



Berlin Packaging: **Market Trends**



Trends in Spirits Packaging

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Socially Responsible

Socially
Responsible

Channel
Disruption

Individual
Expression

Novel &
Experiential

Better-
for-You



On September 28, Berlin Packaging hosted a Spirits Spotlight presentation. Director of Market Research and Consumer Insights, Moira Stein, and Vice President of Innovation & Design, Scott Jost, shared five macro trends they see impacting the spirits category in 2021 and beyond. These include lasting influences from the pandemic – like e-commerce and home-based entertaining – and other societal factors like sustainability, personal expression, and health consciousness.

Socially Responsible

In many ways, the pandemic brought out the best in society. The last year has seen people rallying behind local businesses and communities, companies donating food and supplies to front line workers, and distilleries using their facilities to make hand sanitizers.

Beyond caring for the planet, another aspect of being socially responsible is taking care of people – supporting different causes and communities through social initiatives.



As the pandemic begins to wane, there's a desire to see these types of things continue. Consumers are looking for brands to build back better, focusing on people and the planet, not just profits. This includes incorporating sustainable packaging solutions.

Many brands, including Absolut and Johnny Walker, are introducing paper bottles. Bacardi plans to launch a bio-based bottle in 2023. And other brands, like Beefeater, are eliminating plastic caps and labels.



Regimental Spirits, for example, donates a portion of their proceeds to military and veteran community programs.

Channel Disruption

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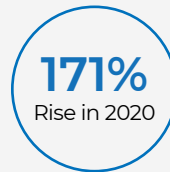
Channel Disruption

The pandemic has created changes in how - and where - consumers are purchasing, and enjoying, their liquor. These new behaviors are expected to continue as consumers appreciate the new conveniences of online shopping, curbside pickup and delivery, as well as the accessibility of having high-quality spirits and cocktails at home.

E-commerce was growing pre-COVID, and the pandemic pushed it into overdrive. according to the IWSR drinks market analysis, the value of alcohol e-commerce increased by 42% this year, with 44% of American shoppers starting to buy online in 2020, compared to just 19% in 2019. This has shifted the role of package design.

It's no longer just about standing out at a traditional retail shelf but breaking through on-screen.

The spirits category was also affected by the pandemic's shutting down of bars and restaurants. This created a need for consumers to find new ways to socialize, and consumers began creating the bar experience at home.



A Nielsen study showed prepared cocktails-to-go accelerated 171% in early 2020, with no signs of slowing down.



Berlin Packaging's Studio One Eleven® designed the custom packaging for On The Rocks to create an elevated at-home cocktail experience. The glass bottles showcase the beautifully colored beverages inside, and the cocktails pour as they would from a traditional spirits bottle.

Individual Expression

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Individual Expression

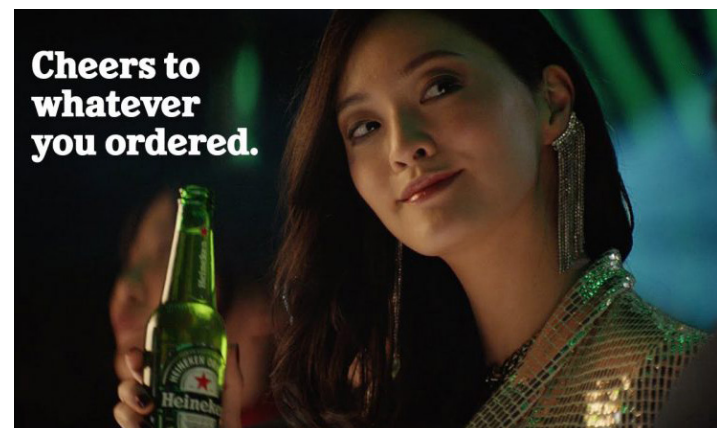
Today's consumers feel empowered to express themselves and do not need to conform to traditional norms. Products and brands are considered a form of self-expression. The highly social nature of alcohol consumption makes the concepts of image and expression very relevant in the spirits category. **One big trend capitalizing on this theme is the rise of personalized and customized products.**

Consumers increasingly expect brands to tailor products, experiences, content, and marketing to their specific needs and interests. Personalized packaging, like Johnny Walker Blue Label's custom-engraved bottles, add value and relevance.



Over 50% of consumers are influenced by how well a product is tailored to their specific needs and personality - GlobalData

Another trend related to the power of individual expression is gender neutrality. Today, gender lines are getting blurred, and old stereotypes are being rejected. And this is true within the spirits category as well.



Companies are successfully appealing to men and women by throwing out antiquated assumptions of what each wants to drink. This is presenting itself through brand messaging, like Heineken's 2020 global ad campaign that challenged the notion that beer is for men as well as through brand design.

Novel & Experiential

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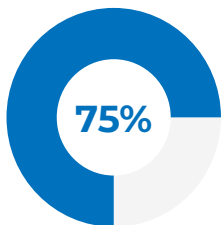
Better-
for-You



Novel & Experiential

Consumers are looking for unique experiences and want to experiment with novel and unusual flavors - especially younger consumers. This can include innovative flavor formulations, unique ingredients, and unexpected combinations.

As the craft movement has become more mainstream, trend-conscious connoisseurs are looking for products with even more uniqueness and differentiation, leading to the rise of extreme craft products.



A GlobalData study found that 75% of respondents stated that they often or sometimes like to experiment with new types of alcoholic drinks.



The Bootleg Series by Heaven's Door is an excellent example of a brand creating a novel and elevated product experience through package design. Named after Bob Dylan's famous album collection, the series celebrates the art and craft of whiskey, as well as the ingenuity of the artist himself.



Studio One Eleven® created custom packaging that brings this story of artistry and creativity to life. Inspired by Bob Dylan's journals filled with his artwork, sketches, music, and writings, our designers created a leather journal to showcase the Bootleg Series' unique whiskeys. Embossing and gold accents add authenticity and create a sense of history and heritage.

Better-for-You

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Better-for-You

Consumer focus on health has been on the uptick for years across multiple categories, from soft drinks to foods to nutraceuticals. The rise of the health-conscious consumer has also led to the growth of better-for-you alcoholic beverages.

Consumers want more choices and are willing to try new things, but without sacrificing taste or experience. Low and no alcohol spirits often look like spirits, using traditional spirits packaging.



Stryk Zero Proof Spirits

A rise in avoidance behavior has consumers looking to reduce their intake of things like sugar, carbohydrates, and calories which are perceived as unhealthy.

We've seen this with the decline of sugary sodas, as well as the growth of low-carb and plant-based diets. And it's expanding to spirits. Fabrizia recently introduced a new line of Vodka Sodas made with real fruit juice and containing only 100 calories.



The pandemic has made consumers even more focused on health & wellness, accelerating the shift toward moderated and healthier drinking. More than half of global consumers find the concept of alcoholic beverages with low or no alcohol to be somewhat or very appealing.



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