

Philippine Alcoholic Beverage Industry

The Philippines is one of the fastest growing alcohol markets in the world, according to a report from the International Wine and Spirits Research group, the leading source of data and intelligence on the alcoholic beverage market.¹ This is attributed to the significantly large population of young adults in the Philippines, who are of legal drinking age, whose disposable incomes have increased and whose preference for alcoholic beverages have expanded.²



Photo credit: PH Department of Trade and Industry

The Philippines' growing spirits industry is particularly focused on rum. In fact, the country currently ranks as the third largest rum market in the world, after India and the U.S.³ The famous Philippine Tanduay Rum, which enjoys a consistent stature among the world's rum industry leaders, bested 153 brands, by volume, according to global spirits market think-tank Drinks International's 2019 edition of *"The Millionaire's Club: The Ranking of the World's Million-Case Spirits Brand"*, and garnered the top spot as the world's best-selling rum brand for two consecutive years, 2017-18, as reported in *The Spirits Business*, a leading international spirits trade publication. The newer Don Papa Rum, distilled from sugar cane from the country's sugar capital, Negros, and founded in 2011, has also helped the sector gain international exposure in recent years.



Photo: Philippine Primer

The Philippines has likewise gained recognition as the largest gin market in the world. It joins countries such as the United Kingdom, South Africa, Brazil, Uganda, Germany, Australia, Italy, Canada, and France, where market growth in gin is expected to be equally strong.⁴ Philippine brand Ginebra San Miguel is the country's oldest and most popular gin product. But there are a number of other gins which have been gaining recognition in export markets, such as, Archipelago ARC Botanical Gin, Crows Gin and Sirena Blue Pea Gin, among others.⁵

¹ "The PH alcohol market leads as one of the fastest growing in the world" by Anri Ichimura, F&B Report, www.fnbreport.ph. 04 June 2019.

² "Alcoholic Drinks in the Philippines", September 2020. www.euromonitor.com.

³ "Don Papa: Changing the Face of Philippine Rum" by Cheryl Tiu, published on www.forbes.com.

⁴ "The PH alcohol market leads as one of the fastest growing in the world" by Anri Ichimura, F&B Report, www.fnbreport.ph. 04 June 2019.

⁵ "Philippine Beers and Spirits", www.wine-searcher.com.

As grapes are not abundantly grown in the Philippines, wines are more commonly made using other fruits, such as *bignay* (Philippine wild berry), *guyabano* (sour sop), mangosteen, black plum, mango, guava and passionfruit. Many of the Philippine alcoholic beverages labeled as fruit wines are really spirits or base liquors (made from grains or starchy roots) flavored with fruit extracts or concentrate.⁶

While there is an increasing variety of alcoholic drinks in the market, beer is still the most popular alcoholic drink of choice among Filipinos. This augurs well for San Miguel Brewery Inc, the Philippines' largest brewery, which accounted for almost three-quarters of total volume sales of alcoholic drinks in 2019.⁷



⁶ "Philippine Beers and Spirits", www.wine-searcher.com.

⁷ "Alcoholic Drinks in the Philippines", September 2020. www.euromonitor.com.