bottle shop.

Buyers often steer away from data in this segment, leaning instead to **on-trade trends**, personal judgment, and occasional risk-taking to differentiate. We're seeing a rise in **sours and fruit beers** aimed at these adventurous drinkers.

Buyers use multi-buy deals to encourage consumer trial and increase basket size. Balancing the economics of frequent range changes with brewing costs remains a challenge. Success here depends on strong brewer–retailer relationships built on **trust, flexibility, and communication**.

> A credible Craft Beer range demonstrates thought and consideration for the consumer, it definitely has a wider impact on consumer expectations for the rest of our BWS range!"

Deep Connectors

Better Beer, better Conversations

Our second largest segment. These habit-driven drinkers want **reliable quality** at a good price. Unlike Pleasure Seekers, they value **multi-pack formats, promotions**, and **convenience** over variety. They'll shop across several trusted brands, especially when on offer.

Retailers should cater to Deep Connectors with clear pack architecture and value-led offers. Even in smaller stores, carrying a **Minimum Credible Range (MCR)** builds trust in the fixture and drives volume.

In short: **bigger packs + better value = stronger sales, regardless of store size.**

Beer Geeks

The Joy of searching for Excellence

These drinkers frequent bottle shops and taprooms, seeking **exclusivity** and **collaborations**. Some grocers have successfully launched **exclusive packs** that exceeded expectations—news of which spread fast in the Beer Geek community.

Though they may not be regular grocery shoppers, Beer Geeks will drop in during **range refreshes** to spot new or limited-edition releases.

Communiteers

The warm Heart of Communion

Communiteers care about **brand values, founder stories**, and **community**. These elements are difficult to convey in a traditional supermarket setting but still influence ranging decisions.

Buyers recognised that more could be done to engage this group of consumers. In the research ideas were discussed to build connection in Grocery that included:

- Sharing brand stories in magazines
- "Gift a Beer" initiatives
- Founder-focused marketing
- Consumer sharing-pack formats i.e. share a beer with a friend

While potentially costly, these ideas can succeed with retailer support, especially if brands offer **exclusive products** that make the investment worthwhile to the retailer.

Curious Casuals

Surfing the Cultural Trends

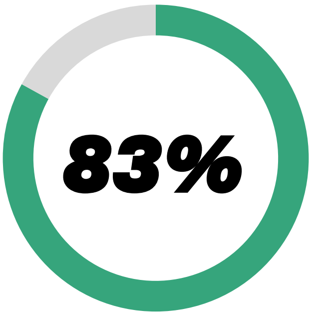
This small but vocal group seeks products that scream "**I'm different**" at the till. They're drawn to bold packaging, edgy branding, and cultural relevance.

BrewDog stood out as their top brand—proof that social media and cultural cache still matter, even if the brand's cool factor has waned for other consumers in the craft beer community.

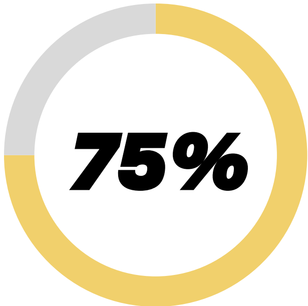
Warning: These shoppers may be impulsive and lack loyalty. **One bad experience could put them off craft beer entirely.** Clear signposting and guidance are key.

Research from the Good Beer Drinkers Guide provided some interesting points for discussion with retailers.

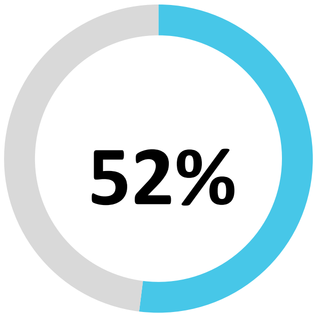
Key Insights from the Good Beer Drinkers Guide



are ABC1: Higher disposable income, mostly urban



also drink wine



also enjoy cider, gin, whisky, and cocktails

This crossover means craft beer shoppers can positively impact **total BWS performance**. A distinctive range, especially with **exclusive lines,** can help anchor their loyalty and increase overall spend.

Over half of craft beer drinkers also **enjoy cooking**, citing taste, flavour, and provenance as key influences. Traits that shape not just what they drink, but what they buy across categories.

Retailers echoed these findings, agreeing that craft beer serves **multiple consumer roles**, even within a narrow category. Most felt their shelf space allowed for sufficient experimentation with **formats, styles, and brands**.

However, they also noted a challenge: **low rate of sale (ROS)** often limits access to **secondary space** like meal deals, seasonal aisles, or cross-category promotions despite craft beer's potential to drive incremental sales. There's a strong desire to change this, and buyers are watching closely for opportunity as the category matures.

Further findings showed:

89%

of craft beer drinkers visit pubs regularly

74%

buy beer from supermarkets

Traditionally, the on-trade was where brands were seeded and trialled. Post-Covid, however, the **off-trade is now seen as a key space for discovery and conversion** alongside the on-trade shifting how both brewers and buyers approach the channel.

Buyers encourage suppliers to launch with them, rewarding exclusivity and unique formats with space in fixture.

2. The Cultural Lens

Building from Horizons 2024 trends report

We shared the 5 Horizons report with buyers to provide core themes on which to discuss the macro trends driving consumer decisions and consumption in their stores. Topics were discussed in no particular order and buyers were given the opportunity to share their thoughts on each area.

Horizon 1: Identity & Marketing:

Retail buyers noted that **craft beer's core audience was 25–44 years old** and this group hasn't grown beyond the core age group. With overall consumer numbers flat, the **key challenge is growing penetration**; getting more people into the category.

Fruit and sour beers are helping boost sales and broaden appeal, particularly among **younger consumers and women**. These styles are seen as gateways to bring in new drinkers and increase sales velocity.

When it comes to **brand-building**, most buyers still believe success in the **on-trade** (pubs and bars) remains the strongest route to driving growth in grocery despite the effort and investment it demands. Where it works, the payoff in off-trade is clear. Notable examples include:

Tiny Rebel recently launched Rebel IPA. Aligning launches across both the on- and off-trade to deliver greater impact for both channels.

Jubel are using on-trade trial of consumers to fuel grocery sales

> Neck Oil is a great example of how seeding in the On-Trade and delivering great volume in the channel drives the Off-Trade"

In a counter intuitive turn **BrewDog** is currently reversing this trend with FSDUs and activity in store that's offering **free beer** and dinner in their own bars to celebrate their birthday.

Horizon 2: Environment:

Retailer feedback suggests the **environment isn't a key factor in consumers' beer choices**. Sharing that if the sustainability message isn't obvious, it's unlikely to influence the purchase decision.

That said, most **grocery retailers have ambitious sustainability targets**, including reducing CO_2, cutting packaging, and promoting reuse. Products that align with these goals are more likely to gain buyer support as they meet the objectives the the buyers need to deliver.

Upcoming legislation including **Extended Producer Responsibility (EPR)** and **Deposit Return Schemes (DRS)** will have the biggest impact on how environmental factors shape ranging decisions.

Under EPR, the can format is positively encouraged, therefore, **Craft Beer already holds an advantage** over Ales and Continental beers, which typically rely on heavier, glass formats. This presents an interesting conflict for retailers as research from one retailer found that **60% of shoppers still prefer bottles**, associating them with freshness and quality - a perception cans struggle to match!

60%
of customers are buying in bottles when given the choice!

With Craft Beer's focus on cans in the off-trade, there's an opportunity to lead on sustainability **but only if consumers recognise the format value versus the quality perception**.

Unfortunately, in an example of disconnected regulation, government policy may undercut this opportunity: **the exclusion of glass from the DRS** scheme means the environmental advantage of cans could be lost when priced at the shelf-edge.

Everyone remains very interested to see how quickly DRS and EPR make an impact on our industry...

Horizon 3: Technology:

Using AI and advanced software may feel at odds with the craft of brewing great beer but as grocers increasingly rely on these tools to cut costs, **suppliers will be expected to follow suit**. For Grocery buyers, delivering better value to consumers remains a top priority. As a result, **creative use of AI and software to streamline operations and reduce costs** will become increasingly important for suppliers looking to stay competitive in the Grocery channel.

Horizon 4: Economy & Work:

With a broad mix of retailers involved, it was no surprise to hear differing views on how the economy and changing work patterns are shaping beer consumption.

Buyers agreed that COVID-19 had significantly shifted the on-trade/off-trade balance. Some felt **reduced on-trade trial was limiting Craft Beer growth** in retail, while others saw Craft to stand out from Lager, Cider, and big-pack deals.

One major Craft brewer was credited with attracting Premium Lager and World Beer drinkers through strong promotions and competitive price-per-litre.

In contrast, another brand saw demand falter after its pricing exceeded what consumers viewed as a reasonable premium to pay for good beer.

Building out this theme we asked the Buyers:
How does spend for the Craft Beer consumer compare to the regular beer drinker?

All agreed that Craft drinkers are willing to pay more but there's a delicate balance! Buyers must weigh price points, store operations, and unit sales to maintain profitability. **To grow value**, some buyers are leaning into **exclusives** and **limited editions**; others are backing **higher ABV styles** like Imperial Stouts, DIPAs, and complex sours in 440ml formats. **Larger packs** also offer a way to drive basket spend.

However, key category comparatives that influence Craft Beer positioning in store and sit outside the Craft Beer buyer's control include:

- **Lager's household penetration** and dominance in larger case formats
- **Wine's basket-driving discounts** (e.g. 25% off six bottles)

Horizon 5: Health:

Responses to this insight were mixed. Several buyers noted plenty of headlines but limited sales impact, especially around low-calorie beers and functionality.

The No/Low Alcohol sector continues to grow, driven by moderation and product improvements. In addition to No/Low growing +20% in value (*North Star - 52 wks*) retailers report increased interest in lower-strength beers, though this seems more influenced by price and familiarity than health motivations.

For example:

- 4 x 440ml cans at 6%+ ABV can cost over £10 and may leave the consumer jaded in the morning.
- In contrast, 4 x 330ml cans at 3% ABV are half the price and are less impactful post-beers!

> The **category remains taste-centric** and that is the consumers first consideration."

Buyers agreed that **education is critical** in a category where core Craft Beer drinkers rate style and provenance more than ABV or calorie counts.

Emerging trends likely to shape the category include:

Growth of No/Low:

- Younger generations are rethinking alcohol's role in socialising
- Older consumers are moderating as part of healthier lifestyle routines

Functional beer:

- Inspired by soft drinks; expect to see adaptogens, nootropics, and mood-boosters enter the category

Impact of GLP-1 weight loss drugs:

- Lower consumption may lead to "fewer, better" drinking occasions, with consumers willing to spend more per experience in place of consuming less often!

3. The Commercial Lens

To conclude the research, we gave Buyers the opportunity to share their thoughts on Craft Beer. The collective thoughts may prove useful prompts to brewers at their next buyer's meeting. Here are the headlines:

> In beer it's an undeniable truth that beer in the fridge at home stands a much better chance of being consumed (and re-purchased) than it does sat on the shelf in the supermarket!"

1. Buyers are expected to develop a strong understanding of the categories they manage. In Craft Beer, many have done just that, immersing themselves in the beer community and bringing personal energy to the fixture.

This benefits the industry, but it's important to remember: **a buyer isn't always the consumer**. They often need clear rationale and confidence in a beer's role before agreeing to list it.

> Our challenge to new suppliers is 'Is it a good beer? Brew your best beer'. Is the packaging easy to understand and distinctive?
>
> Is it affordable?"

2. There's a baseline for "good commercial practice," including:
- Meeting minimum production commitments
- Showing financial discipline when proposing opportunities
- Demonstrating demand planning, not self-congratulation
- Accepting that listings require performance, not permanence
- Bringing fresh insights and added value to the buyer relationship

When discussing supplier capability, buyers consistently noted that many new Craft Beer producers face a steep learning curve in adapting to Grocery retail. **Commercial expectations differ** significantly from those of independents, wholesalers, or pubs.

3. If you supply Grocery Retailers, consider the **minimum credible range (MCR)** per store needed to ensure consistent sales and loyalty. The MCR should showcase the best styles and quality available including your competitive set. Strong brands like Beavertown Neck Oil and Brewdog Punk IPA provide in-store signposting and signal that the retailer takes Craft Beer seriously.

4. Retailers vary in size and strategy, tailoring their fixtures to appeal to core customers while attracting new ones. They focus on core products and exclusivity to create **clear shelf-edge differentiation**. One buyer described UK Grocery as selling "Mass Awareness Craft," capturing how the fixture should feel to shoppers.

Early on, Buyers confidently over-spaced Craft Beer, growing its shelf footprint at the expense of Ales, Stouts, and Lagers. This strategy boosted market share against competitors. However, every retailer now agrees there's insufficient evidence to justify more space based on current sales.

5. With so many brewers and beers, differentiation is key. Buyers emphasized there's **no need to offer the same range**. The right brands energize sales and buyers confirmed this - while BrewDog leads in share, other suppliers can compete successfully through clear product distinction.

> Good Beer demonstrates our knowledge and care in respect to the category and signals to our consumers that we know what we are doing"

Larger retailers benefit from offering a wide variety to capture footfall, but variety alone doesn't guarantee success. Promotions, pricing, pack sizes, and pack formats all need careful consideration to maximize performance.

Key themes include:

- 330ml cans and multi-packs at sessionable strengths for trial and entry
- 440ml cans with higher ABV for indulgence and adventurous drinking
- 4-packs usually mid-strength (under 5%) and better value than singles
- Larger packs offer better value and encourage at-home consumption
- Suppliers that support promotions across formats can aid consumer loyalty

“

The Buyer’s craft is in encouraging brands and formats that help people move towards **bigger baskets**. Likewise, bringing in styles for entry to the category can drive penetration, bringing **new consumers** to buy good beer from us.”

6. **Sour and fruity beers are rapidly growing**, echoing the fruit cider trend of the 2010s.
7. Grocery can offer choice at the shelf-edge with our research showing opportunities through **local and regional ranges**. Examples given include Wiper & True, Arbor and Full Circle amongst others.
8. Craft beer **can attract new consumers** into the category through siting in novel locations in store. Seasonal promotions boost purchase frequency and range awareness. BrewDog’s shippers prove that exposure works across major grocers.
9. Collaborations on events like Father’s Day and Christmas help **retailers differentiate** and refresh their offerings.
10. **Right place / right time** can differentiate your beer and the retailer. Pairings like BBQ and Spanish Lager or Beer and Pizza open beer to new drinkers.

    Travel and tourism also matter - shoppers want to try beers they enjoyed elsewhere.
11. **Price elasticity and promotions** are largely controlled by buyers, not suppliers. Be mindful of what you can control and prepare financially for the ‘category offer’.

We closed our research by asking buyers “Is there anything that you'd like to be doing differently as a retailer if you could?” Answers included:

“

If I had unlimited space, I’d love to be able to showcase more styles and more independent brewers...”

“We see better sales performance in Craft beer where beer is served chilled... it would be great if we could offer craft beer from chillers in store but it is too expensive... where convenience leads our mission we try to provide cold beer from fridges; although with higher operating costs tied to fridges it is important that the products selected for sale here generate sufficient sales to cover those costs!”

“Provide a clearer point of view for our consumers... navigating the fixture with education and breaking down misunderstanding or trepidation surrounding styles”

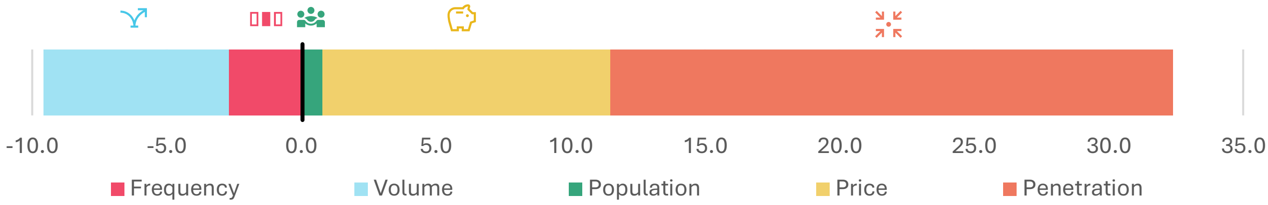
“Craft beer and food should be working harder in retailers together”

“

We work hard to deliver high quality beers at affordable prices”

North Star - Grocery Spotlight

What are the driving factors for performance in Good Beer?



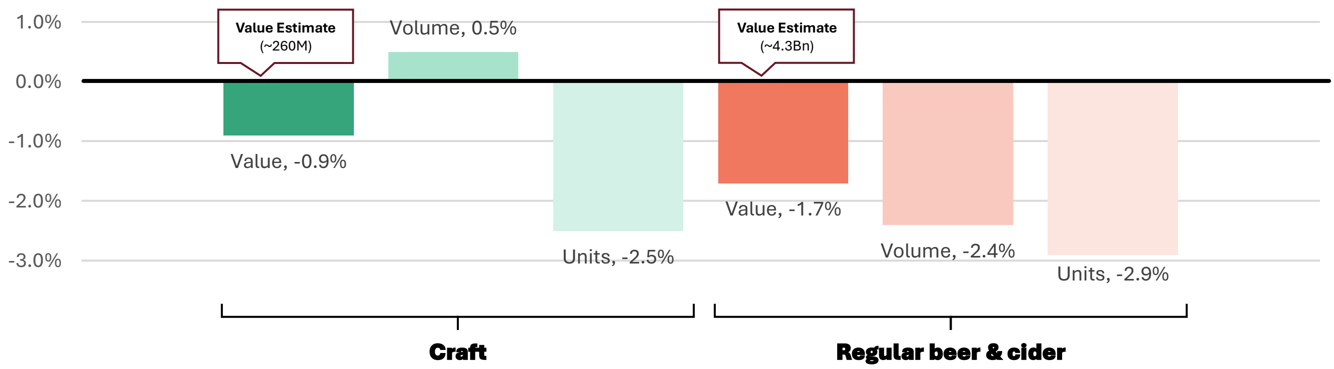
Source - Illuminator, 52we 15.06.2025

Using the Illuminator Tool (North Star panel data) we can see that the drivers for growth across the top 10 Craft Beer brands* in the off-trade include:

- **Penetration** has grown; with the very largest brands securing secondary sites in grocery stores with new variants (e.g. Cold Beer and Wingman) and strong deals on driving consumption (4 packs).
- The **total no. of consumers** has grown by a small amount, adding sales value.
- **Average price** has also grown in line with retailers offering more types of larger packs in the main fixture; taking the opportunity to grow consumption from an established customer base of Craft Beer drinkers.
- This has come at the expense of **reduced volume per trip** (more new customers buying smaller pack sizes) and **lower frequency** (established consumers buying bigger packs but less often).

**The data here is brand-centric and includes launches of other beer styles beyond craft beer alone*

In UK Grocery - Craft Beer is outperforming regular Beer & Cider.



Source: Polaris (EPOS) data 52 wks. vs YA (14 June 2025)

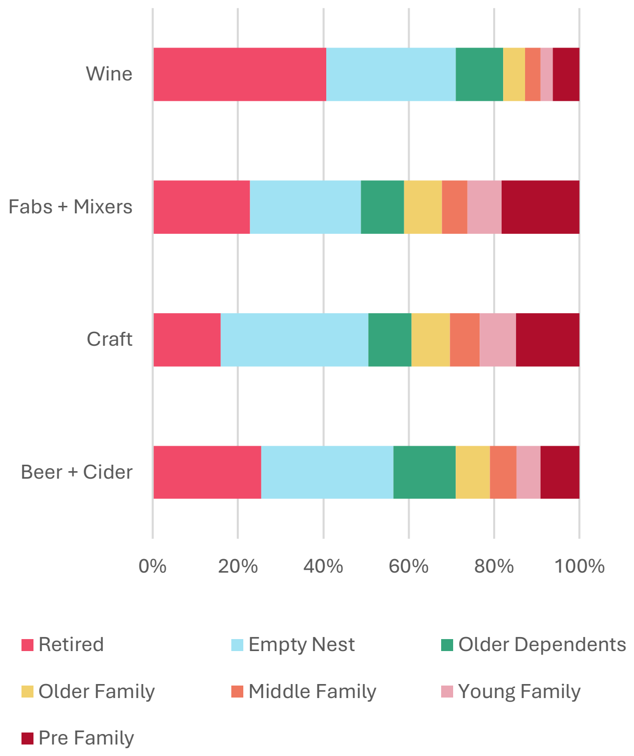
Using the Polaris report (North Star EPOS) for the UK Grocery channel we can see that the growth in the category of Craft Beer is not as rosy as the performance of the top 10 brands suggest it is.

Analysts beware though (!!) as the difference between both data sets tells a positive story.

i.e. Many of the largest brewers in Craft beer have been launching in alternative styles to core craft and the sales are being recorded in the respective categories (e.g. Lager, Stout, etc.). This suggests that the quality of beer more widely is getting better, albeit not quickly enough to stem the decline!

For Grocers, Beer & Cider play a much larger role than sales alone!

Which age group is most important to my category?



Family groups are important to retailers because they have the largest basket spend and convenience drives their consumption.

i.e. They will shop with a preferred retailer more often than other consumer groups will!

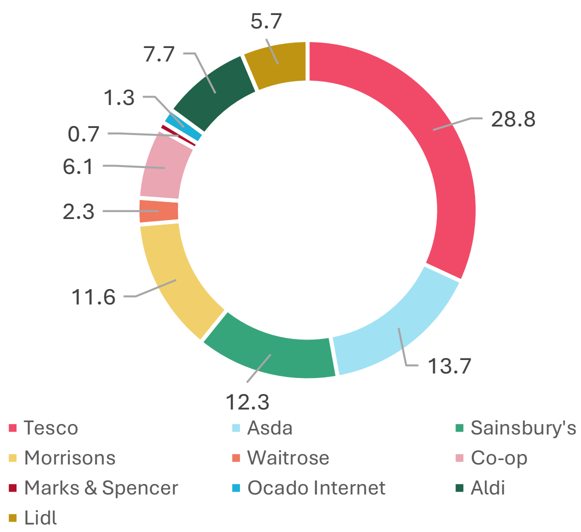
- In comparison to BWS, Beer & Cider has the largest share of the family groups spend
- It significantly outperforms Wine whose consumer is more centred on Empty Nesters and Retired age consumers
- It offers more family consumers than Fizzy Alcoholic Beverages (FABs) and Mixers but loses out on pre-Family shares.
- Craft beer is interesting because it has more consumers in both pre-family and young family segments versus Beer & Cider as a whole... a **category to nurture** if the retailer wants long-term success.

Beer & Cider Share in Off-Trade

Tesco (28.8%) hold more than twice the share of the Beer & Cider business in the UK Off-trade than their next nearest competitor (Asda at 13.8%); their ability to sell big packs of lager and cider driving the out-performance against their own market share.

Co-Op (6.1%) significantly out-perform their market share without big packs as their convenience estate provides many opportunities for the 'refreshing top-up mission' during the week!

Both brewers and retailers need to consider the opportunities that good beer can provide in the context of market performance; the ability to grow Average Selling Price (ASP) and the credibility craft beer brings to the offer on-store.



North Star provide **Data Services to challenger brands** using their Polaris (EPOS) and Illuminator (Panel) tools. The use of these tools can provide compelling insights to retailers and provide context for suppliers on their role in a category – supporting brands to win listings and retain business in the UK Grocery channel.

NORTH STAR

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