Europe

Shaping the future of beer and beyond

Despite a challenging market, we strengthened our position in Europe over 2024 by investing in our brands and driving innovation across our portfolio. From transforming our supply chain to enhancing digital capabilities, we're delivering on our strategy to grow, win and transform.

Driving growth and winning amid headwinds

After a solid start to 2024, we faced a challenging summer marked by a slowdown in consumer demand, adverse weather and competitive pressures. We began to regain momentum over the second half of the year, however. Improved competitiveness drove volume growth, while Q3 share gains signalled a shift to stronger performance, particularly in the off-trade.

The prevailing macro-economic uncertainties affected consumer spending and impacted growth, particularly in the on-trade. Higher promotional pressures and weaker than expected pricing put pressure on profitability and meant winning proved more challenging, particularly in established markets like Italy, Spain and France.

Our mainstream brands saw stabilised volumes, while our Premium brands like Birra Moretti, Desperados and Heineken® outperformed the category in most markets. Birra Moretti continued to grow in the UK driven by the launch of its line extension, Sale di Mare, a new unfiltered lager with a pinch of Italian sea salt. Next-generation brands including Texels, Ichnusa and El Aguila further boosted our performance.

Elsewhere, we continued to grow our world-class no-alcohol portfolio. Alongside our 'always a choice' message that positions beers for different occasions for all consumers, Heineken® 0.0 is shaping the future of the category and stimulating segment growth.

"Against a challenging economic backdrop, we successfully stabilised beer volumes and grew operating profit while stepping up investment in our brands, strengthening our organisation and accelerating EverGreen transformation to build a more connected, more resilient and future-fit business."

Glenn Caton
President, Europe

Growing in beer and beyond

Growth in 2024 was fuelled by innovation across our portfolio and iconic brand activations to make sure our brands reflect the tastes, values and lifestyles of consumers.

In Spain, we grew brand power with Cruzcampo through an impactful campaign, Gitana, which touched the hearts of a younger generation in Andalusia. The brand continued to perform strongly in the UK, ranking as the most successful launch in alcoholic beverages over the past decade. In Italy, our Ichnusa brand stays true to its Sardinian soul. With the campaign 'se deve finire così, non beveteci nemmeno', we inspired people to act more thoughtfully: if you drink Ichnusa and leave the bottle behind, we'd rather you hadn't drunk at all.

Beyond beer, we announced a small minority stake investment in the fast-growing Dutch brand STËLZ, whose seltzer and RTD propositions appeal to Gen Y and Z consumers. In the UK, we innovated in the cider category by offering a fresh perspective, exciting consumers with a diverse range of adventurous fruit combinations.

Investing in transformation

We continue to modernise our business through various initiatives including the bold transformation of our European supply chain. By unifying, digitalising and streamlining operations across our European operating companies, we're creating a more sustainable, efficient and connected network.

Through great collaboration of these country led initiatives, we are running ahead of our original plan, delivering significant gross savings across Europe.

Elsewhere, we focused on deploying future-fit, repeatable capabilities to maximise commercial value and HEINEKEN's Digital Backbone initiative is on track to modernise our fragmented technology systems (read more on this on page 29). Serbia piloted the programme, showing promising signs of improved production, sales, customer service and efficiency.

Sustainability

We continue to work on our sustainability agenda. Following our inauguration of Europe's largest industrial thermal plant in Seville, we opened a second solar thermal facility in Valencia. In France, our regenerative agriculture project yielded its first barley harvest, with 420 farmers adopting practices to improve soil health, biodiversity and carbon reduction.

Water stewardship also advanced in 2024, with a strong performance on water efficiencies across the region

Our social impact ambition continues. In Spain, the Cruzcampo Foundation drives economic and social development, tackling youth unemployment through hospitality-focused training. Its Hospitality School achieved a 90% job placement rate in 2024, equipping over 350 individuals with skills in kitchen and service, as well as digital marketing customer centric technics.