



## U.S. Consumers Want to Moderate Their Alcohol Consumption, but Don't Always Choose No/Low-Alcohol Products to Do So

by The IWSR Drinks Market Analysis, [www.theiwsr.com](http://www.theiwsr.com)

*IWSR analyses the addressable market for the U.S. no/low-alcohol category.*

The trend for moderation is increasingly prevalent in the U.S.: A third of legal drinking age (LDA) adults in the U.S. (37%) say they have not consumed alcohol in the past six months (*surveyed by IWSR in April 2023*) — compared to an average figure of 24% across 15 key markets (Australia, Brazil, Canada, China, France, Germany, India, Italy, Japan, Mexico, South Africa, Spain, Taiwan, U.K., U.S.).

The abstinence rate is even higher among younger consumers in the U.S., with over half (54%) of Gen Z LDA adults claiming not to have had an alcoholic drink over the same timescale.

Among U.S. consumers who do drink, more than 50% say they are moderating their alcohol consumption (*IWSR consumer research, February 2023*), but only 26% say they are drinking no-alcohol alternatives to their favorite full-strength drinks as a result — unchanged from the figure recorded in September 2022.

"Moderation strategies remain the same, with over half of people in the U.S. cutting down on their alcohol consumption," said Susie Goldspink, Head of No- and Low-Alcohol Insights, IWSR. "But, as was the case last year, this is not directly translating into purchases of no- and low-alcohol drinks."

Indeed, of the 15 key markets, the U.S. has the lowest penetration of no-alcohol consumption among people who also drink alcohol: only 7% of consumers, compared to a weighted average of 23% across all 15 markets.

Again, younger LDA drinkers in the U.S. are more likely to consume both full-strength and no-alcohol products: 18% of Gen Z and 11% of Millennials, ahead of Gen X (6%) and Boomers (3%).

This ample headroom for no/low growth is reinforced by IWSR volume forecasts for the years ahead: while the total beverage alcohol (TBA) market in the U.S. is predicted to decline at a compound annual growth rate (CAGR) of -1.5% between 2022 and 2027, no-alcohol volumes are expected to grow at a CAGR of over +15% over the same timescale.

Beer and wine, respectively, will continue to dominate the no- and low-alcohol spaces in volume terms, although no-alcohol spirits and RTDs are expected to show significant growth from a low base in the coming years.

### How do people choose to moderate?

Despite this positive outlook for no/low in the U.S., people have a number of moderation strategies open to them: 35% of no/low consumers say they choose to moderate by not drinking on certain occasions, with 26% switching to lower-ABV options and 20% switching to non-alcoholic drinks, when surveyed in Q3 2022.

Asked what they most recently chose to drink instead of alcohol, 43% said water, followed by soft drinks (40%) and tea/coffee/hot drinks (33%). Low-

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## WSWA Opens Registration for Access LIVE 2024

Registration is now open for the Wine & Spirits Wholesalers of America's (WSWA's) Access LIVE 2024. Access LIVE is the beverage alcohol industry's leading event, bringing together wholesalers, suppliers, on- and off-premise retailers, service providers, importers and exporters all under one roof. This industry event takes place January 29-February 1, 2024. Described as a "reimagined trade show," Access LIVE recognizes all three tiers of the U.S. beverage alcohol system. Attendees can expect two and a half days of relationship building, dealmaking, interactive experiences, content-producing opportunities and hot-topic panel discussions.

WSWA's *Brand Battle* returns with a condensed, virtual tournament leading to a championship held on the Access LIVE stage in January. *Brand Battle* is WSWA's version of *Shark Tank*, in which brand representatives pitch to a panel of industry experts and influencers. Past *Brand Battle* winners include Sunshine Punch (2023), Campesino Rum (2022) and Gray Whale Gin (2019). WSWA's annual event served as a springboard for these brands, exposing them to immediate distribution deals, positive media buzz and other brand-development opportunities. Register for the competition [here](#).

The exposition's Wine and Spirits Tasting Competition, sponsored by *The Tasting Panel Magazine* and *The Somm Journal*, takes place January 28-29, 2024, ahead of the show's official start. Competing brands can enter to earn bragging rights throughout the Access LIVE show. This blind competition rewards excellence in taste and provides opportunities for new and existing brands to receive recognition that boosts their profile during the show and lends credibility to their products for years to come.

Returning to the show will be Access HQ, a reimagined exhibit hall experience featuring over 300 exhibit booths and 20 suites. In addition, there will be over 65 brands in Main Street Suites, all on one easily accessible level. Caesars Forum allows for all booths and suites to be located on the same floor, removing extra travel time between meetings. The new exhibit space will also feature the LIVE Stage, where TED-style sessions will take place, and The Hub, which includes the content creation lab featuring Pour Agency, a fan favorite from 2023.

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