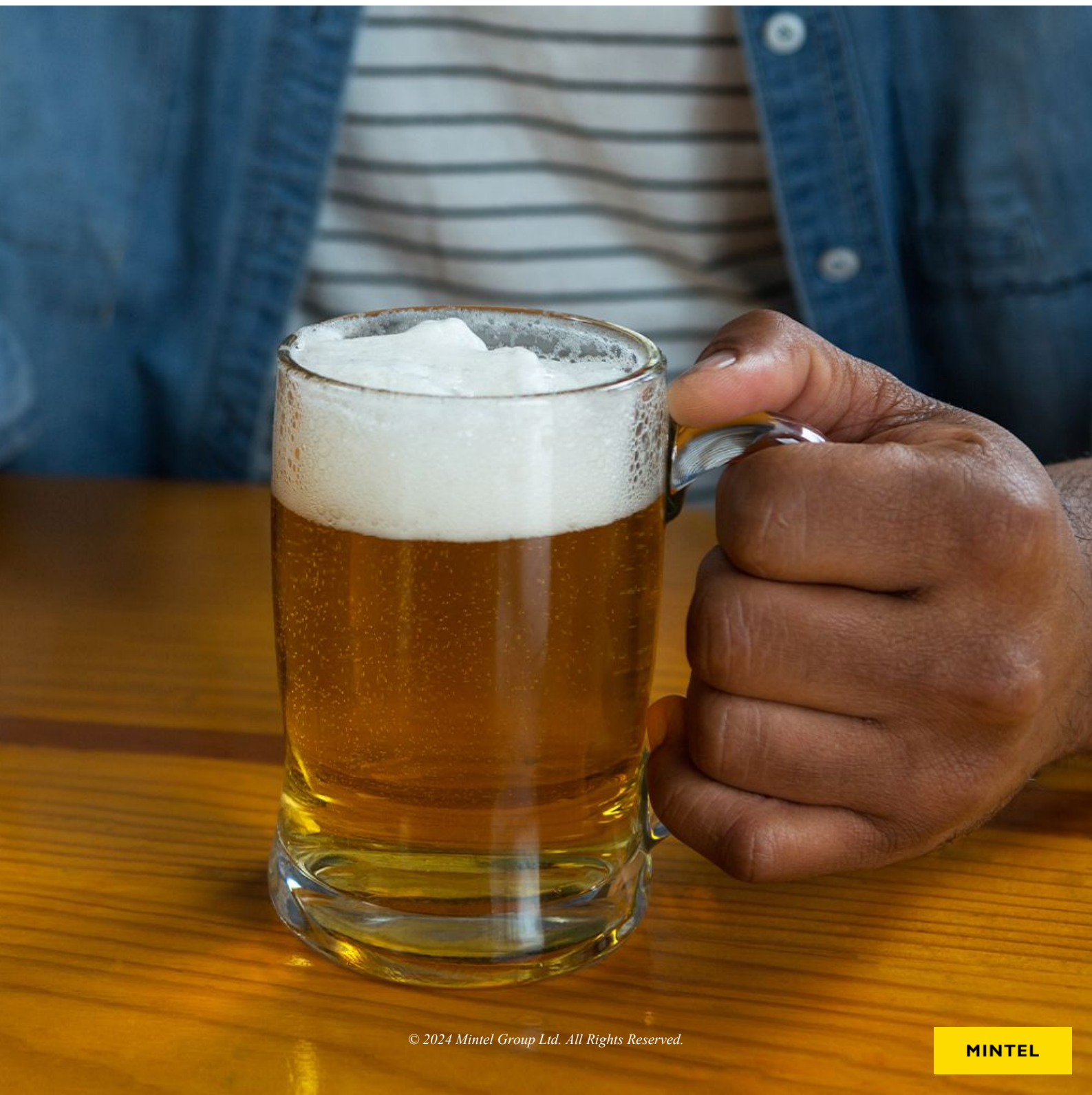


BEER – INDIAN CONSUMER – 2020

Adversely impacted by the pandemic, the beer industry will see a sluggish revival in the short term. Healthier brews and unique flavours can aid long term growth.



A Mintel Analyst, Global Analyst



Report Content



EXECUTIVE SUMMARY

- What you need to know
- Mintel's perspective

Market context

- Impact of COVID-19 on beer
- Rising alcohol reduction trend allows healthy indulgence
- Low/no alcohol beer variants are gaining traction in India
 - Graph 1: share of beer launches with ABV of 3.5% or lower, Jul 2017-Jun 2020
- The beer drinker's palate evolves
- Bottling/canning can be the next step for craft beer brands
- Emerging channels to fuel demand

What consumers want, and why

- Consumers want: more beer varieties
 - Graph 2: repertoire of beer consumed by city tier, March 2020
- Consumers want: more beer varieties
- Women want: lighter flavour profiles and low-calorie beer
 - Graph 3: factors influencing purchase of beer by gender, March 2020
- Young consumers want: to drink responsibly
 - Graph 4: barriers to beer consumption, March 2020
- Consumers want: value for money

Opportunities

- Seasonal flavours can widen consumer base
- Offer better-for-you beer
- Virtual engagement can encourage at home drinking

Competitive landscape

- Ab InBev launches regional flavours in their brew
- Bira keeps it light

Mintel predicts

- Better days ahead for beer industry

THE IMPACT OF COVID-19 ON BEER

- The outlook for the Indian food and drink industry
- The outlook for the Indian beer category
- The impact of COVID-19 on beer
- The impact of COVID-19 on beer – SWOT Analysis
- Consumer spending will be negatively impacted
 - Graph 5: consumer outlook on impact of COVID-19 on unemployment, June 2020
- How consumer behaviour will change and what brands can do
- The marketing mix: product
- The marketing mix: place
- The marketing mix: price
- The marketing mix: promotion
- In summary: adapting to the new normal

KEY TRENDS

- What you need to know

Global trends and how they are playing out in India

- Build on the beer experience
- Localism needs to come to the forefront
- Help consumers make guilt-free choices
- Non-alcoholic beer can be the hero for responsible drinking

Key drivers

- Breaking taboos: Attitudes towards beer are shifting
- Breaking taboos: drinking was synonymous to addiction
- India is getting warmer
- Craft beer: the 'heady' experience
- From the news: India becomes a hotspot for craft and non-alcoholic beer
- COVID-19 stalls alcohol production

CONSUMER INSIGHTS

- What you need to know

Beer consumption habits: frequency and types of beer consumed

- Beer consumers are...
- Beer is consumed regularly by most Indians

Beer – Indian Consumer – 2020

- Graph 6: frequency of beer consumption, March 2020
- Based on their frequency of consumption, beer drinkers can be classified as regular, moderate or light drinkers
- Regular drinkers make up the majority (61%) of the beer drinking population
 - Graph 7: regular beer drinkers by age group, gender and city tier, March 2020
- Moderate drinkers (22%)
 - Graph 8: moderate beer drinkers by age group, gender and city tier, March 2020
- Light drinkers (17%) make up the smallest segment of the beer drinking population
 - Graph 9: light beer drinkers by age group, gender and city tier, March 2020
- Consumers have a wide repertoire of beer types
 - Graph 10: repertoire of beer consumed by beer drinkers, March 2020
- Regular beer consumers are more experimental
 - Graph 11: repertoire of beer consumption by consumer type, March 2020
- Indians prefer lagers
 - Graph 12: consumption of beer by beer type, March 2020
- Elder consumers stick to their lager
 - Graph 13: repertoire of beer consumed by age group, March 2020
- Infrequent beer consumers show an inclination towards lagers
 - Graph 14: light beer drinkers by age group, March 2020
- Regions reveal different beer preferences
 - Graph 15: consumption of different beer types by region, March 2020
- Ale, stout and wheat beer are more popular in Tier 1 cities compared to metros
 - Graph 16: consumption of different beer types by city tier, March 2020
- Wheat beer has a wider female consumer base
 - Graph 17: consumption of lagers and wheat beer by gender, March 2020
- Premium draught beer opportunity for ale drinkers
 - Graph 18: attitude towards draught beer by beer consumer type, March 2020

Consumption occasion: Out-of-home and social drinking

- Most consumers drink out-of-home
 - Graph 19: location of consumption of beer by gender, March 2020
- Younger consumers prefer drinking out-of-home
 - Graph 20: consumption of beer at different locations by age group, March 2020
- Consumers have a wide variety of out-of-home options to choose from
- Beer drinking is a social affair
 - Graph 21: location of beer consumption with friends/relatives or alone, March 2020
- Women are more inclined towards social drinking
 - Graph 22: occasion of beer consumption by gender, March 2020

Reasons for beer consumption

- Beer has a fun and casual association
 - Graph 23: reasons for drinking beer, March 2020
- Working males in metros drink to de-stress
 - Graph 24: reasons for consumption of beer by employment status and gender and city tier, March 2020

Barriers to beer consumption

- Health is a top deterrent
 - Graph 25: barriers to beer consumption by consumer type, March 2020
- Younger consumers want to drink responsibly
 - Graph 26: barriers to consumption of beer by age, March 2020

Factors influencing purchase of beer

- Brand is king especially among metro dwellers
 - Graph 27: factors influencing purchase of beer by type of consumer, March 2020
- The winning combination: Brand name, varied beer styles and value for money
- Different beer styles need to cater to the regular consumer
 - Graph 28: beer style influencing beer purchase by type of beer consumer, March 2020
- Promotional offers are relevant to the young
 - Graph 29: promotional offers influencing the purchase of beer by age group, March 2020
- Females like more flavours and low-calorie content
 - Graph 30: factor influencing purchase of beer by gender, March 2020

Craft beer consumer

- The craft beer consumers in India are...
- Interest is emerging in craft beer
 - Graph 31: consumption of different beer by type of beer consumer, March 2020
- Craft beers are perceived as premium
 - Graph 32: agreement to select attitudes towards craft beer by consumer type, March 2020
- Premiumise craft beer offerings with more flavours

Low/no alcohol consumer

- Younger consumers are interested in making the switch to LNA beer
 - Graph 33: agreement to select attitudes by age group, March 2020
- Who is the low/no alcohol beer consumer?
- Regular consumers have also had LNA beer
 - Graph 34: consumption of LNA beer by consumer type, March 2020
- Promotional offers can drive purchase of more LNA beer
- Consumer insights: summary

MARKET APPLICATIONS

- Opportunities: key areas of focus

Health and wellness can lead the way for new product innovations

- Opportunity for low-calorie beer
 - Graph 35: share of beer launches carrying light or low calorie-related claims, Jul 2017-Jun 2020
- Low/no alcohol beer will fit well with health claims
 - Graph 36: share of beer launches with ABV of 3.5% or lower, Jul 2017-Jun 2020
- Majority of launches in India are focused around zero alcohol
- Millets can lend well to gluten-free claims
- Kombucha-beer hybrids can provide health and flavour
- Beers with botanicals can help consumers relax

Eyeing for craft beer

- The growth path for craft beer lies in bottling
- Flavours in beer are limited
 - Graph 37: share of beer launches by flavour component, Jul 2017-Jun 2020
- Craft beer can leverage local ingredients for flavourful innovation
- Global flavours can inspire Indian innovations
 - Graph 38: growing flavour components as a share of beer launches, Jul 2018-Jun 2020
- Beers for all seasons can encourage year-round drinking
- Global flavours targeting seasons

Build engagement for a loyal consumer base

- Consumers want beer blended with soft drinks
- Help consumers appreciate the nuances of beer production
- Use technology to reach out to the consumer
- Pairing with food can extend the appeal of beers
- Organic claims can give a push to sustainability efforts

Global innovations

- Zero calories and sugar can expand the health halo around non-alcoholic beer
- Recovery beers can appeal to the health-conscious Indian
- Sainsbury's opens a pop-up pub but with no alcohol
- Beers with botanicals can build on flavour and health
- Superfoods can extend the health benefits of beer
- Serving suggestions and flavour descriptions can help consumers to pair beer with food
- Beyond packaging, sustainability can come from ingredients and circularity

APPENDIX

- Consumer survey methodology

About Mintel India Consumer

Access our reports now and we'll tell you how major trends are affecting India. We also hone in on the regional differences from socio-economic groups to demographics such as age, gender and household composition. We research consumers in Metro and Tier 1 to 3 cities across the 4 main regions and in 6 local languages.

In each report, we're analysing the trends and the innovations, the behaviours and the influencers of consumers across India. Our local expert analysts then examining the primary research and consumer data and translating it into what it means for you.

- ✔ Find out what Indian consumers want, what they need and what influences their purchasing decisions.
- ✔ Understand the Indian market and see how it fits into wider trends on a local and global level.
- ✔ Take advantage of the gaps and opportunities that exist today, tomorrow and beyond.

How Mintel Indian Consumer will help your business grow:

01

Segment consumers across India according to their regional and demographic differences so you can target them more effectively.

02

Analyse the latest trends and innovations and see how they fit at a local level to identify opportunities for your next big idea.

03

See action-oriented summaries to understand an area quickly or investigate the data to get an in-depth understanding of your market.

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