

# Diageo Americas

Iowa Data Analytics (2019 - 2023)

- Information available in audio.



# Agenda



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# About the Company

- ▶ Diageo North America is the leading premium drinks business and one of the best-performing consumer packaged goods (CPGs) across the United States
- ▶ Our portfolio has always been premium, but this is something we intend to lean into even more. Building the very best brands, and supplying the world's finest drinks.
- ▶ Having recently expanded our ready-to-drink (RTD) portfolio, we're primed to capitalize on the growing opportunities presented by e-commerce.

Read More: [www.diageo.com/en/our-business](http://www.diageo.com/en/our-business)

# Introduction

## To the Iowa State Liquor Sales Dataset



Time Period:

**Jan 2019 - Nov 2023**

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Records:

**12.6 million**

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Cities

**471**

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Liters Consumed:

**10.4 million**

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Unique Vendors:

**393**

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Unique Products:

**8,090**

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Bottles Sold:

**146.8 million**

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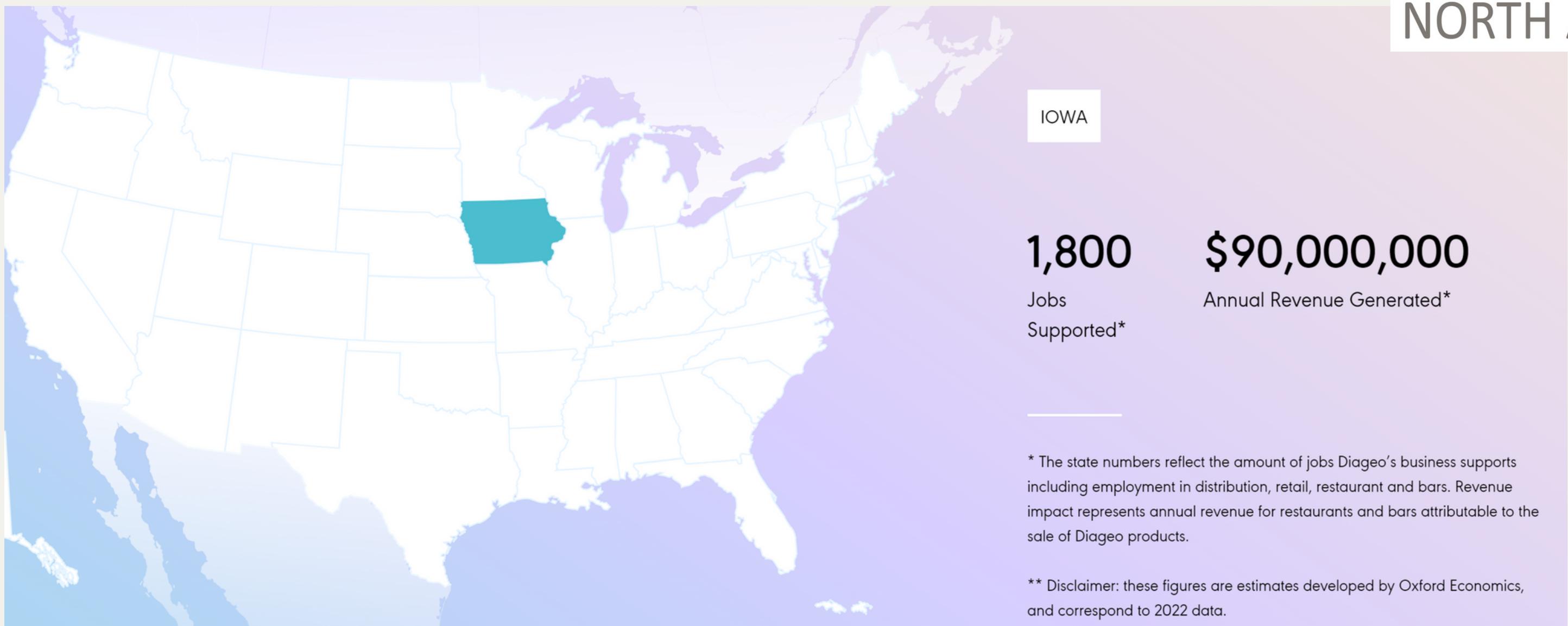
Total Sales:

**\$2 billion**

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# Diageo in Iowa

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NORTH AMERICA



JOHNNIE WALKER.



GUINNESS

Tanqueray



Captain Morgan



cîROC

BUCHANAN'S



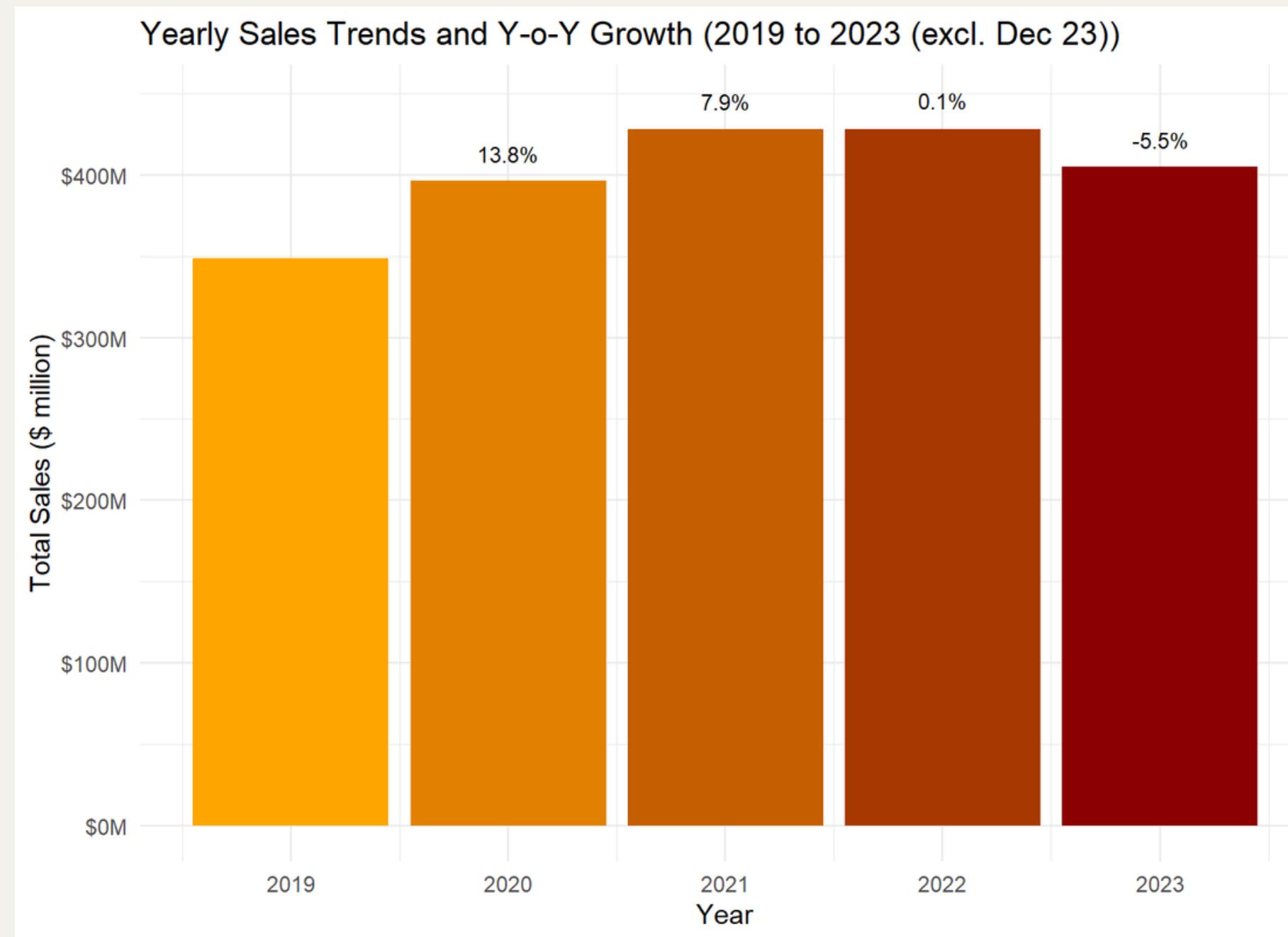
CASAMIGOS



# Overview

## Liquor sales within the state of Iowa

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2023 YTD:

**\$405 Million**

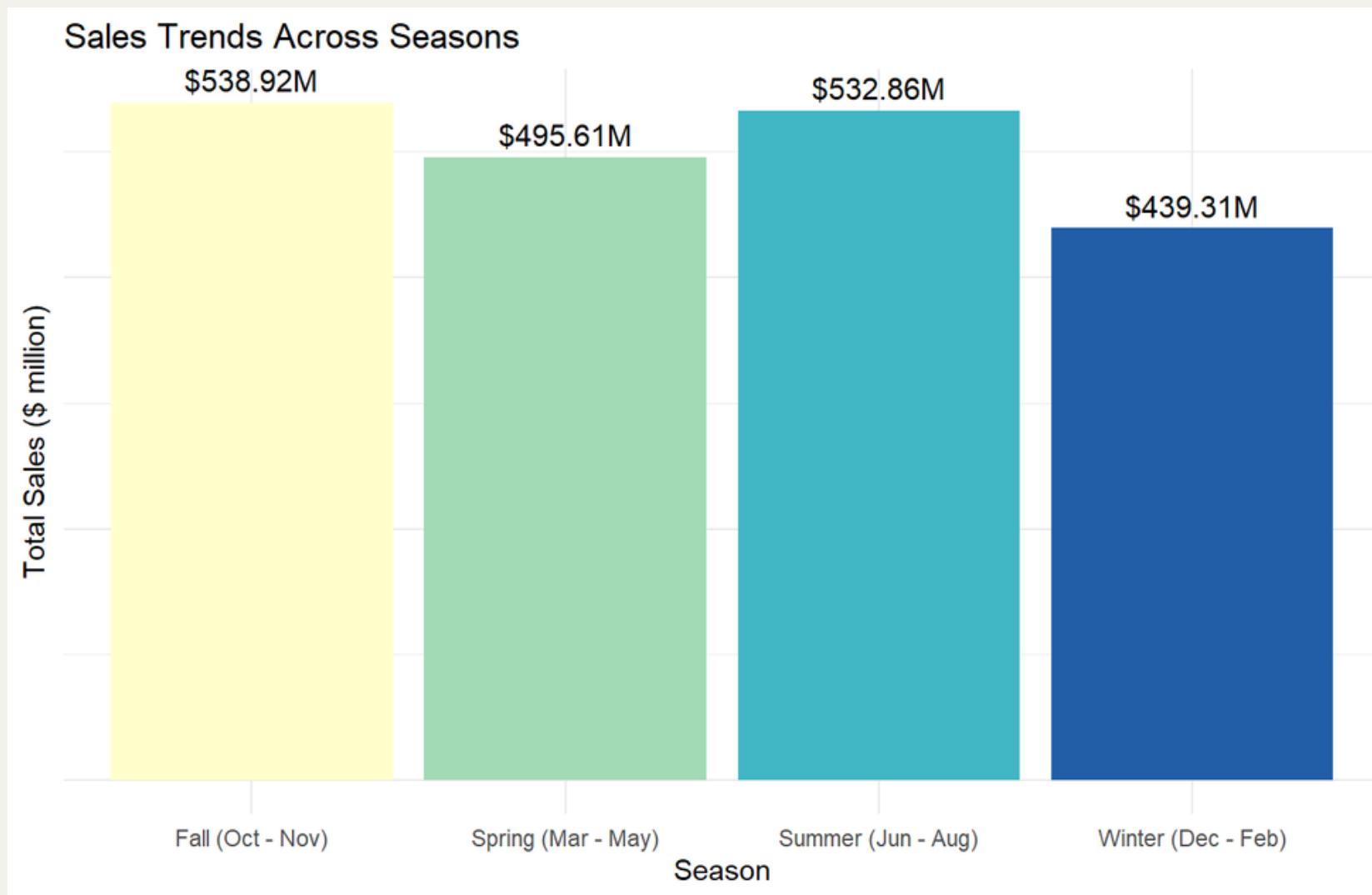
Compounded Annual Growth Rate (CAGR %)

**7%**

# Seasonality

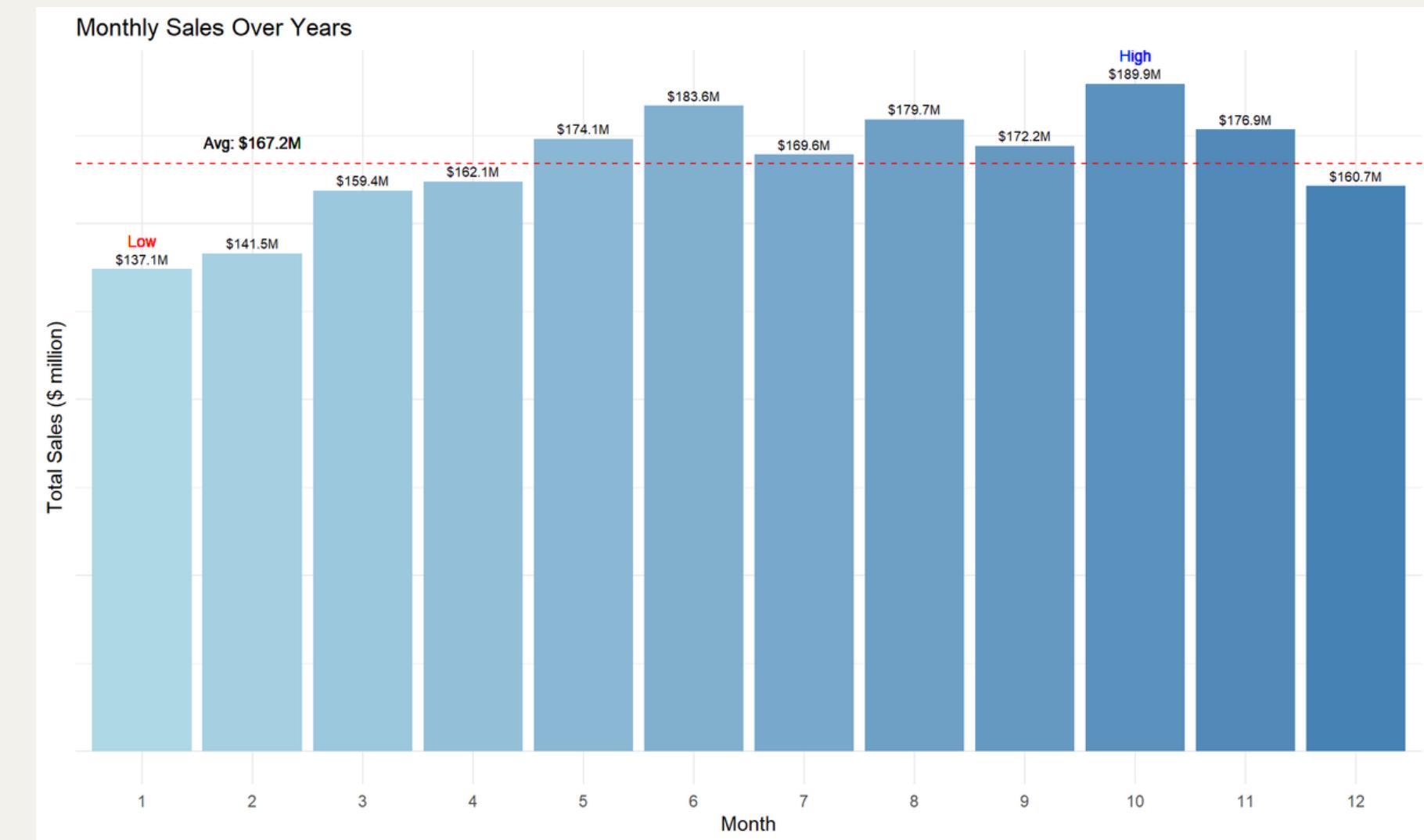
## Liquor sales within the state of Iowa

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Most Popular Season

~50% of Liquor Sales in Fall and Summer Months



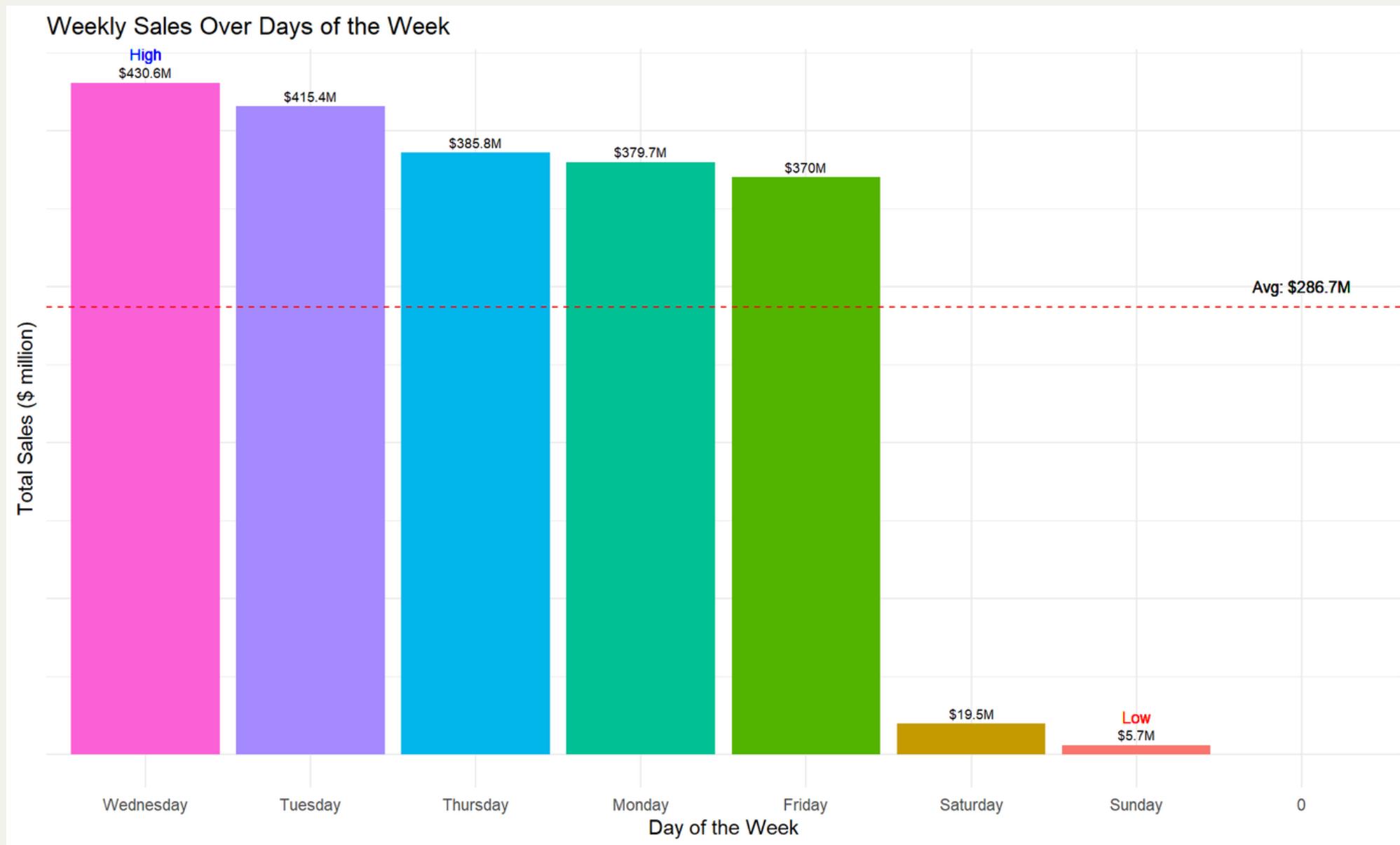
Most Popular Months:

October is the highest season

# Consumption Pattern

Liquor sales within the state of Iowa

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Weekdays see higher consumption as compared to weekends

Wednesday sales are 2x higher than the weekly average

# Our Market

Total Available Market (TAM) 2023:

**\$405 Million**

Total Vendors in the Market (2023)

**244**

Diageo's Market Share

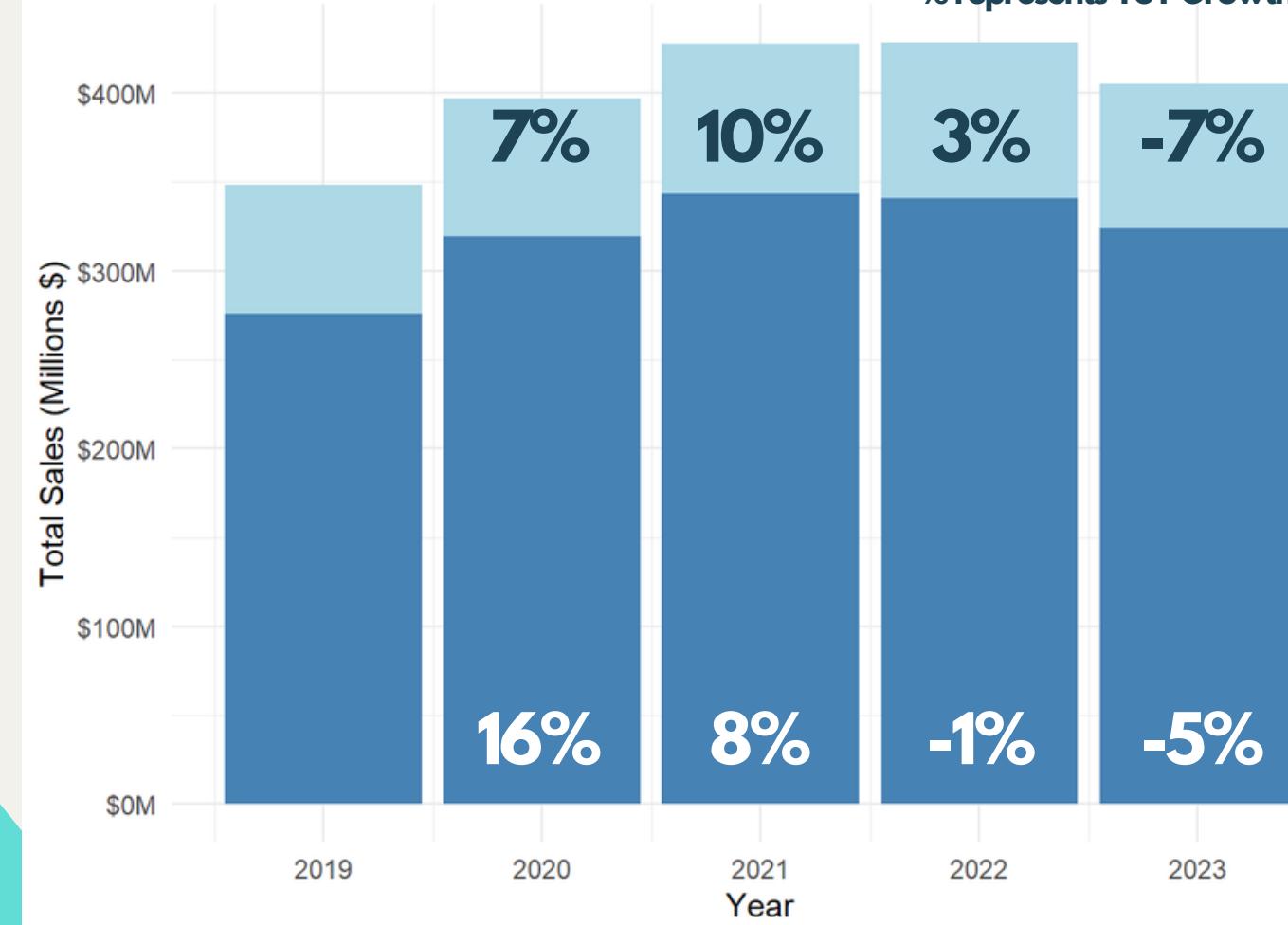
**\$81 Million (20%)**



Diageo Consistently Maintaining ~20% of Total Market Share

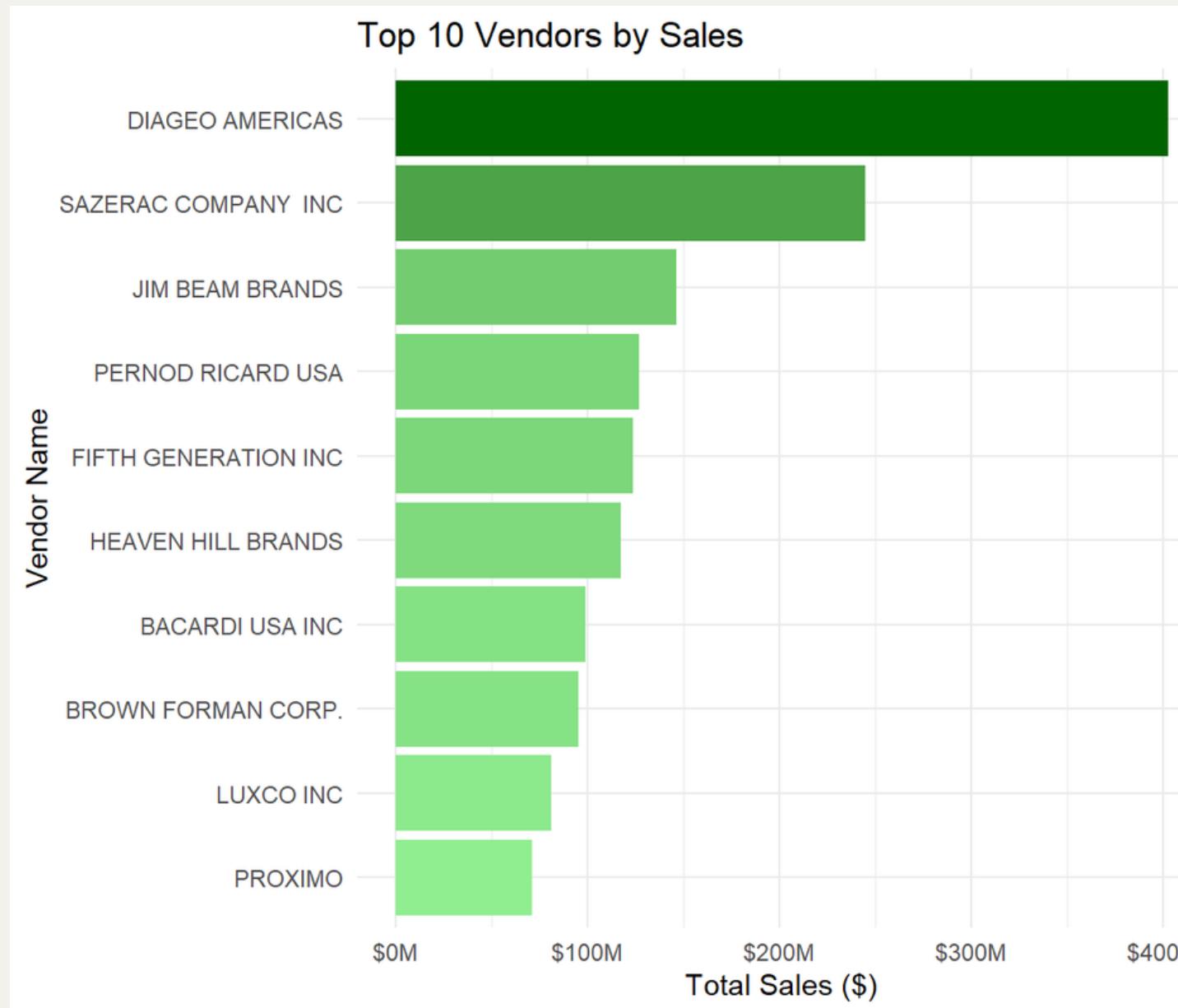
Category    Diageo\_Sales    Industry\_Sales

% represents YoY Growth



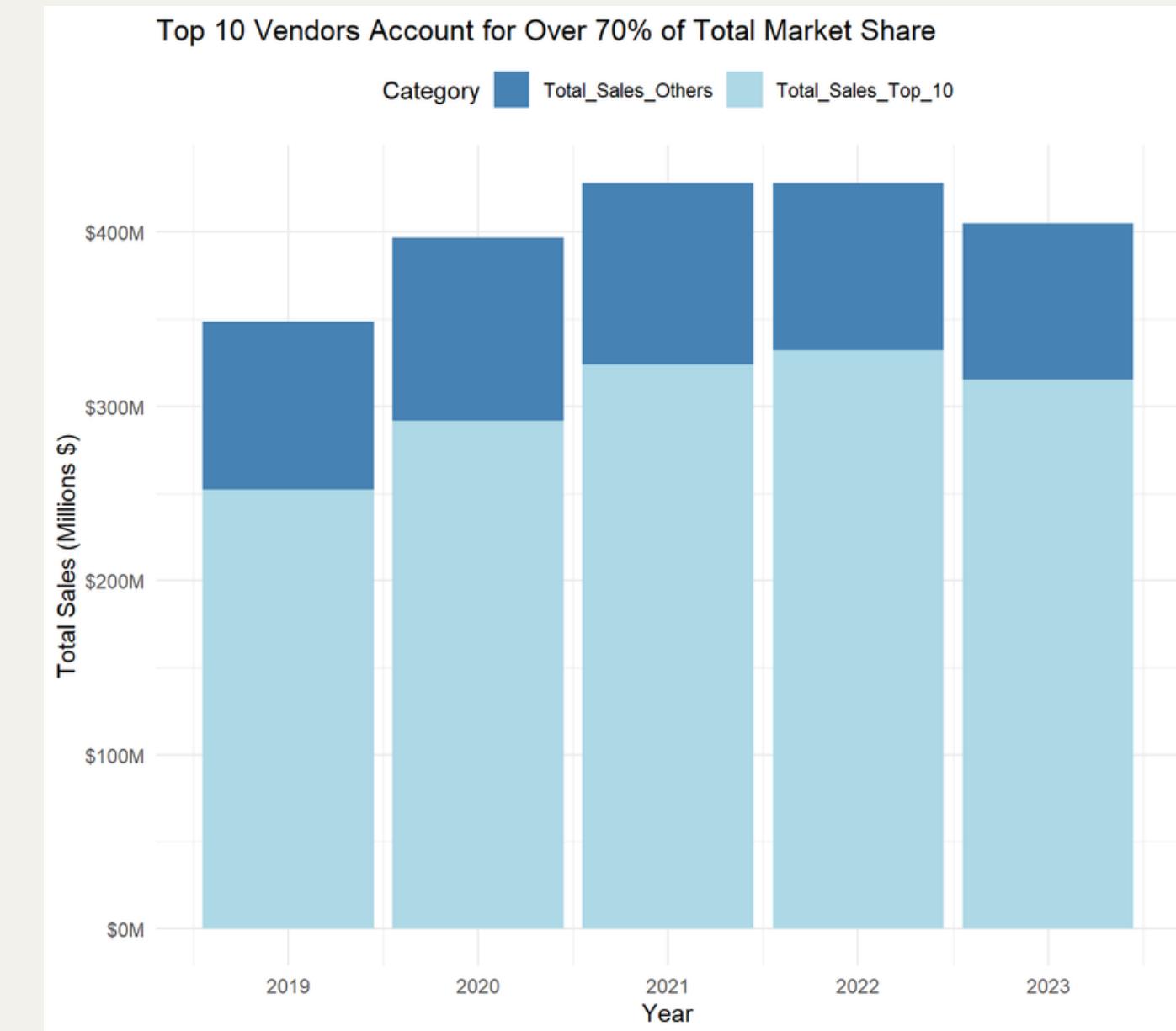
# Market Analysis

## Top 10 Players



Total Sales of Top 10 Vendors:

**\$1.5 Billion (75% of Total Sales)**



Diageo Share of the Top 10 Vendors

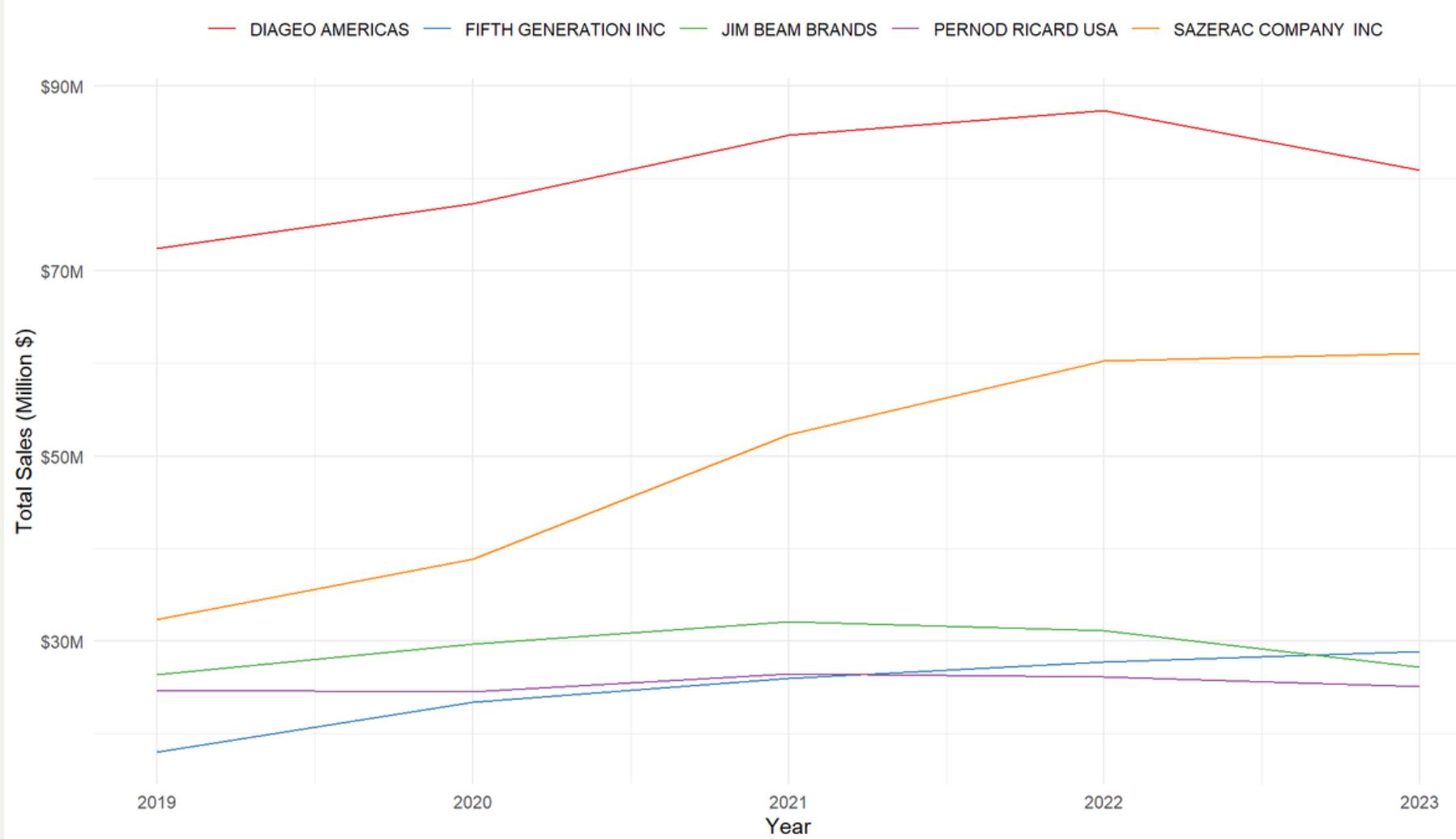
**27% (\$402.6 Million)**

# Market Analysis

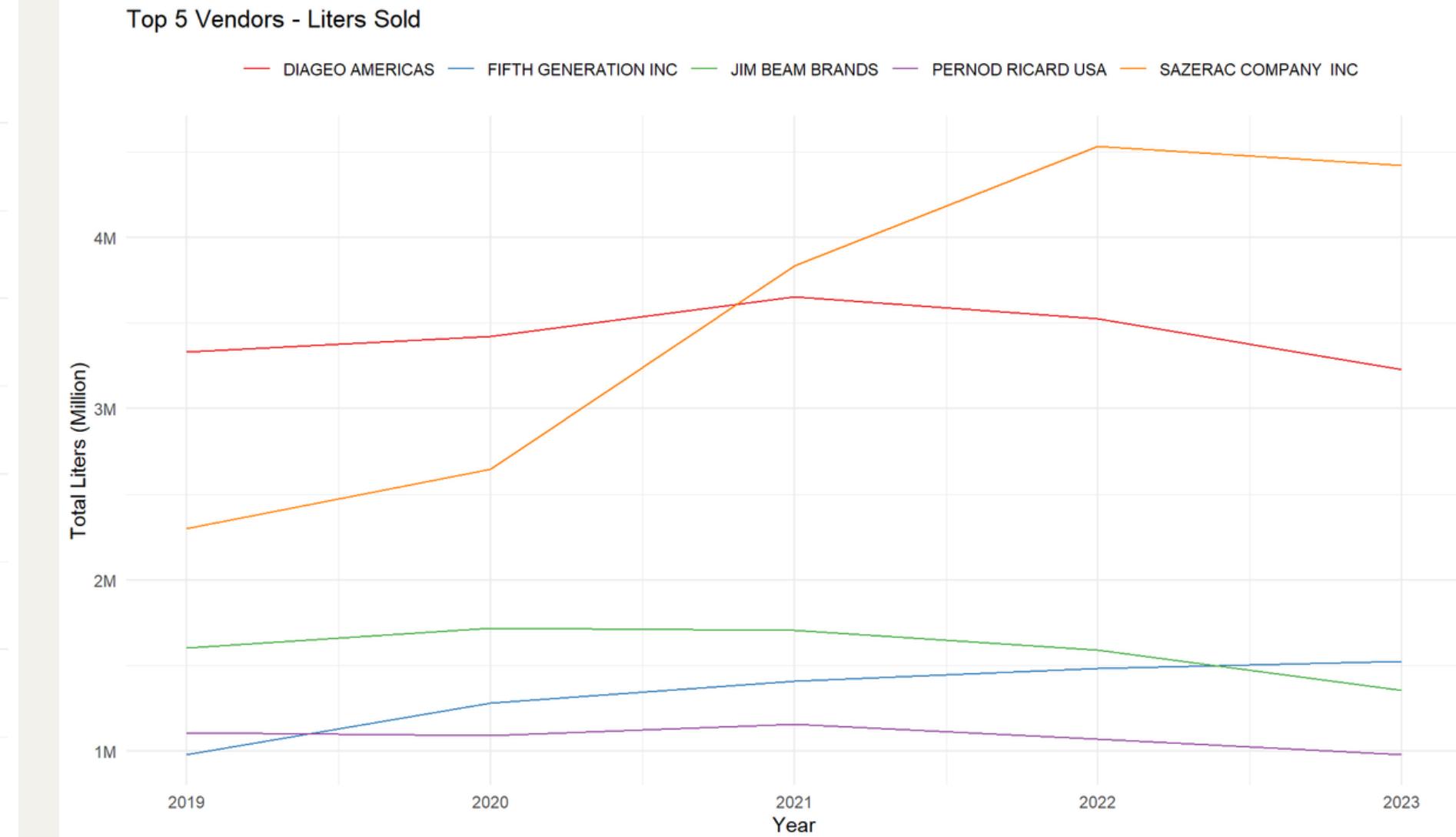
## Deep Dive into Top 5 Performance (2019 - 2023)

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Top 5 Vendors - Sales Trends



Top 5 Vendors - Liters Sold



Key Takeaways:

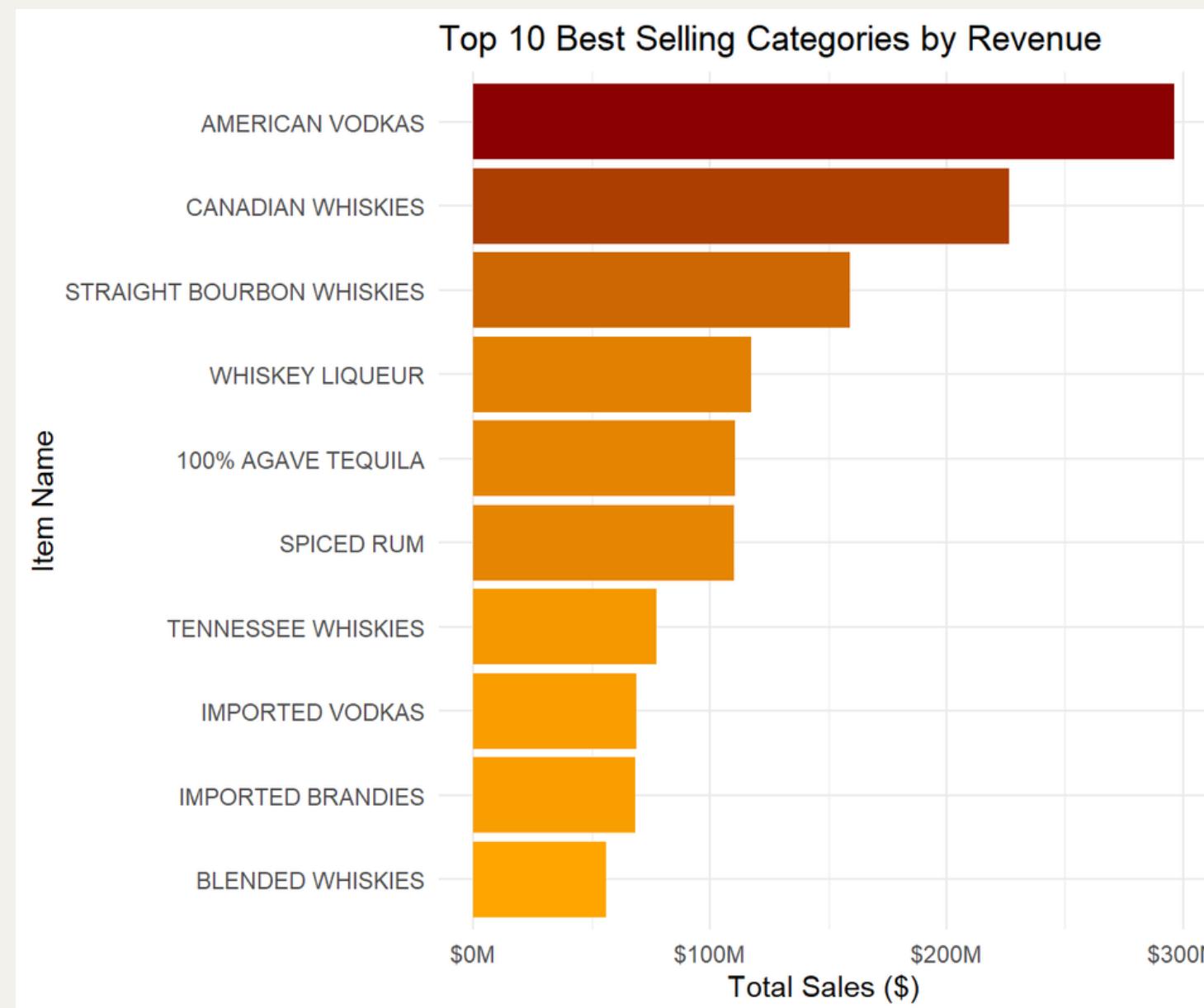
Diageo Sales dipping, Sazerac  
Catching up

Sazerac liters sold outpacing the  
Top 5 Vendors since 2020

# Liquor Categories

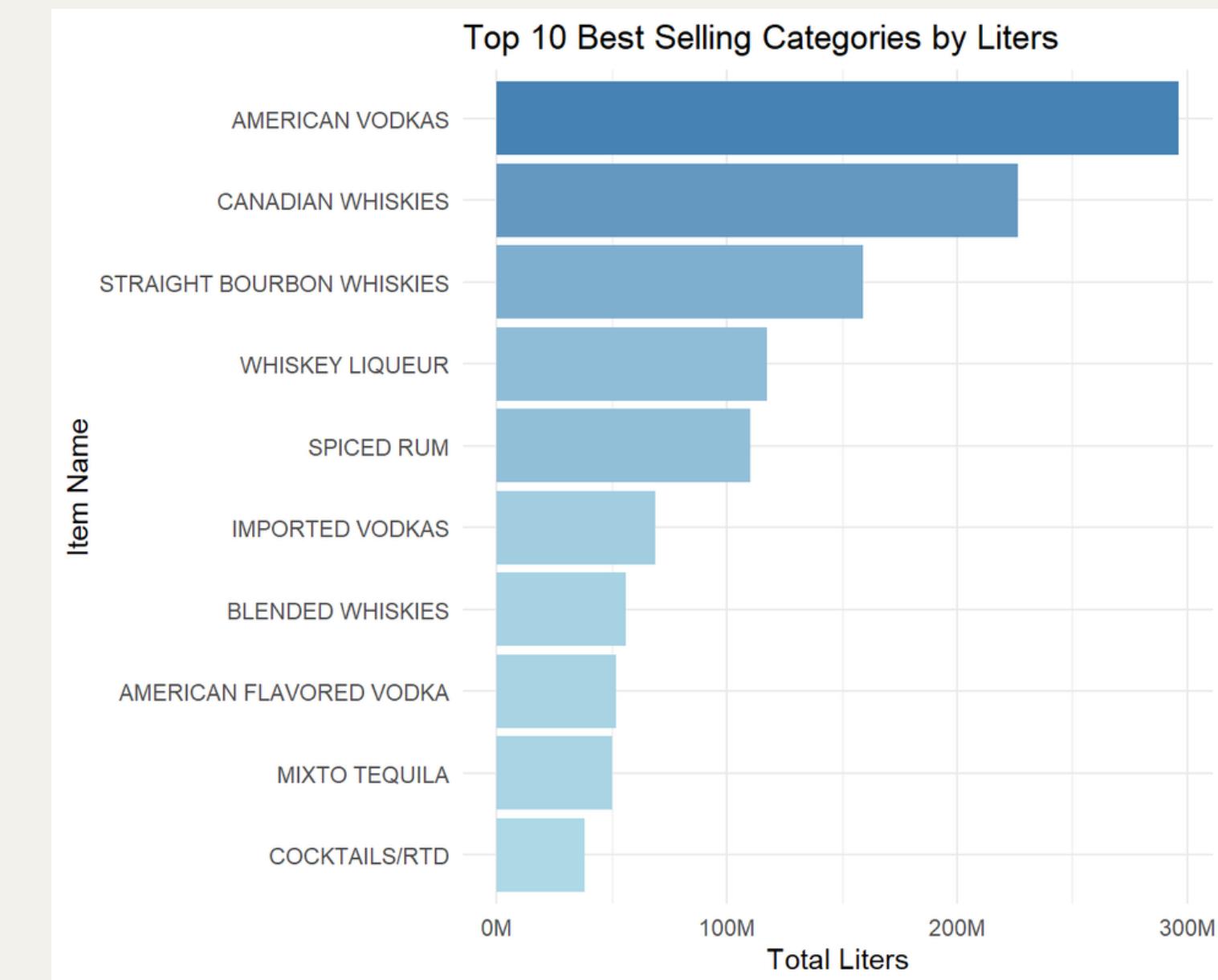
## Top 10 Best Selling Categories by Revenue & Liters

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Total Sales of Top 10 Categories:

**\$1.3 Billion (64% of Total Sales)**



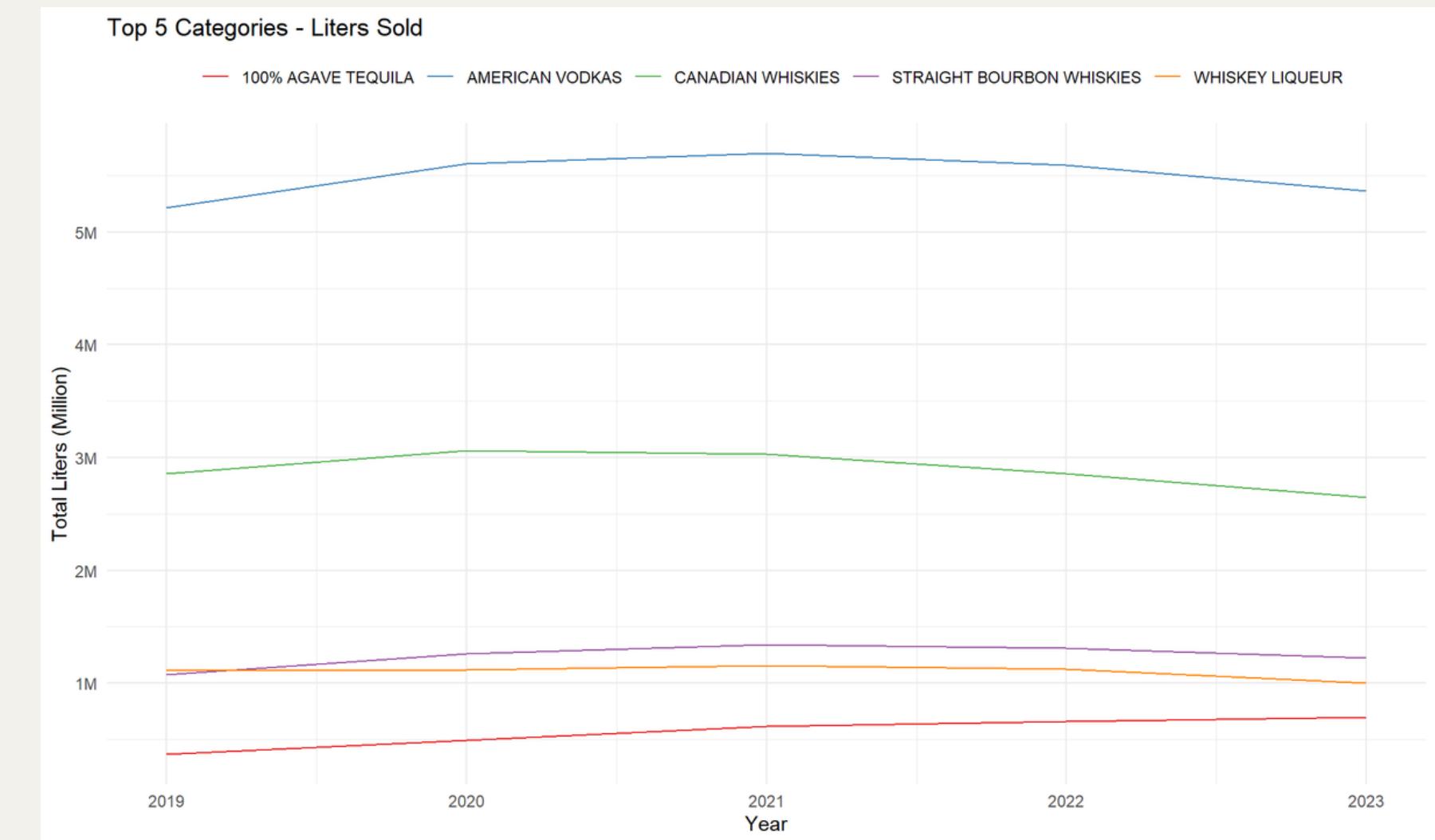
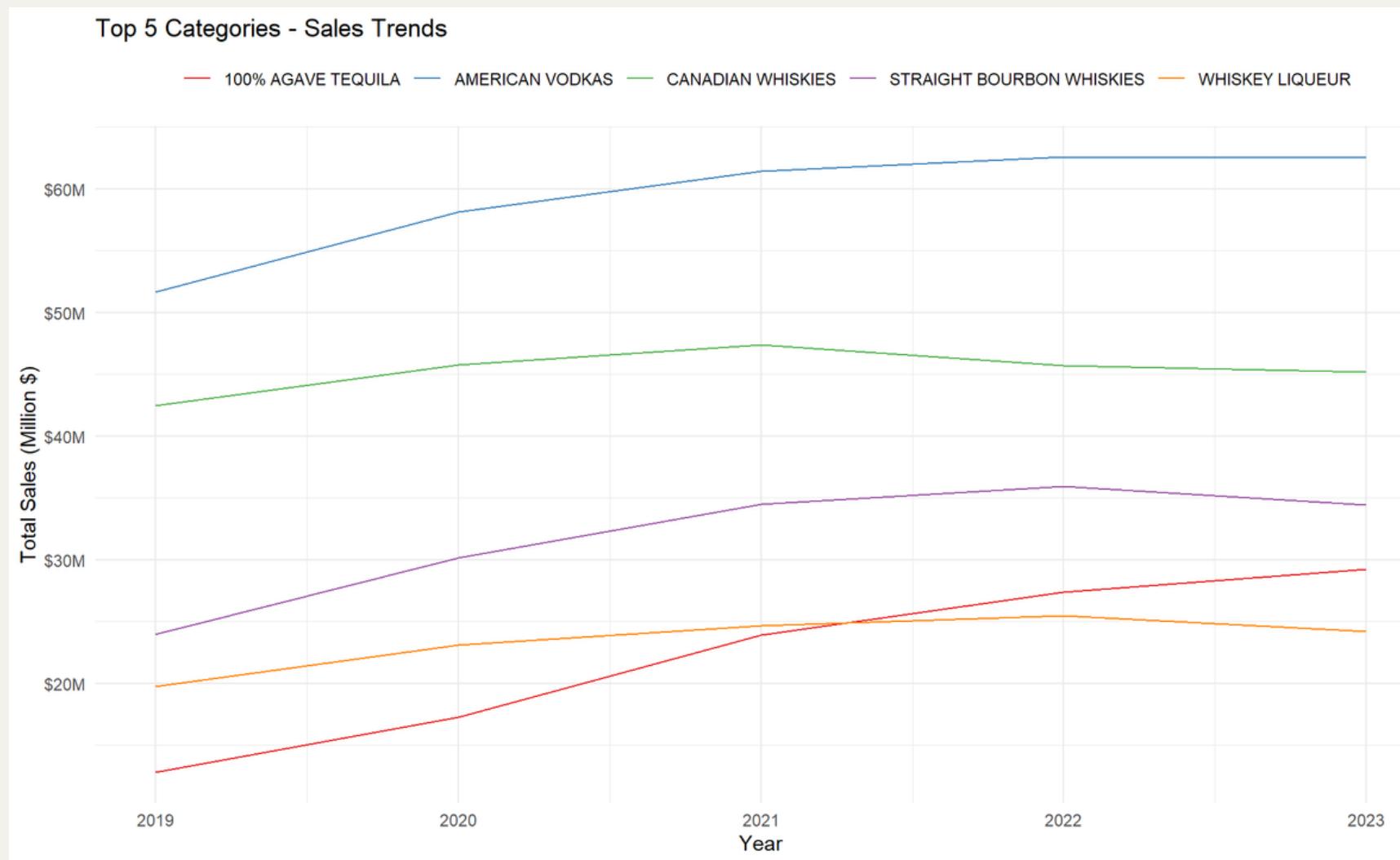
Total Liters Consumed of Top 10 Categories:

**\$116.5 Million (69% of Total Liters)**

# Liquor Categories

## Top 5 Categories Performance Over 2019 - 2023

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Key Takeaways:

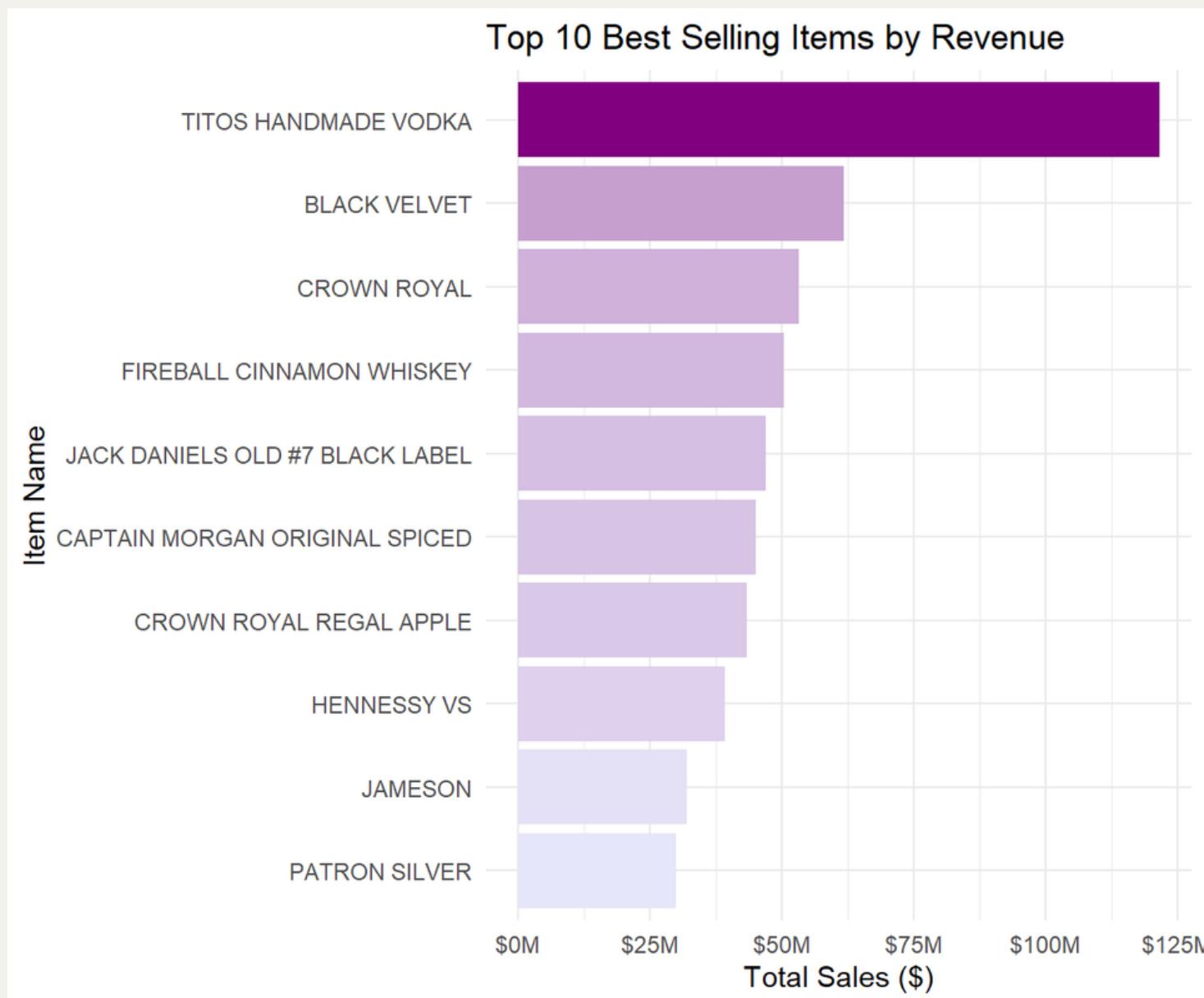
100% Agave Tequila is growing faster than others

Tequila consumption is increasing by liters consumed as others are decreasing

# Products

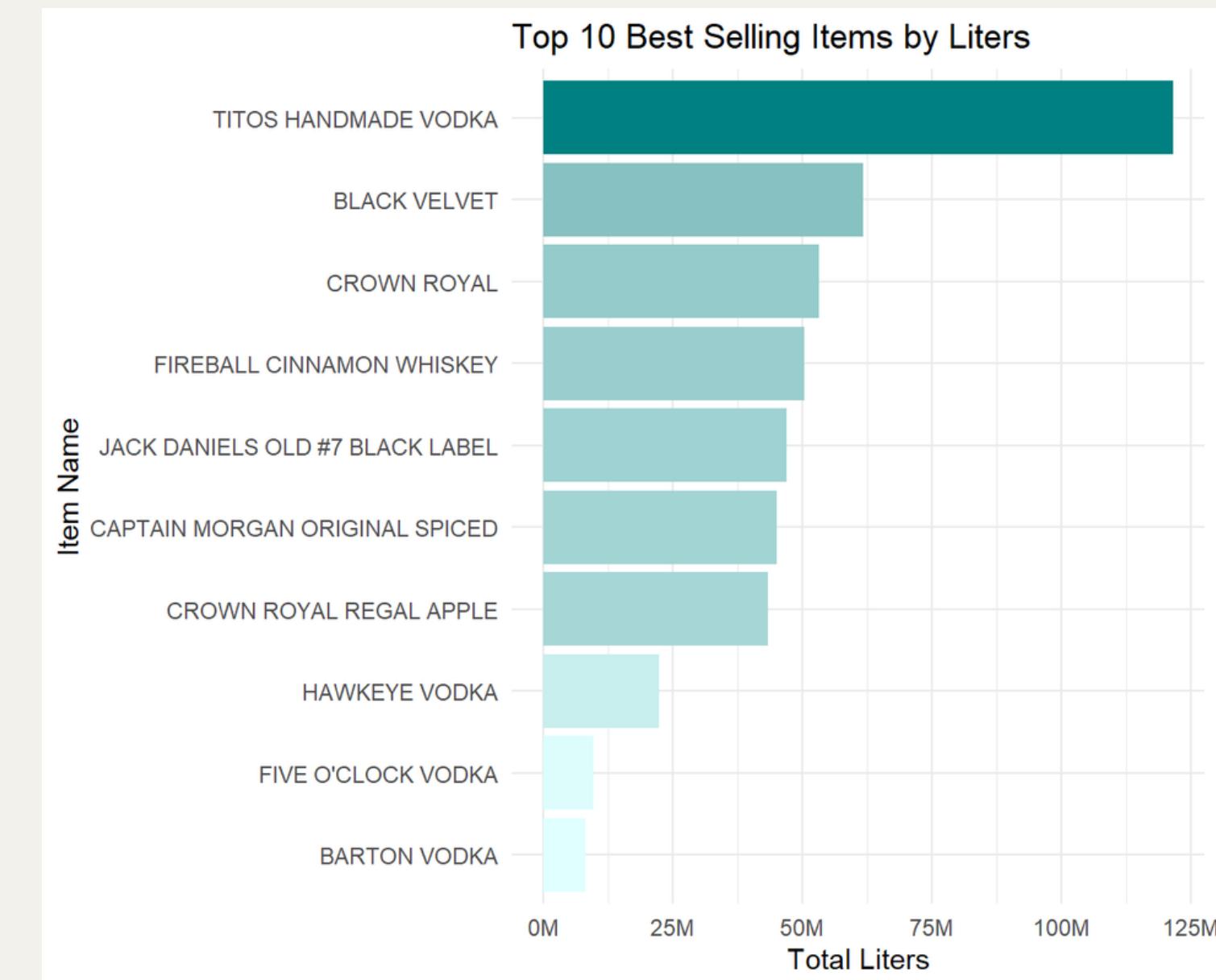
## Top 10 Best Selling Products by Revenue and Liters

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Total Sales of Top 10 Products:

**\$523 Million (26% of Total Sales)**



Top Product

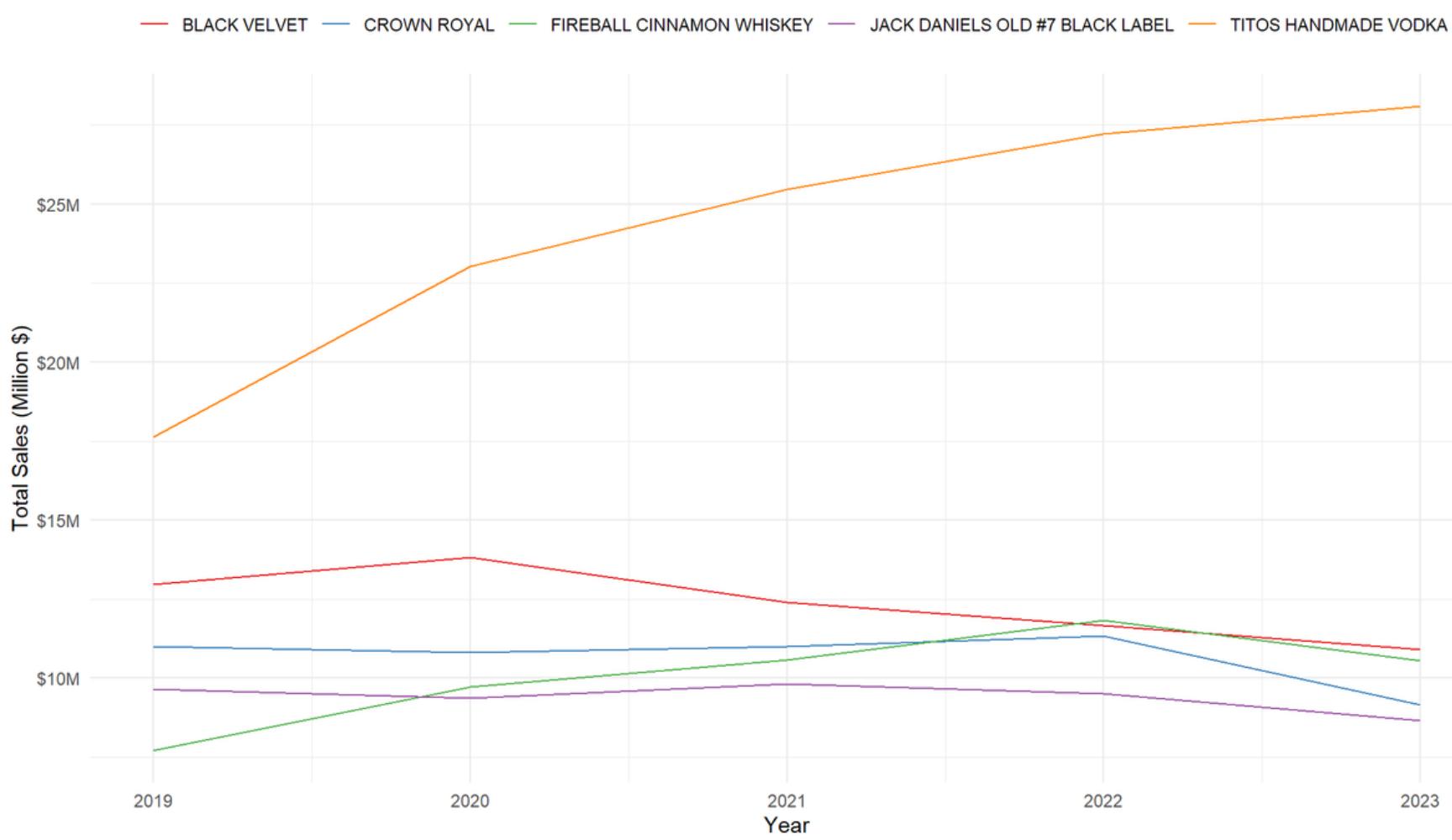
**Titos - \$121 Million | 6.7 Million L**

# Products

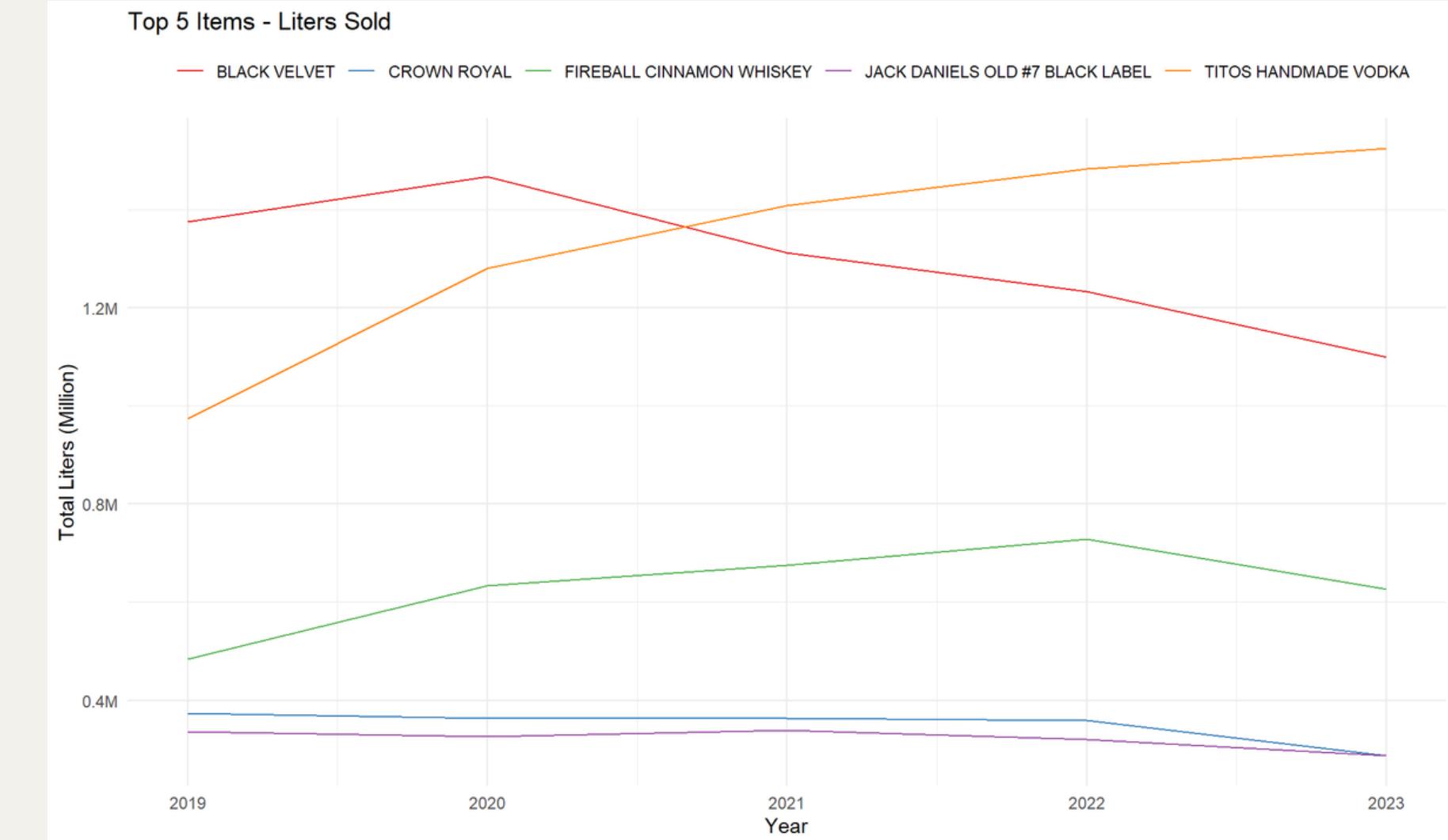
## Top 5 Performance Over 2019 - 2023

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Top 5 Items - Sales Trends



Top 5 Items - Liters Sold

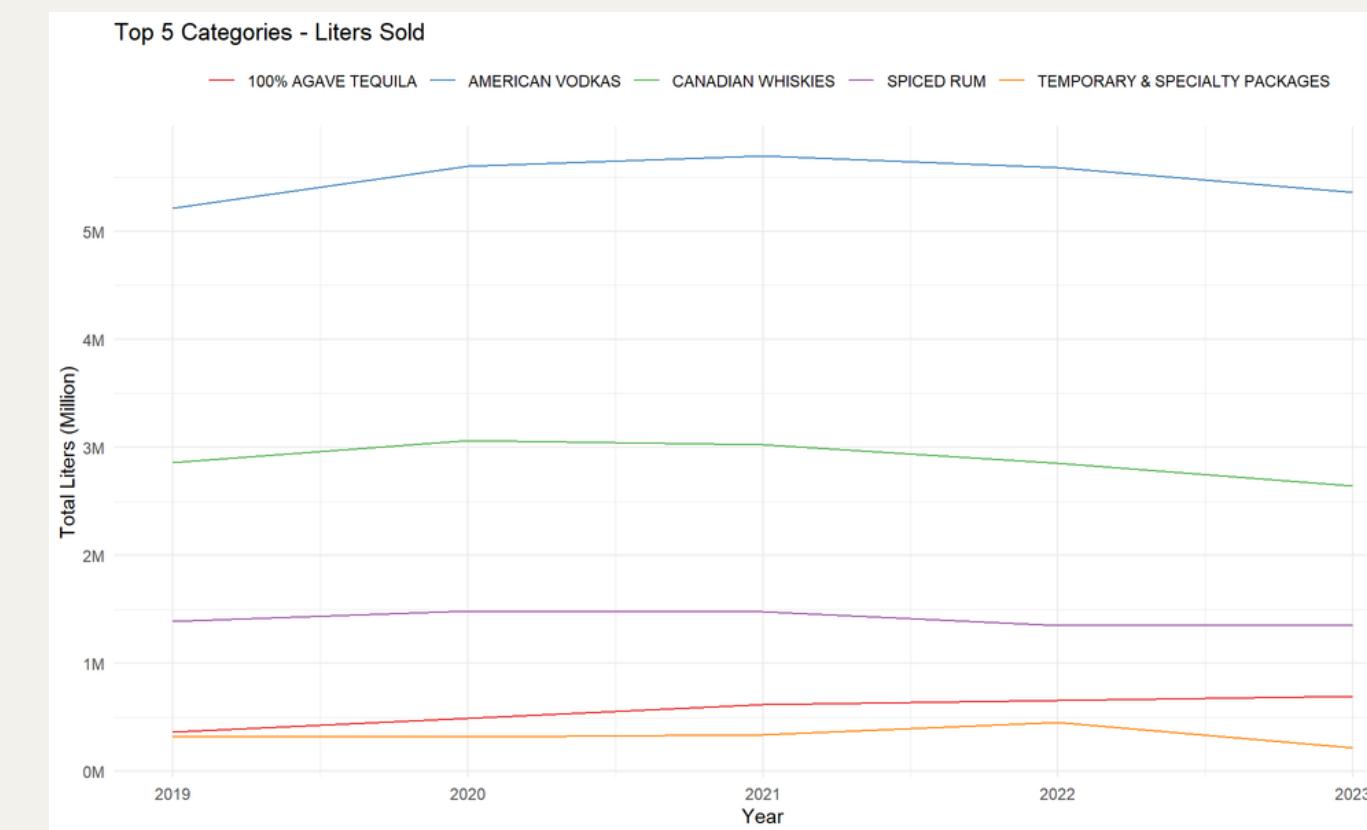
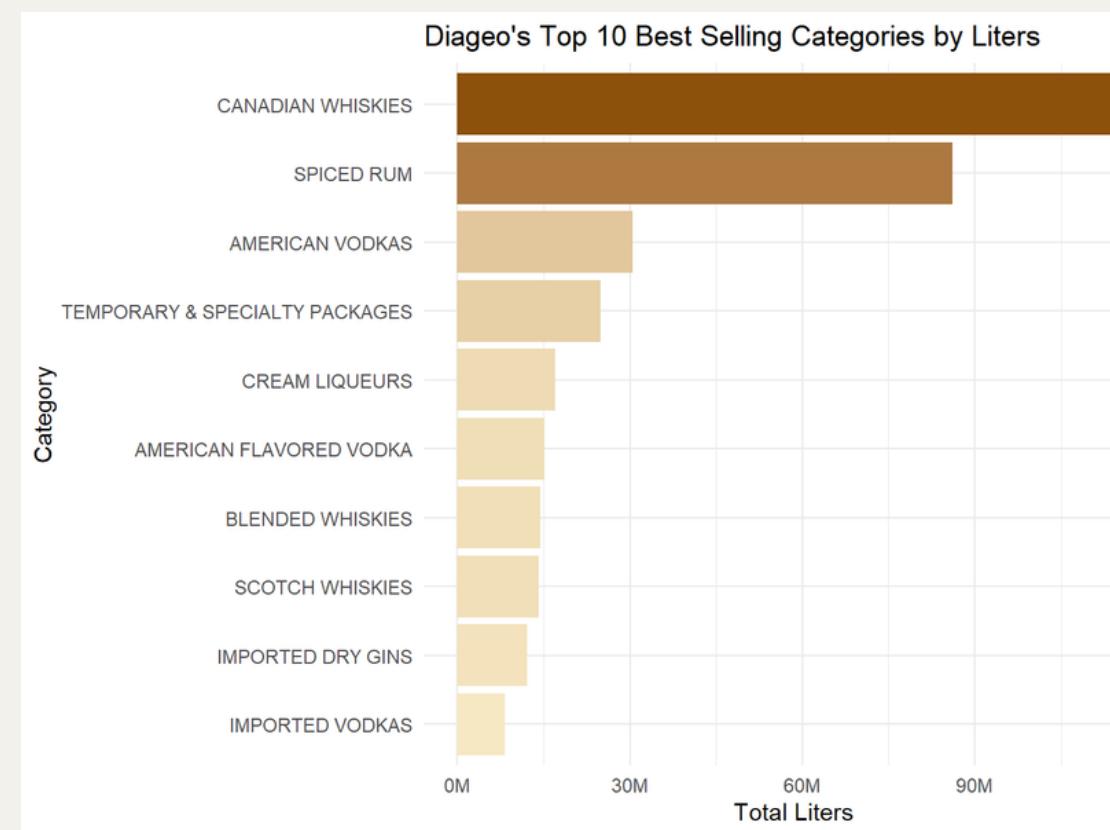
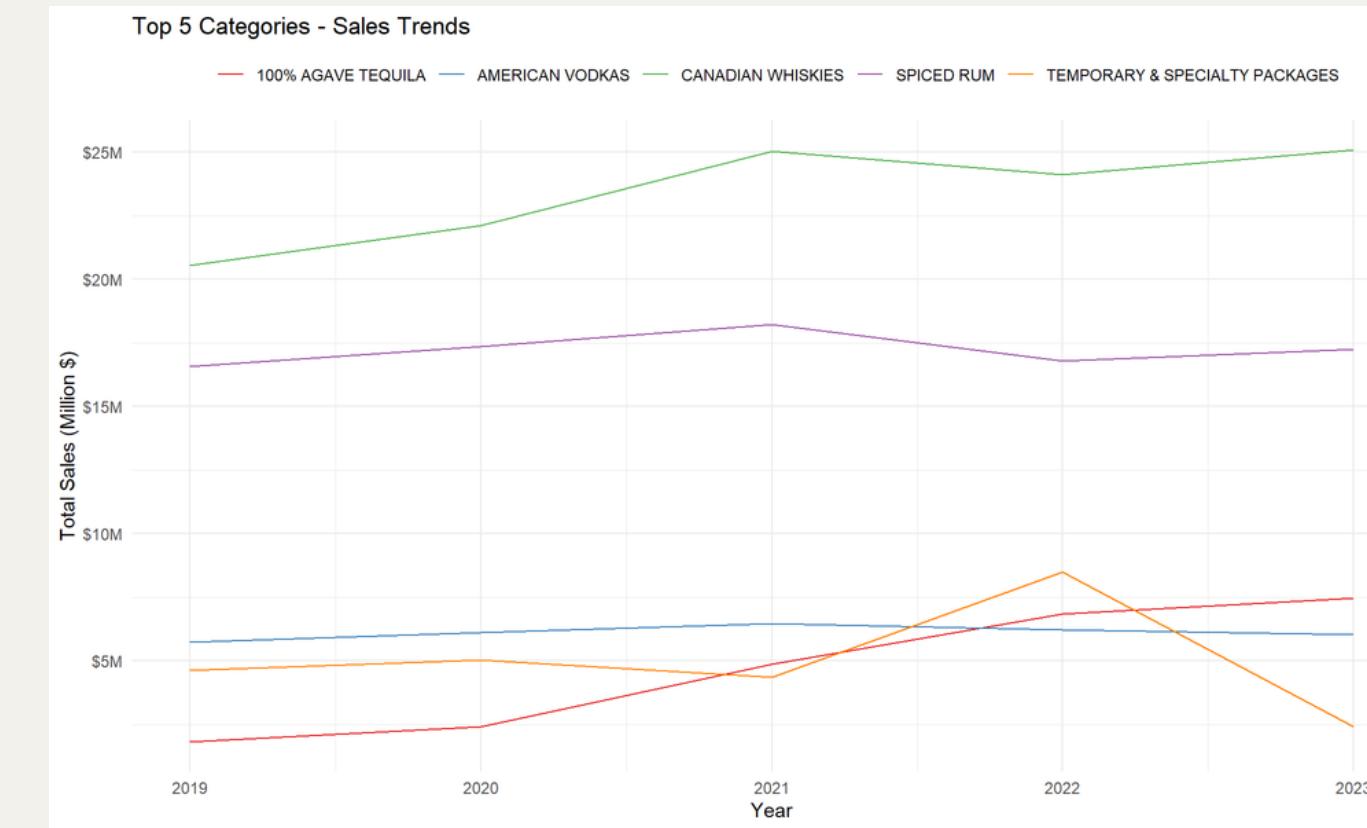
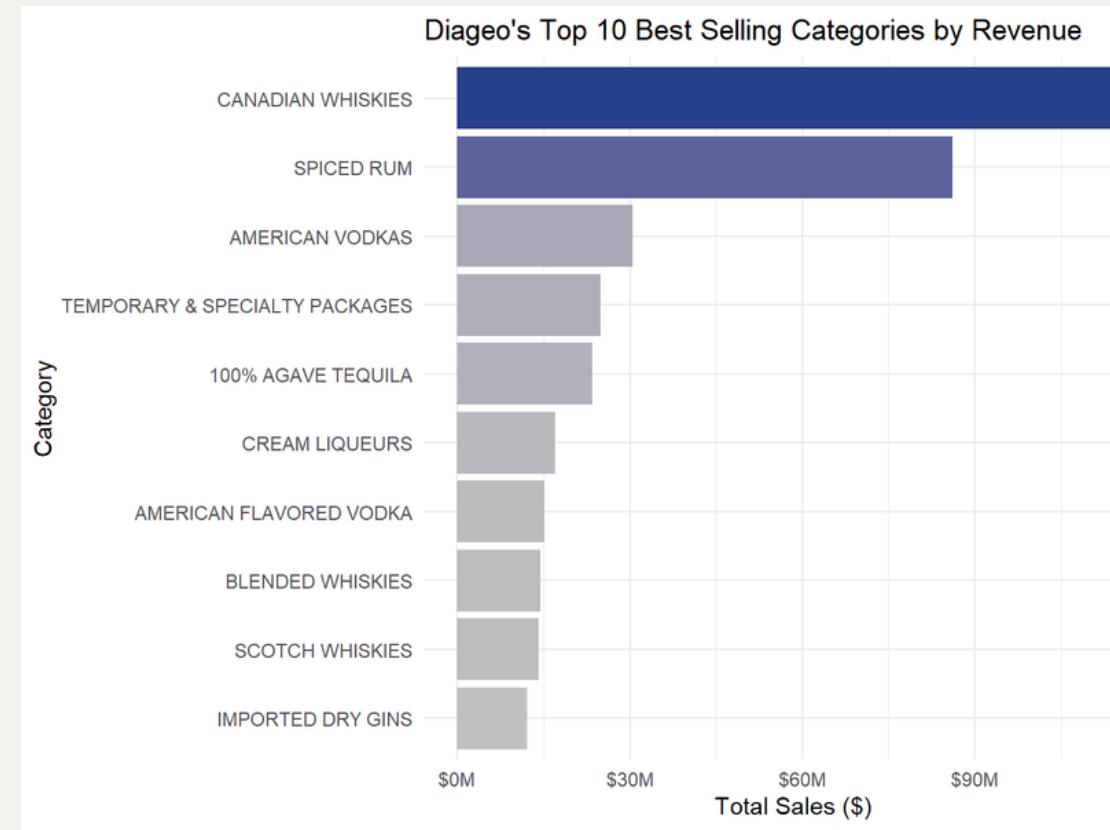


Key Takeaways:

**Tito's Vodka outperforming the market**

**Sazerac has higher sales by liters for its Fireball whiskey as compared to Crown Royal**

# Portfolio Performance



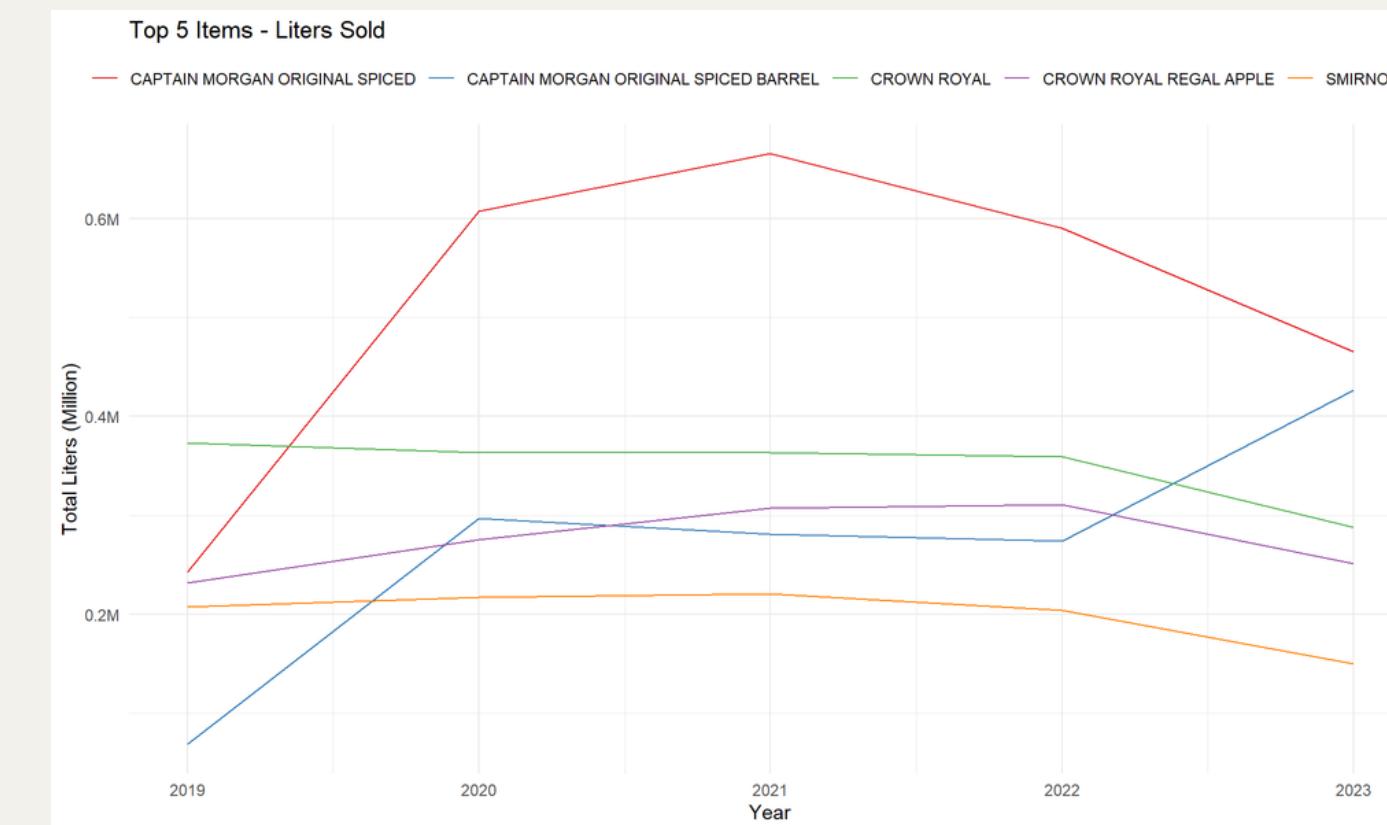
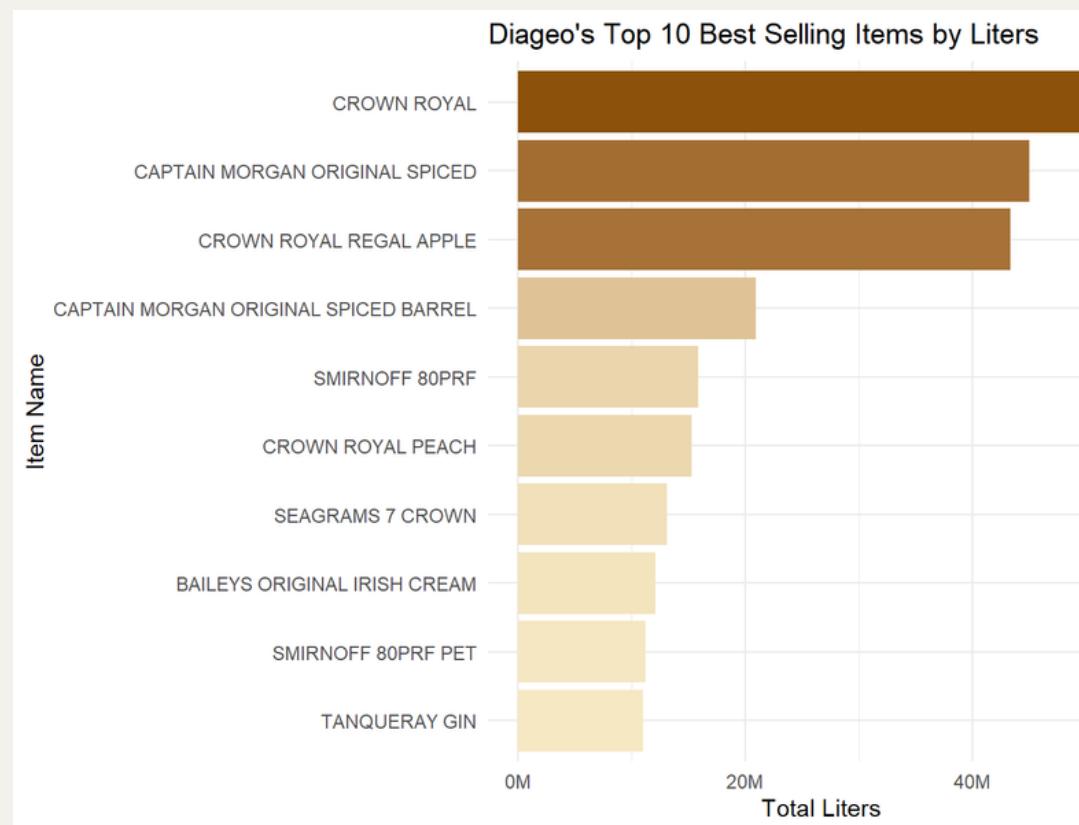
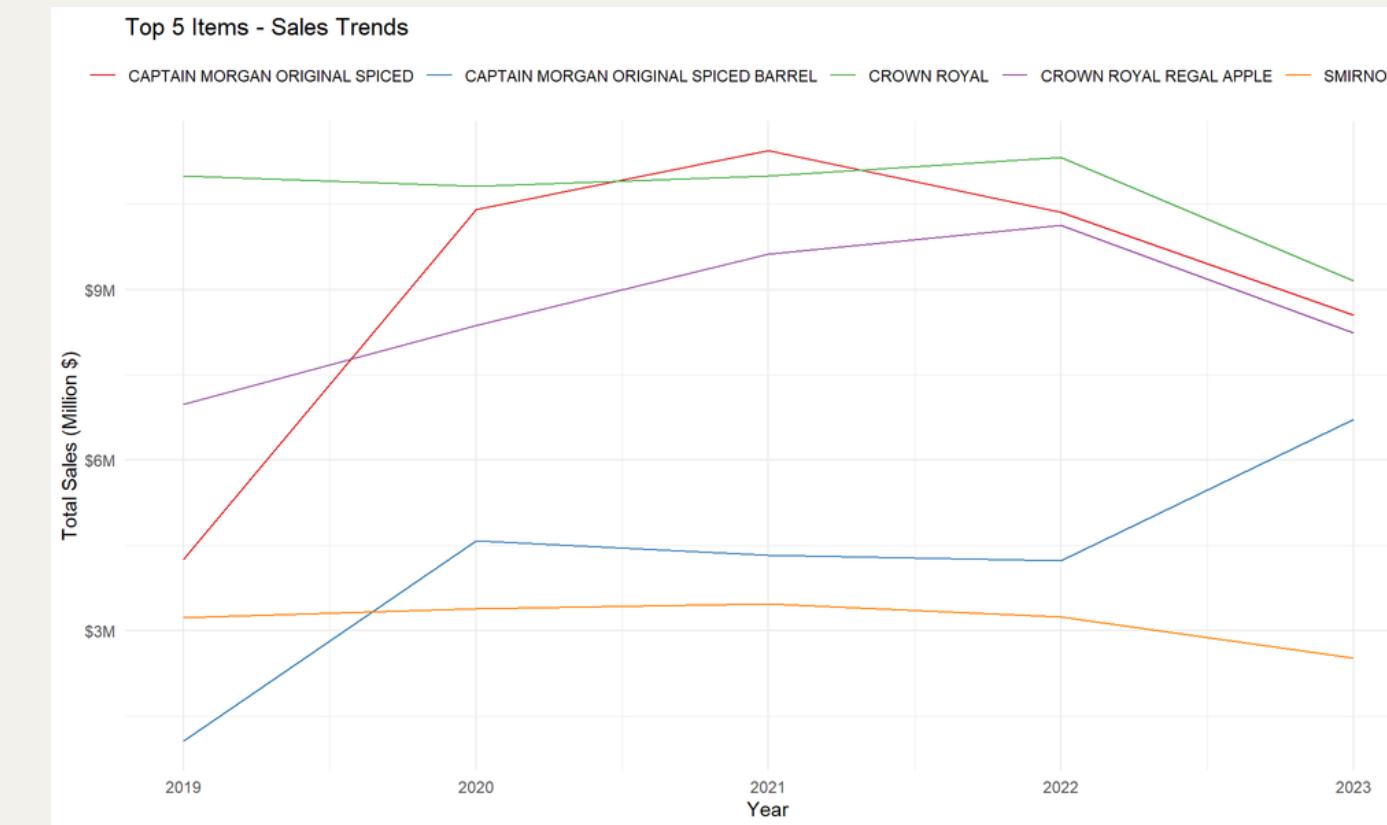
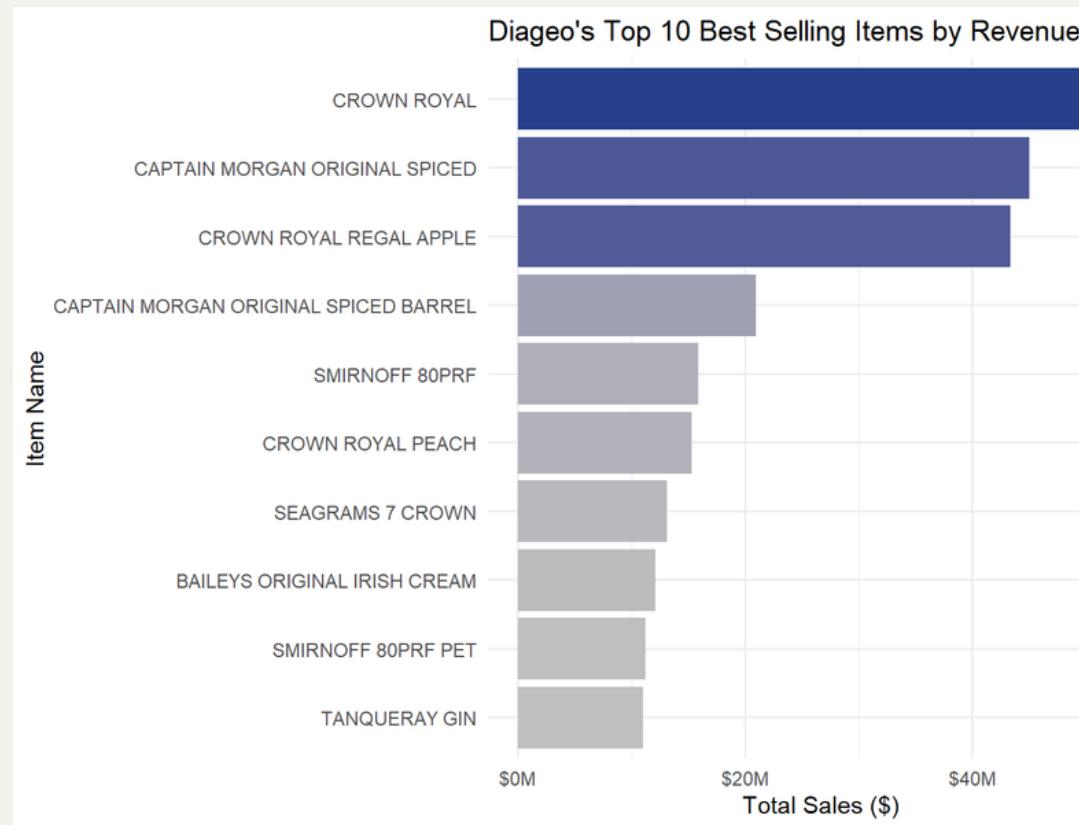
Key Takeaways:

**Top 10 categories make up 88% of Diageo's total sales (\$ 354 Million)**

**Tequila accounts for 6% of Total Sales but is steadily increasing**

**Tequila accounts for 6% of Total Sales but is steadily increasing**

# Portfolio Performance



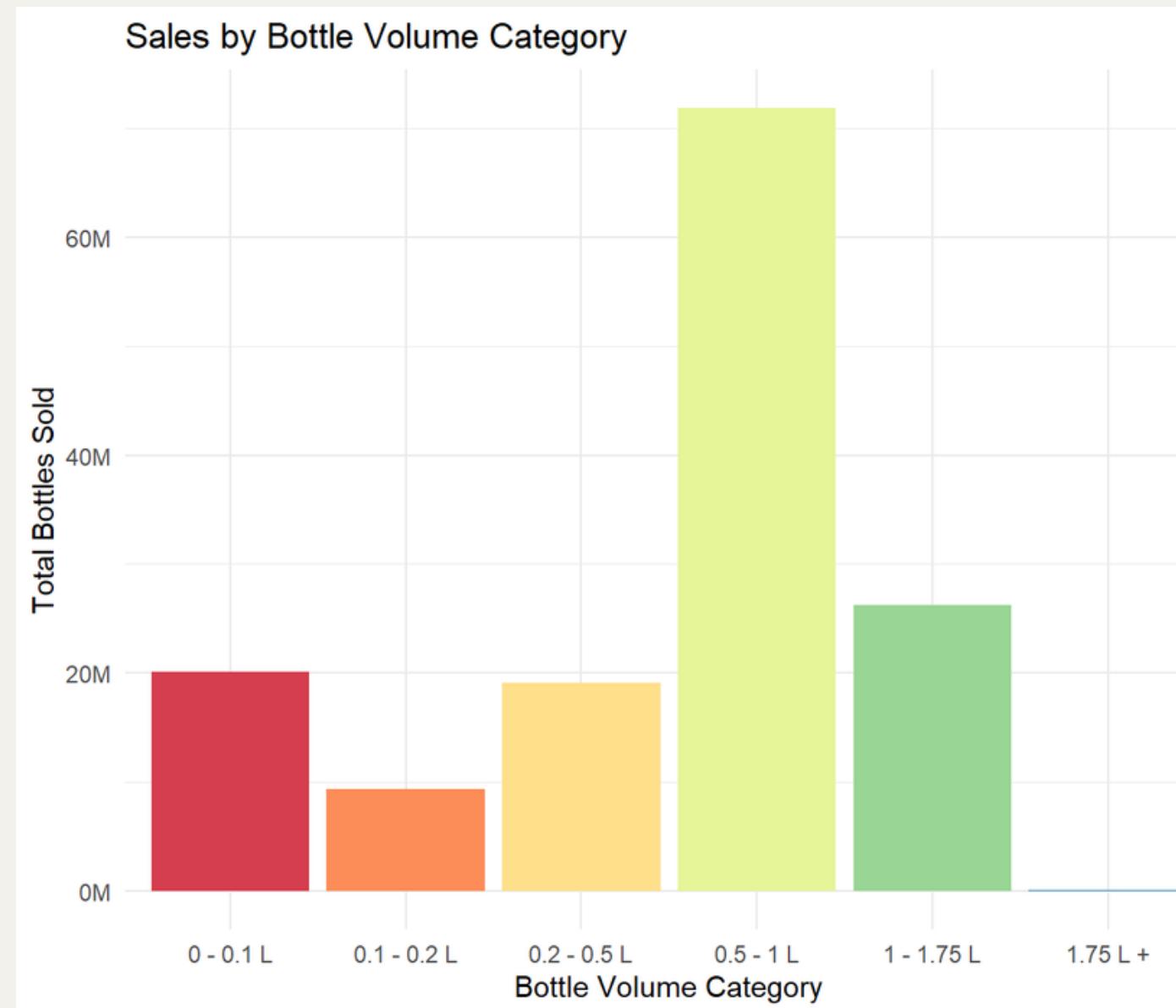
Key Takeaways:

**Captain Morgan Spiced Rum is gaining great traction over the years**

**Crown Royal is the top selling product making up for 13% of Total Sales but trending downward since 2022**

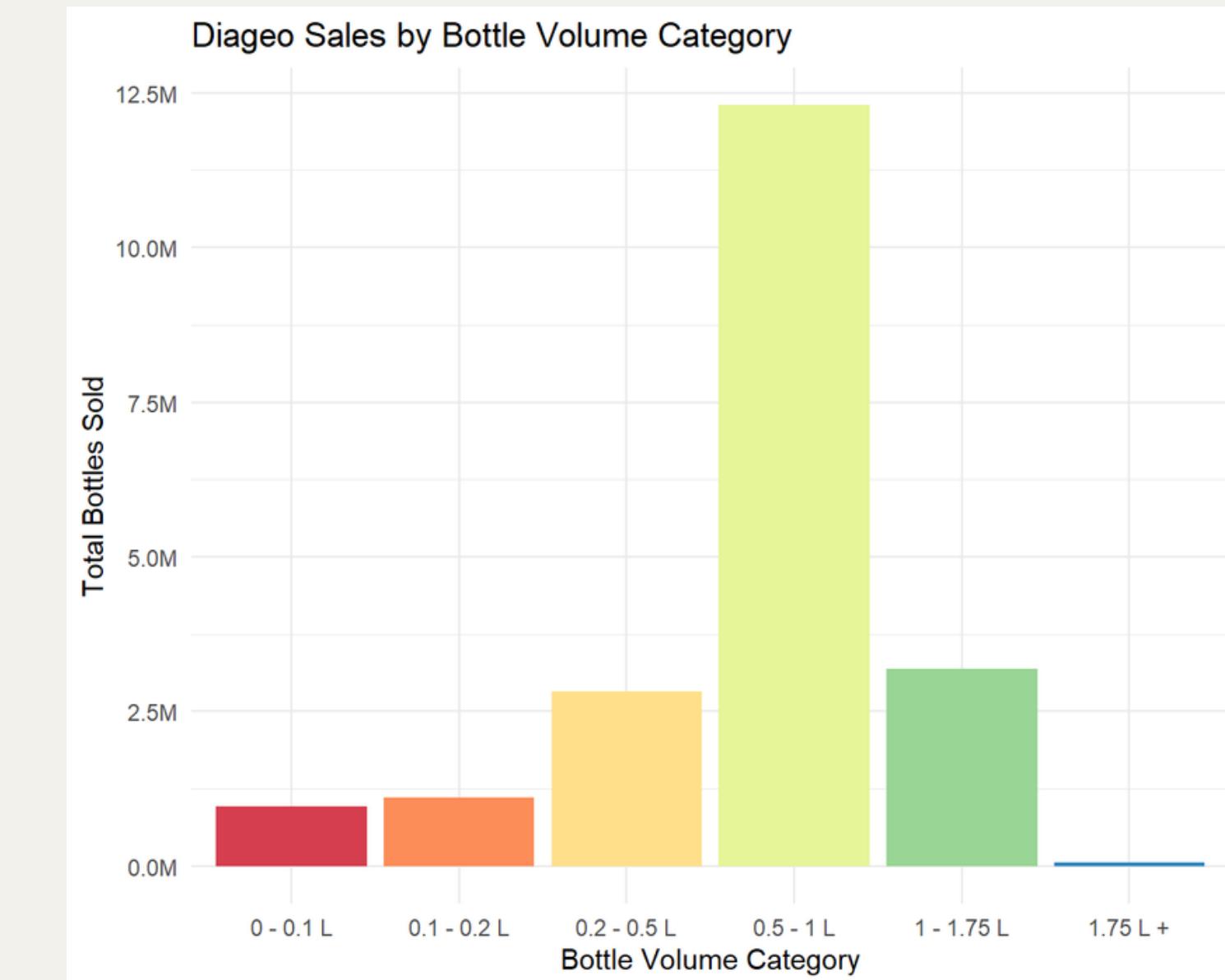
# Consumer Preference

## Diageo Performance By Volume Segments



Most Sold Bottle Category is 0.5 to 1L :

**72 Million Bottles (49% of Total)**

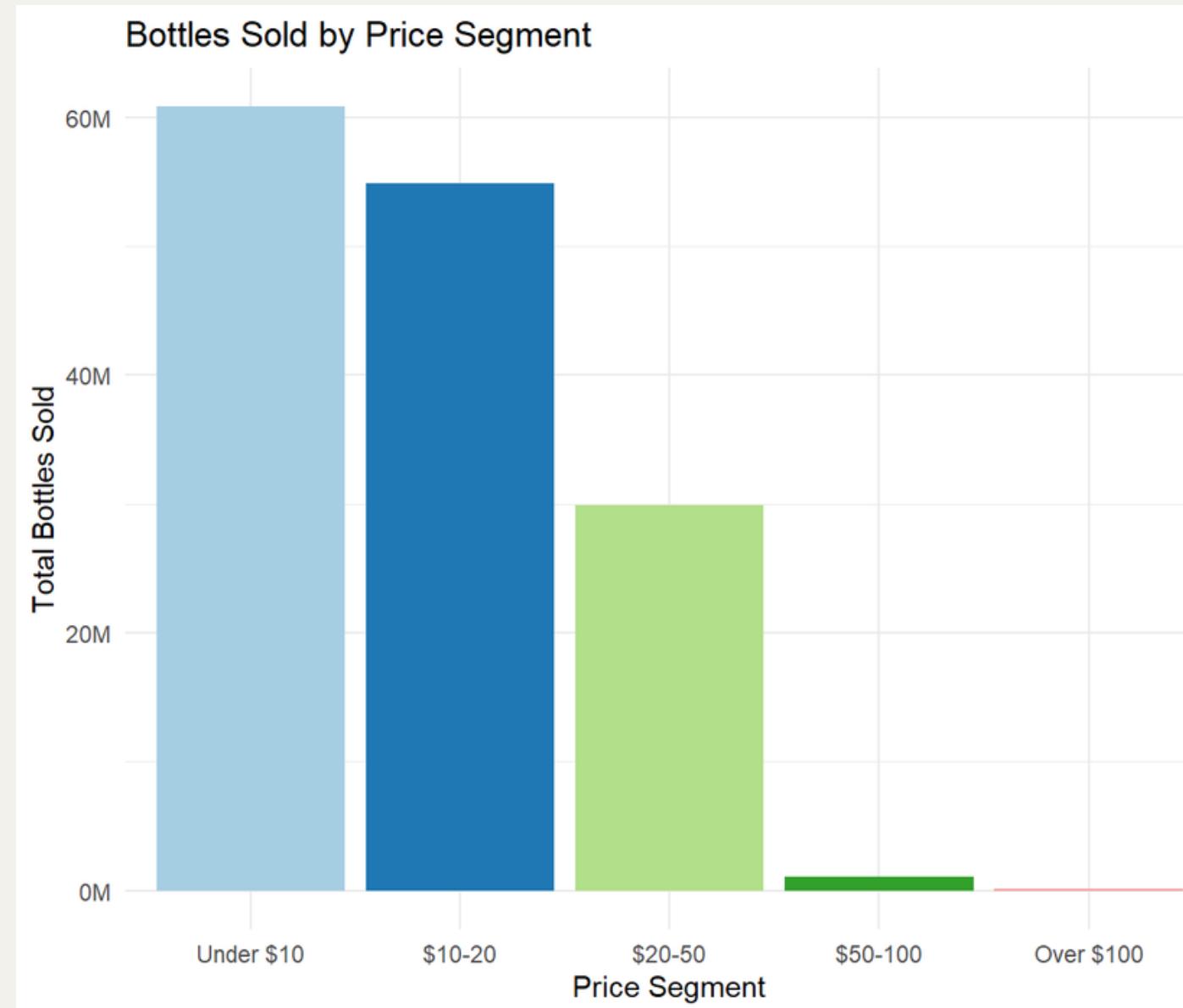


% of Diageo's Sales are in 0.5 - 1 L category

**60% (12.3 Million Bottles)**

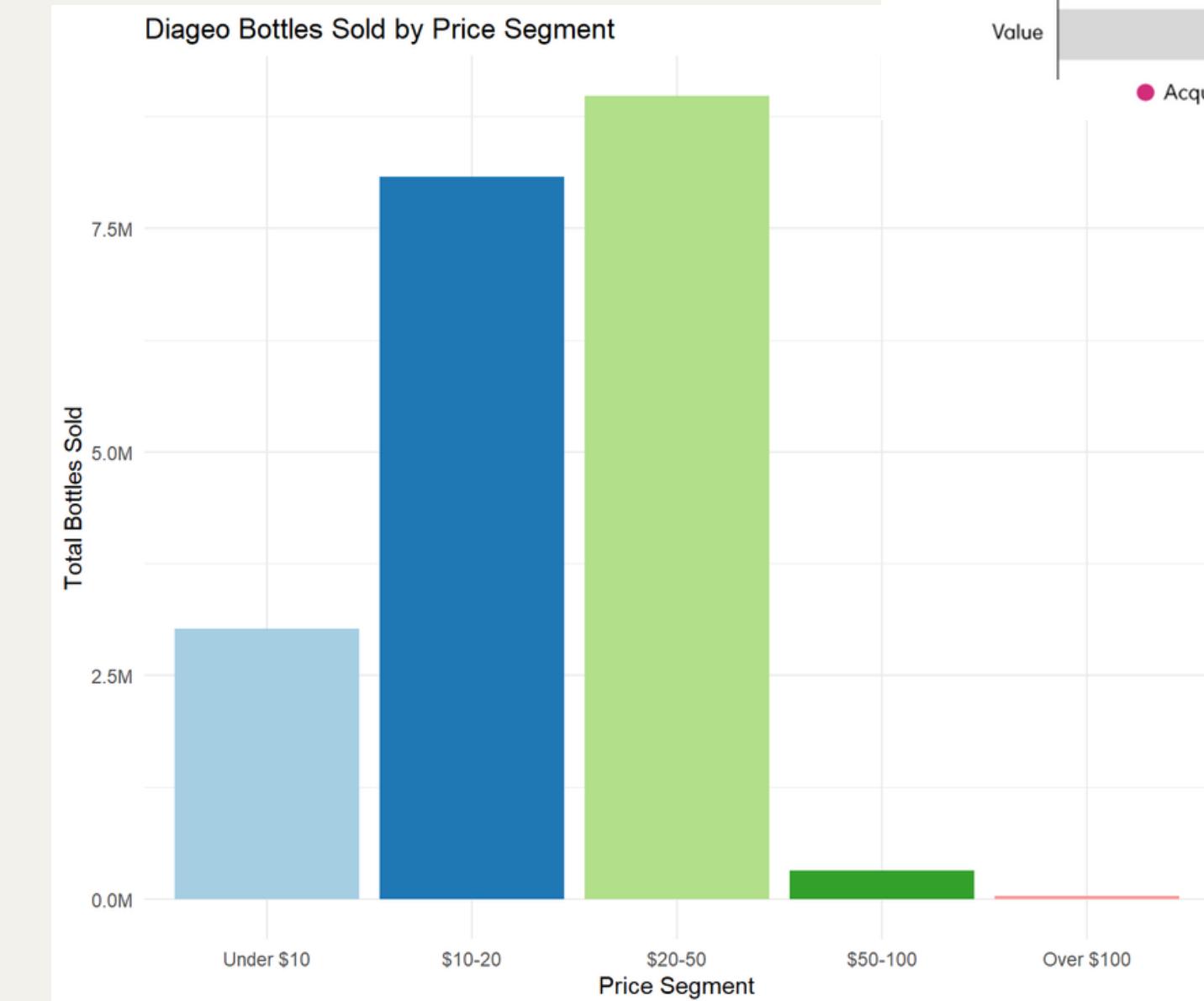
# Consumer Preference

## Diageo Performance By Price Segments



Majority of sales in Iowa are bottles <\$10

**61 Million bottles (41% of Total)**

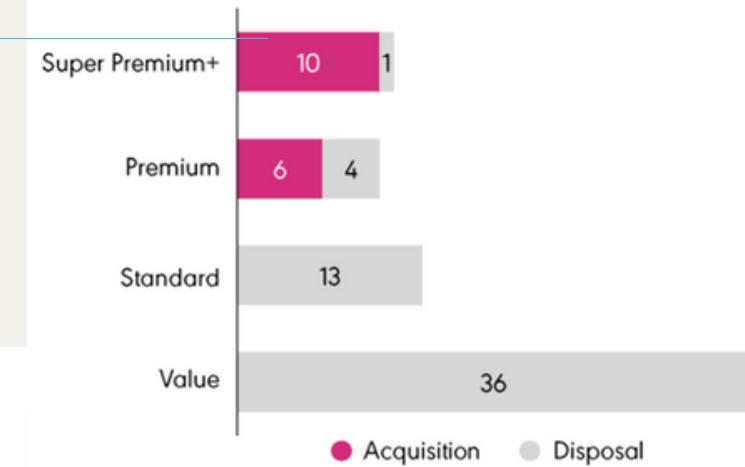


% of Sales between price points of \$10 and \$50

**17 Million bottles (84% of Total)  
only 10% <\$10**

Acq - 2.8 bn  
Disposals - \$1.6 bn

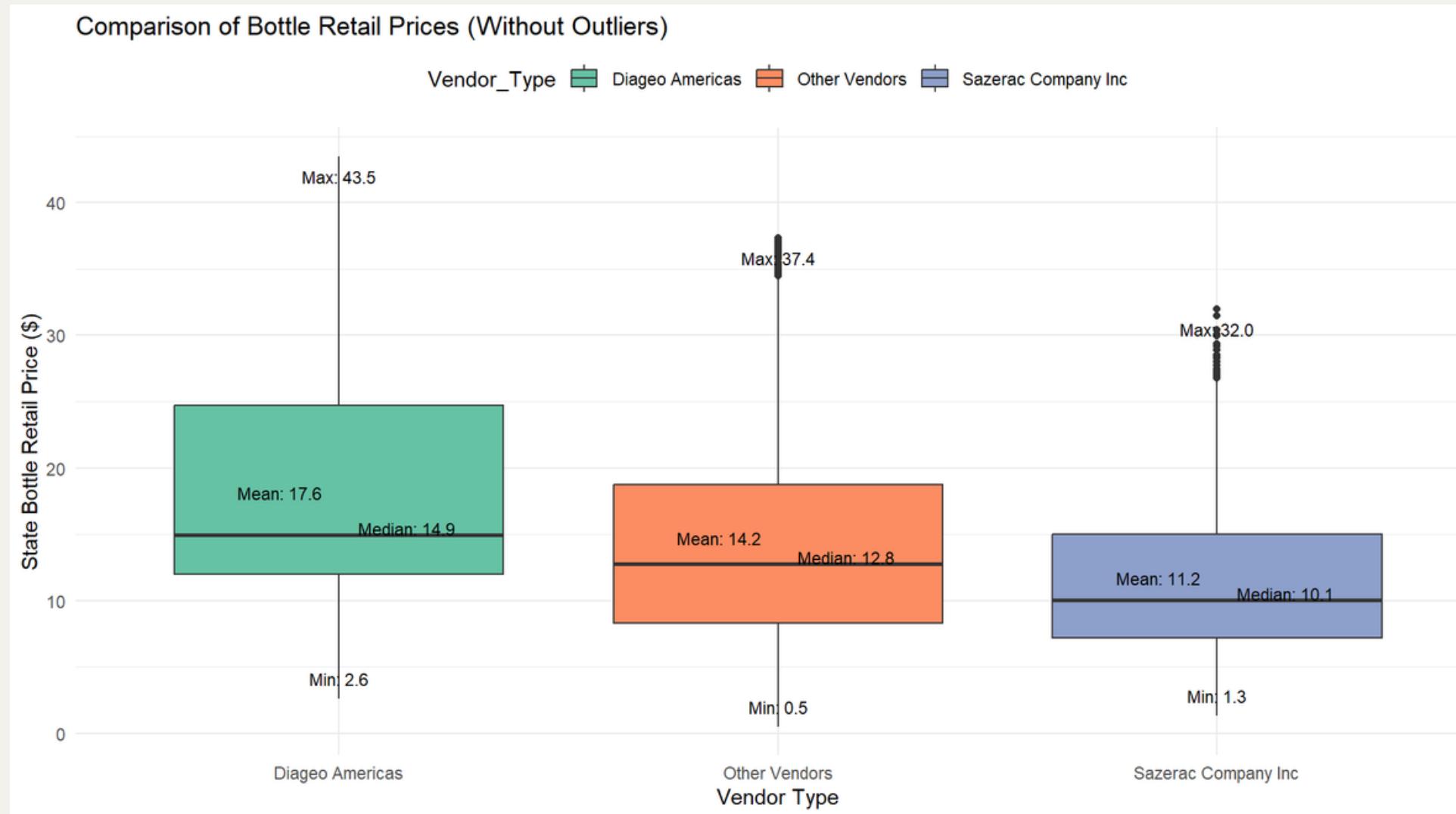
Diageo spirit acquisitions and disposals<sup>1</sup>  
Since F17 by price tier



● Acquisition   ● Disposal

# Price Points

## Diageo vs Top Competitor & Industry Average



Industry Median Retail Price:

**\$ 12.8 / bottle**

Diageo Median Retail Price:

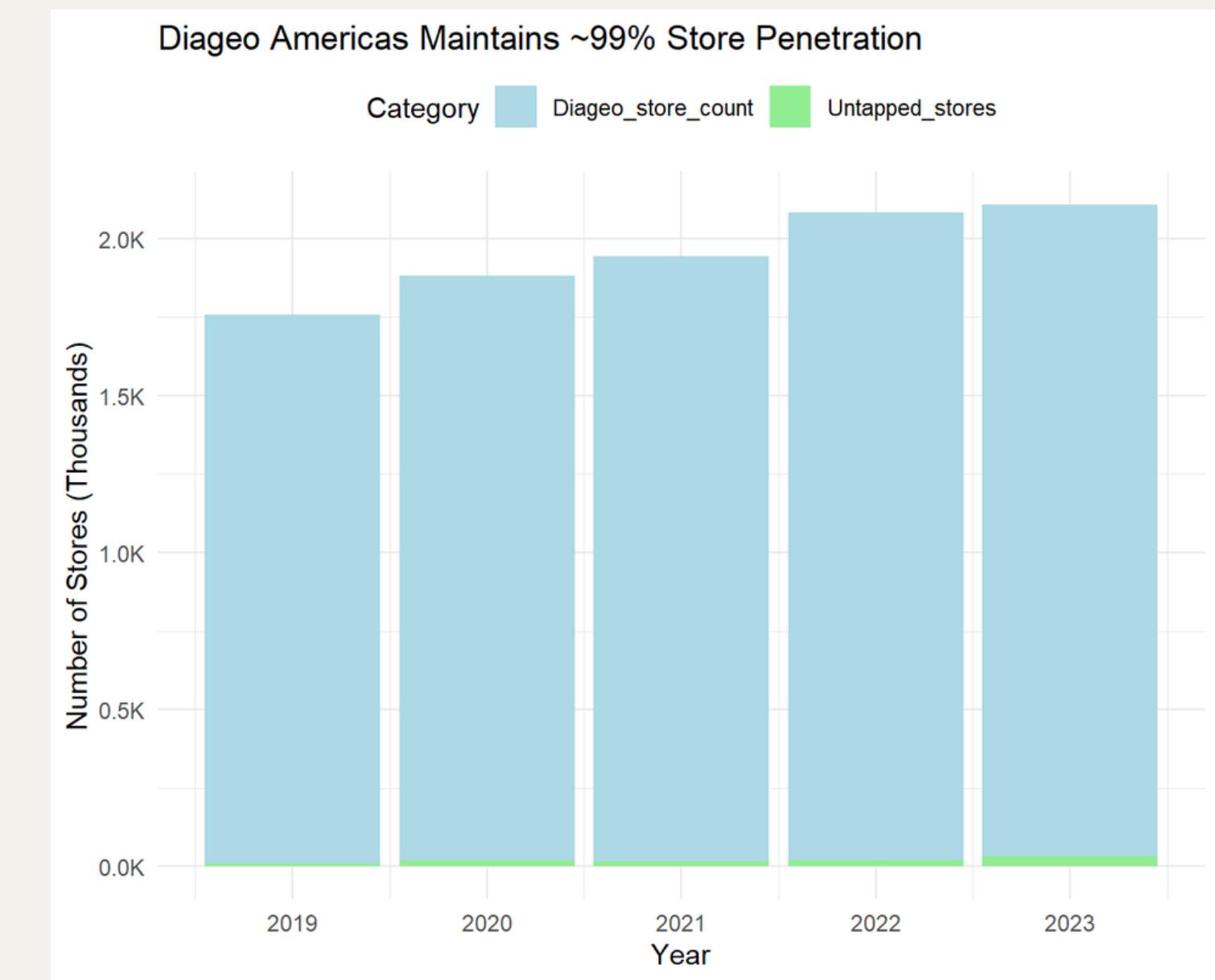
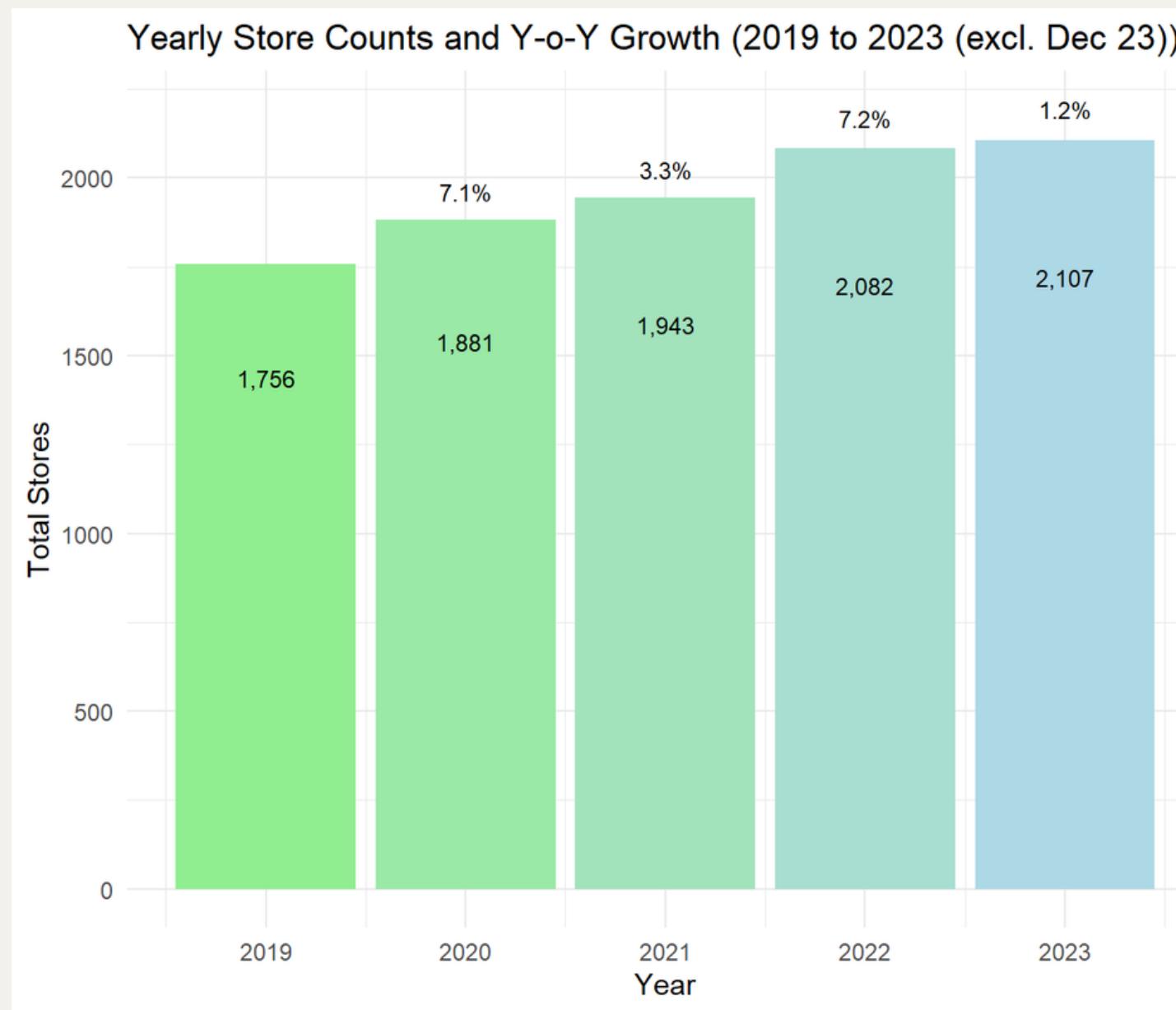
**\$ 14.9 / bottle (16% higher)**

Competitor Median Retail Price:

**\$ 10.1 / bottle (21% lower)**

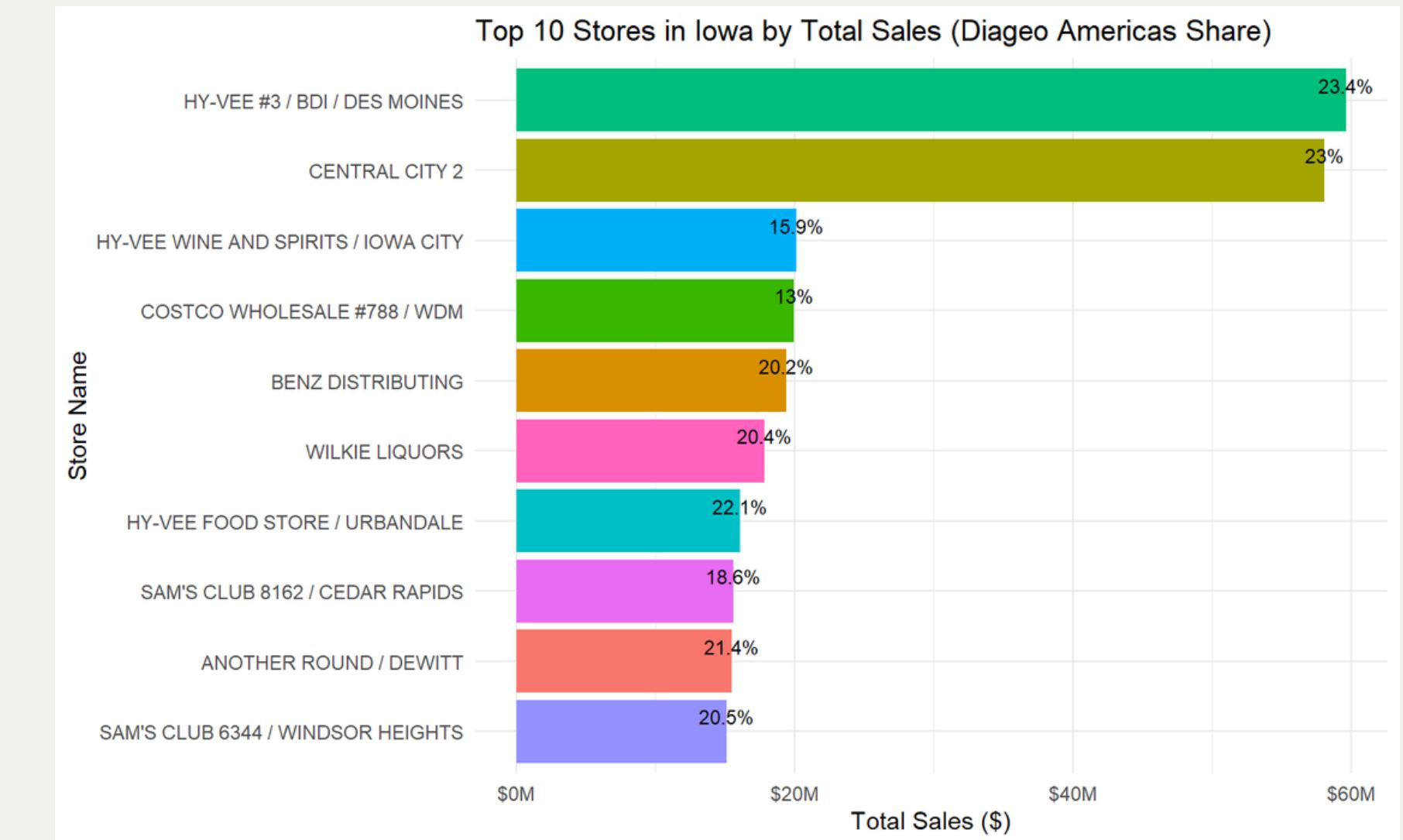
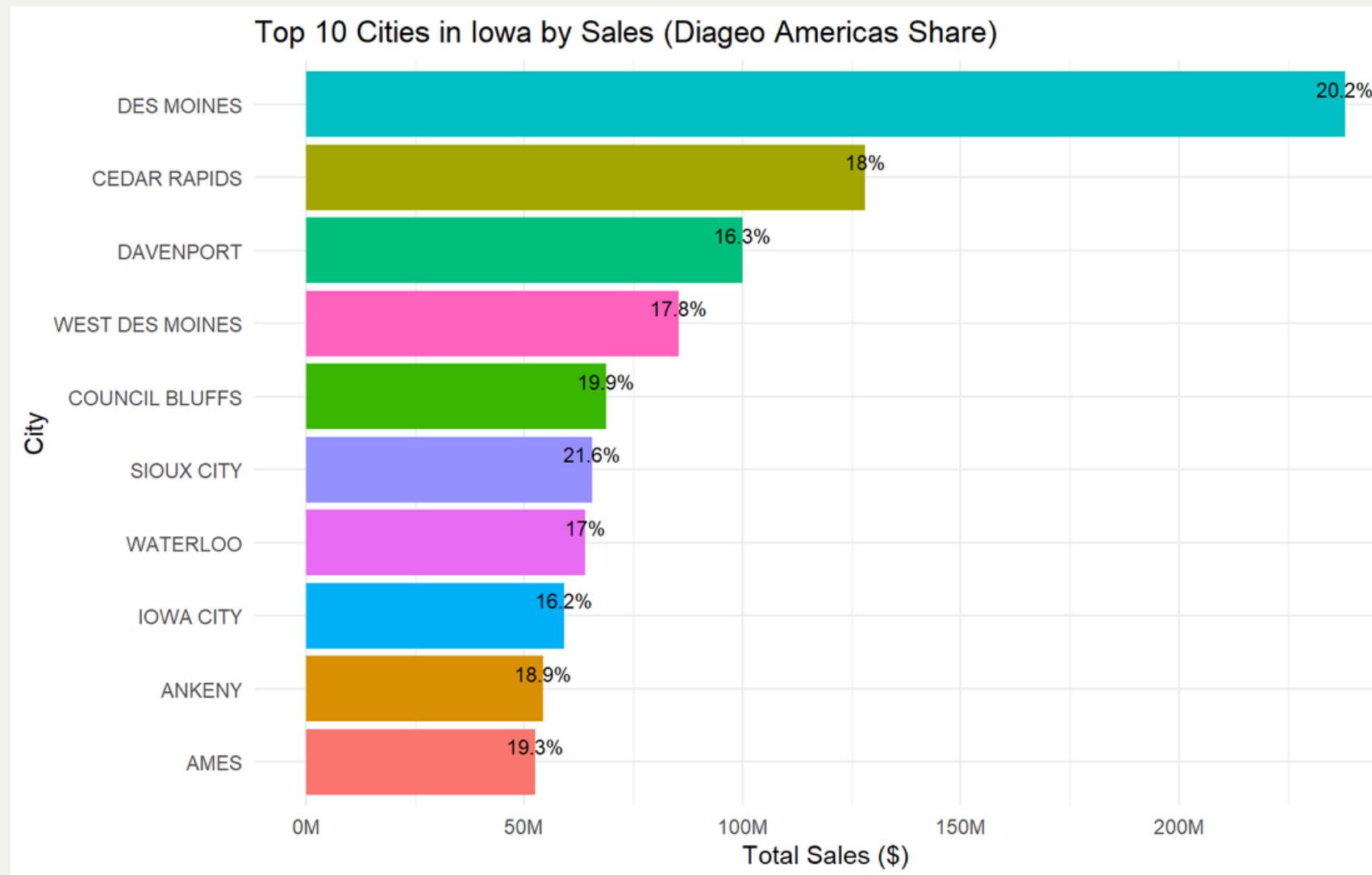
# Geographical Factors

## Retail Store Counts



# Geographical Factors

## Diageo's share in top 10 Cities and Stores



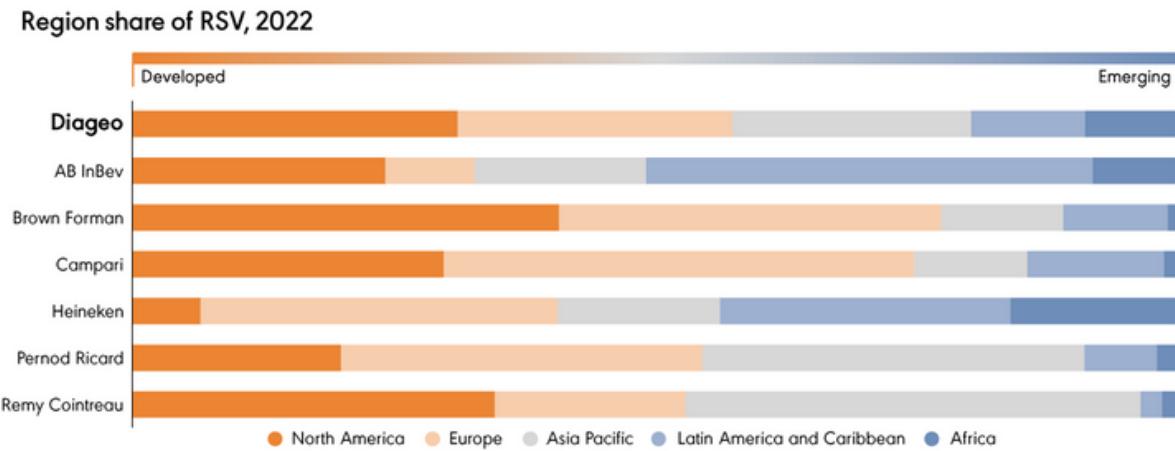
Key Takeaways:

**Top 10 cities make up 46% of Total Liquor Sales (\$916 Million)**

**Diageo accounts 19% of Total sales from Top 10 cities**

# Looking Forward

Diageo has the *most balanced* geographical footprint amongst top TBA players



Tequila Market to Worth USD 15.57 Billion by 2029 | With a 5.89% CAGR

ADVANCED FOOTPRINT: CATEGORIES



## Leveraging a Balance Portfolio

supports the delivery of long term consistent, reliable growth regardless of the current short-term economic volatility.

## Tequila Bangwagon

The premium variant will lead the tequila market share as consumers demand high-quality craft spirits.

## Active portfolio managers

Since F17 Diageo has made 16 acquisitions, all in the premium and above price tiers to support building the very best brands and supplying the world's finest drinks.



# Thank You

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