Global Beverage Alcohol

NIQ *Perspective*

Signals of Demand: Mature markets in transition, not decline

Here's what industry experts are saying:

The global beverage alcohol market is in transition. Growth of +3.5% year-on-year tells part of the story, but the mechanics underneath that headline demand closer reading. Volume is under pressure in established markets, consumer occasions are shifting, and the rules of engagement in the On-Premise are centred around occasion ownership.

Yet within that complexity lies opportunity. The brands that are growing volume today are doing so by strategy: by owning the occasions consumers are returning to, by showing up with relevance in a fragmented attention landscape, and by building equity that justifies both price and trial.

Bilal Habib
Beverage & Alcohol Industry Lead
NielsenIQ

Here's what you should do if you are a brand

Own the occasion, wherever it happens. In the On-Premise, anchor to the moments consumers return for; dayparts, experiences and occasions. In the Off-Premise, lead with RTDs and premiumisation to recruit new households. Invest in both channels and uncover growth opportunities across mature and emerging markets.

Key numbers

-2.1% *Global alcoholic beverage volume decline*

+9.8% *RTD/Pre-mix value sales growth*

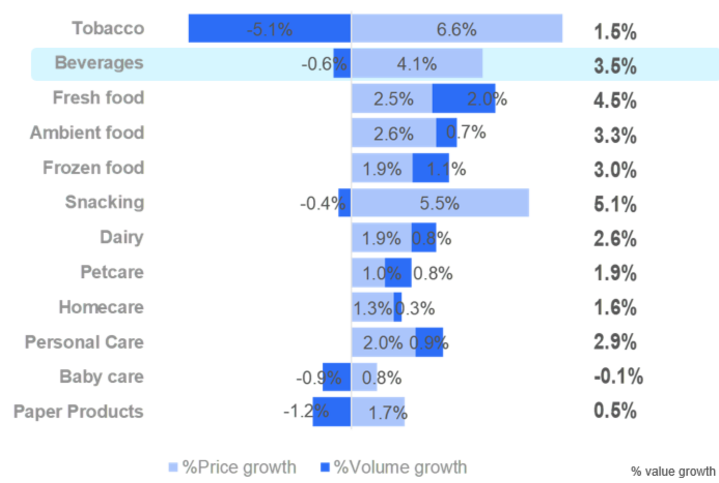
58% *Consumer On-Premise penetration stable*

$845bn *Total Global Off-Premise beverages market*

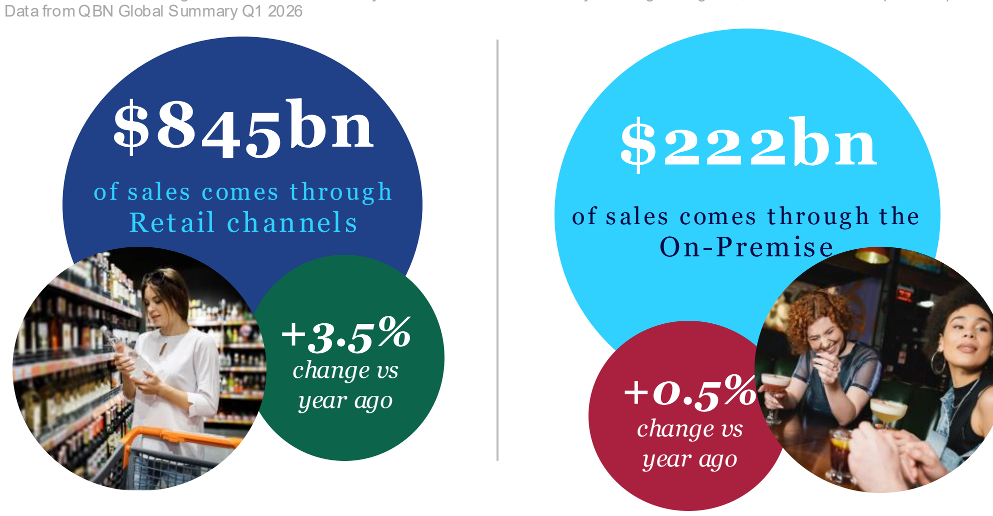
Implications for Beverage Alcohol Manufacturers

The global beverage alcohol market is navigating one of its most structurally challenging periods. Value growth, propped up by pricing, masks a harsher truth; volumes are falling, consumption occasions are changing and the consumer is becoming more deliberate about when, how and why they drink. The questions for manufacturers is whether they are responding with equal clarity.

FMCG by Group | Price and Volume Growth | Total Global Coverage | MAT Q1 2026 vs YA



Source: QBN MAT ending Q1 2026 Global Summary, 68 countries. Excludes Dairy beverage categories, excludes RMS On premise | Data from QBN Global Summary Q1 2026

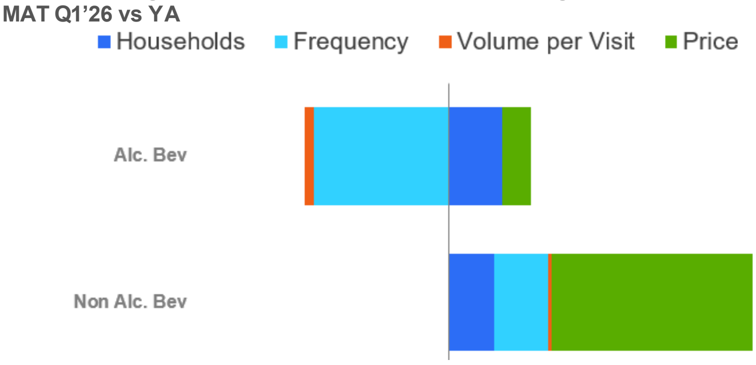


Volume pressure, Price resilience

Across the Off-Premise, the primary growth driver is price rather than volume. That dynamic is most pronounced in mature Western markets, where category volumes are declining even as value remains supported by mix and premiumisation. The Off-Premise represents $845bn globally, up +3.5% in value year-on-year when adjusted for price. The On-Premise represents a further $222bn, holding broadly stable in value terms despite lower footfall.

Global 27 markets: Europe (7 markets), North America (2 markets), Latin America (4 markets), Asia Pacific and China (4 markets), Africa Middle East (10 markets) Source: RMS data for On premise as of Q1'26 (18 markets), CGA OPM data as of P03 (9 markets).

Global Beverage Shopper Drivers of Value Sales Change
MAT Q1'26 vs YA



Source: NielsenIQ Homescan local market data as of Q1'26, Non-Alcoholic Beverages: 22 markets, Alcoholic Beverages: 20 markets.

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Here's what industry experts are saying:

The consumer is not leaving alcohol. They are becoming more selective about when, where, and what they drink. Brands that own those moments, and give consumers a reason to choose them specifically, are growing volume even in markets others have written off.

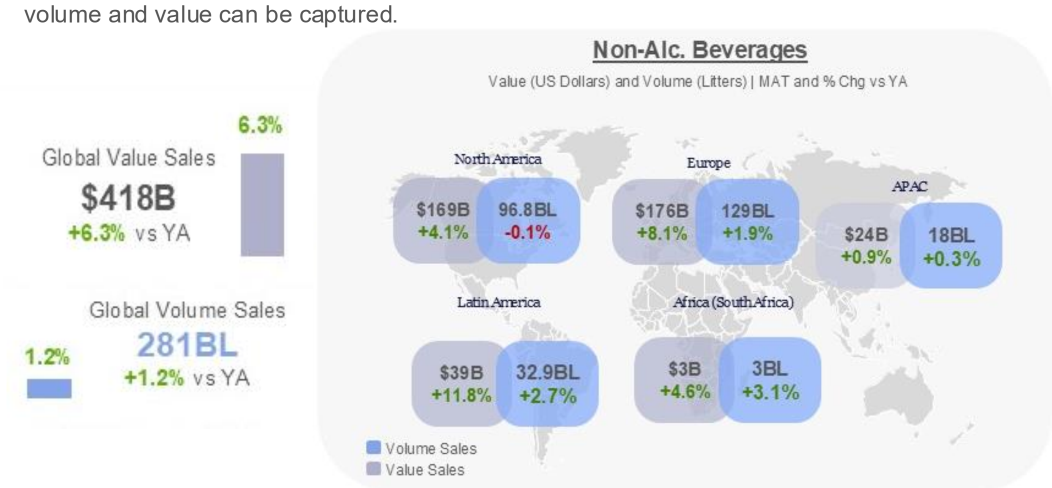
Jonny Jones
Managing Director, On-Premise
NielsenIQ

The takeaways

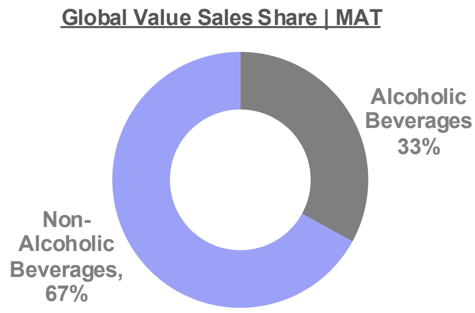
- *Price is propping up value in the Off-Premise, but volume growth remains achievable, particularly through occasion ownership in the On-Premise and RTD expansion.*
- *RTDs are the alcohol growth engine, driving new household recruitment and penetration gains in Europe, while other core categories are contracting in volume across mature markets.*
- *On-Premise consumer penetration is stable at 58%. Brands that own the right occasions such as live sport, aperitivo, premium dining, are finding volume growth even where the category is declining.*
- *Moderation is a volume lever. Brands serving the full spectrum of consumer intent within an occasion are building the most resilient franchises.*
- *Mature markets reward strategic investment, not retreat. The brands growing volume in structurally challenging markets are doing so because they are present, relevant, and occasion-led.*

Non-Alcoholic is doing the heavy lifting for beverages worldwide

Total global beverages delivered +4.0% value growth in the year to Q4 2025. The composition of that growth, however, tells a more nuanced story. Non-alcoholic beverages are doing the heavy lifting: $418bn in global value sales, up +6.3%, with Latin America posting +11.8% and North America +8.1%. Alcoholic beverages generated $208bn in value, a decline of -0.6%. This is not a sober-curious short-term trend. It is a structural portfolio shift that demands strategic attention, but it is also one that presents clear signals for where volume and value can be captured.



Source: Strategic Planner Global, Weekly data, Latest MAT w/e 22/02/2026. Excludes RMS On premise. Includes Dairy Beverages. Africa = South Africa



Category signals: RTDs are the growth engine

Within the Off-Premise, alcoholic pre-mix and RTDs posted +9.8% in value sales and +6.3% in volume - the only alcohol segment delivering meaningful positive volume growth across most markets. In South Africa, RTDs account for 52% of all alcoholic beverage volume gains. In Europe, the category is driving new household recruitment and penetration gains. For brands with RTD exposure or the capability to enter, it's a clear volume opportunity within the Off-Premise in mature markets. For those without, it points to a broader principle: formats and consumption occasions that align with how consumers want to drink today are growing.

Mature markets: Volume headwinds, but not a closed door

The top markets in alcoholic beverages by value, the US, Germany, UK, France, Poland, are all declining. US Beer is down -5.7%, US Wine -6.9%, US Spirits -3.9%. Germany is showing similar or steeper falls across all categories. Only Brazil (+2.8% Beer) and Mexico (+2.7% Beer) are growing volume among the leading markets. The centre of gravity in alcoholic beverages is shifting south and east.

Strategic optimism in the On-Premise

Despite lower visitation (-3.4% year-on-year), average monthly consumer spend in the On-Premise is holding at $127.06 and the willingness to pay more for quality is increasing. Tequila, Vodka, and premium Spirits sub-categories are showing value growth even as overall Spirits volumes fall. The consumer who still goes out is choosing more deliberately and spending more when they do. Volume growth in mature markets is not closed off. It requires adaptation: moving from broad availability-driven volume thinking to occasion-specific demand creation. Brands that make this shift can grow volume even in markets where the category average is declining.

Looking for more?

NIQ's Full View™ integrates On-Premise, Off-Premise, online and direct-to-consumer sales data to provide seamless analytical capabilities delivered in an intuitive self-serve platform that empowers clients to identify threats and opportunities, growth-driving market trends and headroom opportunities. Contact your NIQ representative to learn more about solutions for beverage alcohol.

Source: NielsenIQ Homescan | Multi-Country | SPG MULTICOUNTRY - GB FR DE CH ES PT IT | MAT L52W w/e W8 2026 | Strategic Planner Global, Weekly data, 59 markets, World Full Coverage, Latest MAT w/e 22/02/202 | CGA Global OPM Report FY 2025 | Countries included in Global view: Australia, Canada, France, Germany, Great Britain, Northern Ireland, Irish Republic, South Korea, USA. Total Spirits: Brandy/Cognac, Gin, Other Spirits, Rum, Tequila, Vodka, Whisky

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