

September 2021

PERNOD RICARD UK SERVES UP £2,792 FESTIVE OPPORTUNITY FOR EACH CONVENIENCE STORE

As shoppers start the festive season earlier to make up for lost time, retailers can win this Christmas by stocking a broad selection of Premium Spirits and Wines for the increased number of at-home parties and get togethers



Pernod Ricard UK is urging retailers to respond to consumer trends accelerated by the last 18 months to capitalise on the huge opportunity within Premium Spirits and Wines this Christmas. Retailers in the impulse and convenience channel could each make up to £2,792¹ this Christmas by stocking a broad range of Premium Spirits and Wines during the twelve weeks leading up to Christmas Day.

Friends and family kept apart by lockdowns in 2020 will start celebrating earlier this year and the convenience channel has a key role to play by supporting shoppers with two important missions: 'grabbing a bottle on the way to a house party/gathering' and 'picking up a bottle to host friends and family at home'. A recent study commissioned by Pernod Ricard UK demonstrates the importance of the convenience channel for buying Spirits on the way somewhere², with 87% of shoppers buying them to consume there³. The study also found that 31% of 'shopping on my way' missions are completely spontaneous, which is high versus 21% for Total Mission, making this a massively valuable mission².

¹ Amount would require full 'Pernod Ricard UK's What To Stock Christmas List' to be in stock for full 12-week period and is based on ROS in the Impulse channel for the same 12-week period vs. 2020

² PRUK Omnichannel Research Project with boobook and White Caviar May 2021, 6000 participants

³ PRUK 2019 Christmas Shopper Research with the source, 1970 participants

On-Trade closures accelerated several market trends that already existed pre-COVID. There are now more online shoppers and a broader demographic of people shopping locally due to a sustained increase of working-from-home⁴. There has also been an increase in Spirits Premiumisation, with Premium+ Spirits value growing more than twice as fast as Total Spirits (+27% vs. +11%) as shoppers treat themselves to affordable luxuries both at home and when meeting up with friends and family⁵. And in terms of ‘trying something new’, it now takes two more Spirits sub-sectors to make up 95% of Impulse value sales than it did a year ago⁶. For these reasons, retailers must be able to cater for a wider variety of tastes and occasions than in the past with premium options that will make visibly generous and special party contributions.

Chris Shead, Off-Trade Channel Director, comments: “The Off-Trade is likely to retain an inflated share of the total BWS market this year. It’s important not only to stock the familiar core lines of Premium Spirits and Wines shoppers will expect to see but something new and exciting from those trusted brands, due to the increased knowledge of Spirits and Wines shoppers have acquired in lockdown. This year, more than ever, it’s about breadth of range. Consumers upskilled during lockdown, they tried more cocktails at home, experimented with new flavours, and treated themselves to the new product or flavours from their favourite brands. Last minute purchases are crucial to getting it right this Christmas. Grabbing a bottle on the way to either hosting or being hosted has grown in importance as people celebrate the moments they can share together, so having an enticing range is hugely important.”

Pernod Ricard UK’s ‘What to Stock Christmas’ list

Make sure to stock a wide variety of core Premium Spirits and Wine categories to cater for all tastes and occasions, as well as experimental flavours from familiar and trusted brands to encourage a higher volume of impulse purchases:

Premium Spirits

- **Jameson Irish Whiskey**, the UK’s number one Irish Whiskey, is growing 23.3% in Total Impulse.⁷
- **Jameson Orange** is a zesty new expression and new to the market, combining the finest triple-distilled Jameson Irish Whiskey infused with natural orange flavouring
- **Havana Club 7** is driving growth for Havana Club (+187%) in Total Impulse⁷, thanks to its focus on the convenience channel and partnership with Skepta

4 Kantar WPO Spirits Buyers Online 52 w/e 13-Jun-21, Kantar WPO Convenience Buyers Total Spirits 52we 13-Jun-21 vs. YA and 2YA

5 Nielsen Total Impulse Value Sales 52we 19/06/21

6 Nielsen Total Impulse Value Sales to Sub-sector level – 52we 19/06/21 vs. YA

7 AC Nielsen, Total Impulse Value Sales, Period Ending WE 19.06.21

- **Havana Club Cuban Spiced** is also new to market and the first spiced product from Havana Club. It's made with 100% Cuban rum that has been enriched with spices and natural tropical flavours. Flavoured and Spiced Rum were big winners last Christmas and Pernod Ricard UK predicts the category will achieve the same demand in 2021
- **Absolut** is growing +34.5% overall in Total Impulse and its flavours range is skyrocketing with +59.5% growth in the last 12 months⁶. Flavoured Vodka growth is set to continue into Christmas as the versatile Spirit is perfect for at-home cocktail making. Best-selling flavours **Absolut Passionfruit**, **Absolut Rapberri** and **Absolut Vanilia** were joined this summer by **Absolut Watermelon**, tapping into the increased demand for watermelon flavour alcoholic drinks, which has grown +63%⁸
- **Beefeater London Dry Gin** introduced a timeless and premium new bottle design across its range earlier this year, which proudly heroes its position as the World's Most Awarded Gin⁹, and features optimised sustainability credentials. Beefeater flavours are growing +36% in the Impulse channel and **Beefeater Pink Strawberry** and **Beefeater Blood Orange** feature within the Top 15 Gin Brands¹⁰
- **Malfy con Arancia** and **Malfy gin Rosa** are the two best-selling flavours within the Impulse channel from Malfy, which has been a big success story since it was acquired by Pernod Ricard UK in 2019. Malfy gin Rosa is flying off the shelves in Total Off-Trade, growing +139%¹¹

Premium Wines

- **Campo Viejo Tempranillo** was the number one selling red wine over £8 last Christmas thanks to shoppers turning to the iconic yellow label for their indulgent treat¹²
- **Campo Viejo Reserva** is expected to continue growing in popularity ahead of Total Light Wine¹³ as shoppers turn to familiar, trusted brands for a more premium, trade-up option to celebrate being reunited with friends and family at Christmas
- **Campo Viejo Winemakers' Blend** is the brand new wine from the UK's No.1 Spanish wine brand¹⁴. The wine blends the experience and craftsmanship of Campo Viejo's three female winemakers to create the ultimate red blend that is smooth and vibrant, with red fruit richness and elegant intensity and the vibrant, purple bottle creates fantastic stand-out on shelf

⁸ GNPD Mintel Q1 2019

⁹ Based on International Spirits Awards for Beefeater London Dry only from 2004-2019

¹⁰ AC Nielsen Gin Total Impulse Period Ending WE 19.06.21

¹¹ AC Nielsen Premium+ Gin, Total Coverage, Period Ending WE 19.06.21

¹² Total Impulse, total 75cl light wine SKUs ranked by Value Sales, 8we 26/12/20 where ASP/75cl >=£8.00

¹³ Total Impulse, Campo Viejo Reserva Value % Change +27% vs. Light Wine +22% 8we 26/12/20 vs. YA

¹⁴ AC Nielsen Total Off-Trade Value Share MAT date to 02.01.2021

- **JC Reserves** hit the shelves with a fresh new look earlier this year with a range of four classic varietals – Sauvignon Blanc, Chardonnay, Shiraz and Cabernet Sauvignon. Pernod Ricard UK is investing in the UK’s best-known wine brand¹⁵ and best-selling wine in Australia¹⁶, to reclaim the number one spot in the Australian wine category
- **Rutas de Cafayate Malbec** is brand new to the Impulse channel this year and is set to capitalise on the popularity of Argentinian wine as the fastest growing Country of Origin, which is up by +45.6% in value sales in the Impulse channel, with Malbec also growing +44.6% in value¹⁷

Stocking each of these SKUs throughout the twelve weeks of Christmas could generate £2,792 per retailer.

-ENDS-

Notes to Editors

About Pernod Ricard UK

Pernod Ricard UK is part of Pernod Ricard, number two in wines and spirits with sales of €8,824m in 2020/2021. Created in 1975 by the merger of Ricard and Pernod, the Group has undergone sustained development, based on both organic growth and acquisitions: Seagram (2001), Allied Domecq (2005) and Vin&Sprit (2008).

Pernod Ricard holds one of the most prestigious brand portfolios in the sector, including 19 brands among the top 100 worldwide. Pernod Ricard UK has identified the following key priority brands in the UK market: Absolut, Jameson, Chivas, The Glenlivet, Plymouth Gin, Monkey 47, Lillet, Malibu, Malfy, KI NO BI, Italicus, Del Maguey, Perrier-Jouët, Kahlúa, Beefeater, Campo Viejo, Brancott Estate, Olmeca, Havana Club, Martell, Jacob’s Creek, Lamb’s, Ballantine’s, G.H. Mumm and Wyborowa. Pernod Ricard UK is a member of The Portman Group promoting responsible drinking.

For latest news and information: Website <http://www.pernod-ricard.com/en/locations/uk> Twitter and Instagram @pernodricarduk

¹⁵ Wine Intelligence, Vinitrac UK, October 2020

¹⁶ IRI MAT Value Sales 07.03.21

¹⁷ AC Nielsen Total Off-Trade Value Sales MAT to 27.03.21