INSIGHTS & ANALYSIS

Regional Trends in Styles and Production

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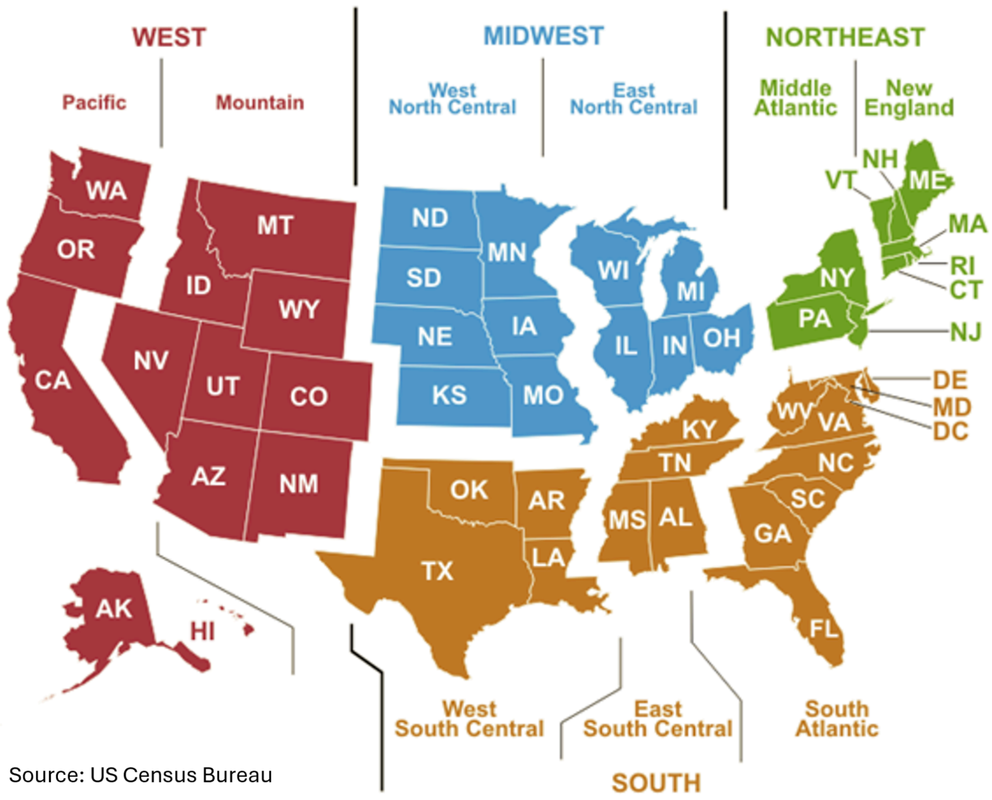
I need to begin by calling myself out. Much of the content I post covers overall national trends, which can be useful...to a point. And yet, the way they say "all politics is local," so too are craft beer trends. What and how much craft breweries are producing varies as widely as the climate and the cuisine that define different regions across all corners of the United States. Without the granularity of regional trends, we can sometimes miss the nuance that could make all the difference for a local producer working in a local context.

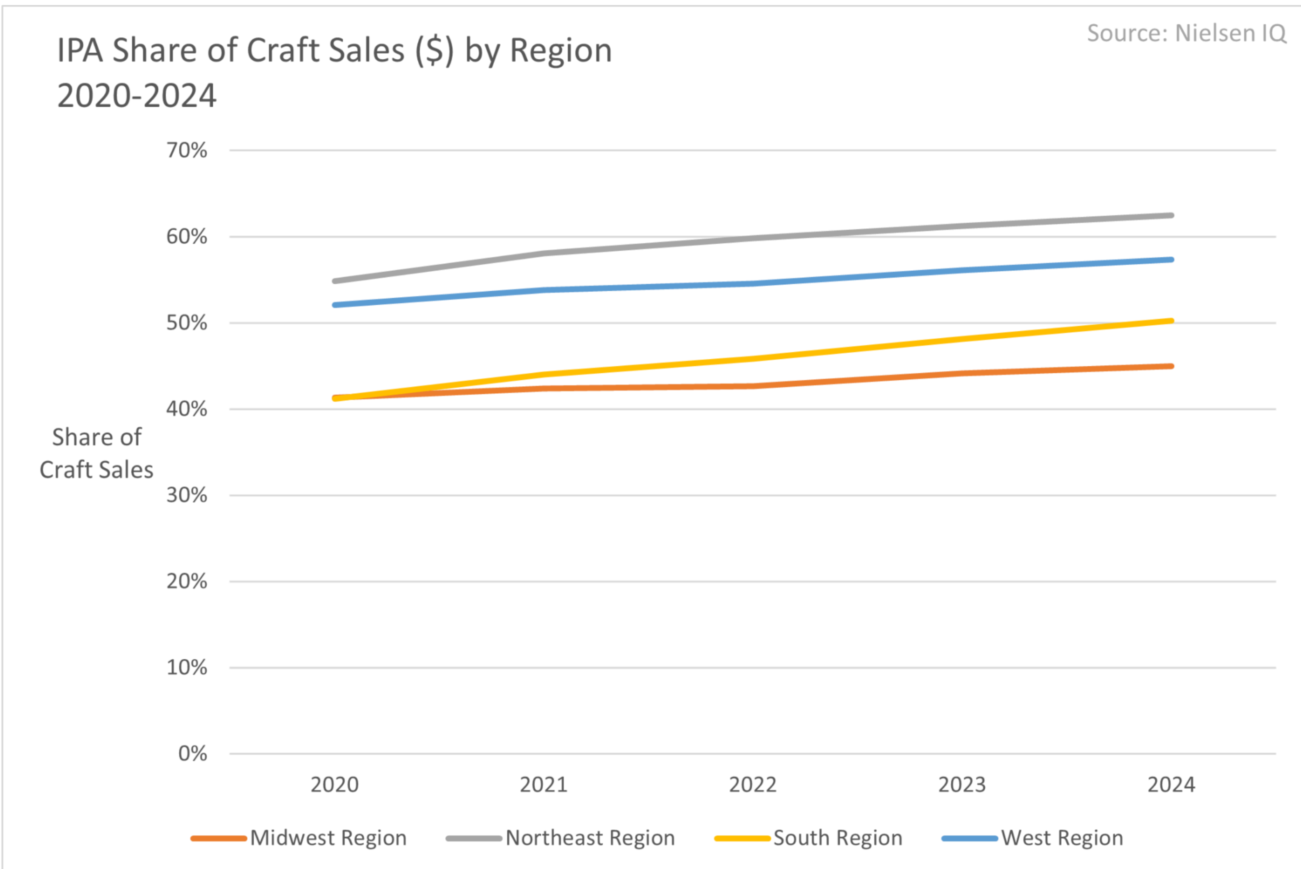
Still, the challenge here is providing that regional context in a way that is relevant to Brewers Association (BA) members across the country. We'll start by exploring trends in regional styles through the lenses of Census regions and divisions, before looking at some of the outlier styles by state. Then, to complement the style trends, we'll uncover differences in regional, divisional, and state production. Finally, as a carrot for making it through this descriptive statistics-heavy post, we wrap with a couple of interactive charts, tables, and maps for your data deep-dive pleasure.



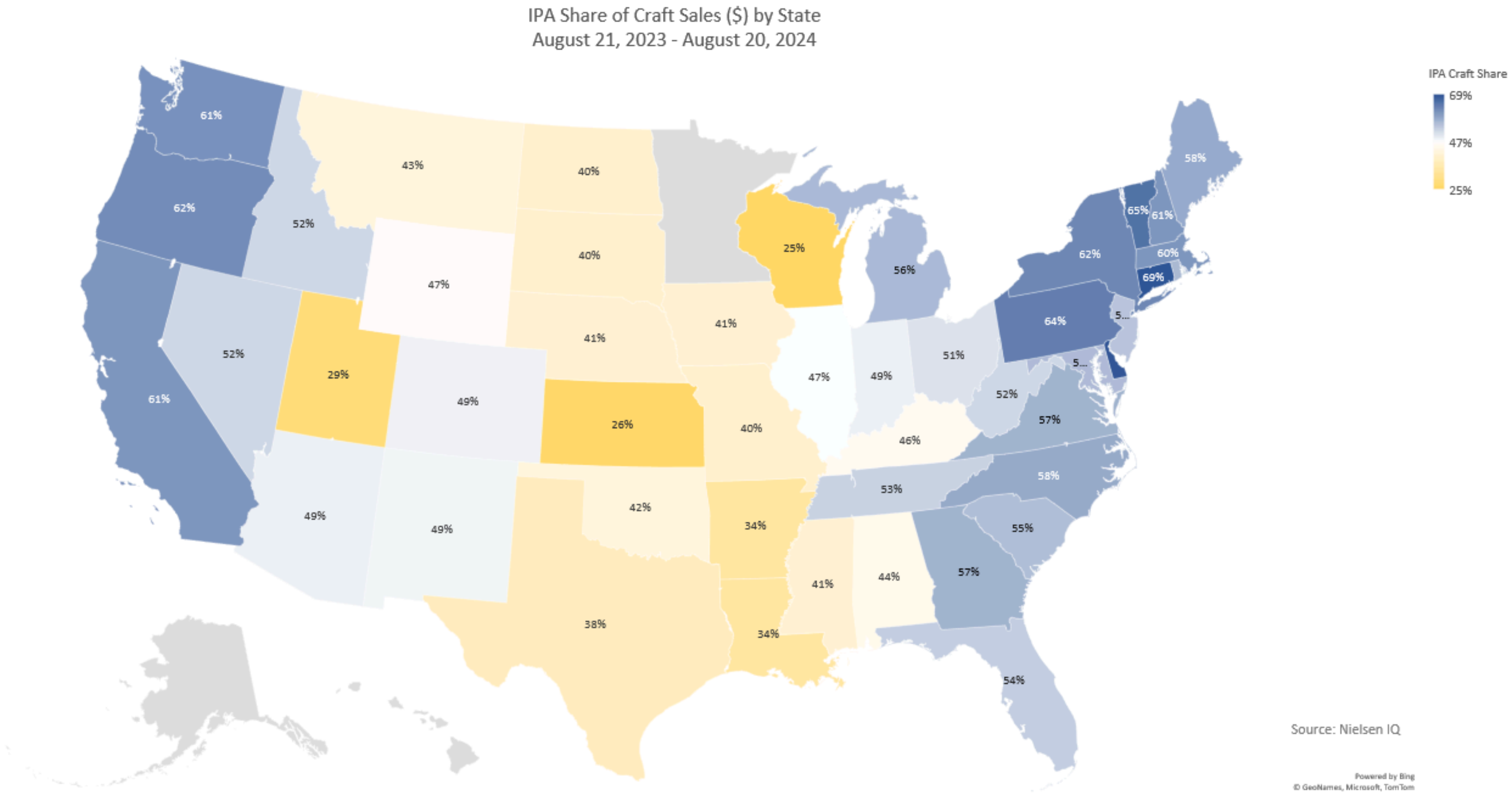
Style Trends

First, some context. According to Neilsen IQ (NIQ) data, the number 1 and number 2 selling styles across all beer are light lagers and American lagers. That should not be surprising. To break through the noise of macro beer trends, I focus this post on styles made by BA-defined craft breweries—small and independent producers.

Let's just address the high-IBU (International Bitterness Unit) elephant in the room from the start: IPA is the dominant craft style (and rising) across all regions, divisions, and states. However, the extent of that dominance varies significantly (leaving more room for non-IPAs in certain markets). In the Midwest, for example, IPA sales make up 45% of total craft sales compared to 62% in the Northeast. At least from a regional perspective, brewers across the country need to care about IPA. Within the 15 style groups provided by NIQ, the top three groups by region make up between 71-81% of total craft sales in those regions. So, it can be a risk for brewers to pursue just the long tail of styles.



And yet, that "long tail" becomes shorter when zooming in geographically. The variation in IPA share of craft sales grows wider in Census divisions where they range from 38% (West South Central) to 63% (Middle Atlantic). State-level data takes variation further still with Wisconsin spending just 25% of craft dollars on IPAs compared to Connecticut which goes 69% for IPAs. For those craft markets with more space for non-IPAs, we'll dive into style outliers. But, remember, these are the exception and should not necessarily supersede focus on the styles that bring in the majority of craft dollars.



Before we get into outlier styles in different geographies, hopefully I won't scare you too much if I request a quick journey back to high school statistics. Assuming a normal distribution of states, we can determine outliers as being a certain number of standard deviations from the mean. Throughout this post, I use greater than three standard deviations (which would encompass 99.7% of data points in a normal distribution) as the benchmark of what constitutes an "outlier."

What we typically think of as prolific styles in a particular geography are often, in fact, prolific brands. Of the 19 situations where a state purchases a significantly higher percentage of a particular style than the average among all states (for styles that amount to >0.5% of total craft sales), 12 of them are driven primarily by one brand that accounts for over 50% of sales of that style in that state. Some of the iconic "state styles" that come immediately to mind are driven almost entirely by one brand. Bock in Texas, saison in Wisconsin, amber lager in Louisiana—all of these have over 75% of their sales dollars going to one brand within those styles.

So, where are there true examples of state styles rather than a single brand? Fruit beer in Ohio (max share of one brand is 26%), light lager in Ohio (36%), pilsner in Utah (38%), and IPA in Delaware (41%) are some of the most spread across brands. Below are a few tables by region describing outlier beers. On the whole, the discussion should not be about whether craft beer is the same everywhere across the country, but should instead be focused on the brands that are able to connect with consumers in specific states and regions.

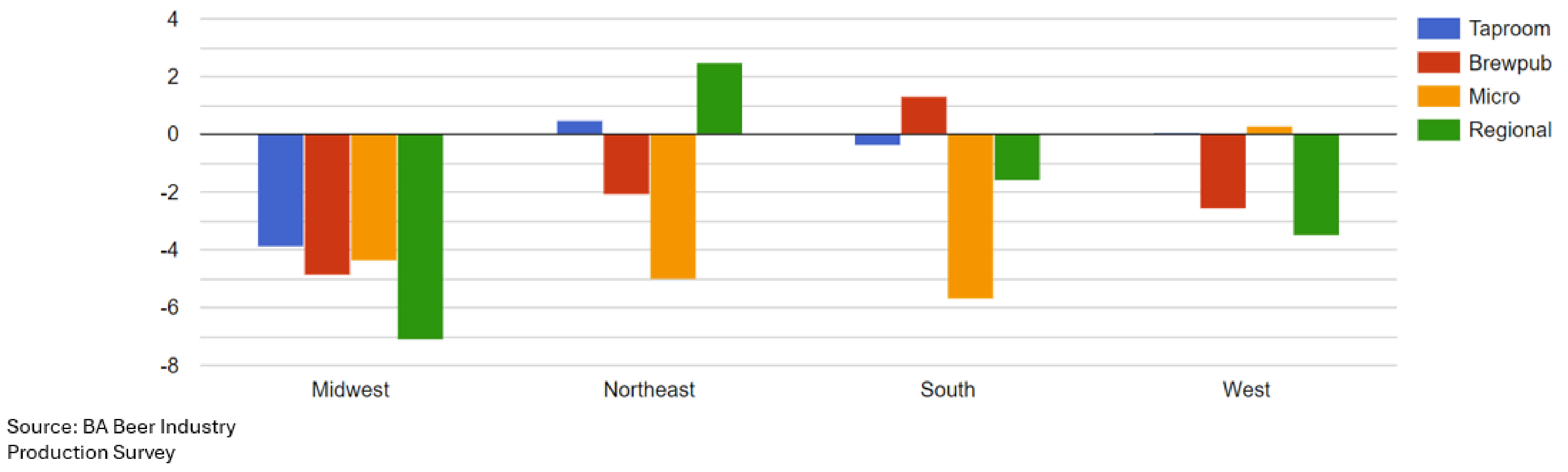
Among the numerous outlier styles by state listed in **Appendix 1** at the end of this post, it's also interesting to examine whether there's a regionality component. Of the 26 styles where there is more than one state that is a statistical outlier of craft share, there are seven styles where those states share a border. These include Belgian quads in Oklahoma and Missouri, bocks in Arkansas and Texas, dark lagers in Iowa and Wisconsin, doppelbocks in Louisiana and Mississippi, hazy lagers in New Hampshire and Massachusetts, India pale lagers in Massachusetts and Rhode Island, and light lagers in Kentucky and Ohio.

Production Trends

Stepping outside of styles now, we'll look at craft beer production within the same geographic context. Astute readers may recall that BA chief economist Bart Watson presented on the State of the Industry at the **Craft Brewers Conference®** in April. He covered **national trends** in that presentation and showed that in 2023 craft volume was down 1.0% year-over-year (YoY) compared to 2022. But how did different regions and states fare?

Overall, the Midwest had the toughest production year in craft (down 6% YoY) while the Northeast was the only region to experience growth (up 1% YoY). The South and West regions both hovered around a 2% decline. The growth in the Northeast was buoyed largely by a few large producers that had a blockbuster year in 2023. Drill a bit deeper and we can see the production change within regions varied sizably by brewery type. While the Midwest saw production declines across all types, the other three regions were split between some positive and some negative trends.

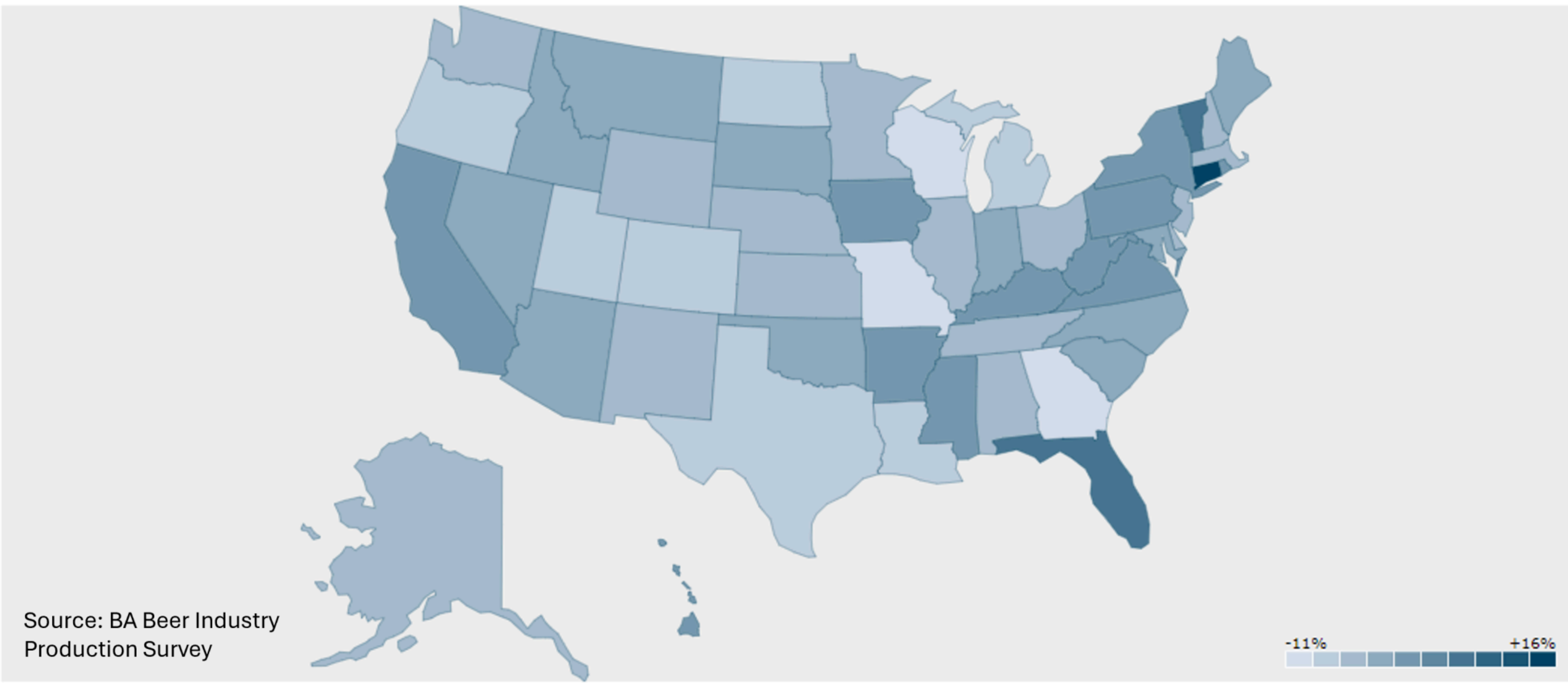
Production Change by Region and Brewery Type (2022-2023)



Click image above to be taken to interactive Brewery Production Dashboard

Another way to think about geographic variation is across the urban-suburban-rural divide. Drilling down deeper into Census divisions, there was a wide range of production changes from rural breweries in the East North Central division (down 15% YoY) up to 5% growth in both suburban New England and rural West North Central divisions. Suburban breweries performed generally better across Census divisions than did Urban or Rural companies in 2023.

Production Change by State (2022-2023)



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With these production insights as primers, there is always more than meets the eye buried deeper within national statistics. With so much granularity and possible ways to slice and dice the data, we're pleased to introduce our first BA member-exclusive interactive dashboard! Follow **this link** to explore all stats related to your region and state. Put on your waders because this data's getting deep.

Appendix 1 – Style Outliers

Region	Division	State	Style
Midwest	East North Central	Illinois	Wheat IPA
		Indiana	Abbey*
			Cream Ale
			Dark Mild/English Dark Mild*
		Michigan	American Black Ale/Black IPA*
			Roggenbier/Rye
		Ohio	Dortmunder Export*
			Fruit/Vegetable Beer
			Light Lager
			Spicy/Pepper Beer
			Weizenbock/Weizen Doppelbock*
		Wisconsin	American Pale Ale
			Dark American Lager/Dark Lager
			Flanders Red Ale/Oud Bruin*
			FMB
			Saison/Farmhouse*
			Smoked Porter
			Weizen/Weisse Bier
	West North Central	Iowa	American Style Wheat Wine
			Dark American Lager/Dark Lager
			Dunkelweizen
			Mild/English Mild Ale
			Oktoberfest/Marzen
			Pale Lager
			Shandy/Radler
		Kansas	American Wheat
			Dunkel/Dark Dunkel
			Irish Red Ale
			Oatmeal Stout
		Missouri	Belgian Quadrupel
			Dry Stout/Irish Stout
			Rem Lager
			Rye IPA
		North Dakota	Belgian Strong Ale*
			Weizen/Weisse Bier
		Nebraska	Other Pale Ales
			Spicy/Pepper Beer
Northeast	Middle Atlantic	New Jersey	Dry Stout/Irish Stout
		Pennsylvania	Barleywine
			Belgian Tripel (Triple)
			Malt Liquor*
			Mild/English Mild Ale
	New England	Massachusetts	Black & Tan*
			Hazy Lager
			India Pale Lager
		Maine	Belgian Golden/Pale Strong
		New Hampshire	Hazy Lager
		Rhode Island	India Pale Lager
			Rem Ale
		Vermont	American Amber/Red Ale
			Herb/Spice Beer
			Munich Helles/Helles Lager
			Strong Ale
			Wheat IPA

* Very significant outliers (>6 standard deviations from mean)

Source: Nielsen IQ

Region	Division	State	Style
South	East South Central	Alabama	Belgian Dubbel (Double)*
			Berliner Weisse
		Kentucky	English Pal/Std Ord Bitter
			Light Lager
		Mississippi	Doppelbock
			Nut Brown
			Rye IPA
	South Atlantic	District of Columbia	California Common/Steam Beer
			Gose
		Delaware	Hop Water
			India Pale Ale
		Florida	Imperial/Double Red Ale*
		Georgia	Extra Pale Ale*
		North Carolina	Biere De Garde
		Virginia	Vienna Lager
		West Virginia	Imperial Porter
			Rem Ale
	West South Central	Arkansas	Bock/German Bock
			Schwarzbier/Black Lager
			Sweet/Cream/Milk Stout
		Louisiana	Amber Lager
			Berliner Weisse
			California Common/Steam Beer
			Doppelbock
			Fruit/Vegetable Beer
			Gose
		Oklahoma	Belgian Blonde Ale
			Belgian Dark Strong Ale*
			Belgian Quadrupel
			Oktoberfest/Marzen
		Texas	Bock/German Bock
			Imperial Porter
			Kolsch
West	Mountain	Arizona	Scottish Ale*
			Special/Best Bitter*
		Colorado	Dunkelweizen
			Hazy Golden Ale*
		Idaho	Hazy American Pale Ale
		Montana	Kristallweizen/Kristall Weiss
			Roggenbier/Rye
			Scotch Strong/Scotch/Wee Heavy*
			Specialty Honey Lager Or Ale*
		New Mexico	Foreign Extra Stout
		Utah	Hefeweizen
			India Red Ale/IRA
			Pilsner/Pilsener/Pils
		Wyoming	Brown Ale
			Foreign Extra Stout
	Pacific	California	Kristallweizen/Kristall Weiss
		Oregon	India Red Ale/IRA
			Lambic/Gueuze/Kriek
			Maibock/Helles Bock
			Stout
		Washington	Biere De Garde
			Extra Special/Strng Bitter/ESB*

Resource Hub:

PRODUCTION BEER STYLES STATISTICS & TRENDS OFF-PREMISE SALES

ON-PREMISE SALES

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Matt Gacioch (he/him), staff economist for the Brewers Association, helps members make sense of the data that enable their businesses to thrive. He brings experience from market analytics, brewery operations, and consulting, along with an MBA, MS, and BS from the University of Michigan. Follow him on Instagram @craft_econ

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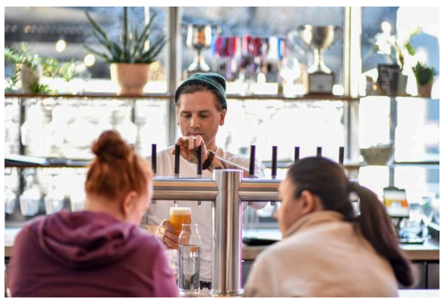

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