IWSR
drinks market analysis

2019 US Beverage Alcohol Review

Methodology, Sources & Definitions

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Methodology

General Approach

- The IWSR tracks annual total consumption category and brand volume and value across over 150 countries domestically and in duty free/travel retail. The IWSR's data is collected by our analysts using a primary methodology comprised of interviewing and receiving input from beverage alcohol companies. In the US market this is supplemented and cross-checked via sources such as state beverage alcohol commissions, TTB, US Census Bureau, Beer Institute, Brewers Association, Nielsen, IRI and National Beverage Alcohol Control Association (NABCA). The IWSR's historical expertise and local knowledge extends to over 25 years of interviewing leading companies to provide context for analysis and forecast. This input is further supplemented by the IWSR's international contacts, which draw on over 300 producer companies globally.

- The IWSR makes wide use of trade statistics. However, the US has an unusually wide range of factors that prevent these being used at face value. There are sizeable resales via duty-free/travel-retail channels, as well as re-exports into the Caribbean, South and Central America and, in some cases, to the Asia-Pacific. There is also sizeable sale into the US military channel. Where these resales are known, volumes are deducted from US volumes.

Variances to the Above

In addition to the general approach outlined above, the IWSR has built estimates for some categories using specific data sources.

Major Categories

Still wine: The data for imported wine by country of origin is based on US Government import statistics for bottled wines cross-checked against the export statistics of the major supplier countries. Bulk wine is generally excluded as so much is used in blending. Specific market data for Chile and Argentina is taken from Caucasia Wine Thinking, while data for South Africa is based on information from the Department of Agriculture, Forestry and Fisheries based in Pretoria. The IWSR also references the Wine Institute.

Sparkling wine: The Champagne market size is built using Le Comité Interprofessionnel du vin de Champagne's (CIVC) export statistics from France, but re-export to the Caribbean, duty free/travel retail (airline and cruise in particular) will account for some of these volumes. Imported sparkling wine volumes are built using import statistics. The split for prosecco versus other Italian sparkling wine is built using statistics from the Italian national statistics data (ISTAT) and Prosecco DOC *consorzio*. Figures for cava are built using export statistics from *Datos Economicos 2015* prepared by the DO Cava in Spain. Volumes for non-cava sales are added to these volumes. For imported sparkling wine as a whole, flavored sparkling wines generally need to be added into the category as these are usually classed separately by Customs authorities.

Scotch: The IWSR's figures for Scotch are ca. 700,000 to 1m nine-liter cases lower than that those shown by the Scotch Whisky Association (SWA) as being exported to the US. This is due to around 600,000 to 800,000 nine-liter cases being deducted for duty free/travel retail in the US (borders, airport, airlines, cruise and ships chandlers) and a further 100,000 nine-liter cases that move into the Caribbean and elsewhere.

Vodka: The figures for the total market are built using a combination of import statistics by key supplier countries such as France, Sweden, several Eastern European countries, as well as local comment.

Tequila: Tequila category totals are built using data from the Consejo Regulador de Tequila (CRT) based in Mexico. The IWSR category total is ca. 1.5m nine-liter cases lower than the CRT's export statistics. This is due to duty free/travel retail; sales to the military; the use of bulk tequila to make tequila-based products; and re-exports, although they are more limited than other categories.

Cognac: The IWSR uses data from the Bureau National Interprofessionnel du Cognac (BNIC). In 2014, according to the BNIC, France exported 4,473,000 nine-liter cases of Cognac to the US. For duty free/travel retail in the US (borders, airport, airlines, cruise and ships chandlers), the IWSR records volumes of ca. 310,000 nine-liter cases. A further 75,000 nine-liter cases moved into the Caribbean, which resulted in a little over 4m nine-liter cases.

Other brandy: Import figures are the prime source used to build the individual country of origin totals, with the following exceptions: sales of Mexican brandies come directly from the brands included in this section; Armagnac volumes are built using French export statistics; Chilean and Peruvian sales figures come both from import statistics and from information gained during the IWSR's field trips to these countries.

Niche Categories

Mezcal: Export figures from Mexico are the prime source and are supplied by the Consejo Regulador del Mezcal (CRM) and are verified by individual producers in Oaxaca for brand volumes shipped to the US.

Sherry: The size of the Spanish sherry category is based on export figures from Jerez, Spain, which are further cross-checked with key local players. These are consistently lower than some other sources suggest.

Port: The IWSR's port market is built using figures from the Port Institute.

Sake: Volumes are based on Japanese export statistics. These figures are released very late in the year, so in the current report only cover data up to 2014. Future revisions are possible.

Soju: South Korean export statistics suggest a market of around 600,000 nine-liter cases. It has been impossible to verify this. Undoubtedly, there will be demand in Korean restaurants and among Korean American communities, but whether it is of this scale or whether this includes soju used in cooking is unknown.

Low- and no-alcohol products:

- The following low- and no-alcohol categories are included in the relevant major categories, from 2014-2023:
    - No-alc still wine; low-alc still wine
    - No-alc sparkling wine; low-alc sparkling wine
    - No-alc beer; low-alc beer
    - No-alc cider; low-alc cider
    - No-alc mixed drinks; low-alc mixed drinks

- Low- and no-alcohol products for spirits are noted and commented on in the country PDF report executive summary text, but data is *not* included in the spirits category due to the current small size and developmental phase of this subcategory.
- Low- and no-alcohol products thresholds by category are as follows:

Category	**No-Alcohol**	**Low-Alcohol**
Beer	0.0 - 0.5% ABV	>0.5 - 3.5% ABV
Still & Sparkling Wine	0.0 - 0.5% ABV	>0.5 - 7.5% ABV
Mixed Drinks	0.0 - 0.5% ABV	>0.5 - 3.0% ABV
Cider	0.0 - 0.5% ABV	>0.5 - 3.5% ABV
Spirits & Spirit Alternatives – Liqueurs *(Note: for information only, data not included)*	0.0 - 0.5% ABV	>0.5 – 10.0% ABV
Spirits & Spirit Alternatives – Non-Liqueurs *(Note: for information only, data not included)*	0.0 - 0.5% ABV	>0.5 - 37.5% ABV

- Specifically, by category, low- and no-alcohol products include:
  - **Beer:** De-alcoholised beer; reduced-alcohol beers; clear malt beverages; opaque malt beverages; beer/fruit mixes such as radlers.
  - **Cider:** De-alcoholised cider; reduced-alcohol cider; (excludes apple juice)
  - **Still & Sparkling Wine**: De-alcoholised wine and reduced-alcohol wine products which are explicitly marketed on this basis.
  - **Mixed Drinks**: Reduced-alcohol mixed drinks explicitly marketed on this basis.
  - **Spirits**: Reduced-alcohol spirits explicitly marketed on this basis.

Sources

State Data

Monthly state data is derived from an aggregate of data sets from the TTB, NABCA, Beer Institute, US Census Bureau, state beverage alcohol control commissions' excise tax collections and gallonage reports as well as other proprietary sources. The IWSR applies the monthly provided statistical outputs from these agencies to its own data sets in order to estimate sales by month and category for their corresponding segments. Monthly state data is posted on the US Beverage Alcohol Review site approximately 60 days at the close of the prior month. The IWSR can also do ad hoc state data requests at a more granular level to cover pricing, package size, brands and DMAs, among other items.

Advertising Data

Advertising spend data is collected and reported by Kantar Media Intelligence, which monitors advertising expenditures and occurrence information for 3m-plus brands across 18 media segments. The IWSR analyzes the bulk data feed and classifies the brand-level data into segments of the beverage alcohol industry.

Demographic Data

Demographic data by brand and category is obtained through Simmons' annual National Consumer Survey. The survey gathers information on product and brand preferences from tens of thousands of American families. The IWSR analyzes the survey results to provide concise demographic information on all the beverage alcohol brands tracked.

Craft Data

Craft beer and spirits data is derived from a combination of sources including supplier interviews and trade sources such as the Brewers Association, NABCA, Nielsen and IRI. The IWSR utilizes the collected data to estimate the brewer and distiller volumes accordingly. The data shown encompasses the total sales for local US breweries and distilleries as an aggregate of their overall production volume. Certain individual craft brands are tracked and are located in the database under their corresponding categories.

- Craft breweries are defined as US operating breweries that are small (annual production of 6m barrels of beer or less) and traditional (a brewer that has a majority of its total beverage alcohol volume in beers whose flavor derives from traditional or innovative brewing ingredients and their fermentation).
- Craft distilleries are defined as distilled spirits that are produced in the US by a licensed producer that have not removed more than 750,000 proof gallons (or 394,317 nine-liter cases) from bond, and market themselves as craft.

Online Data

The online data sets are part of IWSR's annual ecommerce strategic global study and based on analysis and interviews with key players in this space. Brand-level assessments are a result of extensive proprietary research across ecommerce.

Economic & Population Data

The economic data by state and nationally is collected from the US Department of Commerce's Bureau of Economic Analysis. Population data is provided by the US Census Bureau, Population Division and are annual estimates of the resident population for the United States' regions and states and Puerto Rico.

Sourced Data Providers

NABCA

Founded in 1938, NABCA is the national association representing the Control State Systems – 17 states and jurisdictions in Alaska, Maryland, Minnesota and South Dakota adopted forms of the 'Control' model. They control the sale of distilled spirits and, in some cases, wine through government agencies at the wholesale level. NABCA serves its members by providing research, analytics and alcohol regulatory information, and acts as liaison to federal, state and local governments, research groups, public health associations, the media and other organizations impacting alcohol policy.

nabca.org

Kantar Media Intelligence

Kantar Media Intelligence is the leading provider of strategic advertising intelligence to advertising agencies, advertisers and media properties. Utilising highly innovative tracking technologies, Kantar Media collects expenditure, occurrence and creative intelligence on millions of brands across all major media and marketplaces.

kantarmedia.com

Simmons Research

Simmons Research is a measurement sciences company that believes that anything can be measured effectively with the right measurement science. Measurement science is the juxtaposition of measurement technology and measurement methodology. Simmons Research applies measurement science to help brands and content owners know their consumers and gain a deep understanding of their consumer profiles.

simmonssurvey.com

US Alcohol and Tobacco Tax and Trade Bureau (TTB)

The Alcohol and Tobacco Tax and Trade Bureau (TTB) is a bureau under the Department of the Treasury. It employs staff across the country, including its headquarters in Washington DC and the National Revenue Center in Cincinnati, Ohio. Its staff is highly educated and technically trained; more than half are analysts, chemists, investigators and auditors. In addition, many employees serve as financial, legal, information management and computer specialists.

ttb.gov

US Department of Commerce

The US Department of Commerce is the Cabinet department of the US Government concerned with promoting economic growth. The mission of the department is to “promote job creation and improve living standards for all Americans by creating an infrastructure that promotes economic growth, technological competitiveness and sustainable development”. Among its tasks are gathering economic and demographic data for business and government decision making and helping to set industrial standards.

commerce.gov

Brewers Association

The Brewers Association is an American trade group of over 1,900 brewers, particularly concerned with the promotion of craft beer and home brewing. The Brewers Association was established in 2005 through a merger of the Association of Brewers and the Brewers' Association of America, intending to “promote and protect small independent American brewers, their craft beers and the community of brewing enthusiasts”.

brewersassociation.org

The Beer Institute

The Beer Institute is a national trade association representing companies that produce and import beer sold in the US. It was organised in 1986 to represent the industry before Congress, state legislatures and public forums across the country.

beerinstitute.org

IWSR Terminology & Conventions

Country Definition

- The US is defined as the 50 states of the Union. Sales to all duty-free/travel-retail outlets – including the Caribbean cruise business, US military, diplomatic channels, as well as exports and re-exports – should all be excluded from the numbers. It is possible that some brands still include these volumes and the IWSR will continue to work to remove these.

Volume Data – Measurement

- The IWSR endeavors to record actual consumption, which outside of the US refers to sales to retail (both off- and on-premise). In the US market (which is a three-tier system), consumption refers to sales from the producer, supplier or importer to the wholesaler/distributor, commonly known in the US as depletions. Where known stock issues arise, or late-year shipments take place, the IWSR will adjust for these.
- The data given by brand and by category reflects both the off- and on-premise channels.

Volume Data – Units

- The standard unit of measurement is thousands of nine-liter cases ('000s 9L) (12 x 75cl bottles). This is used in all wines, spirits and mixed drinks (RTD) categories.
- All beer and cider data is shown in thousands of hectolitres ('000s HL) simply because the numbers involved are much larger than those for the other categories and it allows space to be maximized on screen and on page. For barrel conversion reference, one barrel of beer equals 1.173477658 HL.
- Online tools exist to change views between units of measurements.

RSPs/Prices

- Retail Sales Price (RSPs) reflect an average retail price for each brand line shown. These are recorded in the same stores at roughly the same time each year for consistency.
- Price comparisons are also performed using NABCA data, which represents sales and pricing information for spirits and wine in 17 US states, Total Wine & Spirits (a retail chain with over 150 outlets nationwide), Nielsen and Wine-Searcher.com.
- The prices recorded by the IWSR try to ignore discounts.
- In a very few circumstances, some prices are estimated where the IWSR is unable to find a reliable price. This is indicated by an 'e' shown next to the price.

- Additional pricing analysis, by product/brand size and/or state in the US is available an additional consulting project based on your specifications. Please contact brandy@theiwsr.com with inquiries.

Value Data – Dollars

- Value data is based off of the brand line volumes and their off-premise Retail Sales Price (RSPs). Note that IWSR retail value understates total consumer expenditures since pricing for on-premise sales is taken to be the same as for retail sales. The IWSR offers on-premise pricing for certain countries as custom research.

Ecommerce Values

Ecommerce values are included for the major spirits, wine and beer categories (whisky, vodka, rum, still wine, sparkling wine, Champagne etc). The ecommerce values in local currency, euros and dollars, for the most important ecommerce categories in each market are provided. Less important categories will be included in 'other spirits', 'other wine' etc.

Ecommerce definition: Ecommerce, also known as electronic commerce or Internet commerce, refers to the buying and selling of goods or services using the Internet, and the transfer of money and data to execute these transactions. For alcoholic beverages, this covers the ordering of products online, with delivery direct to the consumer or via collection from a designated point (usually a supermarket) – 'click & collect'.

Currently, most of the alcoholic beverages' ecommerce occurs in the off-premise channel i.e. consumers ordering for drinking at home. However, it is also possible to have ecommerce transactions in the on-premise channel e.g. pre-ordering drinks via an app, to drink later at a bar. Therefore, the sales value number that the IWSR ascribes to ecommerce covers all drinks distribution channels.

From a supplier point of view, there are three main ecommerce channels:

- **Marketplaces**: Selling through Amazon and/or other marketplaces.
- **D2C**: Selling direct to consumer (D2C), via proprietary company or brand websites such as malts.com owned by Diageo.
- **Retailers**: Retailers such as Tesco in the UK, Wal-Mart in the US, Carrefour in France, sell online on behalf of the brands/organisations.

Private Label

'Others' lines in our brand sales data are split by 'others private label' vs 'others branded'. This is included for 2014-2018 and applies to categories where the private label share is greater than 5%.

Private label definition:

- A private label product is manufactured by a contract or third-party manufacturer and sold under a retailer's brand name. The retailer specifies all the product parameters – ingredients, packaging, labelling – and pays to have it produced and delivered to the stores.
- The retailer brand can be the retailer's own name (e.g. Tesco's Gin) or a name created exclusively by that retailer (e.g. Lidl Glen Orchy). In some cases, a retailer may belong to a wholesale group that owns the brands that are available only to members of the group.

On/Off-Premise Splits

While on/off-premise splits generally reflect sales of the overall category as advised by local companies, NABCA data has now been taken into account. NABCA data provides on- and off-premise brand-level sales for certain states in their 'control' system. Also, in some cases, on/off splits have been adjusted based on information from contributing companies.

On/off splits are now available via the IWSR database online from 2015 onwards and will be updated every year. Due to the caveats given below, on/off splits were initially added to our PDF country reports, but not to the IWSR database.

The split between on- and off-premise was added for the first time in the 2010 country reports.

The aim was two-fold:

- To give companies a more accurate reading of the trade channel splits by price segment and subcategory.
- To check the splits claimed by other research companies as it is clear that in some markets the overall result is different to what had been generally perceived.

It was decided to make the calculation at brand line level to give the most accurate overall category split (given the wide variations by brand and by price segment) and, in the longer term, to provoke companies to correct figures. To get the information, IWSR researchers ask about the splits at brand level during annual country visits. This means the core source of information is local companies.

Notes:

- Often this sort of information is not readily available in the interviews and even less often at brand line level. In these cases, the generally perceived on/off split of the category is applied by the IWSR.
- Often those interviewed quote percentages from other sources or provide very vague numbers based on generally perceived category splits.
- In very large markets, it is simply impossible to get the split for every single brand line In these cases, the generally perceived on/off division is applied to all missing brand lines. This has obvious flaws.

- In the largest market of all, the US, very few companies think in terms of on/off at a country level or if they do, this will be only in the vaguest way.
- There are some grey areas of definition. Very loosely, the IWSR's numbers are based on point of purchase, not point of consumption. Different outlet types are classified as follows:
    - Off: hyper- and supermarkets, specialist stores, cash & carries (see below), discounters and online sales.
    - On: bars/pubs, nightclubs, hotels, clubs, restaurants.
    - Duty-free/travel-retail purchasing for domestic consumption treated as off-premise.
    - Buying in off-trade outlets for on-premise consumption (at cash & carries, discount stores, etc.): generally treated as off-premise as it was impossible to treat in any other way. However, we cannot be sure that all providers of information did so.

The caveats should diminish over time, but for now companies using the information should do so with caution and understand there could be some substantial amendments in future.

Nomenclature

- Names for categories, brands and owners follow the conventions used in the IWSR's global database determined by the international clients of the IWSR's main database.
- For ease of analysis, the IWSR tends to remove any superfluous descriptors. This means that terms such as 'LLC', 'PLC, [a category name], '& Sons', etc., are removed. They are retained only where by removing them there would be a conflict with another similar-sounding company or where removing them creates a virtually meaningless name.

Price Classifications

- The IWSR assigns a retail shelf price to each brand in its database for wine and spirits. These price bands are defined approximately as follows for the US only; but note that price bands vary significantly between individual markets:

US Wine Price Bands (75cl bottle)	Champagne	Fruit Based Apertifis	Other Fortified Wines	Other Wines	Port	Port Style
Prestige						
Ultra Premium	$100.00 & Over					
Super Premium	$35.00-$99.99					
Premium	$20.00-$34.99	$20.00 & Over	$20.00 & Over	$20.00 & Over	$20.00 & Over	$20.00 & Over
Standard	$10.00-$19.99	$5.00-$19.99	$7.50-$19.99	$5.00-$19.99	$7.50-$19.99	$7.50-$19.99
Value	Under $10.00	Under $5.00	Under $7.50	Under $5.00	Under $7.50	Under $7.50
Low-price						

US Wine Price Bands (75cl bottle)	Sherry	Sherry Style	Sparkling Wine	Still Wine	Vermouth	Wine Aperitifs
Prestige				$50.00 & Over		
Ultra Premium			$50.00 & Over	$30.00-$49.99		
Super Premium			$20.00-$49.99	$15.00-$29.99		
Premium	$20.00 & Over	$20.00 & Over	$10.00-$19.99	$10.00-$14.99	$20.00 & Over	$20.00 & Over
Standard	$7.50-$19.99	$7.50-$19.99	$5.00-$9.99	$5.00-$9.99	$5.00-$19.99	$5.00-$19.99
Value	Under $7.50	Under $7.50	Under $5.00	$3.00-$4.99	Under $5.00	Under $5.00
Low-price				Under $3.00		

US Spirits Price Band (bottle size 75cl)	Spirits
Prestige Plus	$200.00 & Over
Prestige	$100.00-$199.99
Ultra Premium	$45.00-$99.99
Super Premium	$30.00-$44.99
Premium	$22.50-$29.99
Standard	$10.00-$22.49
Value	Under $10.00

'Others'

- In each subcategory of each category at price level, there exists a brand shown as 'other [subcategory name or price band]'. This line represents the balancing figure to arrive at the correct category total. Volumes shown here reflect sales of small brands, sales of retailer brands and some larger brands for which the IWSR can make no reasonable estimate of size.

Revisions

- Because no source of data can truly be a 100% accurate reading of the market, the IWSR does revise historic numbers when new data comes to light. Where this is the case, the IWSR will provide an explanation as to the change.

Forecasts

In order to generate the IWSR's forecasts, we are using powerful data science techniques, with results then subject to further analysis and sense checking by our highly experienced country researchers:

- As the first step, volume forecasts are mathematically modelled using a combination of statistical forecasting techniques, at both category and component levels such as price bands. We have undertaken rigorous testing of several forecasting techniques, including Multivariable Regression Analysis (MVA) against selected driver variables and Time Series Analysis. For the MVA testing, we did find some significant correlations between consumption and key driver variables. However, the forecast results were not as accurate as those produced by Time Series Analysis.

- Therefore, we have selected Time Series Analysis to generate the forecasts, with a technique that fits the best time series model on a line-by-line basis. This produces very accurate results (Mean Absolute Percentage Errors, or MAPE's, better than the standard benchmark of 10%), due to the quality and length of the IWSR consumption back data.
- The statistically generated forecasts are next sense checked by our country experts, and adjusted where additional factors need to be considered, e.g. major legislative changes expected, anticipated launch activity, etc.
- Value forecasts are derived from the volume forecasts, with an average price per litre applied per category and quality bracket. The price per litre is fixed at the current year rate, for all future years. We have chosen this simple approach because it is the most clear to our clients and least open to question internally. Furthermore, prices in major developed markets have been relatively stable over past 10+ years (barring unpredictable tax increases), and assuming a fixed price per litre provides a close match which is understandable to all.

IWSR Standard Product Definitions

Note that not all the products listed below can be found in the US database or report.

Still Wine

Still wine includes wine that is made by the fermentation of grapes up to a strength of 15%. Total market volumes are broken down by country of origin, but not by grape type. The markets are split by color, and each country of origin by price point.

Organic wine

- The amount of organic wine, split by volume, is included for 2012-2018.
- Organic wine definition: The definition of an organic product is specific to the local market. The two most significant guidelines are the US:
    - US : Before wine can be sold as organic, both the growing of the grapes and their conversion to wine must be certified. This includes making sure grapes are grown without synthetic fertilisers and in a manner that protects the environment and preserves the soil. Other agricultural ingredients that go into the wine, such as yeast, also have to be certified organic. Any non-agricultural ingredients must be specifically allowed on the National List of Allowed and Prohibited Substances (see Allowed and Prohibited Substances) and cannot exceed 5% of the total product. And, while wine naturally produces some sulphur dioxide (sulphites), they can't be added to organic wine. Sulphites are commonly added to wines to stop the fermentation process or preserve the flavour profile.

Wine by region and varietal

These are the individual wine regions, relevant in export markets, that are identified by volume 2014-2018. Please note that within Old World country reports, there may be more regions included that are relevant to that particular country.

Alsace	**France**	**Toscana**	**Italy**
Beaujolais	France	**Trentino, Alto Adige & Friuli**	Italy
Bordeaux	France	**Veneto**	Italy
Burgundy	France	**Dão, Bairrada & Douro**	Portugal
Languedoc	France	**Vinho Verde**	Portugal
Loire	France	**Cariñena**	Spain
Provence	France	**Catalunya**	Spain
Rhône	France	**Navarra**	Spain

Mosel	Germany	**Penedès**	Spain
Pfalz	Germany	**Rías Baixas**	Spain
Rheinhessen	Germany	**Ribera del Duero**	Spain
Tokaj	Hungary	**Rioja**	Spain
Lazio	Italy	**Rueda**	Spain
Piemonte	Italy	**Valdepeñas**	Spain
Sicilia	Italy	**Valencia**	Spain

The following wine varietals are identified at a global level for the key New World exporters (Argentina, Chile, Australia, New Zealand, South Africa and the US). Please note that within New World country reports, there may be more varietals included that are relevant to that particular country.

Cabernet sauvignon	Pinot noir
Carménère	Pinotage
Chardonnay	Sauvignon blanc
Chenin blanc	Shiraz/Syrah
Malbec	White grenache
Merlot	White zinfandel
Pinot gris/Pinot grigio	

Sparkling Wine

Sparkling wine covers Champagne and other sparkling wine.

- **Champagne** is a generic term referring only to sparkling wines from the Champagne region of France.
- **Other sparkling** covers all wines not classed under Champagne, and would cover wines usually produced by one of the following methods:
    - Traditional method (*Méthode Champenoise*): where fermentation has taken place in the bottle.
    - Transfer method (*Cuvée Close/Charmat*): bulk fermentation which is then subsequently bottled.

    - Carbonated: where wine has had gas added to make it sparkle. (Inevitably in some markets, such as Italy, where no clear statistics exist, some carbonated wine is included under still wine).

- **Other sparkling** is split between flavored sparkling wine, prosecco, cava, asti, lambrusco, semi-sparkling and other sparkling wines. All markets are broken down by country of origin, but not color/grape type.

Fortified Wine

These wines are still wines which have had alcohol/spirits added to fortify them, i.e. increasing their strength to between 16% and 22% ABV.

- **Sherry** refers to fortified wine made in, and only in, the Jerez region of Spain.
- **Sherry-style** refers to wine made in a similar way as sherry, but which is not from Jerez. The key countries producing this sort of wine are the US, Australia, Cyprus, South Africa and New Zealand.
- **Port** refers to the fortified wine made in the Upper Douro region of Portugal, shipped from the port of Oporto, and fortified by the addition of Portuguese grape brandy.
- **Port-style wine** refers to wine made in a similar way as port, but which is not from the Douro region. The key countries producing this sort of wine are the US, Australia, Cyprus, South Africa and New Zealand.
- **Madeira** refers to wine produced on the island of Madeira, perceived as a similar, but distinct product.
- **Other fortified wine** refers to all other fortified wines often defined by their region of origin. Some of the major types are listed below:

Type	**Country of Origin**
Hanepoot	South Africa
Kommandaria	Greece, Cyprus
Marsala	Italy
Malaga	Spain
Malmsey	South Africa
Mavrodaphne	Greece
Montilla	Spain
Muscat	Samos from Greece, Setubal from Portugal
Pineau and Flocs	France
Vin de Liqueurs	France

Vin Doux Naturel	France

Light Aperitifs

Covers a range of drinks that are drunk as aperitifs, but which are not spirits-based. There are three groups:

- **Vermouth**, which refers to wines that have been flavored with herbs, such as juniper, coriander, cloves, wormwood, etc. This would include brands such as Cinzano, Martini, Noilly Prat and Riccadonna, among others.
- **Wine aperitifs** covers products similar to vermouth, but which are made by a different process of flavoring. Brands such as St. Raphael, Dubonnet, Byrrh, Ambassadeur and Rosso Antico would be covered by this category.
- **Fruit-based aperitifs** are similar to the above, but are fruit-, not grape-, based. Key markets include Scandinavia, Canada and France.

Other Wine

Refers to all other wine products that have been fermented, not distilled.

Such products include:

- **Flavored wine:** Wine made from the fermentation of grapes to which a flavor has been added. Major markets are Spain, the US, France and Germany.
- **Rice wine:** Usually made in various Asian countries, but most notably sake in Japan and similar products in South Korea and China.
- **Fruit wine:** Made from berries (usually) or cherries and would include wine flavored with fruits/spices such as sangria and glühwein.

This category is also a 'catch-all' category which includes products that are not easily categorized in any of the above definitions.

Whisky

- **Scotch whisky** refers to whisky made only in Scotland. Malt Scotch refers to whisky made with the malt content from a single distillery, but only of malted barley, whereas blended Scotch refers to whisky made from more than one distillery or, more normally, blended with grain whisky. Grain Scotch is whisky made only of grain.
- **US whiskey** refers to whiskey made in the US and is divided into Bourbon, Tennessee, rye, blended, single malt, and other, which covers all other US-made whiskies including corn whiskey.
- **Canadian whisky** refers to all whisky made in Canada including rye.

- **Irish whiskey** refers to whiskey made in Ireland (south and north). Malt Irish whiskey refers to whiskey normally made by a single distillery; blended Irish whiskey to malt and grain whiskey blended together.
- **Other whisky** refers to any locally made whisky not mentioned above. This would include Japanese, Indian, Spanish, French, German and Brazilian whisky, among others. To differentiate 'other whisky', either look in the brand tables in the Adobe Acrobat PDF reports or select the 'origin' field on IWSROnline alongside type and/or category level.

Flavored whiskies have been broken out for Scotch, US, Canadian and Irish whiskies. Reminder: Sazerac's Fireball is included under flavored whisky. Despite being lower in ABV to standard whisky, it is seen by consumers and the industry as a competitor within the whisky market.

Gin/Genever

Refers principally to juniper-flavored spirits. The distinction between gin and genever reflects different manufacturing processes. Gin, or London Dry, is made from rectified (pure) spirits, whereas genever/geneva bypasses this initial process and therefore retains some of the taste of barley, malt and grain.

- **Gin** is split between flavored high-strength gin and traditional gin, which draws a distinction between a high-strength gin which has some extra flavoring (such as Gordon's and Seagram Twist, which have a mild flavor of lemon) and those gins that do not.
- **Genever** (if Dutch or Belgian) is categorized as either jonge or oude. This classification does not reflect an ageing process, but simply describes two slightly different processes, one of which is the 'older process' and one which is the newer or 'jonge' process. 'Other genever' refers to genever which is not described as either jonge or oude, the bulk of which will be Argentinian or Canadian-made genever.
- **Other juniper-flavored** includes similar drinks to gin and genever. Steinhager and wacholder are made in Germany and are juniper flavored. Borowicka is Slovakian. 'Other other juniper flavored' will be all other juniper-flavored drinks.

Vodka

- **Vodka** is a clear neutral spirit normally made from grain or potatoes. Vodka is divided into traditional vodka and flavored high-strength vodka. Both refer to brands with an ABV of 37% and over.
- **Flavored high-strength vodka** normally refers to flavored varietals of well-known brands such as Smirnoff Twist, Absolut Citron, etc. It also includes brands such as Żubrowka (a Polish vodka flavored with bison grass) or Jarzębiak (flavored with rowanberries). The flavored vodkas do not include low-strength brands such as Ursus Roter, Eristoff, Keglevich and Artic, etc. These are included as a subsection of liqueurs due to their alcoholic strength of normally under 24%.

Agave-Based Spirits

Agave-based spirits is divided between tequila and mezcal. Tequila is divided between gold (which covers reposado, añejo, etc.), white (which covers silver tequila) and flavored. Gold and silver are divided into 100% agave and 51% mixto; all flavored tequila is 51% mixto.

National White Spirits

This category covers white spirits not mentioned elsewhere. These tend to be largely national spirits. Principal among these are:

- **Shochu/soju** which are distilled rice products made in Japan/South Korea respectively.
- **Baijiu** is a spirit from China, usually made from distilled sorghum, but which can be made from glutinous rice or other grains.
- **Aquavit/akvavit/akevitt** is usually made and consumed in Scandinavia. Made in a similar way to vodka, the spirit is then flavored with herbs, spices, caraway seeds, cardamom, cumin, fennel, lemon and orange peel.
- **Korn/schnapps** is a neutral spirit made, as the name suggests, from fermented corn and is usually found in Germany. This category includes korn made from corn at 32% ABV, doppelkorn at 38% ABV, and klarer schnapps made similarly but from other cereals. This category is almost entirely drunk in northern Germany – usually drunk straight and chilled.

Rum

Rum and cane are essentially distilled fermented sugarcane (molasses).

Rum is divided into white, dark, spiced, other flavoured and rum verschnitt. The white/dark classification refers to the colour of the rum; in young rums this is determined by the amount of caramel added to the distillate. Spiced rum refers to brands such as Captain Morgan Spiced and Bacardi Oakheart. Other flavoured includes brands such as Bacardi Limón, but not Malibu, which is a much lower-strength product and is therefore included in liqueurs. Rum verschnitt is rum stretched by adding different spirits and/or rum essence.

- **Dark rum** is comprised of two sub-types: black rum and gold rum.
- **Black rum**: over 90% of black rum is consumed in India (the rest being found mainly in the US, UK and Canada). Very dark in colour, black rum usually sees little if any age and often has caramel, molasses or both added to it. Important brands include McDowell's No. 1 (Celebration) in India, Myer's in the US and Captain Morgan. The non-Indian brands are the old traditional navy or ethnic rums (Pussers, Lambs Navy, Stroh).
- **Gold rum**: is lighter than black rum, and generally gains its colour from ageing in wooden barrels (generally charred oak). Key brands are Tanduay in the Philippines, Contessa in India and Bacardi and Captain Morgan in the US.

Cane

Cane is divided between cachaça, the Brazilian-made cane spirit, and cane spirits made elsewhere in the world.

Brandy

Cognac/Armagnac: Cognac refers only to brandy made in the delimited areas of (the Charente and Charente-Maritime) provinces of western France, and which meets certain criteria as to grape types and ageing. **Armagnac** comes from the Armagnac region in south-west France.

Other brandy is divided between:

Grape brandy, which covers brandy made outside Cognac or Armagnac, i.e. (other) French, Spanish, Italian brandy, etc. To segment this category use 'country of origin' in the online database, or look in the individual sections of the country reports.

Grape EDV covers eaux-de-vie made from the remnants of the grape once it has been pressed and the juice extracted (i.e. the grape skins and pips). Subcategories in this category include orujo (Spanish EDV), grappa (Italian EDV), fine (Belgium EDV), marc/lie (French EDV), pisco (Chilean, Peruvian EDV), singani (Bolivian EDV).

Other other brandy refers to a category of drinks that does not strictly fit into the above, but nonetheless competes directly with brandy. These drinks usually have brandy as a base or flavor. The category includes vinjak and rakia/rakija (Central Europe and Balkans).

Other base brandy refers to drinks made from a base spirit to which brandy essence has been added, as opposed to brandy verschnitt, which is brandy stretched by the addition of alcohol and grape flavoring.

Flavored Spirits: Liqueurs

Traditional high-strength liqueurs groups liqueurs with an alcoholic strength of around 40%. They can be made from fruit, herbs or roots with the base spirit varying by brand. Brands such as Chartreuse, Bénédictine, Southern Comfort, Drambuie, Glayva, Grand Marnier, Cointreau, etc., are included in this subsection.

Amaretti liqueurs are traditionally of Italian origin and refer to drinks made or flavored with almonds.

Ranges are ranges of products marketed under the same manufacturer's name and styling, e.g. Bols, Marie Brizard, De Kuyper and Cusenier. Generally used for cocktails, they encompass a wide range of different products including Triple Sec/Curacao, as well as cherry and apricot brandies and Crème de Menthe (mint flavored), among many others.

Coffee liqueurs represents coffee-flavored liqueurs, e.g. Tia Maria and Kahlúa.

Cocktail/punches includes premixed imitations of well-known bar cocktails, while punches are rum-based cocktails.

Cream liqueurs are cream and spirit liqueurs which would include brands like Baileys and Carolans.

Cassis are blackcurrant alcoholic cordials, normally used for mixing with wine or sparkling wine. The category would also include variants made from raspberries, blackberries and myrtle.

Advocaat/egg liqueurs are thick egg-based liqueurs, normally of an ABV at or under 18%. These are normally made with brandy and egg yolk.

Ponche/cremas includes Spanish ponche, which is a fruit-flavored, brandy-based liqueur, and ponche cremas, which are emulsified fruit-flavored drinks.

Maraschino liqueurs are based on maraschino cherries.

Rompope is a liqueur which is emulsified to give it a cream-like appearance.

Licorette are very low-strength Dutch liqueurs (normally around 14% ABV) created to bypass tax regulations.

Low-strength flavored genever, korn and lemon brandy are low-strength (mostly around 16% to 18% ABV) variations of their full-strength counterparts. Low-strength flavored vodka perhaps causes the most confusion. Brands such as Absolut Citron, Stolichnaya Pepper, Smirnoff Twist and Finlandia Cranberry are full-strength vodkas (at 38% to 43% ABV), which are mildly flavored by lemon, lime, pepper, etc. Low-strength vodkas are brands in their own right, with an alcoholic strength of between 16% to 22% ABV.

New-style lemon brandy is a unique Dutch spirit.

Limoncello – Limoncello is a unique traditional Italian speciality only recently branded on a significant scale.

Other liqueurs refers to all other liqueurs not mentioned above such as Malibu, Frangelico, Passoã, Archers, etc.

Bitters/Spirit Aperitifs

A category of spirits flavored with bark, roots and herbs, which can be of widely varying alcoholic strength. The unifying factor is their bitter taste. Further categorization is made based on the respective roles that different brands fulfill, with some drunk before a meal as an aperitif and others afterwards as a digestif. The most widely known digestifs are Underberg, Fernet-Branca, Gammel Dansk, Becherovka and Jägermeister.

Well-known aperitifs would include Campari, Vargtass, Picon, Cinzano Bitter and Martini Bitter. The category also includes spirit aperitifs such as Pimm's.

Aniseed

‘Aniseed flavored’ refers to the underlying flavor of aniseed. This set of drinks is categorized between dry and sweet.

Dry aniseed includes pastis/anis of French origin, ouzo of Greek/Cypriot origin, raki (which is Turkish), absinthe, arak/arrack. They taste very similar and are usually drunk with water. Absinthe is also included in this subsection.

Sweet aniseed drinks are much more liqueur-type drinks. Sambuca is of Italian origin but can be made elsewhere. Anis/dulce is essentially anisette. Pacharán is a Spanish product, which is aniseed- and sloe flavored.

Fruit Eaux-de-Vie

Drinks which are distilled directly from fruit.

Calvados is the French distillate from apple made in the Normandy region.

Other fruit eaux-de-vie would include all other distilled fruit products. In some countries the category also includes some products that are neutral spirits flavored with the fruit essence.

Other Spirits

Is the final ‘catch-all’ where all other spirits not classified elsewhere are included.

Mixed Drinks

Premix cocktails – These are defined as drinks that reflect well-known cocktails – Bacardi Mojito, Smirnoff Mule, Cuervo Cosmopolitan. This category can contain both branded and non-branded drinks.

Long drinks – These are defined as those drinks that essentially a brand and a mixer or a spirit category and a mixer e.g. Smirnoff & Cola, Bacardi & Cola, Southern Comfort & Lemonade and Lime. These could be unbranded as gin-and-tonic or Scotch-and-cola.

FABs (Flavored alcoholic beverages) – This subcategory covers all other mixed drinks. Smirnoff Ice, Bacardi Breezer and WKD are categorised as FABs, as are brands previously classified as ‘cocktails/punches’ in the liqueurs category.

All these categories are then split into brand line extensions and non-brand line extensions.

Beer

The IWSR’s data is divided into the following subcategories:

Traditional beer – Beer is a yeast-fermented alcoholic beverage, often produced using grains such as malted barley and wheat. It is usually flavored with hops.

Flavored beer – Beer made with the addition of non-traditional flavors, including fruit and non-fruit flavors.

Low-alcohol beer – Beer with a reduced ABV, usually lower than 1.2% ABV.

Malt lager – An effervescent beer often light in color and body.

Cider

Cider is made from the fermented juice from apples. The IWSR's data also includes cider made from other fruit, such as pear, but these are not currently split out in the data.