NIQ Perspectives
Beverages

August 15, 2025

“Energy beverages are becoming more accessible, more habitual, and more culturally relevant. As they gain traction, coffee as a source of energy is facing mounting headwinds: escalating commodity prices and tariff pressures are making it less attainable for everyday consumers. The shift is already underway. To stay ahead, energy beverage manufacturers should prioritize affordability and distribution—but that’s just the baseline. The real opportunity lies in elevating the energy drink experience with products that deliver a premium feel, wider functional benefits, and emotional resonance at a reasonable price point.”

Chris Costagli

Vice President, Thought Leadership F&B Insights Lead, NielsenIQ

Here’s what industry experts are saying:

“Increased household penetration and per capita consumption of energy drinks remain positive trends for the category. Our robust pipeline of innovative products remains central to our long-term growth strategy.” [7]

Hilton Schlosberg

Chief Executive Officer, Monster Beverage Corporation

“...expect to see both moving average coffee costs and coffee tariff impacts lag the market, with year-over-year coffee cost increases expected to peak in the first half of fiscal 2026.” [8]

Catherine Smith

Chief Financial Officer, Starbucks Corporation

NielsenIQ

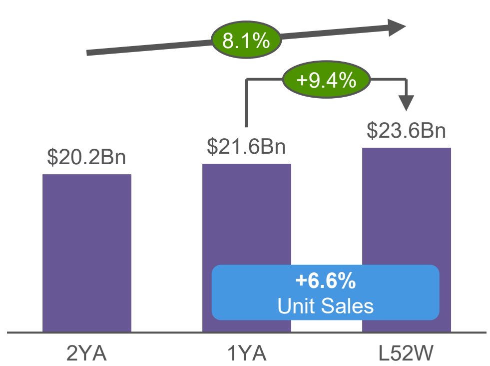
Energy beverages are converting, retaining, & replacing

Implications for the pursuit of energy

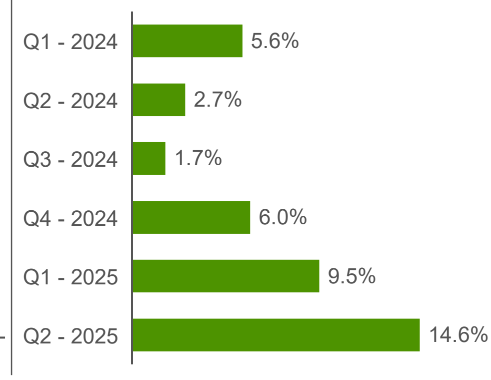
Prices and behaviors together are fueling momentum

Energy is evolving from a functional fix to a cultural ritual. While prices are driving dollars, the real story is behavioral: repeat buyers are up 2.8%, and both trip frequency & basket size are rising[4]. This compounding momentum signals that the next frontier isn’t just more growth—it’s a redefinition of what the category represent in health, wellness, and culture.

ENERGY BEVERAGE DOLLAR SALES TREND[1]



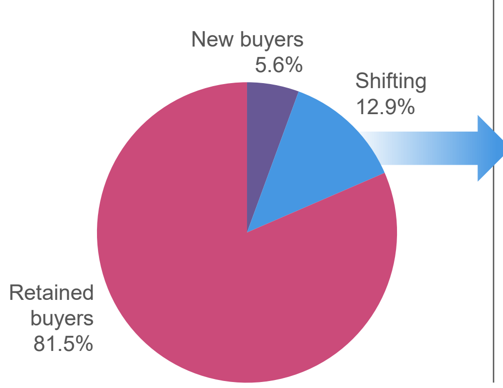
ENERGY BEVERAGE QUARTERLY DOLLAR GROWTH[2]



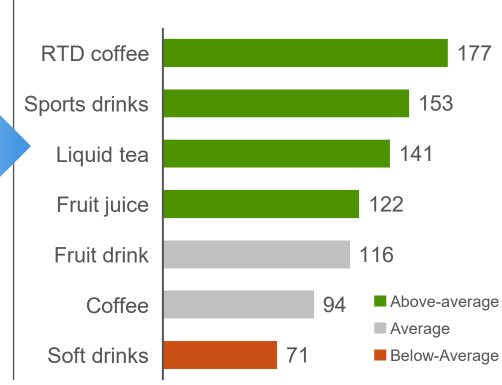
Converting the competition is only part of the story

Retained energy beverage buyers are reshaping the category. Their 9% surge in trip frequency has unlocked $725M in growth, accounting for a staggering 67% of their total contribution. But this isn’t just about more trips—it’s about migration. Shoppers are actively shifting away from adjacent categories like RTD coffee, which surrendered $16M in sales.

ENERGY BEVERAGE SOURCES OF GROWTH[3]



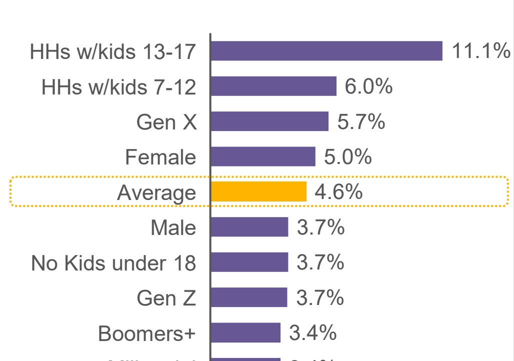
ENERGY BEVERAGE DOLLAR SHIFTING INTERACTION INDEX[3]



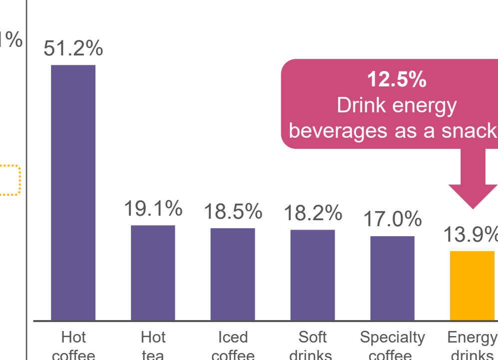
Energy beverages are redefining the daily beverage ritual

Energy beverages are gaining trips and relevance. Women, Gen X, and families with kids 12+ are driving more trips and outpacing the average. These are high-value shoppers, those with teens are spending 26% more than the norm. Energy is no longer just a morning jolt—it’s becoming an all-day ritual, especially among Hispanics and younger generations.

ENERGY BEVERAGE OCCASIONS PER BUYER % CHG[4]



PREFERRED SOURCE OF CAFFEINIE AT BREAKFAST [5]



Industry Analysts Source: [1]NIQ, RMS, Total US Full View, 52 Weeks Ending 8/2/2025; [2]NIQ, RMS, Total US Full View, 3-Month Quarters Through June 2025; [3]NIQ, Expanded Omni Shopper Panel On Demand, Total US, Total Outlets, 52 Weeks Ending 7/15/2025, Universe Defined As Energy Beverages + Coffee + RTD Coffee + Liquid Tea + Sports Drinks + Soft Drinks + Fruit Drink + Fruit Juice; [4]NIQ, Expanded Omni Shopper Panel On Demand, Total US, Total Outlets, 52 Weeks Ending 7/15/2025; [5]NIQ, BASES Quick Question, Breakfast Meal Occasion Survey, July 2025, n=1,020; [6]NIQ, BASES Quick Question, Snacking Survey, July 2025, n=1,020; [7]Monster Beverage Corporation. (2025, August 7). *Monster Beverage Reports 2025 Second Quarter Financial Results.* https://investors.monsterbevcorp.com/news-releases/news-release-details/monster-beverage-reports-2025-second-quarter-financial-results; [8]Starbucks Corporation. (2025, August 1). *Q3 FY25 Corrected Earnings Call Transcript.* https://s203.q4cdn.com/326826266/files/doc_financials/2025/q3/SBUX-3Q25-Corrected-Transcript.pdf

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