



How has the bourbon RTD drinker changed?

It's no secret that RTDs have revolutionised the alcohol landscape in Australia. And it's no secret that Bourbon RTDs have been a major driver of the success of RTDs over the last few years. The following charts highlight how the Bourbon RTD drinker has changed over the last 5 years and may provide some additional insight into how this important consumer thinks and feels. The data is from Roy Morgan Single Source (Jan02–Dec06), through extensive interviews with 84,114 Australians 18+ who have consumed alcohol in the last 4 weeks.

The big picture

Over the past 5 years, the percentage of 18+ alcohol drinkers who have drunk a Bourbon RTD in a 4 week period has grown from 10% to 15% - this equates to an increase in over 600,000 consumers over this period. However, are these new consumers, or consumers who have crossed over from another alcohol type?

Chart 1

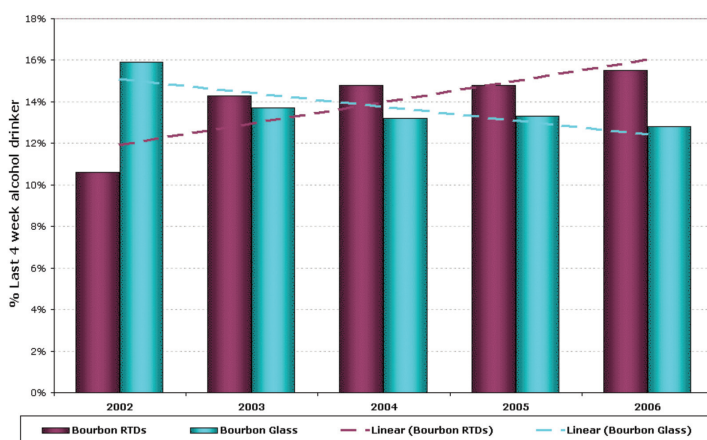


Chart 1: 18+ Australians who have consumed alcohol last 4 weeks n=84,114
Source: Roy Morgan Single Source (Jan 02 - Dec 06)

We can see from Chart 1 that since 2002, as more consumers are turning to Bourbon in its RTD format, the number of consumers of Bourbon glass has declined. The good news is – this has not been a straight swap. While consumers of Bourbon in glass format have declined over this period, overall the number of consumers of Bourbon in either RTD or glass has increased by nearly 300,000. This is larger than the growth of all other alcohol types in RTD or glass format.

Who is the bourbon RTD drinker today?

From Roy Morgan data, we can see that the new Bourbon RTD consumers have come from the 35+ age group. While Bourbon RTDs may have an image as something more associated with younger consumers, its' appeal now lies across all age groups.

What else has changed about the bourbon RTD consumer?

Chart 2

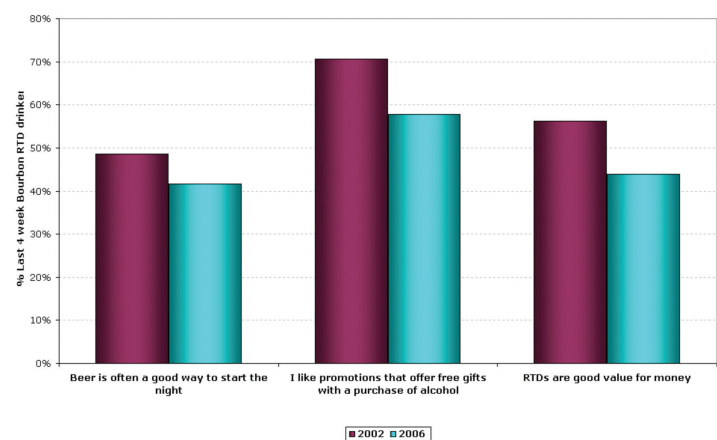


Chart 2 – 18+ Australians who consumed Bourbon RTDs in the last 4 weeks n=9,334
Source: Roy Morgan Single Source (Jan 02 - Dec 06)

The Bourbon RTD consumer is less likely to see Beer as a good way to start the night (49% to 42% from 2002 to 2006). Don't think you can win him over with a freebie with his purchase – while 58% of these consumers like a gift with their alcohol purchase, this is down from 71% in 2002. Interestingly, with the focus on price and margins tighter than ever in the RTD market, less Bourbon RTD consumers believe RTDs are good value for money (56% to 44% from 2002 to 2006).

The future

When more consumers take up a particular alcohol type, marketers need to be aware of the changing dynamic this brings to the brand appeal, the channel choice and how to target the consumers.

For more information on understanding today's spirit and RTD consumers, and other valuable information on Australian drinkers, please contact Norman Woodcock at Roy Morgan Research on (03) 9224 5236.