

Summary and key points

Purpose

The purpose of this report is to contribute to the development and evaluation of Scotland's alcohol strategy by providing accurate and up-to-date analyses of data on alcohol sales and price in Scotland and England & Wales.

Methods

Pure alcohol sales data derived from electronic sales records and retail outlet sampling were provided by market research specialists, Nielsen and CGA Strategy, and used to describe trends in per adult (aged ≥ 16 years) alcohol sales in Scotland and England & Wales. Estimates of sales by discount retailers were not available from 2011 onwards. Adjustment factors were therefore applied using market share estimates derived from Nielsen's 'HomeScan' consumer panel data. The volume of pure alcohol sold off-trade in each of a range of price bands (pence per unit (ppu) of alcohol) was also provided for 2009-2014 for all main drink categories (excluding discount retailers). This provided a price band profile for the volume of pure alcohol sold in each drink category, enabling changes in the price distribution of off-trade alcohol sold in Scotland to be assessed over time. Assumptions were made to allow an assessment of the impact that including alcohol sales by discounters may have on the proportion of alcohol sold below different price thresholds.

Results

- In 2014, 10.7 litres (L) of pure alcohol were sold per adult in Scotland (20.5 units per adult per week).
- Although since 2009 the overall trend in per adult alcohol sales has been downward, analysis of the most recent data suggests that this may be flattening.
- In 2014, per adult sales in Scotland were 6% higher than the beginning of the time series in 1994.
- In Scotland, the volume of pure alcohol sold per adult through the on-trade decreased by 39% from 4.8L in 1994 to 3.0L in 2014, whereas off-trade sales increased by 48% over the same time period, from 5.2L in 1994 to 7.7L in 2014. It is estimated that 72% of all pure alcohol sold in Scotland in 2014 was sold through the off-trade, the highest market share observed over the time period analysed.
- The downward trend in off-trade sales in Scotland between 2010 and 2012 has not continued with the most recent data providing an early indication that off-trade sales may be returning to an upward trend.
- In general, similar patterns were observed in England & Wales: the downward trend in total per adult sales seems to have stalled due to off-trade sales levelling off between 2013 and 2014.
- In 2014:
 - 1.6L more pure alcohol per adult were sold in Scotland (10.7L) compared to England & Wales (9.0L); per adult sales in Scotland were 18% higher.
 - 94% of the total difference in per adult sales between Scotland and England & Wales was due to higher off-trade sales in Scotland.

- 58% of the off-trade difference was due to higher per adult sales of spirits in Scotland.
- Vodka explained 33% of the difference in off-trade sales; per adult sales of vodka through the off-trade in Scotland were 2.1 times higher than in England & Wales.
- The average price of a unit of alcohol sold through the off-trade in Scotland was 52 pence per unit (ppu). This was the same as in 2013, the first time since 2007 that the average pence per unit of off-trade alcohol sold in Scotland has not increased annually since 2007. The average price of alcohol sold through the on-trade in 2014 in Scotland was 166ppu.
- Between 2013 and 2014, the price distribution of off-trade alcohol sales was very similar. For beer and cider, a higher proportion of alcohol was sold at below 50ppu in 2014 compared with the previous year.
- Compared with England & Wales, higher off-trade sales were common across the entire price distribution in Scotland and across most drink types. However, this was particularly marked in the 35-54.9ppu range, especially for spirits.

Conclusions

- There is evidence to suggest that the downward trend in the volume of pure alcohol sold per adult in Scotland since 2009 is flattening.
- There is an early indication that off-trade sales are increasing after several years of decline. This has been driven primarily by higher wine, beer and cider sales.
- A higher volume of pure alcohol is sold per adult in Scotland than in England & Wales. This is driven by higher off-trade sales of spirits, particularly lower priced vodka.
- The average price per unit of off-trade alcohol in Scotland did not increase between 2013 and 2014. This is reflected in a similar proportion of alcohol being sold at different price thresholds across both years.