

On-premise Alcohol Trends - US - May 2015

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



“Millennials offer an opportunity for restaurants to cater to their unique tastes and desires, as this group is more likely to drink at restaurants than are other generations.

Operators that offer distinct drinks such as specialty cocktails and restaurants’ own brand of alcohol can help create the quality dining experience this group desires.”

– Julia Gallo-Torres, Senior Analyst, Foodservice

This report looks at the following areas:

- How can restaurants draw Millennials?
- How should restaurants appeal to at-home drinkers?
- Can LSRs compete with FSRs for share of alcohol spending?

On-premise alcohol sales increased in 2014, and are forecast to grow moderately between 2014 and 2019. Improving economic conditions are prompting more consumers to spend on dining out, although some remain cautious about pricing and are likely to be motivated to order alcohol by drink specials. Premiumization across alcohol categories is driving sales, as many consumers gravitate toward specialty cocktails, signature drinks, restaurant brand beer/wine/spirits, and ultra-premium spirits. Millennials are a key demographic for restaurants as they tend to dine out frequently and desire a quality dining experience.

BUY THIS
REPORT NOW

VISIT:
store.mintel.com

CALL:
EMEA
+44 (0) 20 7606 4533

Brazil
0800 095 9094

Americas
+1 (312) 943 5250

APAC
+61 (0) 2 8284 8100

EMAIL:
reports@mintel.com

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

On-premise Alcohol Trends - US - May 2015

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

Scope and Themes

- What you need to know
- Definition
- Data sources
- Sales data
- Consumer survey data
- Mintel Menu Insights
- Abbreviations and terms
- Abbreviations

Executive Summary

Moderate growth forecast

Figure 1: Total US sales and fan chart forecast of on-premise alcohol, at current prices, 2009-19

The consumer

More likelihood to drink at home than at restaurants

Figure 2: Where alcohol is purchased and/or consumed, February 2015

Special occasions, gatherings, and drink specials motivate customers to order alcohol

Figure 3: Drivers to order alcoholic beverages at restaurants, February 2015

Price remains a barrier for 45% of consumers

Figure 4: Barriers to order alcoholic beverages at restaurants, February 2015

Food/drink pairings, microbrews, and drink specials are important

Figure 5: Attitudes about alcoholic beverages at restaurants, February 2015

What we think

Issues and Insights

How can restaurants draw Millennials?

The issues

Insight: Focus on variety, flavor, and value

How should restaurants appeal to at-home drinkers?

The issues

Insight: Exclusive selections

Can LSRs compete with FSRs for share of alcohol spending?

The issues

Insight: More alcohol offerings, better selling programs

Market Size and Forecast

Key points

Sales and forecast of on-premise alcohol

Figure 6: Total US retail sales and forecast of on-premise alcohol, at current prices, 2009-19

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com
 CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
 Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100
 EMAIL: reports@mintel.com

On-premise Alcohol Trends - US - May 2015

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 7: Total US retail sales and forecast of on-premise alcohol, at inflation-adjusted prices, 2009-19

Fan chart forecast

Figure 8: Total US sales and fan chart forecast of on-premise alcohol, at current prices, 2009-19

Fan chart methodology

Market Drivers

Key points

Slowly rising disposable income drives on-premise sales

Figure 9: Real disposable personal income, January 2007-January 2015

Figure 10: US unemployment rate and underemployment, January 2007-December 2014

Median household income stagnates

Figure 11: Median household income, in inflation-adjusted dollars, 2003-13

Consumer confidence fluctuates

Figure 12: Consumer Confidence Index, January 2009-February 2015

Millennials most apt to drink alcohol at restaurants

Figure 13: Median household income, by age of householder, 2013

Competitive Context

At-home alcohol drinking more popular than drinking at restaurants

Figure 14: Alcohol at home and away from home, 2008-13

Consumers more apt to drink alcohol at FSRs than LSRs

Menu Analysis

Key points

Menu incidence of beer overtakes cocktails

Figure 15: Types of alcoholic beverages on the menu, by menu incidence, PCYA Q4 2011-14

Figure 16: Top 10 alcoholic beverages, by menu incidence, PCYA Q4 2011-14

Fast casuals find opportunity in menuing alcohol

Figure 17: Alcoholic beverages, by menu incidence, by restaurant type, PCYA Q4 2011-14

Handcrafted options help create a quality drinking experience

Figure 18: Top 10 alcoholic beverage claims, by menu incidence, PCYA Q4 2011-14

Sugar, mixes/juices mentions mostly down

Figure 19: Top 10 ingredients used in alcoholic drinks, PCYA Q4 2011-14

The Consumer – Overview

Key points

Three in 10 consumers report high weekly alcohol consumption

Figure 20: Average weekly consumption of alcohol by high, medium, or low, February 2015

Figure 21: Where alcohol is purchased and/or consumed, by average weekly consumption of alcohol (by high, medium, or low), February 2015

Figure 22: Average weekly consumption of alcohol by high, medium, or low, by top five desires on alcoholic drink menus – Any Rank, February 2015

Figure 23: Average weekly consumption of alcohol by high, medium, or low, by top five desires on alcoholic drink menus – Any Rank, February 2015 (continued)

Figure 24: Average weekly consumption of alcohol by high, medium, or low, by top five desires on alcoholic drink menus, by barriers to order alcoholic beverages at restaurants, February 2015

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100

EMAIL: reports@mintel.com

On-premise Alcohol Trends - US - May 2015

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Drinking at home means less opportunity for restaurants

Figure 25: Where alcohol is purchased and/or consumed, February 2015

Figure 26: Where alcohol is purchased and/or consumed, February 2015

Figure 27: Where alcohol is purchased and/or consumed, February 2015 (continued)

Figure 28: Average (mean) spend on alcohol (percentage of total check), February 2015

Special occasions drive purchase; happy hours likely to attract guests

Figure 29: Drivers to order alcoholic beverages at restaurants, February 2015

Price is the primary barrier to ordering alcohol

Figure 30: Barriers to order alcoholic beverages at restaurants, February 2015

Guests look for locally made, wider flight varieties, food pairings

Figure 31: Top five desires on alcoholic drink menus (top five rank), February 2015

Consumers are looking for unique dining experiences

Figure 32: Attitudes about alcoholic beverages at restaurants, February 2015

The Consumer – By Gender

Key points

Men more apt than women to be high weekly drinkers, especially beer/wine

Figure 33: Average weekly consumption of alcohol by high, medium, or low, by gender, February 2015

Figure 34: Where alcohol is purchased and/or consumed, by gender, February 2015

Figure 35: Where alcohol is purchased and/or consumed, by gender, February 2015 (continued)

Men more driven by favorite brands, craft beers; women likely to order at special occasions

Figure 36: Drivers to order alcoholic beverages at restaurants, by gender, February 2015

Figure 37: Drivers to order alcoholic beverages at restaurants, by gender, February 2015 (continued)

Men want to see wider variety; women desire lower ABV, specialty drinks

Figure 38: Top five desires on alcoholic drink menus – Top five rank, by gender, February 2015

The Consumer – By Generations

Key points

Millennials most apt to be high weekly drinkers

Figure 39: Average weekly consumption of alcohol by high, medium, or low, by generations, February 2015

Figure 40: Where alcohol is purchased and/or consumed, by generations, February 2015

Figure 41: Where alcohol is purchased and/or consumed, by generations, February 2015 (continued)

Millennials will spend more on alcohol than other generations

Figure 42: Average (mean) spend on alcohol, by generations, February 2015

Drink specials, restaurant brand alcohol appeals to Millennials

Figure 43: Drivers to order alcoholic beverages at restaurants, by generations, February 2015

Figure 44: Drivers to order alcoholic beverages at restaurants, by generations, February 2015 (continued)

Unique offerings most desired by Millennials

Figure 45: Top five desires on alcoholic drink menus – Top five rank, by generations, February 2015

Figure 46: Top five desires on alcoholic drink menus – Top five rank, by generations, February 2015 (continued)

Millennials very invested in alcohol at restaurants

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100

EMAIL: reports@mintel.com

On-premise Alcohol Trends - US - May 2015

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 47: Attitudes toward on-premise alcohol, by generations, February 2015

Figure 48: Attitudes toward on-premise alcohol, by generations, February 2015 (continued)

The Consumer – By Household Income

Key points

High weekly alcohol consumption increases with household income

Figure 49: Average weekly consumption of alcohol by high, medium, or low, by household income, February 2015

Figure 50: Where alcohol is purchased and/or consumed, by household income, February 2015

Figure 51: Where alcohol is purchased and/or consumed, by household income, February 2015 (continued)

The Consumer – By Presence of Children in Household

Key points

Presence of children often means high alcohol consumption

Figure 52: Average weekly consumption of alcohol by high, medium, or low, by presence of children in household, February 2015

Figure 53: Where alcohol is purchased and/or consumed, by presence of children in household, February 2015

Figure 54: Where alcohol is purchased and/or consumed, by presence of children in household, February 2015 (continued)

Households with children spend more on alcohol when dining out

Figure 55: Average (mean) spend on alcohol, by presence of children in household, February 2015

Households without children more apt to drink at restaurants for special occasions

Figure 56: Drivers to order alcoholic beverages at restaurants, by presence of children in household, February 2015

Figure 57: Drivers to order alcoholic beverages at restaurants, by presence of children in household, February 2015 (continued)

Parents likely to limit drinking when dining out with kids

Figure 58: Barriers to order alcoholic beverages at restaurants, by presence of children in household, February 2015

Low ABV a potential selling point for parents

Figure 59: Top five desires on alcoholic drink menus – Top five rank, by presence of children in household, February 2015

Figure 60: Top five desires on alcoholic drink menus – Top five rank, by presence of children in household, February 2015 (continued)

Parents tend to drink when dining out with friends more than with family

Figure 61: Attitudes toward on-premise alcohol, by presence of children in household, February 2015

Figure 62: Attitudes toward on-premise alcohol, by presence of children in household, February 2015 (continued)

The Consumer – Race/Hispanic Origin

Key points

Hispanics drink more at restaurants than non-Hispanics

Figure 63: Average weekly consumption of alcohol by high, medium, or low, by race/Hispanic origin, February 2015

Figure 64: Where alcohol is purchased and/or consumed, by race/Hispanic origin, February 2015

Figure 65: Where alcohol is purchased and/or consumed, by race/Hispanic origin, February 2015 (continued)

Late night drink specials, restaurant brand alcohol drive sales to Hispanics

Figure 66: Drivers to order alcoholic beverages at restaurants, by race/Hispanic origin, February 2015

Unique brands and styles appeal to Hispanic drinkers

Figure 67: Top five desires on alcoholic drink menus – Top five rank, by race/Hispanic origin, February 2015

Figure 68: Top five desires on alcoholic drink menus – Top five rank, by race/Hispanic origin, February 2015 (continued)

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com
CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100
EMAIL: reports@mintel.com

On-premise Alcohol Trends - US - May 2015

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Value offerings likely to attract Hispanics

Figure 69: Attitudes toward on-premise alcohol, by race/Hispanic origin, February 2015

Figure 70: Attitudes toward on-premise alcohol, by race/Hispanic origin, February 2015 (continued)

Appendix – Trade Associations

Council for Responsible Nutrition

Food Marketing Institute (FMI)

International Food Information Council (IFIC)

International Food Service Executives Association (IFSEA)

International Foodservice Distributors Association (IFDA)

International Foodservice Manufacturers Association (IFMA)

International Franchise Association (IFA)

National Council of Chain Restaurants (NCCR)

National Restaurant Association (NRA)

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100

EMAIL: reports@mintel.com