Best Performing Channel In Alcoholic Drinks In 2010: On-trade vs. Off-Trade Volume

Contributed by Euromonitor International
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Euromonitor Internationalâ€™s latest alcoholic drinks system will be published in November.The latest figures unveil 2010 performance improved on 2009. Surprisingly global on-trade growth outperformed off-trade.

Although in the developed markets consumers still prefer to drink at home benefiting the off-trade channel, in emerging markets the performance of the channels is more mixed: China and Russia both see better on-trade performance.

In 2010, alcoholic drinks global volume on-trade growth outperformed off-trade, however, regional differences remain.

The developed markets of Western Europe and North America see better performance in the off-trade as more consumers are drinking at home, reinforcing the cocooning trend.

If it wasn't for Russia and China, global off-trade would surpass on-trade growth, which highlights the dominance of these markets globally.

China
As the popularity of socialising outside the home increases throughout China, on-trade's volume share continues to gradually increase.

In 2010 on-trade volume growth is higher than off-trade, however the off-trade channel still dominates with a 52% volume share.

Russia
In Russia both channels suffered in 2010, but the off-trade suffered more caused by the implemented 200% beer excise tax hike, which affected retail prices significantly.

The on-trade, however, managed to absorb the increase by reducing its own mark-ups and keeping prices relatively stable.

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