

Alcoholic Drinks in Azerbaijan

June 2023

Table of Contents

Alcoholic Drinks in Azerbaijan

EXECUTIVE SUMMARY

Alcoholic drinks in 2022: The big picture

2022 key trends

Competitive landscape

Retailing developments

On-trade vs off-trade split

What next for alcoholic drinks?

MARKET BACKGROUND

Legislation

Legal purchasing age and legal drinking age

Drink driving

Advertising

Smoking ban

Opening hours

On-trade establishments

TAXATION AND DUTY LEVIES

Summary 1 - Taxation and Duty Levies on Alcoholic Drinks 2022

OPERATING ENVIRONMENT

Contraband/parallel trade

Duty free

Cross-border/private imports

KEYNEW PRODUCT LAUNCHES

Outlook

MARKET INDICATORS

Table 1 - Retail Consumer Expenditure on Alcoholic Drinks 2017-2022

MARKET DATA

- Table 2 Sales of Alcoholic Drinks by Category: Total Volume 2017-2022
- Table 3 Sales of Alcoholic Drinks by Category: Total Value 2017-2022
- Table 4 Sales of Alcoholic Drinks by Category: % Total Volume Growth 2017-2022
- Table 5 Sales of Alcoholic Drinks by Category: % Total Value Growth 2017-2022
- Table 6 Sales of Alcoholic Drinks by Category by Off-trade vs On-trade: Volume 2022
- Table 7 Sales of Alcoholic Drinks by Category by Off-trade vs On-trade: Value 2022
- Table 8 Sales of Alcoholic Drinks by Category by Off-trade vs On-trade: % Volume 2022
- Table 9 Sales of Alcoholic Drinks by Category by Off-trade vs On-trade: % Value 2022
- Table 10 GBO Company Shares of Alcoholic Drinks: % Total Volume 2018-2022
- Table 11 Distribution of Alcoholic Drinks by Format: % Off-trade Value 2017-2022
- Table 12 Distribution of Alcoholic Drinks by Format and by Category: % Off-trade Volume 2022
- Table 13 Forecast Sales of Alcoholic Drinks by Category: Total Volume 2022-2027
- Table 14 Forecast Sales of Alcoholic Drinks by Category: Total Value 2022-2027
- Table 15 Forecast Sales of Alcoholic Drinks by Category: % Total Volume Growth 2022-2027
- Table 16 Forecast Sales of Alcoholic Drinks by Category: % Total Value Growth 2022-2027

DISCLAIMER

SOURCES

Summary 2 - Research Sources

Beer in Azerbaijan

KEY DATA FINDINGS

2022 DEVELOPMENTS

On-trade sales continue their recovery in 2022, off-trade sales down but still above pre-pandemic levels Carlsberg continues to push its Baltika 0 brand

Carlsberg in the midst of a near USD15 million investment programme in Azerbaijan

PROSPECTS AND OPPORTUNITIES

Positive growth expected throughout the forecast period in both the on- and off-trade

Small local grocers will remain the main distribution channel, but likely to continue losing share to supermarkets

Beer expected to remain a focus for new product developments in the local alcoholic drinks industry

CATEGORY BACKGROUND

Lager price band methodology

Summary 3 - Lager by Price Band 2022

Table 17 - Number of Breweries 2016-2022

CATEGORY DATA

Table 18 - Sales of Beer by Category: Total Volume 2017-2022

Table 19 - Sales of Beer by Category: Total Value 2017-2022

Table 20 - Sales of Beer by Category: % Total Volume Growth 2017-2022

Table 21 - Sales of Beer by Category: % Total Value Growth 2017-2022

Table 22 - Sales of Beer by Off-trade vs On-trade: Volume 2017-2022

Table 23 - Sales of Beer by Off-trade vs On-trade: Value 2017-2022

Table 24 - Sales of Beer by Off-trade vs On-trade: % Volume Growth 2017-2022

Table 25 - Sales of Beer by Off-trade vs On-trade: % Value Growth 2017-2022

Table 26 - GBO Company Shares of Beer: % Total Volume 2018-2022

Table 27 - NBO Company Shares of Beer: % Total Volume 2018-2022

Table 28 - LBN Brand Shares of Beer: % Total Volume 2019-2022

Table 29 - Forecast Sales of Beer by Category: Total Volume 2022-2027

Table 30 - Forecast Sales of Beer by Category: Total Value 2022-2027

Table 31 - Forecast Sales of Beer by Category: % Total Volume Growth 2022-2027

Table 32 - Forecast Sales of Beer by Category: % Total Value Growth 2022-2027

Cider/Perry in Azerbaijan

KEY DATA FINDINGS

2022 DEVELOPMENTS

Cider/perry recovery seems to have run out of steam already in 2022 Beer, and flavoured/mixed lager in particular, a major competitor to cider Per capita consumption of cider/perry remains extremely low in Azerbaijan

PROSPECTS AND OPPORTUNITIES

Undeveloped nature of the local cider category likely to hold back sales Females will likely remain the main target audience for cider/perry No imminent likelihood of non-alcoholic cider/perry appearing

CATEGORY DATA

Table 33 - Sales of Cider/Perry: Total Volume 2017-2022

Table 34 - Sales of Cider/Perry: Total Value 2017-2022

Table 35 - Sales of Cider/Perry: % Total Volume Growth 2017-2022

- Table 36 Sales of Cider/Perry: % Total Value Growth 2017-2022
- Table 37 Sales of Cider/Perry by Off-trade vs On-trade: Volume 2017-2022
- Table 38 Sales of Cider/Perry by Off-trade vs On-trade: Value 2017-2022
- Table 39 Sales of Cider/Perry by Off-trade vs On-trade: % Volume Growth 2017-2022
- Table 40 Sales of Cider/Perry by Off-trade vs On-trade: % Value Growth 2017-2022
- Table 41 GBO Company Shares of Cider/Perry: % Total Volume 2018-2022
- Table 42 NBO Company Shares of Cider/Perry: % Total Volume 2018-2022
- Table 43 LBN Brand Shares of Cider/Perry: % Total Volume 2019-2022
- Table 44 Forecast Sales of Cider/Perry: Total Volume 2022-2027
- Table 45 Forecast Sales of Cider/Perry: Total Value 2022-2027
- Table 46 Forecast Sales of Cider/Perry: % Total Volume Growth 2022-2027
- Table 47 Forecast Sales of Cider/Perry: % Total Value Growth 2022-2027

Rtds in Azerbaijan

KEY DATA FINDINGS

2022 DEVELOPMENTS

On-trade continues its strong recovery in RTDs in 2022 RTDs remains a minor alcoholic drinks category in Azerbaijan

Competition from flavoured/mixed lager PROSPECTS AND OPPORTUNITIES

Growth expected for RTDs, but these products will remain a niche category

Gin's popularity in cocktails and mixes offers potential but also competition

Could current popularity of Prosecco help with the development of wine-based RTDs?

CATEGORY DATA

- Table 48 Sales of RTDs by Category: Total Volume 2017-2022
- Table 49 Sales of RTDs by Category: Total Value 2017-2022
- Table 50 Sales of RTDs by Category: % Total Volume Growth 2017-2022
- Table 51 Sales of RTDs by Category: % Total Value Growth 2017-2022
- Table 52 Sales of RTDs by Off-trade vs On-trade: Volume 2017-2022
- Table 53 Sales of RTDs by Off-trade vs On-trade: Value 2017-2022
- Table 54 Sales of RTDs by Off-trade vs On-trade: % Volume Growth 2017-2022
- Table 55 Sales of RTDs by Off-trade vs On-trade: % Value Growth 2017-2022
- Table 56 GBO Company Shares of RTDs: % Total Volume 2018-2022
- Table 57 NBO Company Shares of RTDs: % Total Volume 2018-2022
- Table 58 LBN Brand Shares of RTDs: % Total Volume 2019-2022
- Table 59 Forecast Sales of RTDs by Category: Total Volume 2022-2027
- Table 60 Forecast Sales of RTDs by Category: Total Value 2022-2027
- Table 61 Forecast Sales of RTDs by Category: % Total Volume Growth 2022-2027
- Table 62 Forecast Sales of RTDs by Category: % Total Value Growth 2022-2027

Spirits in Azerbaijan

KEY DATA FINDINGS

2022 DEVELOPMENTS

Vodka, the dominant product in spirits, records declining sales in 2022 Local players lead spirits thanks to their strong presence in vodka Agsu "appellation" one of the most popular innovations in vodka in recent times

PROSPECTS AND OPPORTUNITIES

Stagnation expected for spirits over the forecast period

Imported spirits will outperform vodka in the coming years

Avrora looking to add the Jim Beam bourbon brand to its already extensive portfolio of imported spirits brands

CATEGORY DATA

Table 63 - Sales of Spirits by Category: Total Volume 2017-2022

Table 64 - Sales of Spirits by Category: Total Value 2017-2022

Table 65 - Sales of Spirits by Category: % Total Volume Growth 2017-2022

Table 66 - Sales of Spirits by Category: % Total Value Growth 2017-2022

Table 67 - Sales of Spirits by Off-trade vs On-trade: Volume 2017-2022

Table 68 - Sales of Spirits by Off-trade vs On-trade: Value 2017-2022

Table 69 - Sales of Spirits by Off-trade vs On-trade: % Volume Growth 2017-2022

Table 70 - Sales of Spirits by Off-trade vs On-trade: % Value Growth 2017-2022

Table 71 - GBO Company Shares of Spirits: % Total Volume 2018-2022

Table 72 - NBO Company Shares of Spirits: % Total Volume 2018-2022

Table 73 - LBN Brand Shares of Spirits: % Total Volume 2019-2022

Table 74 - Forecast Sales of Spirits by Category: Total Volume 2022-2027

Table 75 - Forecast Sales of Spirits by Category: Total Value 2022-2027

Table 76 - Forecast Sales of Spirits by Category: % Total Volume Growth 2022-2027

Table 77 - Forecast Sales of Spirits by Category: % Total Value Growth 2022-2027

Wine in Azerbaijan

KEY DATA FINDINGS

2022 DEVELOPMENTS

Wine continues its recovery in 2022 as tourist flows improve and all restrictions are lifted

Other sparkling wine most dynamic in 2022, driven by Prosecco

Large distributors expanding their wine portfolios

PROSPECTS AND OPPORTUNITIES

Azerbaijan drives the setting up of the Iter Vitis Qafqaz transnational wine tourism route

Russian player Abrau-Durso planning wine industry investments in Azerbaijan

Government continues to support the local wine industry, with a new winery in Karabakh in the pipeline

CATEGORY DATA

Table 78 - Sales of Wine by Category: Total Volume 2017-2022

Table 79 - Sales of Wine by Category: Total Value 2017-2022

Table 80 - Sales of Wine by Category: % Total Volume Growth 2017-2022

Table 81 - Sales of Wine by Category: % Total Value Growth 2017-2022

Table 82 - Sales of Wine by Off-trade vs On-trade: Volume 2017-2022

Table 83 - Sales of Wine by Off-trade vs On-trade: Value 2017-2022

Table 84 - Sales of Wine by Off-trade vs On-trade: % Volume Growth 2017-2022

Table 85 - Sales of Wine by Off-trade vs On-trade: % Value Growth 2017-2022

Table 86 - Forecast Sales of Wine by Category: Total Volume 2022-2027

Table 87 - Forecast Sales of Wine by Category: Total Value 2022-2027

Table 88 - Forecast Sales of Wine by Category: % Total Volume Growth 2022-2027

Table 89 - Forecast Sales of Wine by Category: % Total Value Growth 2022-2027

About Euromonitor International

Euromonitor International is an independent market intelligence provider. Data, insight and analysis stem from in-the-field research spanning 210 national markets.

Content ranges from the in-depth and country-specific, to key strategic themes with a global range and significance. Products cover a comprehensive range of insights and market data, but can be broadly categorised as:

- Strategy Briefings: Global or regional in scope, and focussing on the most important themes shaping consumer demand, the key markets, competitive environment and future outlook across a range of industries.
- Company Profiles: Analysis dedicated to the world's most significant companies, with detailed insight into their activities, focus of operations, their competitors, their geographic presence and performance.
- Country Reports: For an in-depth understanding of specific countries, whether by industry, economic metrics or consumer trends and lifestyles. These reports cover current trends, consumer demand, market potential and future prospects, with country-specific local insight and comprehensive data, unavailable elsewhere.

For more information on this report, further enquiries can be directed via this link www.euromonitor.com/alcoholic-drinks-in-azerbaijan/report.