

## On-premise Alcohol Trends - US - April 2018

Report Price: £3254.83 | \$4395.00 | €3662.99

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



Sales of alcohol on-premise are rising year-over-year thanks to consumers' interest in premium alcoholic beverages. While the market is growing, competition among bars/restaurants has never been stronger.

This report looks at the following areas:

- On-premise alcohol consumption falls
- Consumers prefer drinking at home
- Younger consumers enjoy the personal, controlled experience of drinking at home

Foodservice establishments must contend with consumers' preference for drinking at home and must prepare for the next generation of on-premise consumers. Establishments that focus on providing a unique drinking experience will stand out in the crowded market.

**BUY THIS  
REPORT NOW**

**VISIT:**  
[store.mintel.com](http://store.mintel.com)

**CALL:**  
EMEA  
+44 (0) 20 7606 4533

Brazil  
0800 095 9094

Americas  
+1 (312) 943 5250

China  
+86 (21) 6032 7300

APAC  
+61 (0) 2 8284 8100

**EMAIL:**  
[reports@mintel.com](mailto: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 - April 2018

Report Price: £3254.83 | \$4395.00 | €3662.99

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

## Table of Contents

### Overview

What you need to know

Definition

### Executive Summary

The issues

On-premise alcohol consumption falls

Figure 1: Changes in AFH drinking, by select demographics, January 2018

Consumers prefer drinking at home

Figure 2: AFH drinking attitudes, January 2018

Younger consumers enjoy the personal, controlled experience of drinking at home

Figure 3: Reasons for drinking AH instead of AFH, by generation, January 2018

The opportunities

Exploration is driving increased consumption among some consumers

Figure 4: Reasons for drinking AFH more often, January 2018

Consumers choose new drinks based on alcohol type and flavor

Figure 5: AFH new drink trial motivators, January 2018

Young consumers are interested in new drinks and exciting flavors

Figure 6: AFH drink interest, by generation, January 2018

What it means

### The Market – What You Need to Know

iGens: pragmatic, activists, and in control

Premium drinks offset falling volume

Consumers are price sensitive despite strong economy

### Market Size and Forecast

Projected YOY on-premise sales growth

Figure 7: Total US sales and fan chart of on-premise alcohol sales, at current prices, 2012-22

Figure 8: Total US sales and forecast of on-premise alcohol sales, at current prices, 2012-22

### Market Breakdown

Consumers are drinking less on-premise

Figure 9: Total on-premise alcohol consumption, liters per capita, 2010-20

Beer sales grow but segments struggle with different issues

Figure 10: Total US sales and fan chart forecast of beer, at current prices, 2012-22

Producers rise a glass to wine's strong growth

Figure 11: Total US on and off-premise sales and fan chart forecast of wine, at current prices, 2011-21

Vodka maintains its top status, but whiskey is growing fast

Figure 12: Distribution of spirit sales by volume, by segment, 2017 (estimate)

**BUY THIS  
REPORT NOW**

**VISIT:** [store.mintel.com](http://store.mintel.com)

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

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)

# On-premise Alcohol Trends - US - April 2018

Report Price: £3254.83 | \$4395.00 | €3662.99

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

Figure 13: Distribution of spirit sales by volume, by segment, 2017 (estimate)

## White spirits

Figure 14: US volume sales and forecast of white spirits, by segment, 2012-22

## Dark spirits

Figure 15: US volume sales of dark spirits, by segment 2012-22

Figure 16: US volume sales of whiskey/whisky, by type, 2012-17

## RTD market benefits from innovation

Figure 17: US volume sales of flavored malt beverages, spirit-based prepared cocktails, and wine coolers, 2012-22

## Market Factors

### Many Americans are financially unstable despite strong economy

Figure 18: Financial stability and flexibility, by status level, November 2017

### Will self-driving cars be the biggest boon to the on-premise market?

### Alcohol avoiding/substitution topics are trending on social media

Figure 19: Social media mentions of "Whole 30," 2013-17

Figure 20: Social media mentions of "Dry January," 2013-18

Figure 21: Social media mentions of "mocktails," 2013-17

## Market Factor Deep Dive: iGens

### The kids are alright: meet the sober generation

Figure 22: Distribution of population aged 21+, 2018-23

## Key Players – What You Need to Know

It's all about the experience

Beer market slows down and cider takes a dip

Take on-premise off-premise via delivery

## What's Working?

Pop culture pubs

Alco-tourism appeals to the experiential drinker

Growth in ride-sharing sharing services benefits bars/restaurants

Figure 23: Mobility services used, April 2016-November 2017

Blurred beverages expose consumers to new categories

## What's Struggling?

Major casual dining chains face declining sales

Figure 24: Changes in casual dining chain visitation, by select demos, November 2017

Figure 25: Applebee's email, "The DOLLARMAMA is still just...well, a dollar," February 16, 2018

Figure 26: Applebee's email, "ABSOLUT Vodka + Lemonade = \$2," March 3, 2018

Mass market beer is in trouble...and craft beer hits a rough patch

Figure 27: Total US volume sales of beer, by segment, 2012-20

Cider can't sustain its growth

Figure 28: US volume sales of hard cider, 2012-16 (est)

**BUY THIS  
REPORT NOW**

**VISIT:** [store.mintel.com](http://store.mintel.com)

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

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)

# On-premise Alcohol Trends - US - April 2018

Report Price: £3254.83 | \$4395.00 | €3662.99

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

"Fewer but better trend" is detrimental for value spirit brands

Figure 29: Percent change in 9-liter cases sold, 2012-17

## What's Next?

Bringing the bar to you

Figure 30: TGI Friday's alcohol delivery

Unfiltered and funky, natural wine enters the spotlight

Something's in the water

Figure 31: Cocktails with waters as an ingredient

Zero waste hits mainstream

Drink locally, think globally

Figure 32: Internationally influenced cocktail examples

## Mintel Menu Insights Analysis

Wine

Figure 33: Change in incidence of wine types, Q4 2015-Q4 2017

Sparkling wine

Figure 34: Change in incidence of sparkling wines, Q4 2015-Q4 2017

Red wine

Figure 35: Change in incidence of top 15 red wines, Q4 2015-Q4 2017

White wine

Figure 36: Change in incidence of top 15 white wines, Q4 2015 – Q4 2017

Dessert/fortified wine

Figure 37: Change in incidence of top 10 dessert/fortified wines, Q4 2015-Q4 2017

Beer

Figure 38: Average number of beers menued by restaurant segment, Q4 2015-Q4 2017

Figure 39: Average price of beer menued by restaurant segment, Q4 2015-Q4 2017

Figure 40: Growth of non-fruit beer flavors, Q4 2015-Q4 2017

Cocktails

Cocktail alcohol types

Figure 41: Change in incidence of alcohol types used in cocktails, Q4 2015-Q4 2017

Cocktail spirit trends

Figure 42: Change in incidence of spirits used in cocktails, Q4 2015-Q4 2017

Figure 43: Distribution of spirits used in cocktails, Q4 2015-Q4 2017

Figure 44: Change in incidence of spirit brands used in cocktails, top 25 brands Q4 2015-Q4 2017

Cocktail ingredient claims

Cocktail ingredient trends: non-alcoholic beverages

Figure 45: Change in incidence of non-alcoholic beverages used in cocktails, Q4 2015-Q4 2017

Cocktail ingredient trends: herbs/seasonings

Figure 46: Change in incidence of herbs and seasonings used in cocktails, Q4 2015-Q4 2017

Figure 47: Unique salts used in cocktails

BUY THIS  
REPORT NOW

**VISIT:** [store.mintel.com](http://store.mintel.com)

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

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)

# On-premise Alcohol Trends - US - April 2018

Report Price: £3254.83 | \$4395.00 | €3662.99

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

## The Consumer – What You Need to Know

- Reported alcohol consumption across venues is down
- New drinks can spur consumption
- Consumers of all ages prefer drinking AH
- Drinking AH is relaxing, cheap, and more personal than drinking AFH

## Alcoholic Beverage Consumption and Occasions: AH vs AFH

- Most drinks are consumed AH
  - Figure 48: Alcoholic beverage consumption, AH vs AFH, January 2018
- Alcoholic beverage consumption by demographics
- Most occasions also occur within the home
  - Figure 49: Drinking occasions, AH vs AFH, January 2018

## AFH Drink Interest

- Figure 50: AFH drink interest, January 2018
- Figure 51: AFH drink interest, by Millennial groups, January 2018
- Figure 52: Two Hats Online Ad, “Meh’ No More”
- TURF analysis: AFH drink interest
  - Figure 53: TURF analysis AFH drink interest, January 2018
- Unique drinks attract multicultural consumers
  - Figure 54: AFH drink interest, by race/ethnicity, January 2018
- Targeting drink-type consumers
  - Figure 55: AFH drink interest, top 5 drinks, by drink-type drinkers, indexed against all consumers, January 2017
  - Figure 56: AFH drink interest, top 5 drinks by drink-type drinkers, indexed against all consumers, January 2017

## Changes in AFH Drinking

- Slight net decrease in AFH drinking
  - Figure 57: Changes in AFH drinking, January 2018
  - Figure 58: Changes in AFH drinking, by select demographics, January 2018
- FMB drinkers report greatest increase in consumption
  - Figure 59: Changes in AFH drinking, by drink-type drinkers, January 2018

## Reasons for Drinking AFH More

- Variety drives increased consumption
  - Figure 60: Reasons for drinking AFH more often, January 2018

## Reasons for Drinking AFH Less

- Consumers are reducing their alcohol consumption or drinking AH
  - Figure 61: Reasons for drinking AFH less often, January 2018

## Changes in Venue Visitation

- Traditional bars see greatest visitation drop
  - Figure 62: Changes in venue visitation, January 2018

BUY THIS  
REPORT NOW

**VISIT:** [store.mintel.com](http://store.mintel.com)  
**CALL:** EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094  
 Americas +1 (312) 943 5250 | China +86 (21) 6032 7300  
 APAC +61 (0) 2 8284 8100 |  
**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)

# On-premise Alcohol Trends - US - April 2018

Report Price: £3254.83 | \$4395.00 | €3662.99

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

Figure 63: Changes in venue visitation, rebased among visitors, January 2018

Venue switching deep dive: nightclubs and casual dining chains

Figure 64: Nightclub consumers: venue switching behaviors, rebased among visitors, January 2018

Figure 65: Casual dining chain consumers: venue switching behaviors, rebased among visitors, January 2018

Visitation changes dependent on income

Figure 66: Changes in venue visitation, rebased among visitors, by age and HH income, January 2018

## New Drink Trial Motivators

Consumers most open to drink types they already enjoy

Figure 67: AFH new drink trial motivators, January 2018

Figure 68: AFH new drink trial motivators, by area, any rank, January 2018

Men are brand-conscious purchasers

Figure 69: AFH new drink trial motivators, by gender and age, any rank, January 2018

Drink-type consumers respond to different motivators

Figure 70: AFH new drink trial motivators, by beer-type drinkers, any rank, January 2018

Drink specials motivate those drinking AFH less

Figure 71: AFH new drink trial motivators, by changes in AFH alcohol consumption, any rank, January 2018

## AFH Drinking Attitudes

Majority of consumers prefer drinking at home

Figure 72: AFH drinking attitudes, January 2018

Figure 73: AFH drinking attitudes, by changes in AFH alcohol consumption, January 2018

Delivery appeals to the "hometainment" generation

Figure 74: AFH drinking attitudes, by age, January 2018

Figure 75: AFH drinking attitudes, by age and gender, January 2018

Multicultural consumers often try before they buy

Figure 76: AFH drinking attitudes, by race/ethnicity, January 2018

Opportunity for FMB brands on-premise

Figure 77: AFH drinking attitudes, I try new drinks at bars before buying from stores, by drink-type drinkers, January 2018

## Reasons for Drinking AH

Home comforts and cheap drinks drive AH alcohol consumption

Figure 78: Reasons for drinking AH instead of AFH, by those who prefer drinking AH, January 2018

Young consumers want control, can't be bothered to go out

Figure 79: Reasons for drinking AH instead of AFH, by generation, January 2018

Bars/restaurants losing price-conscious consumers

Figure 80: Reasons for drinking AH instead of AFH, by changes in AFH alcohol consumption, January 2018

## Appendix – Data Sources and Abbreviations

Data sources

Sales data

Fan chart forecast

**BUY THIS  
REPORT NOW**

**VISIT:** [store.mintel.com](http://store.mintel.com)

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

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)

## On-premise Alcohol Trends - US - April 2018

Report Price: £3254.83 | \$4395.00 | €3662.99

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

Consumer survey data  
Consumer qualitative research  
Consumption data: Mintel Market Sizes  
Purchase Intelligence  
Mintel Menu Insights  
ePerformance  
Social media methodology  
Abbreviations and terms  
Abbreviations  
Terms

### Appendix – The Market

Figure 81: Total US sales and forecast of on-premise alcohol, at inflation-adjusted prices, 2012-22

### Appendix – The Consumer

TURF methodology

BUY THIS  
REPORT NOW

**VISIT:** [store.mintel.com](http://store.mintel.com)

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

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)