

Emerging Trends
Propel Growth in
the **US Non-Alcohol
Beer, Wine, & Spirits**

The non-alcohol industry in the United States has experienced significant growth in recent years due to various factors such as **changing consumer preferences, health consciousness, and the rise of new product innovations.**



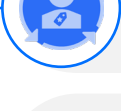
Key Takeaways



Non-alcohol has **doubled** its total alcohol share in the **last 3 years** and is expected to **grow +27% next year** and reaching **\$1.8B** in 5 years



Several key factors are contributing to the rise of Non-alcohol; including **social trends** like Dry January, **health consciousness** (moderation), **social responsibility**, and the **growing availability of the category**



Non-alcohol buyers are more active in Total Alcohol – spending **41% more** than the **average buyer** while making **35% more trips**



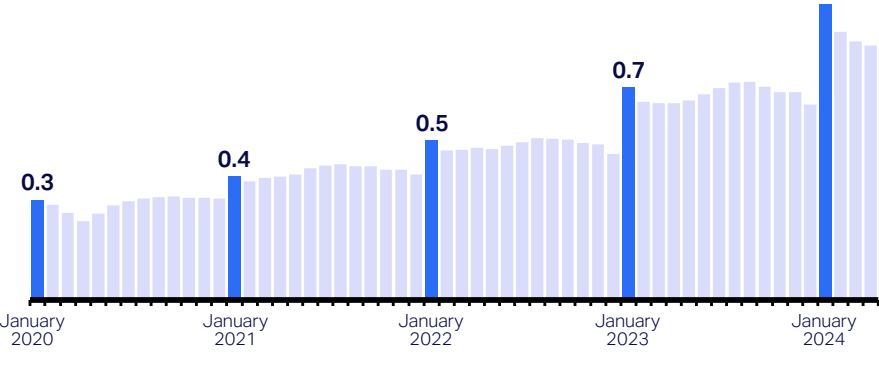
Over the last 4 years, Non-alcohol products have **expanded space at the shelf (+18%, +3 avg items)** while the Alcohol assortment has been **condensed by ~31 items**



Top alcohol manufacturers are **underperforming** in Non-alcohol

Unlocking Growth: Non-Alcohol Beer, Wine & Spirits in the US
Set to Soar with an Estimated **\$1.2B** of Potential Growth in 5 years

Non-alcohol \$ share
Total Alcohol (Beer, Wine, Spirits)



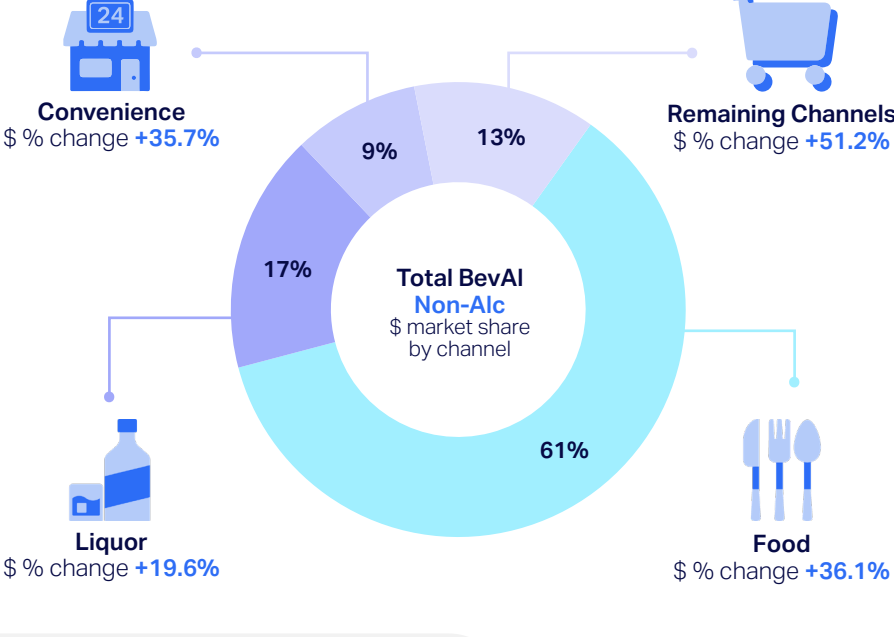
Each January marks the beginning of a promising journey for the Non-Alcohol Beer, Wine, Spirits segment.

Fueled by trends like **Dry January**, this segment is poised for remarkable development, driven by consumers moderation of alcohol consumption.

Non-Alcohol has reached **\$566M** in sales in the last year; projected to reach **\$1.8B** in 5 years

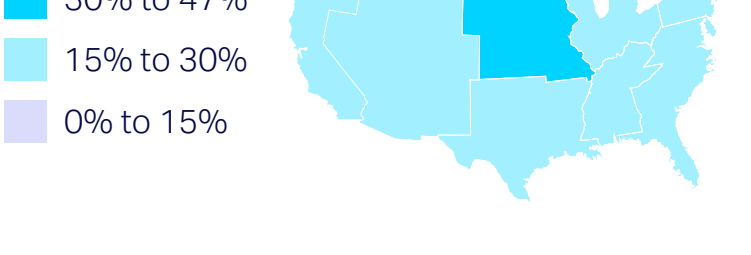
Non-alcohol \$ sales grew 34.7% vs last year and projected to grow another 27% in the coming year

The growth surges persistently across all channels and categories, with Beer emerging as the top category in terms of sales across the industry, spanning the entirety of the United States!



Retailers are expanding non-alcohol offerings by **18%** amidst an overall decrease in alcohol offerings.

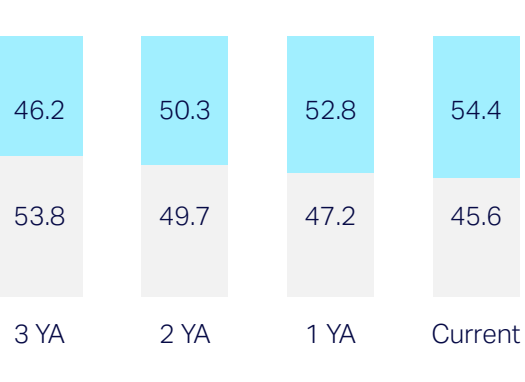
Non-Alcohol \$ % change US Census Divisions x AOC + Conv \$ % Chg YA



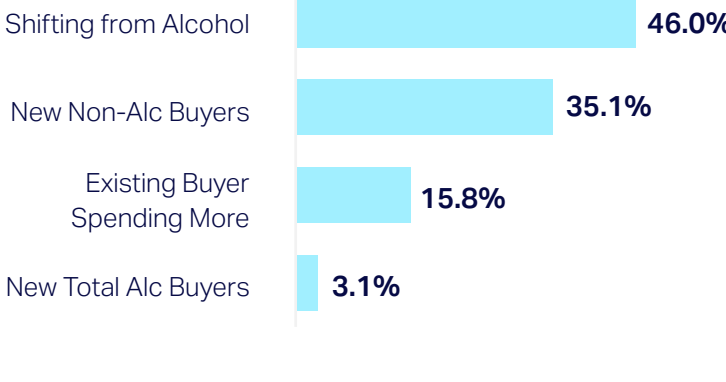
Non-Alc	% Share	\$ % Chg	Chase % Chg
Beer	85.1	33.5	26.3
Wine	11.2	30.8	18.3
Spirits	3.7	91.5	107.5

Top Alcohol Manufacturers continue to lose share within Non-alcohol; a segment where the #1 growth driver is consumers shifting their spend.

Non-alcohol Beer, Spirits, Wine \$ Share



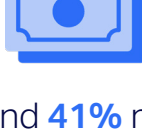
Non-alcohol Contributions to Dollar Growth



Non-alcohol beer wine & spirits are striking a chord with **younger consumers**, even as they continue to purchase alcohol products.

93%

of Non-Alc buyers also purchase Alcohol products



Spend **41%** more on total alcohol than the average buyer



35% of spend 104 index Millennials

Millenial and Gen Z are growing in importance; gaining **+7** pts share of spend among consumers purchasing both alcohol and non-alcohol products



Non-alcohol beer, wine & spirits seamlessly integrate into consumers' lifestyles, catering to their diverse situational needs

Top 5 reasons for choosing Non-alcohol:

1

I like the flavor **(33%)**

2

Support overall healthy lifestyle **(12%)**

3

Share in the experience of drinking with others **(11%)**

4

Designated Driver **(8%)**

5

Have obligation/need to remain sober **(7%)**

Strategies for a winning future in **Non-alcohol Beer, Wine, & Spirits**

Focus on Flavor:
Innovate with flavors for accelerated growth



Connect with Consumers:
Market showing healthier lifestyles and social occasions



Sources: NIQ Retail Measurement | US ALC - Integrated | Total US xAOC + Conv + Liq Plus | L52W 04/20/24
NIQ OmniShopper | Total US | Total Outlets | Alc & Non-Alc buyers purchasing Alcohol | L52W ending 03/23/24
NIQ Omnishopper Fundamentals

Craving more?

Our NIQ team will provide you with Non-Alc and other BevAl insights to your Brand's unique needs.

Connect with us today!

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