



THE MOCKTAIL MOVEMENT

LOW & NO ALCOHOL BEVERAGES

While the concept of mocktails is not new, the fact that consumers are looking to pare back their consumption of alcohol is a trend that goes well beyond 'Dry January.' We are spotting a behavioral shift for consumers, especially Millennials, towards drinking less alcohol or eliminating it all together, and it is becoming an everyday lifestyle choice. Health is the top motivator as consumers are shifting to focus more on moderation and their overall well-being.

A BUDDING MARKET

Low & no alcohol products currently account for only 0.5% of the total U.S. beverage alcohol market, but they are growing rapidly. Ready-to-drink products in the category are forecasted to grow 39% per year through 2022.¹ Non-alcoholic drinks are very much on trend, especially with 52% of US consumers surveyed stating they are trying to reduce their alcohol intake.²

Consumers are going social about their decision to reduce their consumption and the hashtag “sober curious” is spreading across all social media outlets. The goal of the sober curious campaign is to create new meaning around what it truly means to abstain from alcohol.³ In an effort to detach sobriety from addiction and position it instead as a healthier lifestyle, for anyone who wants to drink less or not at all. As a result, alcohol-free bars are popping up across the country and alcohol-free spirits and beers with 0% ABV are readily available to anyone who is looking.



#sobercurious

This hashtag is trending extremely well on social media, with an 86% positivity association, 38 mentions per hour and a 387% increase in posts from just one year ago.

- 194,439 posts in the past 12 months
- 84% female voice
- 66% between 25-44 years old

DRIVERS: HEALTH & PRICE



Alcohol is taking a backseat to both health and price as consumers are setting their priorities straight. As consumers are becoming more health conscious, cutting calories and reducing their sugar intake, it's no surprise that health is the leading cause for consumers to reduce their consumption of alcohol, with 42% of consumers stating health is the top priority. Male consumers stated they are more likely to reduce consumption for health reasons than females (44% vs. 39%)⁴. Men are focusing more on overall well-being, whereas female consumers are focusing on cutting calories.

Affordability is another key factor with 41% of consumers stating 'to save money' as a reason for reducing their consumption of alcohol. Alcohol is viewed as a non-essential category and when the purse strings get tight, alcohol is among the first items to be eliminated from the pantry.



"I drink less now than when I was in my twenties. I think about the effects on my body, my sleep, etc. I stay away from most cocktails. I never drank to excess but I do consider what I'll have to expel the alcohol from my system- more exercise, more water. I think about whether the drink is worth it." -Female; 35-44 yrs. old; Northeast



42%

OF CONSUMERS ARE REDUCING THEIR ALCOHOL CONSUMPTION TO IMPROVE THEIR OVERALL HEALTH. -MINTEL

41%

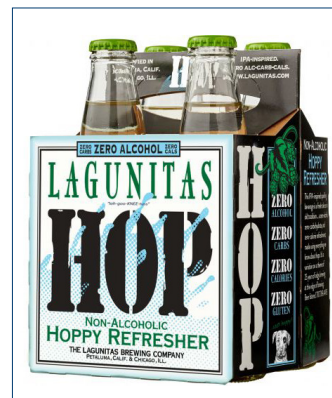
OF CONSUMERS ARE REDUCING THEIR ALCOHOL CONSUMPTION TO SAVE MONEY. -MINTEL

ALCOHOL-FREE ALTERNATIVES

Mocktails are not new to the beverage game, and non-alcoholic beers have been around for decades. While not strong yet in the U.S., the non-alcoholic beer market (beer less than 0.5% ABV) is gaining some steam in Europe, especially Spain and Germany. We are spotting new players enter the market as this trend continues to gain momentum. Consumers are spending more on specialty beverages in general. This paves the way for new, innovative products like non-alcoholic "wine water," alcohol-free craft beers and even elixirs. Many of these beverages are designed as healthier alternatives with lower carbs, calories, and positioned as replacements for traditional cocktails, wines and beers.



PRODUCTS OF NOTE



LAGUNITAS HOPPY REFRESHER: An IPA-inspired refreshment that's zero-alcohol, zero-carbohydrates, and zero-calorie. This non-alcoholic beverage was designed as a wine alternative. Similar to some of your favorite rosés, it offers notes of fresh raspberry and florals.



CURIOUS ELIXIR NO. 1: An alcohol-free spin on classic stirred cocktails like the Negroni. A hand-crafted adult beverage that is lightly carbonated. It includes a unique superfood and adaptogen blend and is best enjoyed over ice or neat in a rocks glass with an orange twist.



MINGLE SPARKLING MOSCOW MULE MOCKTAIL: An alcohol-free mocktail featuring layers of tangy cranberry, lime and orange juices for a pleasingly crisp, effervescent finish. These beverages are "mixology inspired and uniquely crafted" to offer consumers a premium drinking experience without the alcohol.

LISTEN BAR

A BOOZE-FREE BAR IN NYC

Located in NYC, Listen-Bar is a booze-free pop-up bar open only 1 night per month. All of their drinks are alcohol-free, and all of the bartenders are musicians. Their location includes everything you would want in a bar: pool-table, neon signs and good music. It's just missing the alcohol. It has been described by the Wall Street Journal as "an establishment with complex and grown-up cocktails that taps into a growing alcohol-free movement."

In addition to Athletic Brewing IPA and Pilot Kombucha on tap, the 'cocktails' on the menu include ingredients such as bitters, kombucha, tonics and edible flowers.

Each month the pop-up is inspired by a new theme, such as their January offering of "Self-Care is the New Rock n' Roll," where they partnered with the Plant People and celebrated the punk rock spirit of self-care with alcohol-free cocktails and mood-soothing CBD.

MENU OFFERINGS

Actual Sunshine

Seedlip Grove, Mango, Pilot Turmeric Kombucha, Kin Euphorics

Ghost Me Maybe

Grapefruit, Rosemary, Thomas Henry Slim Tonic

She Pretty

Strawberry, Rosewater, Egg White, Edible Flowers



PHOTO: IMBIBE MAGAZINE



An establishment with complex and grown-up cocktails that taps into a growing alcohol-free movement." -WALL STREET JOURNAL



LOW-ALCOHOL OFFERINGS



The low-alcohol products on the market in the US are extremely limited. While there are some beers and wines available, Europe is leading the way with new products. From low-alcohol ciders, liqueurs, aperitifs and mixed drinks—the opportunities are endless across the pond.

While less than half of US drinkers have actually tried the low-alcohol products available, there is definite consumer interest in trying these beverages. According to a recent Mintel survey, 35-44 year-olds lead the way with 75% interested in trying low-alcohol beverages. This is followed by 22-34 year-olds with 69% interested.

We are spotting restaurants and bars across the US capitalizing on the low-alcohol trend by shining a light on their no- and low-alcohol menus. These menus are including ingredients such as bitters, organic fruits & vegetables and even teas. These menus are giving consumers more opportunities to make their own choice between low-alcohol and no-alcohol, without having to sacrifice taste.



SHORTFUSE BERLINER WEISSE WITH RED RASPBERRY, CHERRY & BLUEBERRY: Made in Schiller Park, IL, this beer contains 4% ABV and features a light body with a dry finish. It also is described as having a sharp sourness that is balanced by being brewed with raspberries, blueberries and cherries.



SHAKE COCKTAILS MOJITO: This product is described having “the taste of the most world-famous cocktail.” This low-alcohol carbonated cocktail comprises white rum, cane sugar, lime juice, mineral water and fresh mint and contains 5% ABV. This product was found in Israel.

THE TAKEAWAYS

Consumers are doing their best to live a healthier lifestyle, with many ultimately cutting back on their overall alcohol intake. Alcohol-free alternatives are leading the way with great momentum in new product introductions. Low-alcohol offerings are more common on bar and restaurant menus and new products have been slow to take off. With consumers interested in consuming these types of beverages, there is whitespace in the market to create low-alcohol and even no-alcohol versions of their favorite cocktails, beer and even wine—giving them the opportunity to focus on their health without sacrificing great taste.

SOURCES

1. IWSR Drinks Market Analysis
2. London's International Wine and Spirits Record
3. The Washington Post
4. Mintel Report: Alcoholic Beverage Drinking Occasions
5. Listen Bar NYC
6. Mintel GNPD



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