



the Source for Wine & Spirits Analysis

## PRESS RELEASE

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### Global spirits market consumption slows in 2013

Global spirits sales increased by a marginal 0.1% to 3.09bn nine-litre cases in 2013 over 2012, according to the latest IWSR research. This represents a dramatic slowdown from the 6.5% compound annual growth (CAGR) seen between 2007 and 2011. This was chiefly attributable to a big slowdown in the growth of local spirits in China and India.

Whisk(e)y was the largest-growing spirits category in 2013, both globally and in each of the major regions. Whisk(e)y added just under 8m cases in 2013 to 361m cases. Vodka was close behind, growing by 2.3m cases globally in 2013 to 496.3m. Rum did not fare as well as it had in past years and fell by some 4.5m cases to 145.6m.

Asia-Pacific remained the largest region for spirits at 1.93bn cases, following a modest 0.1% rise in 2013. Within that, China, the largest individual market, gained 0.8% to 1.18bn cases, while India gained 1.2% to 310.6m cases. Both markets were affected by slowing economies and spirits' growth was significantly slower than the double-digit growth seen in previous years.

The Americas was the largest-growing region, adding some 4m cases last year, a rise of about 1% to 445m cases. Europe posted the biggest decline, falling -2.2m cases to 291m cases. Economically-challenged Spain, alone, lost over 900,000 cases, while Italy shed some 500,000 cases. The German market also contracted.

In Europe, whisk(e)y saw its first year of growth since 2007; whisk(e)y consumption in Poland grew by more than 500,000 cases, with a similar trend to the CIS of switching from traditional white spirits to more trendy brown spirits. Whisk(e)y is the second largest-growing category behind gin, increasing by 225,000 cases. Germany, France and Turkey reported the next-largest increases in whisk(e)y consumption. Whisk(e)y was also the fastest-growing category in Africa and the Middle East.

Overall, consumption in the CIS was marginally up at 363.9m cases. In this traditionally vodka-consuming region, whisk(e)y grew by more than 500,000 cases, with the majority of the growth coming from Ukraine and Russia. Conversely, vodka saw the largest loss in the region due to government initiatives to reduce excessive consumption and increasing taxes, such as in Russia.

Global travel retail spirits gained 1.4% to 21.6m cases. Growth in Europe, the Americas and the rest of the world was offset by a significant slowdown in Asia-Pacific.

Beer grew globally by 85.6m cases thanks to consumption rising by more than 230m cases in Asia-Pacific, while Europe, the Americas and the CIS continued to decline. The main growth came from China.

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#### About the IWSR

The IWSR is the leading source of analysis on the alcoholic beverage market. The IWSR's database, essential to the industry, quantifies the global market of wine, spirits, beer and RTDs by volume and value, and provides insight into short- and long-term trends. Our data is used by all of the largest multinational wine and spirits companies, as well as many more local companies. The IWSR's unique methodology allows us to get closer to what is actually consumed and better understand how markets work. The IWSR conducts face-to-face interviews with 1,500 companies in 118 countries each year, with further input from 350 companies. The IWSR tracks overall consumption and trends at brand, quality and category level.