NIQ Perspectives
BevAl Edition

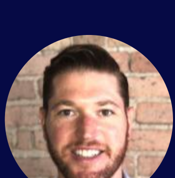
August 14th, 2025

The latest news around BevAl consumption may be a bit of surprise, but like any good industry shake-up (and there have been plenty of them over the past year), it's a reminder to focus on what we can control. What once felt like a slow, steady moderation trend has quickly become uncharted territory for suppliers and retailers. But even as fewer consumers report drinking alcohol, Off Premise remains an opportunity. Many households still purchase for gifting, entertaining, and that special treat occasion, often led by a primary shopper who may not be the drinker. This is our opportunity to meet shoppers and consumers where they are, offer inclusive alternatives, and make the aisle an enjoyable experience for drinkers and non-drinkers.

Kaleigh Theriault

Director, BevAl Thought Leadership, NielsenIQ

The latest consumption numbers may carry shock value at first pass, but if you look behind the headline, the drinker that is foregoing alcohol was already engaging with the On Premise infrequently. All three-tiers can lean into what's working: premium out of home experiences that guests are willing to trade up for, as well as non alcohol options for inclusivity. Even in a shifting landscape, strategic pricing to drive value and bartender advocacy to recruit incremental brand and category loyalists are key to focus on to find growth.



Drew Hummel

Director, BevAl Vertical, CGA by NielsenIQ

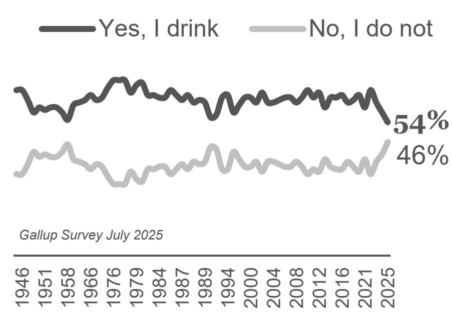
U.S. Alcohol Consumption:
Drinking declines, but opportunities are present

Gallup finds 54% of U.S. adults report drinking alcohol, the lowest in decades, yet Off Premise and On Premise growth pathways remain

Latest Gallup Survey: "U.S. Drinking Rate at New Low"

In the latest 2025 Gallup survey, 54% of US adults state they have an occasion to drink alcohol beverages, down 4pts vs 2024. Declines are present for both Women and Men, with 51% of Women saying they drink, down 4pts. For men, 57% report drinking, down 4pts.

Do you have occasion to use alcoholic beverages such as liquor, wine or beer?



Beverage Alcohol Purchasing in the Off Premise and Consumption in the On Premise

111 million

Households purchase BevAl in the Off Prem

NielsenIQ Off and On Premise Data

28%

Of U.S. Consumers drink out at least once a week

45% of 21-34 year olds

Breaking Down the Off Premise and On Premise

Off Premise

86% of US Households purchase BevAl
The average BevAl buying household spends $500+ per year on Alcohol, with over 22 shopping occasions throughout the year.

Primary shopper may not be the consumer
Purchases are often made by non-drinkers for household members, guests, or gifting. Messaging and packaging should be inclusive of non-drinkers as the buyer.

Non Alcohol presence at the shelf
Shelf space is increasing for Non Alcohol Beer, Wine, and Spirits, driving dollar growth of 22% vs YA. Over 92% of Non Alcohol buyers also purchase Alcohol.

NielsenIQ Expanded Omnishopper POD

On Premise

Premiumization persists
Consumers associate value with quality in combination with price. Consumer preference favors "less, but better," with 67% preferring 1-2 high quality drinks over 5 value drinks.

Experiences out of home
Social occasions are key for drink-led visits, led by catch up with friends and celebrations. Experiential bars, stadiums, and festivals are drawing drinkers and their dollars.

Menu inclusivity
Recognize the importance that alcohol alternatives play with consumers, with dedicated sections on menus for Non Alcohol Beer, Wine, and Mocktails and innovations.

CGA by NIQ OPUS US (Spring 2025) – Sample Size 15,003

Three Lenses of Opportunity: Suppliers, Retailers, and Operators

Suppliers

Retained BevAl buyers account for over 97% of Off Premise dollars, therefore brand loyalty is the foundation for growth. Now is the time to **reinforce connections with core consumers** through quality and innovation that keep loyal buyers engaged while driving trial from recruitment of younger audiences.

Retailers

In a competitive landscape, convenient **product placement and optimized assortments** are key. Strategic promotions and ease of finding products keep loyal shoppers coming back. **Regular assortment refreshes,** including removing slow movers to make room for innovations keeps shoppers engaged.

Operators

Monthly On Premise spending (food + drink) is **up nearly 40% vs YA.** With prices rising and occasions evolving, operators can win by pairing memorable and **experiential activations with deployment of sophisticated pricing and assortment strategies** in the On Premise.