

20 CATEGORY 17 INSIGHT REPORT



Cocktail Trends

While globally there has been a slight dip in alcohol consumption, North America is still imbibing regularly. As a result, we're seeing unique innovation within the market, particularly in the liquor segment.

Euromonitor credits the strong US economy and the popularity of craft beer for the boost in sales. A July 2016 Gallup poll of US consumers of alcoholic beverages found nearly 70% of respondents had had an alcoholic beverage within a week, and 20% chose liquor as their beverage of choice.

Complex spirits and premium brands are getting the attention of cocktail enthusiasts with bourbon- and whiskey-based cocktails leading the crowd. They have around 23% of the craft bar market, and sales will grow in the next five years, according to IWSR's US Cocktail Trend Report.

With that in mind, let's explore the rich and varied cocktail scene, which is showcasing everything from pine-flavored herbal liquor to spins on classic cocktails.

Health, Low ABV, No ABV

Consumers continue to look for healthier options in food and drink, and this includes alcoholic beverages. Of course, “healthy” looks different to different people, with some reaching for low-calorie options, some looking for lower alcohol (or no alcohol), while others focus on minimal processing. Still others are simply choosing to drink less often.

British Millennials are the latter, choosing to drink less often. Only 7% drink alcohol daily (compared with 11% of total UK adults). Mintel’s global drinks analyst Jonny Forsyth says the main reason this generation is more inclined to “take a breather from boozing” is health. “Millennials are now seeking long-term healthy lifestyles, rather than quick fixes,” Forsyth explains. “But the idea of staying in control is more important to them, too.”

Annie Hayes from The Spirits Business, a British website dedicated to liquor news and trends, agrees, saying: “Almost universally, markets worldwide have been shaped by greater awareness of the dangers of excessive alcohol consumption and consumer desire to live a healthier lifestyle.”

LOW ALCOHOL

The interest in health opens the door for lower-alcohol options. In the past 12 months, 38% of British Millennials drank a low/no-alcohol drink compared with 25% of all UK adults over 18. “This shows there’s a big opportunity for more moderate drinks,” says Forsyth, pointing to the rise of lighter beers and no-alcohol wine, as well as the trend for more mellow, aperitivo-style cocktails and drinks like vermouth, shochu and kombucha.

According to Jim Kearns of Slowly Shirley in New York City, versatility is one reason why low ABV drinks are gaining popularity. Consumers can enjoy them any time, they are less expensive, and they “pack less of a wallop,” he told Tales of the Cocktail.

Lower proof drinks can be popular without regard to the alcohol content, though. “In general I have witnessed less interest in alcohol content and more interest in flavors and experimentation,” says Andrea Tateosian of Urbana in Washington, D.C. “An interesting combination of ingredients or a familiar flavor can lure guests to try something low ABV without even realizing it.”

Spotted:

- **Tateosian** makes a low ABV drink called Spice Oddity that pairs espresso and passion fruit that draws interest on flavor alone. It’s made with Capitoline white vermouth, a local blanc vermouth made in D.C., lime juice, espresso syrup and passion fruit puree, served with a cayenne-salt dipped lime wedge. “The proof has nothing to do with it,” she says, speaking of consumer interest in the drink.
- **Slowly Shirley’s** cocktail menus Shirley actually open with the low alcohol options, and the first drink on it is their best seller...of all time. The drink is made with either vodka or gin, along with blanc vermouth, kaffir lime, lychee, ginger and lemon, which Kearns describes as “pretty universally appealing, recognizable ingredients.”

Free from dairy, sugar...alcohol?

The “free from” trend reaches to alcohol, as well, with line extensions such as the dairy-free Baileys Almande (USA, 2016), made with almond milk, and Stoli Gluten Free (USA, 2016), a vodka distilled from corn and buckwheat. In bars, we see low-sugar, sugar-free or sugar-alternative cocktails providing consumers with more options.

HOLD THE SUGAR

The website Eat This, Not That says “Drinking is fun. But so is looking and feeling good.” The site then offers a variety of lower calorie and lower alcohol cocktail options for nights out, including a lower sugar drink featuring tequila, seltzer and lime. “Tequila is made with agave, so it’s naturally sweet without the added sugar,” they explain. “The lime gives it a tangy flavor and adds fruit. Seltzer is always preferred over tonic as it calorie and sugar free. This combination is tasty, but low in calories.”

Spotted: Napa Flats, Tulsa, OK

- **Blue Lite Special** (95 cal): vodka, fresh blueberries, fresh lime juice, light sweet & sour.
- **Skinny Cowgirl** (100 cal): vodka, sugar free pomegranate, fresh blueberries, light sweet and sour, sugar free simple syrup.



HOLD THE BOOZE

Green Bar at London’s Hotel Café Royal and Fortnum & Mason’s 45 Jermyn Street launched a cocktail menu of drinks that can be served either with or without alcohol. This allows everyone to enjoy the experience together. Speaking of Millennials specifically, Mintel’s Forsyth says, “They still like the sociability, the relaxation and the moment of indulgence that goes with alcoholic drinks – it’s about giving them more choices on a sliding scale.”

A U.K. product making waves is Seedlip, distillates of six botanicals – two barks, two spices and two citrus peels – blended together without any alcohol or sugar. Ben Seedlip, the drink’s creator, says he is not trying to imitate alcohol, but rather he’s “trying to help bartenders create amazing non-alcoholic drinks by giving them a great liquid with great flavor.” “Mocktails tend to just be a blend of fruit juices or an imitation of an actual great cocktail, Ben tells Karen Gardiner of Tales of the Cocktail. “What we are trying to create is something different and unique.”

Gardiner explains that the ingredients are sourced from around the world: “oak bark imported from the U.S., cardamom from Guatemala, Cascarilla bark from the Bahamas, lemon peel from northern Argentina, grapefruit peel from Turkey, and pimento berries from Jamaica.”

Simplicity & Back to Basics

In 2013 *Serious Eats* asked: Should Cocktails Get Simple Again?, referencing the “baroque and complex” nature of many drinks. And today we are seeing just that. Consumers are pushing back against “show-offy” drinks that take more than 5 minutes to assemble and require a manual to understand and order. Prairie Rose, a liquor.com contributor and creator of Bit By A Fox, an award-winning cocktail blog, is a fan: “I love the simpler direction that a lot of cocktail programs are taking this past year. Looking forward to getting back to the basics, with quality spirits and very few ingredients.”

- In *Travel + Leisure* magazine, Tobin Ellis, owner of BarMagic of Las Vegas, says he is also looking forward to this move toward a more welcoming atmosphere. “Approachability is manifesting itself in concept development, where the birth of the “cocktail dive bar” has given us hope that we can all show up to a great watering hole in jeans and flip flops and enjoy a Negroni and some Johnny Cash.
- *Flavor & the Menu* magazine noted this “toning down the seriousness of the cocktail renaissance in recent years” saying there has been a “recoiling against snobbery and Prohibition-era condescension in the new cocktail world.” The resurgence of Tiki bars is one manifestation of this push back and return to playfulness. Another is high-end cocktail bars no longer shunning “average” alcohols often looked down upon by “cocktail snobs,” such as vodka, Midori, Baileys and Jägermeister. Creative bartenders are finding new roles for these ubiquitous liquors.

Spotted:

- **The Spare Room, Los Angeles:** Shandy on Acid: Jägermeister, heirloom peach liqueur, lemon, cardamom bitters, Mr. Pineapple wheat beer.
- **Luciano's, Rahway, N.J.:** The Sardinia: Midori Melon, Hendrick's gin, fresh kiwi, white cranberry, fresh sour.



Herbs, Botanicals, and Fresh Ingredients

Now, as cocktails become more simple, the more important it becomes for each element to be perfect. Hemant Pathak of Junoon said in *Forbes* that “a drink is only as good as the weakest component.” He believes mixologists are “going to be working with suppliers the way chefs have for years — to get the best fruits, spices and herbs — not just ordering them generically.” La Condesa in Austin has every component covered as they even work culinary ingredients, spices and botanicals into cactus-lemongrass and volcanic-saffron infused salts that rim cocktail glasses.

From Paris to Pinterest herbs and botanicals are starting to shine as consumers look for both flavor innovation and healthier options. The Strait Times says the movement is different than just another avenue of the farm to table trend. It’s “about broadening the flavor wheel for bartenders, without leaning on sweet, sugary or artificial ingredients.” Nathaniel Smith, Mixologist at Spoon & Stable in Minneapolis, is all in when it comes to herbal flavor. He told *Forbes* he has fallen in love with Aquavit, the Scandinavian spirit infused with caraway and dill. “There’s nothing like adding aquavit to (cocktails) and tasting the plants, botanicals and stories of a region. It brings history and flavor to a cocktail.”

Online, for at-home consumption, we see herbal cocktail flavors such as Rhubarb Basil, Elderflower Mint, Blueberry Thai Basil Mojito, Lavender Peach Bellini, and Pineapple Lime Cilantro Margarita. And at Le Bar Botaniste in Paris you order a drink featuring a piney plant only found in the French Alps, kaffir leaves, lemongrass, eucalyptus and Lebanese cucumber.

Spotted:

- **La Condesa, Austin:** EL CÚBICO: whole leaf tobacco-infused cazadores reposado, vanilla-infused brandy, lemon, grilled pineapple juice, mezcal essence, volcanic-saffron-infused salt rim.
- **Papas Bros. Steakhouse, Dallas:** Arugula Gimlet: Wheatley Vodka, John D. Taylor Velvet Falernum, lime, arugula.
- **The Commons Club, Chicago:** The Still Life: Olive-leaf-infused Absolut Elyx vodka, dry vermouth, vinegar, kombu seaweed and green tea bitters, olive oil powder, charcoal “dirt,” rosemary, shallot pearls, kosher salt.



Savory Inspired

The culinary approach and inclusion of muddled, juiced or puréed vegetables and/or herbs goes hand-in-hand with consumers looking for more savory, earthy cocktails. Look for ingredients such as “spirits steeped in nuts, seeds, mushrooms, seaweed and fermented foods.”

Interestingly, actually foraging for these ingredients outdoors for themselves is becoming a pastime of top mixologists. The company No Taste Like Home works with local Asheville, North Carolina, restaurants to provide interested consumers with the same experience. They lead people on forages for local ingredients such as sassafras, birch and wild ginger, and then have what they find turned into a drink.

Spotted:

- **The Elephant Bar, New York:** Deli Slang: London Dry gin, lemon verbena, buttermilk, Suze, horseradish, lemon, agave, egg white.
- **Highball Lounge, Boston:** The Floraison: Gin, almond liqueur, tonic, lemon and Aleppo pepper.
- **Llama Inn, Brooklyn:** Flying Purple Pisco: puréed purple Andean potatoes with lime, Peruvian Chunchu (Sarrapia leaf) bitters and nutmeg.
- **Beetle House, NYC:** Here we see the trends and popular ideas of fresh ingredients, agave, herbs, savory, bitters and botanicals all coming together in a single cocktail. Glen or Glenda-Tequila, Mango purée, citrus, agave, chipotle powder, Peychaud's bitters, garnished with rosemary.

Classic

Classic cocktails have returned in a big way and have entrenched themselves as mainstays. Consumers are enjoying these simple drinks done well with high quality ingredients. Bartenders are experimenting with the traditional formats, sometimes taking a right turn when the usual recipe calls for a left. For example Nightbell mixologist Phoebe Esmon has her own take on an Old Fashioned, using cognac and Jamaican rum instead of whiskey.

According to IWSR US *On-Premise Insights: Cocktail Trends*, bourbon- or rye-based Old Fashioneds and vodka-based Moscow Mules accounted for 30% of all US cocktail menu mentions in 2016.

Whiskey cocktails accounted for 23% of craft bar menus. Rum-based cocktails ranked second at 16%, followed closely by gin with 15%. The Negroni is a classic gin cocktail having its moment on cocktail menus at bars across the country. It can even be found on tap in some places, like Jasper's Corner Tap in San Francisco.

Other cocktail trends to keep an eye on...

- *South American, Latin American Influence*
- *Cocktails and Beer Combinations*
- *Agave*
- *Amaro*

FONA CAN HELP!

Let FONA's market insight and research experts translate these trends into product category ideas for your brand. They can help you with concept and flavor pipeline development, ideation, consumer studies and white space analysis to pinpoint opportunities in the market.

Our flavor and product development experts are also at your service to help meet the labeling and flavor profile needs for your products to capitalize on this consumer trend. We understand how to mesh the complexities of flavor with your brand development, technical requirements and regulatory needs to deliver a complete taste solution. From concept to manufacturing, we're here every step of the way.

Contact our Sales Service Department at 630.578.8600 to request a flavor sample or visit www.fona.com.



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