

04

4 DRINK TRENDS

And what they mean
for your business



UNITED
DUTCH
BREWRIES

#01 Premiumization

#02 Authenticity

#03 Well-being

#04 Experimentation



According to recent research by Global Data, Euromonitor and Mintel, four key consumer trends stand out for the beer & malt category. Exploiting them effectively could offer importers and retailers a variety of opportunities.

Get the full lowdown on trends

Key trend #01

Premiumization

'Premiumization' describes growing consumer demand for more **luxury options**. The trend is driven by several factors including rising incomes and people's desire to **treat themselves**. Consumers want to signal their perceived status. Beer and malt producers are responding by premiumizing products through, for example, the use of **exclusive ingredients** or a more complex brewing processes. They launch luxury packaging options or exclusive **limited editions** of their products.



[More about premiumization](#)



Key trend #02

Authenticity

Growing consumer demand for '**genuineness**' or products with long histories drives the authenticity trend. In the beer & malt category, consumers are particularly looking for brands that they can **trust**. Where does that trust come from? It could be that a beer has been around for a **long time**, or that it only uses **pure ingredients**, or that it was brewed in a country with a reputation for **quality**. German beers are a perfect example of this trend.



[More about authenticity](#)



Key trend #03

Well-being

People are taking more responsibility for their own **health and well-being**. For the drinks industry, this has resulted in the popularity of **healthier alternatives** such as beers with less alcohol and fewer calories as well as organic, bio or gluten-free options. The idea of well-being also extends to support for **social causes**, environmental **sustainability** and fair trade. Many drinks brands are positioning their products in line with such issues.



[More about well-being](#)

Key trend #04

Experimentation

The 'experimentation' trend describes the rise of **unique, unusual** and **surprising** drinks offerings which help people break away from their daily routines. Consumers are increasingly coming into contact with more '**exotic** products – not only through travel or migration but online too. These add an extra element of **fun & excitement** into their lives while giving them a trendy image. Craft lager, craft specialties and flavoured beers are just a few examples of this trend.



[More about experimentation](#)

Around the world, consumers' changing tastes create a dynamic drinks market full of opportunities

Want to capitalize on these trends?

United Dutch Breweries offers a broad portfolio of beers, malts & RTDs reflecting current consumer trends. For example, we have heritage brands with a rich history like Royal Dutch and Oranjeboom, plus innovative and more experimental ones like X-Mark and Craft Nation. Connect today to explore our brands and how we can build your market together.

Premiumization

What, who, why & how?

'Premiumization' is the trend for producers to charge higher prices for drinks by offering products with better quality, novel designs or special experiences. For beers and malts, international brands offer the most premium options, and they're increasingly taking market share from domestic brands.

How is premiumization changing the market?

The “I’m worth it” effect

There is a growing global demand for these premium drinks – both alcoholic and non-alcoholic. Whether it’s through the higher quality, the sophisticated design or some other extra experience, they give people a sense of status – which they are willing to pay a premium price for. The higher price is not a barrier for them. On the contrary, it reinforces the feeling that this is a special kind of drink.





“I want to buy something better than the rest”

“I have worked hard to treat myself, I deserve it”



Need for escapism

Switch off daily routines



Rising incomes

Treating oneself to short term rewards



Self branding

Desire to display status



Availability

Growth of ultra-premium offerings boosting the trend



41%

—
4 out of 10 consumers buy premium (non) alcoholic drinks to treat themselves



26%

—
A quarter of global beer volumes in 2022 was sold at (super) premium prices



19%

—
Craft lager & specialties are expected to grow 19% per year between 2022-2027



60%

—
Of all regions, Europe is associated most (60%) with high quality food and drinks



Younger generations

More receptive towards quality-related attributes

Developed markets

Greater status aspirations

Emerging markets

Trading up to small luxuries

Key features of premiumization

Products can be **'premiumized'** in several ways. They may feature **more expensive ingredients** such as exclusive malts and hops in beer. Or they may have been made by using **specific** and more **complex methods**. Some drink brands offer more complex aromas & taste profiles, while others simply offer a more **interesting packaging**.

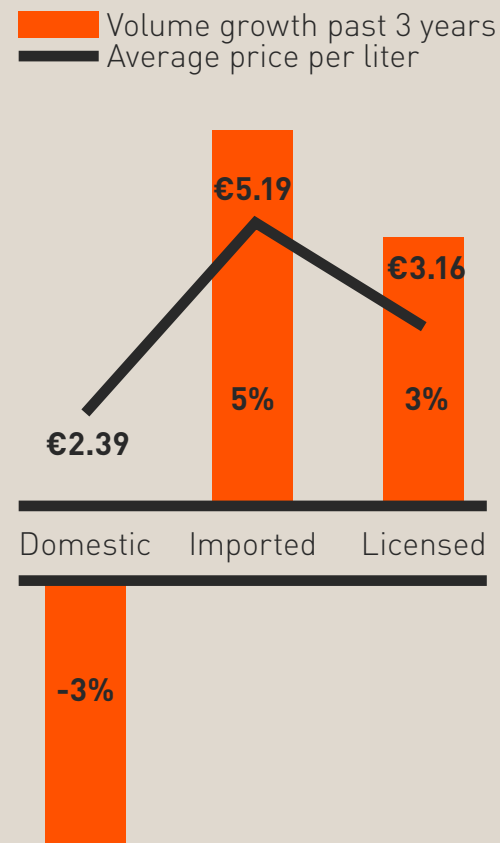
Limited edition production runs, can also create a sense of **exclusivity** which is worth **paying extra** for. Last but not least, the use of more **sustainable production** methods is another way to add **perceived value**.



International brands vs domestic brands

International brands, either **imported** or **produced locally under licence** from brand owners, are seen as **premium options** and so sell at higher prices. Both types are more in demand than ever and this is eating into the market share of **domestic beers**.

In terms of volume, they account for nearly one fifth of the market: **8%** for **imported** and **11%** for **licensed**. And it's not just the top international brands such as Snow, Budweiser, Corona, Heineken and Tsingtao who are benefiting but many other international.



Premiumization is about more than taste - it's about process, packaging, availability and even sustainability

Will you benefit from premiumization?

United Dutch Breweries offers premium European import beers in many styles and flavours. These include classic Royal Dutch (lager beer), stylish Monastère (abbey beer), traditional Weidmann (German lager and specialties), artisanal Craft Nation (craft beer), and refined 3 Horses (malt beverages). Talk to us about how we can use these brands to grow your market together.



Authenticity

What, who, why & how?

Consumers globally are seeking brands offering trustworthiness and safety. Pure ingredients, artisanal production, heritage and brand storytelling are key factors. Heritage beers, malts and traditional German brands are good examples.

Why does this matter?

Safety and comfort

Authentic or heritage products have a sense of genuineness - they appear to be 'the real thing'. With strong credentials in terms of brand history or claims to particular craftsmanship, they give comfort and reassurance to consumers - they are a 'safe choice' - as well as giving them a feeling of being knowledgeable, a kind of connoisseur. Almost equally for alcoholic (5/5) and non-alcoholic drinks (4/5), consumers value this feeling and are willing to pay a premium price for such brands.





“I prefer well-known brands that I can trust”

“I want genuine products that are made with craftsmanship”



Trust

Established brands are perceived as more reliable



Quality

Craftsmanship and all-natural ingredients as proof



Provenance

Country of origin as indicator of high quality



Digital world

Validate and compare attributes online





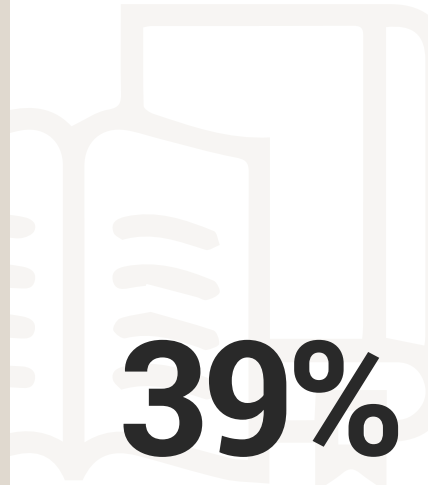
52%

— Half of global consumers agree that the older the brand, the better the quality



36%

— One third is encouraged by authenticity to pay premium for high-end products



39%

— 4 out of 10 consumers are interested in the (hi)story behind alcoholic beverages



46%

— Almost half of global drinkers prefers products made with natural ingredients



Younger generations

Genuine & trustworthy brand interactions

Regions ME/Africa/ Americas/APAC

Looking for brand history

What does 'authenticity' look like?

Authenticity takes many forms. Some brands focus on having a **rich history** – ideally one stretching back **centuries**. Others such as Abbey Blonds and Doubles emphasize **traditional beer styles** or production methods. Brands might also highlight where they come from. Europe, for example, is naturally associated with high quality beers and malts. Authenticity could also be based on offering **traditional flavours, all-natural ingredients** or **artisanal production** in small batches. All these things give a brand a sense of being more **honest** and **true**.



Everyone trusts German beers

With their famous beer culture, traditional styles and world reputation for high quality, German beers are a prime example of this trend. Their authenticity is based on the **1516 German Purity Law**, the **Reinheitsgebot**, which states brewers can only use barley, hops, water and yeast. Research shows that in over fifty countries German beers are sold at **much higher prices** than other import brands. More bitter **Lagers** (called 'Pilsners') attract 15% higher prices while popular specialties such as **Hefeweizen** and **Dunkelweizen** are priced up to 23% higher.



This trend takes many forms - from traditional styles & production to natural ingredients and craftsmanship

Sourcing European heritage brands

United Dutch Breweries offers genuine European import heritage brands. Breda Beer (originating from 1538), 3 Horses (from 1628), Oranjeboom (from 1671), and Royal Dutch (from 1806) are iconic choices. And Weidmann is a traditional German lager in a range of specialty styles. Contact us now to learn more - and build your market together with us.



Well-being

What, who, why & how?

As consumers worldwide seek healthier choices, the low- & non-alcohol beer segment is growing fast. At the same time, malt beverages are preferred over soft drinks because of their natural and pure character.

**Healthier alternatives:
read the full story**

All the pleasure, none of the guilt

Consumers are increasingly taking charge of their own physical and mental health. The drinks industry is responding with innovative products – not just non-alcoholic but alcoholic too. Traditionally, alcoholic drinks are associated with enhanced pleasure, so the challenge for producers is to make drinks that still offer a sense of indulgence but without the guilt. New drinks concepts are meeting those needs in a variety of ways.





“I am looking for a beer with less calories”

“I prefer all-natural malt drinks over artificial soft drinks”



Health-awareness

Following messages from governments, media and other influencers



Ethical consumption

Higher level of responsibility regarding social causes, environmental sustainability, animal welfare, faire trade



Simplicity

Countering the stress of the complexities of life and having too many choices





51%

— Half of global consumers is concerned about their physical and mental health



37%

— One third of consumers wants to cut down on their intake of alcohol



58%

— 6 out of 10 consumers are trying to avoid products with artificial ingredients



43%

— 4 out of 10 are actively reducing their consumption of products that contain sugar



Asia-Pacific & Latin America

Most interested in natural & fresh claims

Young adults

Looking for a more balanced lifestyle and a larger share of dietary regimes

What does a healthy beverage look like?

Producers are offering more beers brewed with **all-natural ingredients** as well as **low-cal options** and **non- & low alcohol** varieties. Beers with plant-based ingredients are also popular, as are organic, bio or gluten-free products and drinks with added functional ingredients (e.g. vitamins). Research also shows many consumers turning to **malt beverages** rather than conventional sugary soft drinks. The idea of 'wellbeing' extends to the environment too. So some drinks highlight their clean/green production processes or other environmentally friendly credentials.



From all-natural and organic products to low alcohol and greener options, producers are getting creative

Building your health & wellbeing market

United Dutch Breweries offers healthy alternatives for its European import brands. Royal Dutch 0.0, Oranjeboom Crisp 3.5, and Craft Nation Alcohol Free IPA are non- & low-alcohol beers while 3 Horses is a naturally brewed, low sugar malt drink. Contact us and let's build on the health & wellbeing opportunity in your market - together.



Experimentation

What, who, why & how?

More and more, drinks consumers around the world are looking for new, unusual or unexpected experiences. Craft and flavoured beers have particularly gained in popularity, but a constant flow of new beer styles and flavours, limited editions, and collaboration brews are also appearing on the shelves.

**Learn more
about this trend**

Break from routine

This trend is characterized by adventurous consumers who value uniqueness and an element of surprise. They are motivated by a desire for a sense of variety and to make a break from their normal everyday life and routine. Wanting to also express their individuality, experimenters are especially attracted to indulgent, entertaining or innovative concepts and are often willing to pay a premium price for them. And it's not just for alcoholic drinks – the trend applies almost as much to the non-alcoholic segment too.





“I want to be different and stand out from the crowd”

“I enjoy the feeling of taking risks with the unknown”



Globalization

Increased travel & migration creating demand for exotic products



Need for escapism

Injection of fun & excitement in daily life



Digitalization

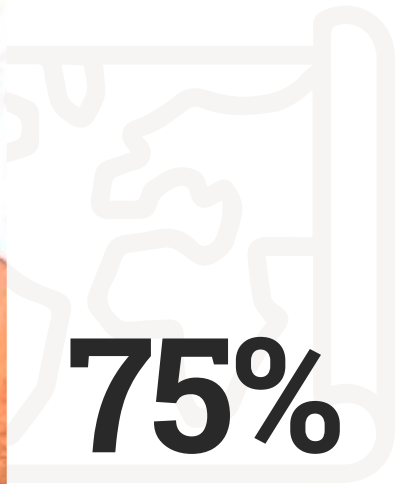
Sharing products & experiences online



Self-branding

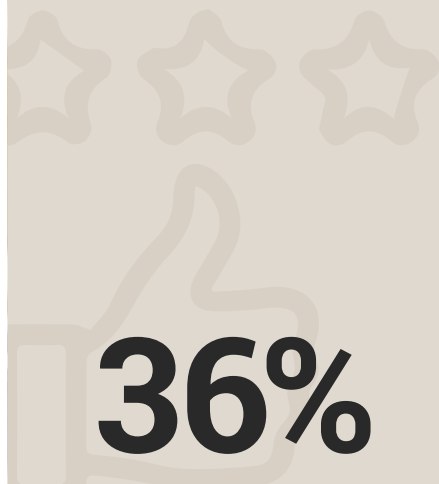
Project a trendy image towards others





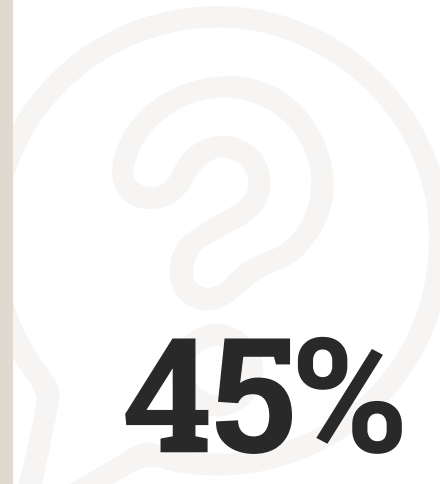
75%

—
3 out of 4
consumers enjoy
experimenting
with products
from different
cultures/
countries



36%

—
One third of
consumers
would buy a
new flavour
after a positive
sampling
experience



45%

—
Half of
consumers likes
to experiment
when purchasing
(non) alcoholic
beverages



21%

—
2 out of 10
global beer
drinkers like to
try new brands,
styles, varieties
and flavours



Younger generations

Driven by curiosity and online discoveries

Emerging markets

Less cautious in their choices than developed markets

Americas, APAC, Middle-East, Africa

More experimental discoveries

Brand disloyalists

Always open to try new options

Examples in the market

The trend has led to the rise of **craft beer** (+28% over the last 5 years) and **flavoured beer** (+15% in the same period). New beer styles are also popular, such as 'smoothie beer' which has a sour beer base with added fruits, lactose, and other adjuncts. Drinks can also feature **unique ingredients** and **flavours** such as marshmallow, chili pepper or cucumber. Unusual pack formats, eye-catching designs, statement brands with unique stories, and limited editions or collaboration brews are other **experimental routes** being taken.



Challenging tradition with new ideas

Experimentation with drinks is also redefining otherwise traditional experiences. Take beer & food pairing, for example. Beers offer a much more **versatile range of tastes** - from fruity or spicy to toasted or caramelly - than wines. They offer **opportunities** to accent, bridge or contrast flavours and create entirely new sensory experiences.

'**Beertails**' also mix beers with spirits, juices and ice to give a frothy kick to cocktails. Michelada combines lager, lime and tomato juice; Radler mixes lager with lemonade; and Espresso Martini puts stout with coffee liquor.



Marshmallow or chilli in your beer? More and more people are saying “yes” to such experiments

Experiments that get results

United Dutch Breweries offers innovative European import brands to take advantage of the experimentation trend, including X-Mark (flavoured beer and pre-mixed cocktails) and Craft Nation (craft beer). Get in touch now to learn about our brands and explore collaborative market-building opportunities.



Open up more Opportunities

We're always happy to help you open up yours.



Sources:

All data and information presented in this document are obtained using Global Data, Euromonitor and Mintel 2023

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