The Modern Drinker's Shopping Basket:

Navigating Choice, Trade-Offs, and Change

2026 On & Off Premise Adult Beverage Session

NielsenIQ Thought Leadership

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ecrm

What does NielsenIQ measure?

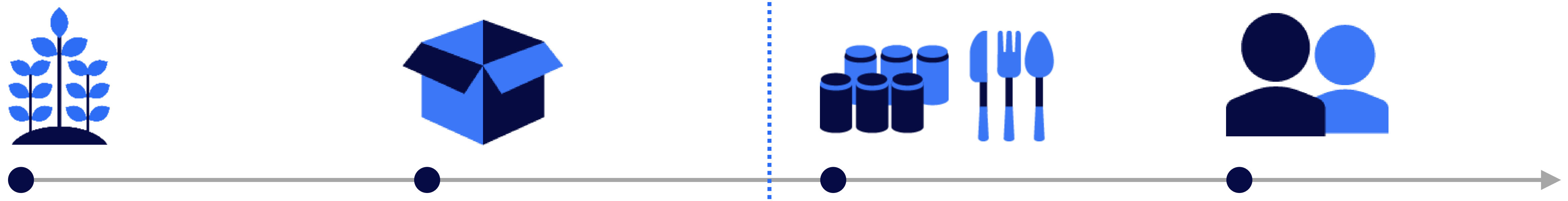
NIQ powered by CGA intelligence

Growers & Suppliers

Distribution & Depletions

Off & On Premise

Consumer



Retail sales

Consumer purchases

4

Topics for the Session

The State of Beverage Alcohol

Beverage Alcohol is operating in a period of slower growth and greater complexity as consumers face more spending constraints while also having more choices than ever before.

The New Consumer Playbook

Consumers are no longer loyal to a single category; they are actively assembling repertoires that shift based on occasion, need state, budget, and wellness goals.

Moderation, Value, & Preference Shifts

Moderation trends, economic pressures, and evolving tastes are changing not only what consumers buy, but also how often, where, and why they purchase.

Winning the Occasion

Future growth will be driven by brands that align with evolving occasions, from social hosting moments to personal wind-down rituals, regardless of alcohol content.

The State of Beverage Alcohol

Beverage Alcohol is operating in a period of slower growth and greater complexity as consumers face more spending constraints while also having more choices than ever before.

Beverage Alcohol
Drivers of Change

Structural vs. Cyclical

Moderation
Blurring Lines
GLP-1s
SNAP
Government & Public
AI
Inflation
Cannabis
Gen Z (21+)
Rising Food Prices
Premiumization
Pack Sizes
Consumer Confidence
Tech
Shopper Shifting
Tariffs
Small Brands
E-commerce
Demographics
Dry January
Health & Wellness
Surgeon General Warning
Sober October
World Cup
Media
Economic
Social Commerce

NIQ

On Premise

Total Alcohol

0.0%

L52 w/e 6/13/2026
dollar change vs year ago

Source: NIQ Scan Off Premise Channels (xAOC+Conv+Liquor Open State); Discover Integrated Beer, Wine, & Spirits database; CGA by NIQ OPM Total US Bars & Restaurants

Off Premise

Total Alcohol

-3.4%

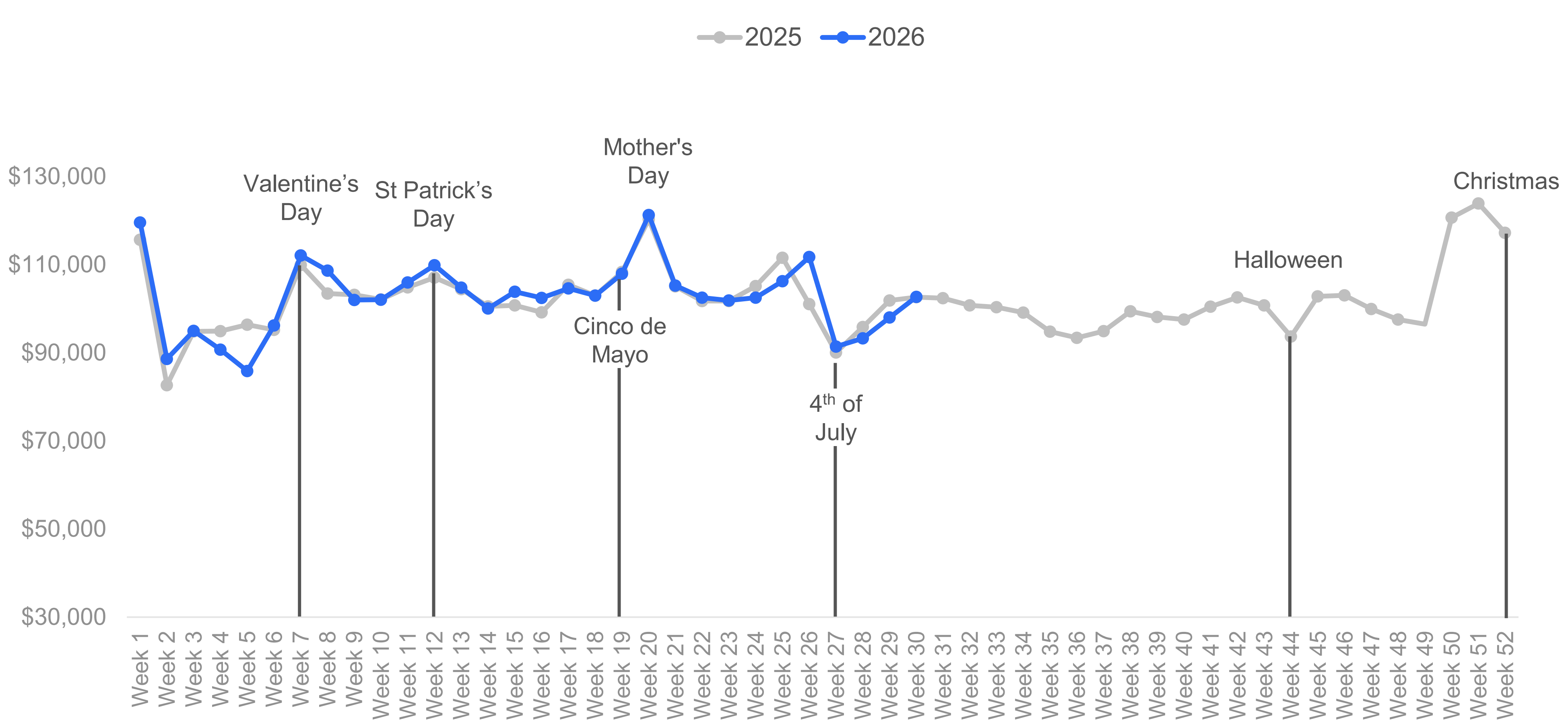
L52 w/e 8/8/2026
dollar change vs year ago

NIQ

Total On Premise US Market Sales: Recap

Velocity in the average US outlet is in line with the same week last year

$ Velocity By Week – Food & Drink Sales



Velocity YTD 2026 vs YA

3.1M

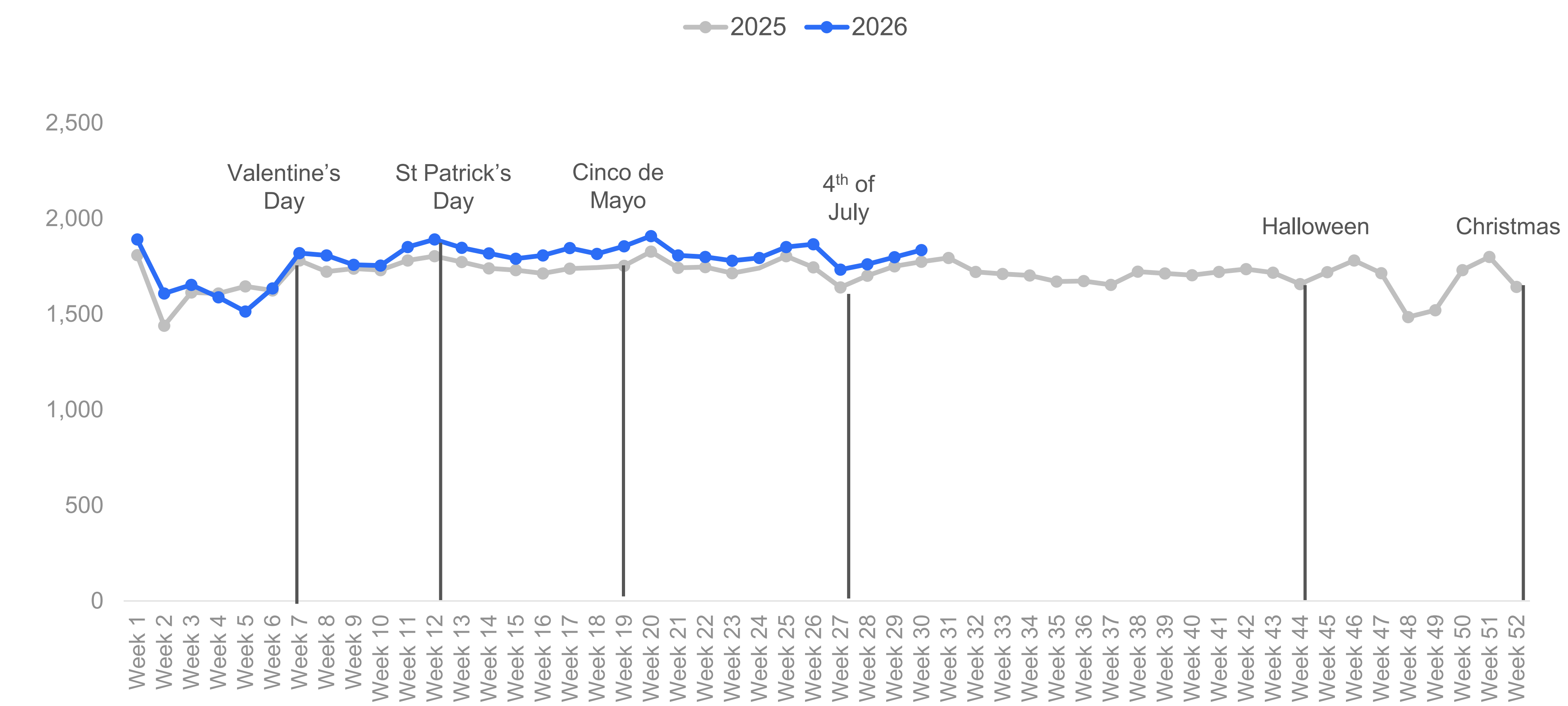
+0.4%

Source: BeverageTrak

Total On Premise US Market Sales: Recap

Traffic continues to outperform 2025, up +3% in the latest week after similar recent trends

Ticket Count By Week – Food & Drink



Ticket Count YTD 2026 vs YA

53,491

+3.5%

Source: BeverageTrak

Total Beverage Alcohol Performance

Off Premise Channels

-3.4%
Dollar sales change of total Alcohol

$110 Billion

Dollar sales of total Alcohol

Source: NIQ Scan Off Premise Channels (xAOC+Conv+Liquor Open State); Discover Integrated Beer, Wine, & Spirits database; Latest 52 weeks ending 08/08/2026 vs. year ago

All channels facing dollar declines across total Alcohol

Channel trends: Latest 52 week ***Dollar*** change vs year ago

Source: NielsenIQ Discover; ALC INTEGRATED Database; Total US xAOC + Liquor Open State + Conv; 52 Weeks Ending 07/11/2026

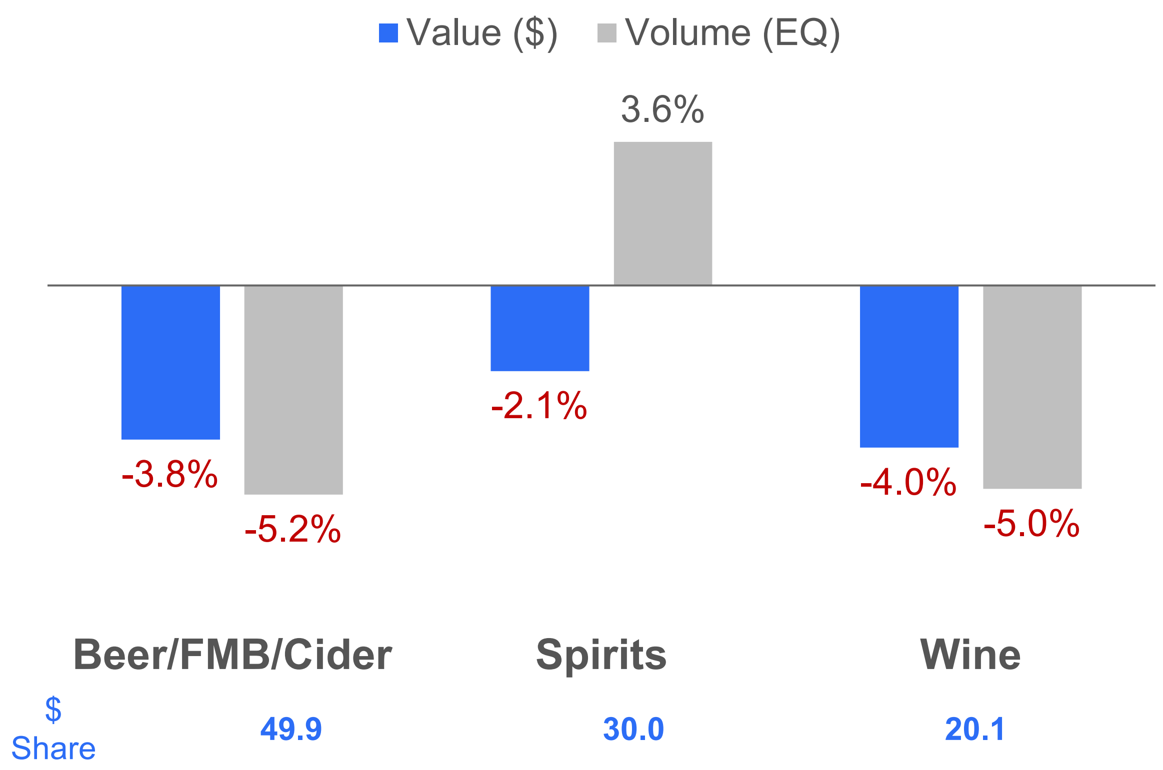
**Represents "All Other Channels" including Mass Merch, Dollar, Club, Drug, Military, and Other*

Mega Category Growth – *3 Category View*

Value and volume are in decline over the past year for Beer and Wine. Spirits is seeing positive momentum from RTDs.

BevAl by Category – Value and Volume Change

NIQ off-premise channels; Latest 52 weeks

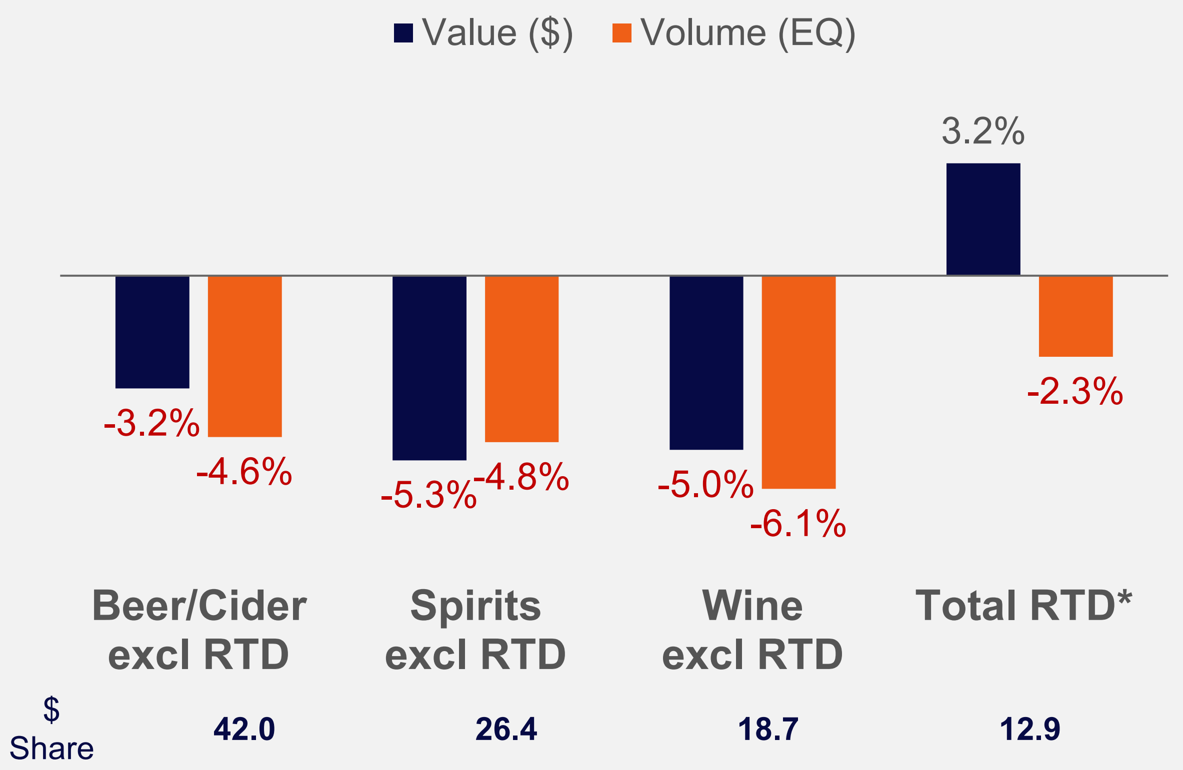


Mega Category Growth – *RTD View*

When RTD is its own category, the growth for Spirits changes significantly. Volume is declining across each view.

BevAl by Category (excl RTDs) – Value and Volume Change

NIQ off-premise channels; Latest 52 weeks



Source: NielsenIQ Discover; ALC INTEGRATED Database; Total US xAOC + Liquor Open State + Conv; 52 Weeks Ending 08/08/2026

* Total RTD = Seltzers / FMBs / Spirits RTDs / Wine RTDs

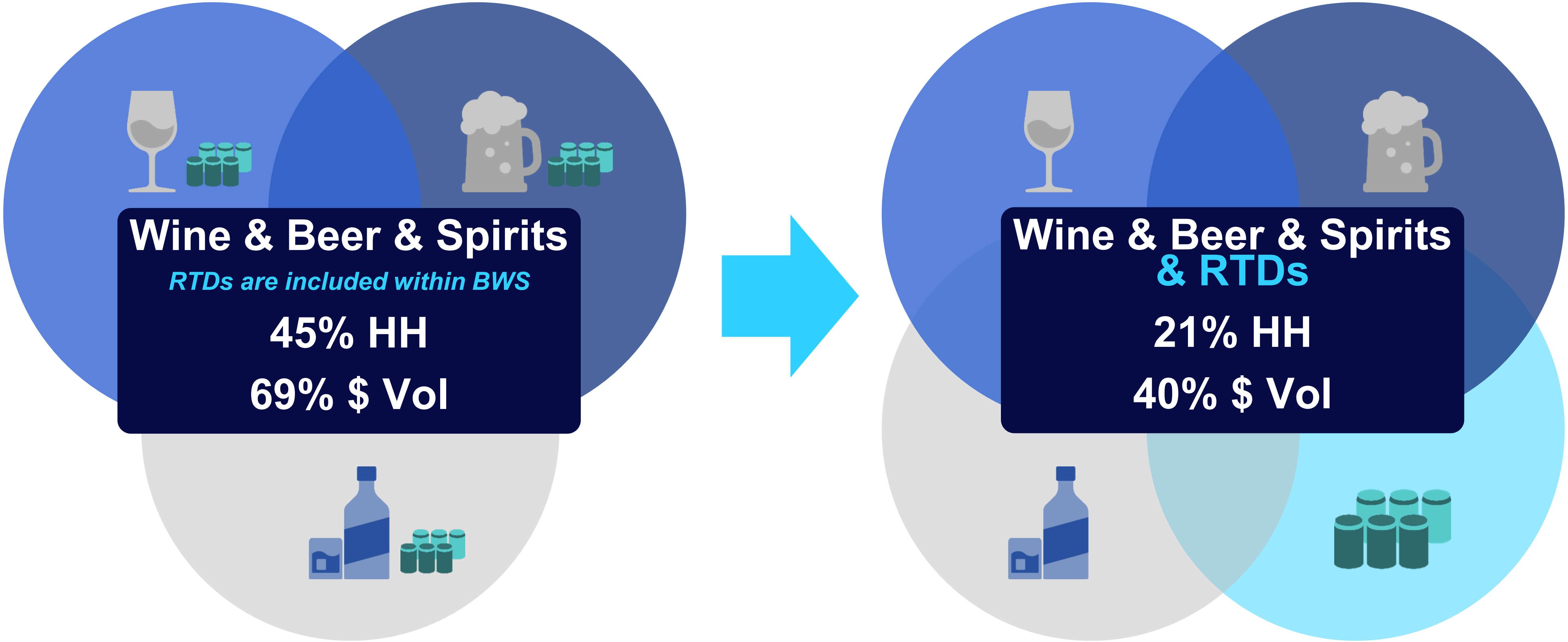
The New Consumer Playbook

Consumers are no longer loyal to a single category; they are actively assembling repertoires that shift based on occasion, need state, budget, and wellness goals.

RTDs are driving cross category buyers

Despite a historically fragmented consumer, RTD offers more room for overlap between beer, wine and spirits

Total BevAl Buyer and Sales Overlap [3]



Source: [3] NIQ Expanded Omnishopper | US BEV AL – ALC INTEGRATED (21+ Only) Database | Total Outlets – Total US | Latest 52 weeks w/e 06/13/2026

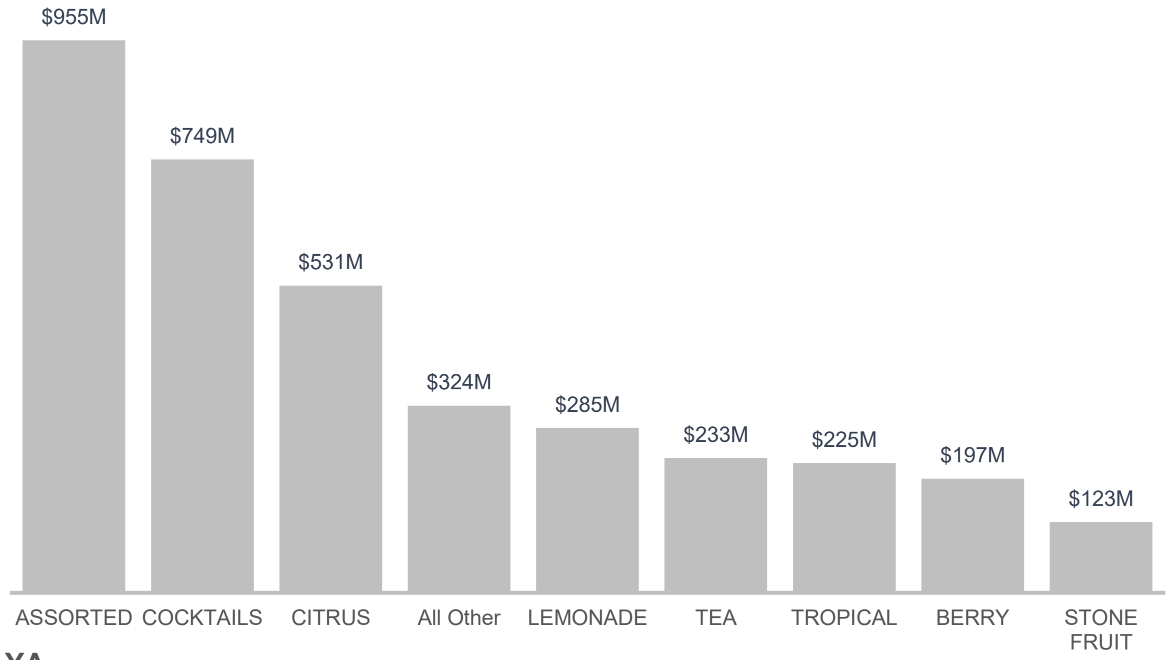
* Total RTD = Seltzers / FMBs / Spirits RTDs / Wine RTDs

Spirits RTD growth is concentrated in Cocktails, Tea, and Lemonade

Assorted flavors provide scale while lemonade, tea, limeade, and grape platforms fuel growth

Top Spirits RTD flavors

$ Sales | $ % Chg YA



$ % Chg YA

	ASSORTED	COCKTAILS	CITRUS	All Other	LEMONADE	TEA	TROPICAL	BERRY	STONE FRUIT
Spirit RTD	+15.2	+35.5	+20.4	+38.9	+125.5	+57.6	+37.6	+29.1	-12.0

Best Spirits RTD growth flavors

$ Sales | $ % Chg YA

LEMONADE **$285M** 125%	TEA **$233M** 57%
LIMEADE **$63M** 192%	**GRAPE** **$18M** 398%

Innovation Flavor

Source: [1] NIQ Scan Off Premise Channels | Total US xAOC + Liquor Open State + Conv | Discover Integrated Beer, Wine, & Spirits database | Latest 52 weeks 05/02/2026.

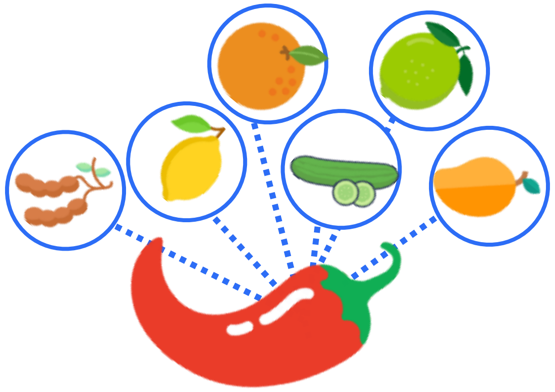
What's the next big trend?

Complex flavor combinations, wellness cues, and new packaging formats will be key drivers of future success

Hot Pepper Total

+29.7% $ change vs year ago

- Spicy Tamarind
- Spicy Mango
- Lime Chili
- Mango Chili
- Orange Jalapeno
- Cucumber Habanero



Hard Refresher or "Ade"

NEW vs year ago

Ready to Serve

-0.9% vs year ago

Source: NIQ Discover Integrated Database; Scan Off Premise Channels (xAOC+Conv+Liquor Open State); L52 weeks ending 4/18/2026

Gen Z (21+) Nostalgia: Revisiting the Past to Reimagine the Present

"Gen Z nostalgia is a powerful cultural trend where young people deeply romanticize the 1990s, 2000s, and early 2010s"

Fashion: The Y2K Remix

- Gen Z is reviving Y2K fashion through baggy silhouettes, bold graphics, playful accessories and other recognizable styles from the late 1990s and early 2000s, often remixing them with a modern, individualistic edge.

Music: Old Hits, New Moments

- TikTok, streaming and sampling are introducing Gen Z to earlier artists, genres and songs, transforming familiar music into soundtracks for new social moments and cultural conversations.

Tech: Analog Is the New Novelty

- Flip phones, digital cameras, wired headphones and retro gaming offer a tactile, less-polished alternative to always-on digital life. For Gen Z, older technology can feel novel, expressive and more intentional.

Bold Colors
Limited Editions
Shareable Packaging

Artist Collaborations
Throwback Playlists
Cultural Tie-Ins

Analog Experiences
Arcade Nostalgia
Interactive Packaging

BevAl Buyers by Generation in the *Off Prem*

% of BevAl Buying Households

% of BevAl Dollars

7%

Generation Z

(21+ LDA)

4% of dollars

28%

Millennials

25% of dollars

30%

Generation X

35% of dollars

34%

Boomers/ Traditionalists

35% of dollars

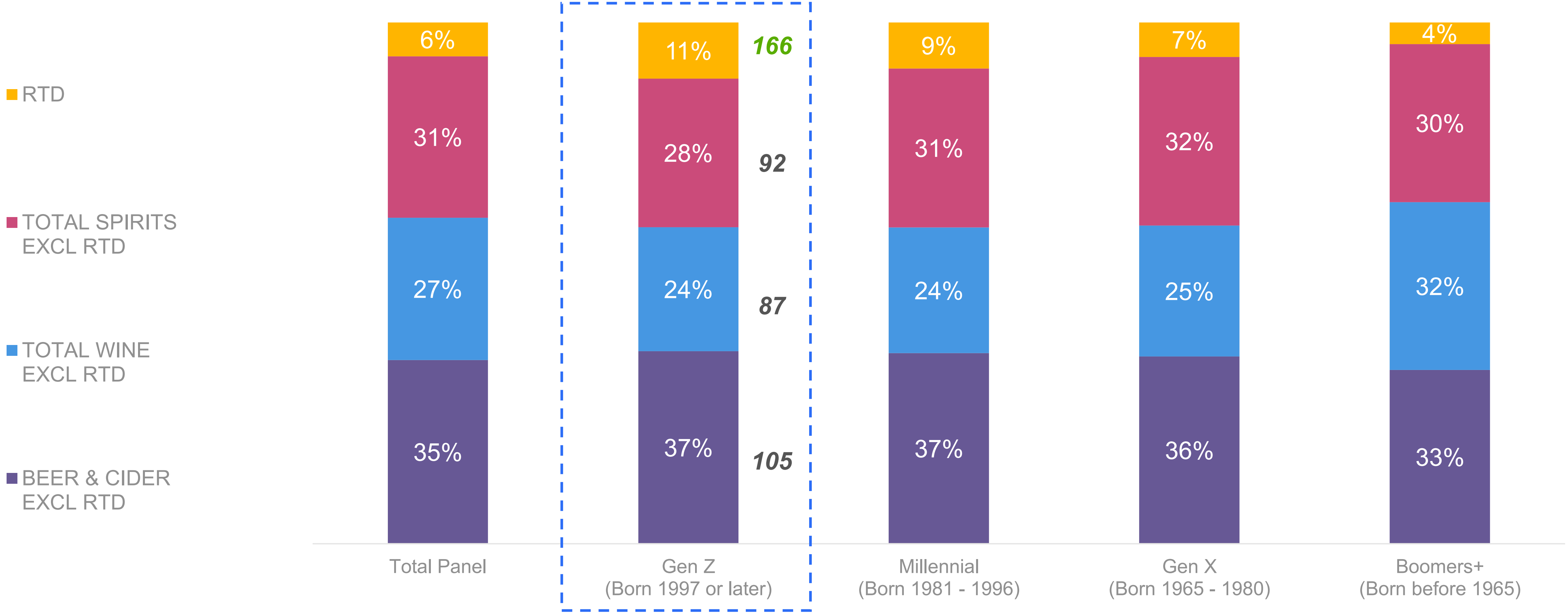
Source: NielsenIQ Expanded Omnishopper Panel on Demand, US ALC – Integrated (21+ Only) Database; L52 WE 07/11/2026, Total Outlets, Total US

NIQ

Ready-To-Drink Products: Essential for Capturing Gen Z (21+) Spending

Gen Z (21+) is more influenced by variety packs and flavor forward products, which has resulted in them spending more than average on Ready to Drink products compared to total panel

Share of BevAl Dollar Spend by Generation – Gen Z Index to Total Panel



Source: NielsenIQ Expanded Omnishopper Panel on Demand, US ALC – Integrated (21+ Only) Database; L52 WE 07/11/2026, Total Outlets, Total US

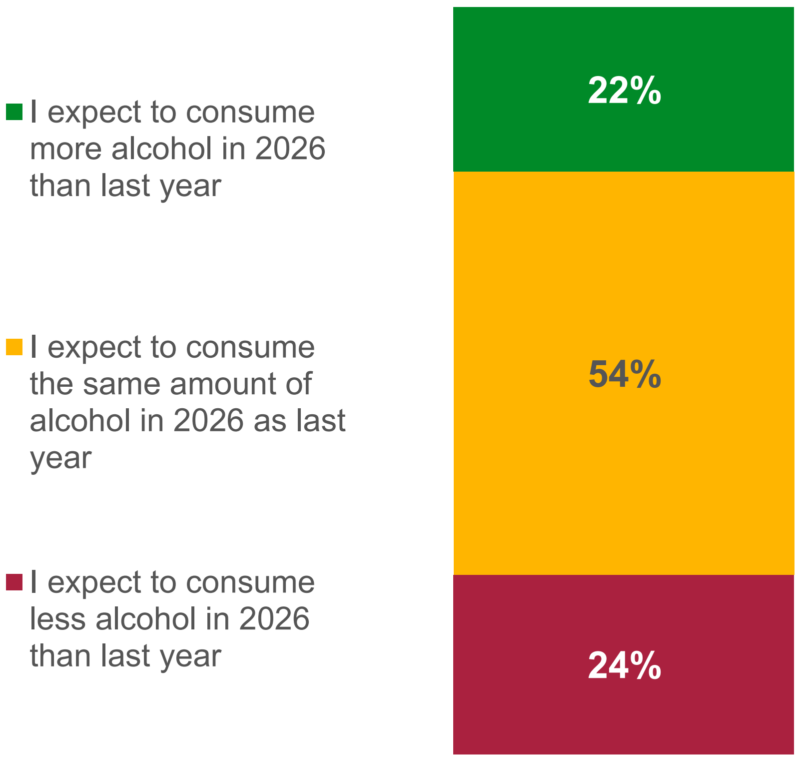
Moderation, Value, & Preference Shifts

Moderation trends, economic pressures, and evolving tastes are changing not only what consumers buy, but also how often, where, and why they purchase.

Moderation

While consumption is mostly static, 1 in 4 expect to consume less alcohol in 2026 than last year

Expectations for alcohol consumption versus last year



78%
of consumers expect to drink the same amount or less alcohol in 2026

Gen X	+6%
Boomer	+19%

Source: NIQ On Premise Powered by CGA Intelligence OPUS US Spring 2026, Sample size: 3,095-15,000

NIQ

Alongside lifestyle choices, *financial issues are impacting consumption*, creating a need to facilitate value elsewhere

You have said you are drinking less alcohol out than you were one year ago, what are your motivations?

I am trying to save money

I am trying to improve my health and well-being

My lifestyle has changed / Personal preference, I simply do not enjoy drinking as much

Source: CGA US REACH 2026. Sample: 762

Endless options exist for Non Alcohol and Alcohol Alternative beverages, with blurring lines

Non Alc Beer, Wine, Spirits

Sparkling Water Mocktails

Non Alc RTDs

Alcohol Alternative Beverages

THC Drinks

Functional RTDs

Hop Water

Non Alcohol has achieved meaningful scale

$1.08 B

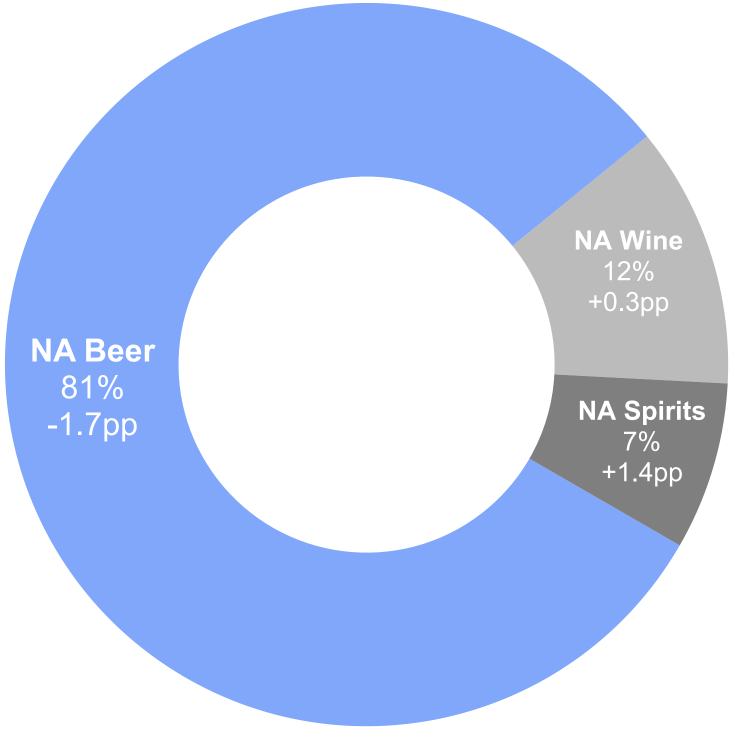
Off premise Total **Non Alc Beer, Wine, and Spirits sales** in the latest 52 weeks

Source: NIQ Scan Off Premise Channels (xAOC+Conv+Liquor Open State); Discover Integrated Beer, Wine, & Spirits database; Latest 52 weeks ending 06/27/2026 vs. year ago

NA Beer anchors scale, while faster-growing Wine and Spirits broaden the category's future

NA Spirits growth is heavily influenced by NA Spirits RTDs

Non Alc Segment Share & Chg vs YA [1]
NIQ Off Premise Channels



Non Alc Segment $, CASE and #UPCs Selling % Chg vs YA[1]
NIQ Off Premise Channels

$ Shr of NA Spirits	Segment	$ % change	Case % change	# UPCs Selling vs YA
	NA Beer	+12.2%	+12.4%	+4.1%
	NA Wine	+17.8%	+12.5%	+10.1%
	NA Spirits	+40.7%	+62.7%	+15.1%
75%	NA Spirits RTDs	+61.5%	+71.5%	+19.8%
25%	NA Spirits Traditional	+2.0%	+1.9%	+5.6%

Source: [1] NIQ Scan Off Premise Channels | Discover Integrated Beer, Wine, & Spirits database | Latest 52 weeks w/e 06/27/2026 | NA= Non Alc

NA is additive to alcohol repertoires, not a replacement

94%

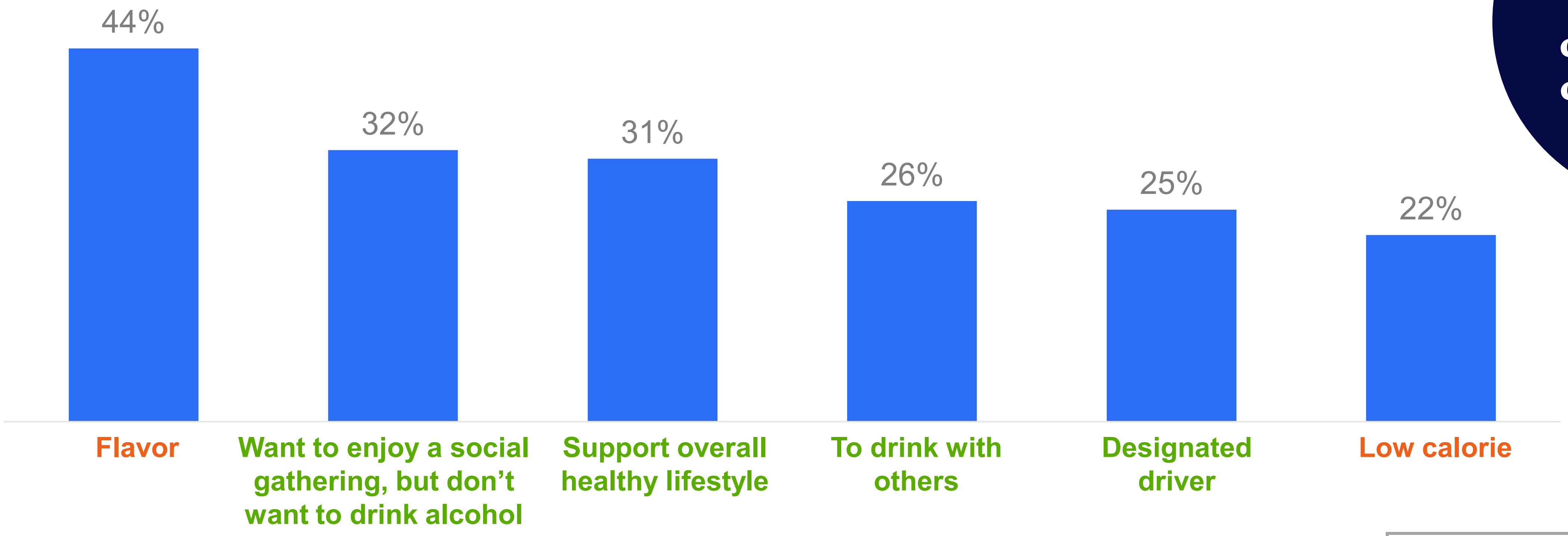
of Non Alc buyers are purchasing Traditional Beer, Wine, or Spirits

Source: [3] NIQ Expanded Omnishopper | US BEV AL – ALC INTEGRATED (21+ Only) Database | Total Outlets – Total US | Latest 52 weeks w/e 05/16/2026

Position Non Alc beyond moderation occasions

Consumers primarily purchase Non Alc beverages for flavor, social occasions and healthy lifestyles, with motivations remaining highly consistent across Non Alc Beer, Wine and Spirits

Non Alc Purchase Motivation [4]
Top 6 Responses



Frame Non Alc as an **active choice, not a compromise**

Product-based attribute
Occasion-based attribute

4 in 10 On Premise visitors used cannabis in the past 6 months, making Cannabis options a possible engagement opportunity

40%

of On Premise visitors have consumed cannabis in the past 6 months

Of those…

At home/ someone else's	**64%**
In bars, restaurants or similar venues	**46%**

However, Cannabis is more likely to be consumed alongside Alcohol

87%

of cannabis users consume the category **alongside** alcoholic drinks in the On Premise

+12pp vs. 2024

Source: NIQ On Premise Powered by CGA Intelligence OPUS US Spring 2026, Sample size: 2,039-14,998

THC Beverage occasions overlap with Alcohol, though buying metrics remain low

Cannabis Beverages
Off Premise

$262M

+70% *vs year ago*

Brand Examples

Cannabis beverages are becoming increasingly popular in states where recreational cannabis is legal, as well as states that utilize a grey area in legislation for legal sales. Cannabis beverages range from containing THC, Delta-8, and Delta-9 derivatives at various dosages, with some additionally including CBD. Many of these beverages are selling in traditional Convenience, Liquor, and Grocery outlets, as well as direct to consumer. These beverages induce a varying range of "high" or "intoxicating" effects.

Who is the Off Premise THC Beverage Buyer?

Demos	Gen X & Millennials (114 index), Higher Income $150K (158 index), $100-$149K (129 index)
% 2+ Time Buyers	36% are repeat buyers
Occasions per Buyer	2 trips per year
Value per Buyer	$53 per year
Value per Occasion	$26 per trip

0.6% of Alcohol buyers purchase THC Beverages

Source: NIQ Discover; Select Markets & Retailers; L52 weeks ending 7/11/2026 vs. year ago

Winning the Occasion

Future growth will be driven by brands that align with evolving occasions, from social hosting moments to personal wind-down rituals, regardless of alcohol content.

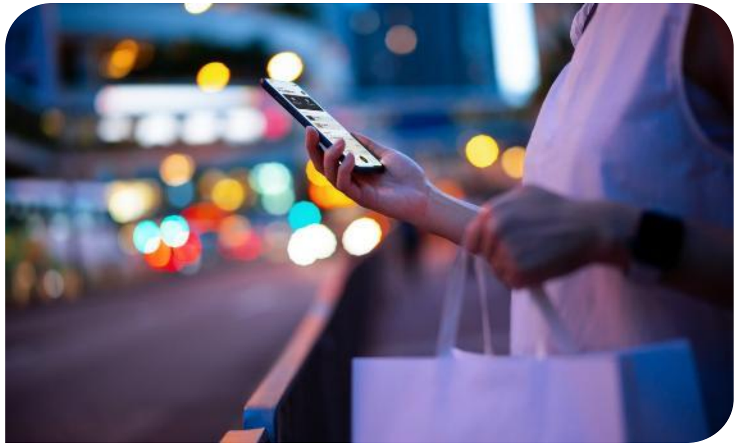
Winning the back half means meeting consumers across more occasions

New Consumers

- Younger LDA consumers are reshaping BevAl through nostalgia, flavor-forward RTDs and earlier-day occasions, while consumers are treating On Premise visits as more intentional, higher-value occasions.

Moderation Trends

- Moderation is broadening the beverage set, not only reducing alcohol occasions. Consumers are balancing alcohol with cannabis, THC, CBD and non-alcohol alternatives, creating more ways to meet changing needs.



Delivery Services & Pre-Drinking

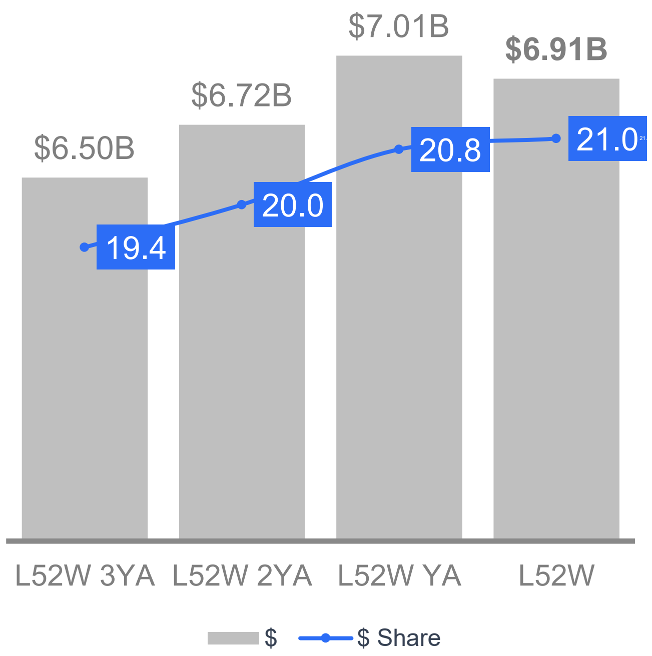
- Pre-drinking is common, especially among younger consumers, and can reduce drink orders once consumers arrive On Premise. Delivery usage is growing, but most consumers still prefer alcoholic drinks from bars and restaurants.

Unlock growth opportunities with small formats in Spirits to drive trial and fit occasions

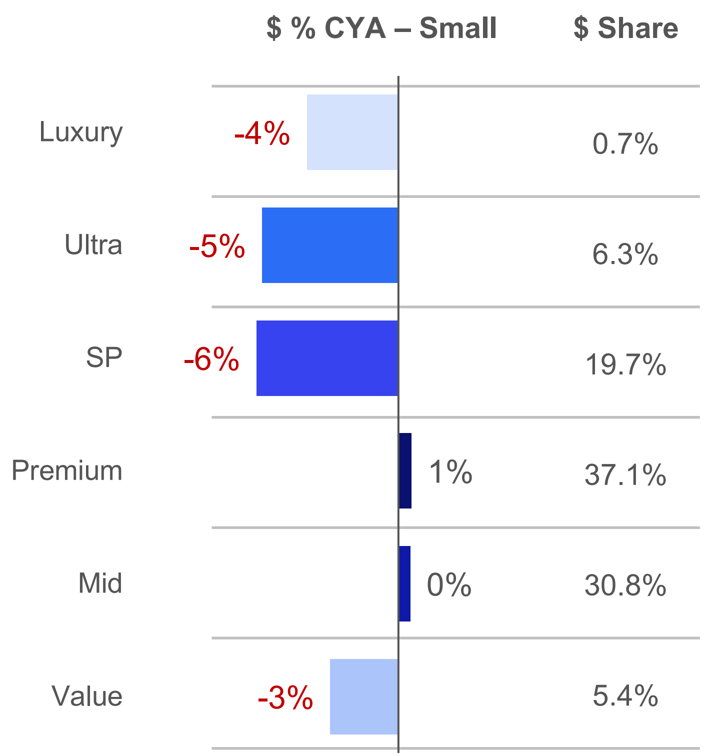
Small sizes gain share of the Spirits pie due to consumers seeking affordability, right sized product offerings, and trial occasions

Trended $ Sales

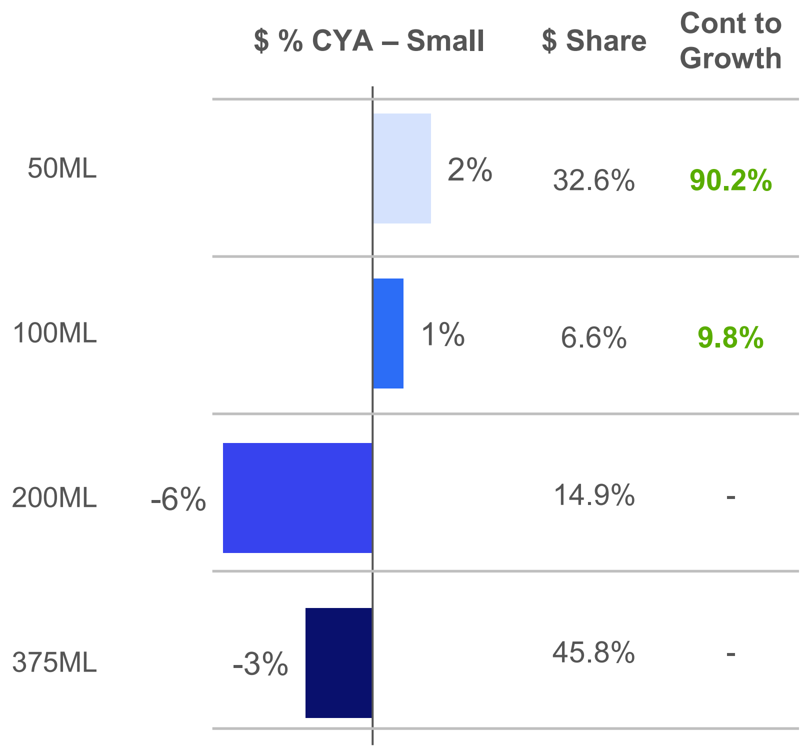
*Small size**



Small Size Growth by Price Tier



Small Size Growth by Size



Source: NIQ Discover Integrated Database; Scan Off Premise Channels (xAOC+Conv+Liquor Open State); L52 weeks ending 8/8/2026; Small size = sum of 375ml and under; Excludes Prepared Cocktails & Non Alc Spirits

Over 1 in 4 are drinking at home before heading out

Younger consumers are particularly likely to do this with over 2 in 5 Millennials and Gen Z engaging in this behavior

How often do you drink alcohol at home/at other's home before going out to bars, restaurants or similar venues?

Always	Often	Sometimes	Rarely	Never
9%	19%	29%	24%	20%

27% of consumers always/often pre-drink

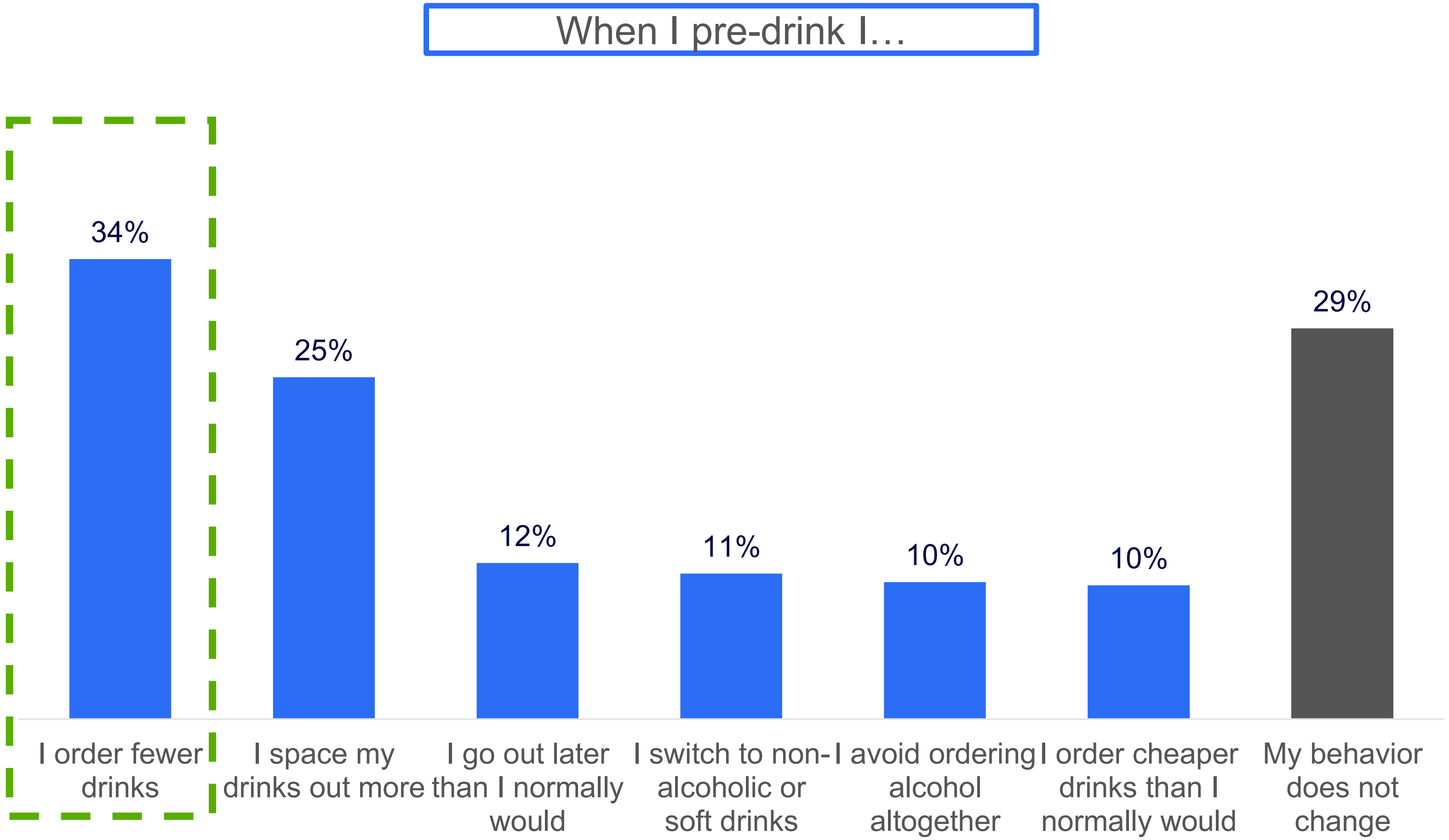
Gen Z	Millennial	Gen X	Boomer
46%	42%	21%	11%

Source: NIQ On Premise Powered by CGA Intelligence June 2026 US On Premise Pulse Report, Sample Size: 189-1,600

*Pre-drinking leads to fewer drinks ordered for **1 in 3** consumers*

The fewer drinks caused by pre-drinking when in the On Premise would result in some of the lower RoS alcohol has seen over the past year

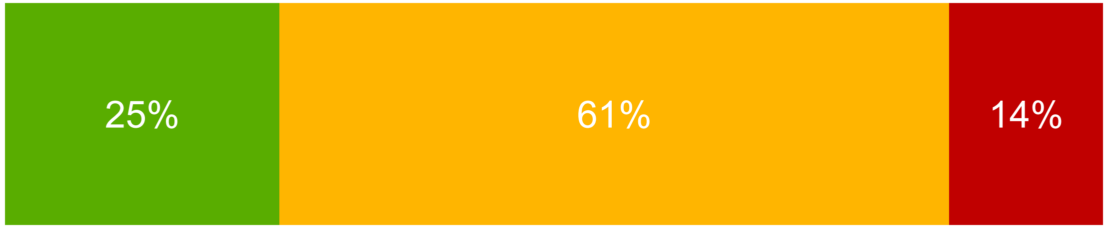
When you choose to pre-drink, how does your behavior in bars, restaurants or similar venues compare to your visits when you do not pre-drink?



Source: NIQ On Premise Powered by CGA Intelligence June 2026 US On Premise Pulse Report, Sample Size: 1,277

3 in 5 consumers don’t feel delivery services affects On Premise visits

How, if at all, does using food/drink delivery platforms affect your visitation to bars, restaurants or similar venues?

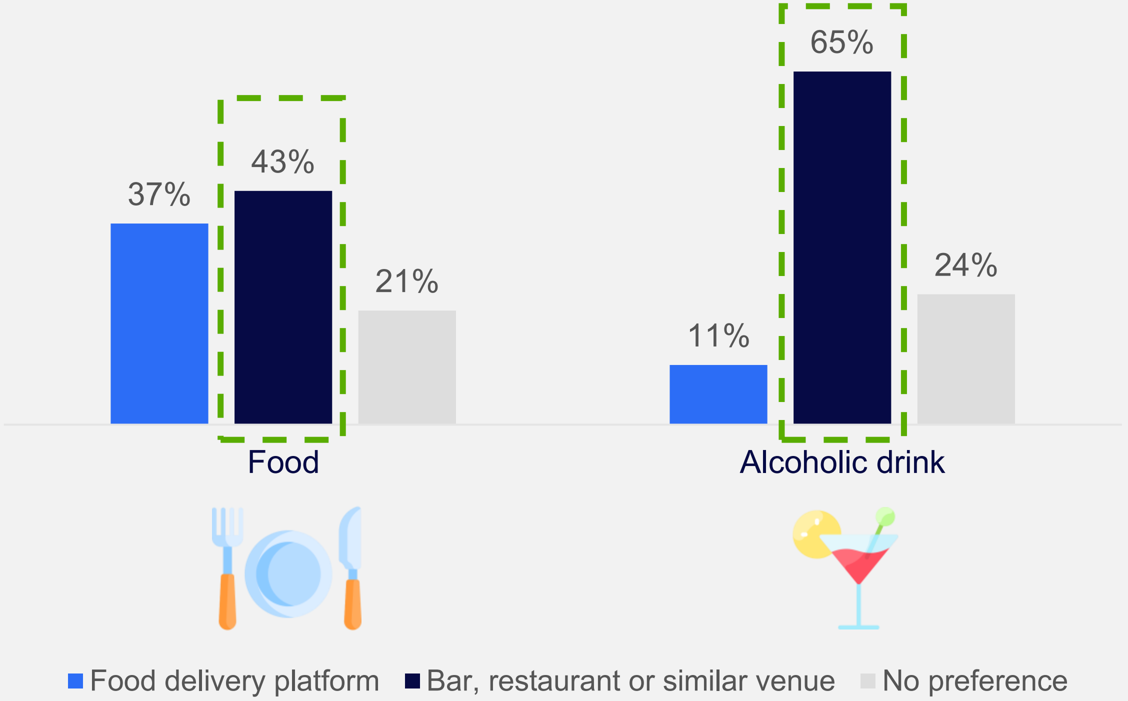


- I visit bars and restaurants more often as a result of food/drink delivery platforms
- Using food/drink delivery platforms does not affect my visitation to bars and restaurants
- I visit bars and restaurants less often as a result of food/drink delivery platforms

Nearly 2 in 3 consumers prefer to get Alcoholic drinks from the On Premise

When you choose to pre-drink, how does your behavior in bars, restaurants or similar venues compare to your visits when you do not pre-drink?

Asked to who have used delivery platforms



Source: NIQ On Premise Powered by CGA Intelligence June 2026 US On Premise Pulse Report, Sample Size: 1,025

The On Premise is an unrivalled channel for drinks brands to forge emotional connections with consumers, as it fulfils a wide spectrum of consumer need states…

Socialize & connect	Indulgence & celebration	Ease & convenience	Energy & excitement	Rest & recharge	Explore & experience
To enjoy quality time with who I'm visiting with	*For a treat/as a reward*	*For a quick and easy experience*	*For the atmosphere/vibe*	*To relax/unwind*	*To meet new people*
To feel part of a group	*To celebrate*		*To give me a boost*	*To have time to myself*	*To try something new*
To network			*To have fun*	*To calm my nerves (Airport bars/restaurants only)*	
To socialize			*To let loose/party*		
To support my team (Stadiums/arenas only)					

Gen Z is intentional when it comes to On Prem visitation, prioritizing pre-planned celebrations

Top 3 occasions for visiting bar/restaurant by generation

Gen Z (21+)	Millennials	Gen X	Boomers
Special Occasion	Casual Meal	Casual Meal	Casual Meal
Casual Meal	Special Occasion	Special Occasion	Special Occasion
Relaxed/ Quiet Drinks	Relaxed/ Quiet Drinks	Relaxed/ Quiet Drinks	Relaxed/ Quiet Drinks

Source: CGA by NielsenIQ; OPUS US Fall 2025; Occasions typically gone out for in a 3 month period [285909]

Mixed Influencers & Motivators: Generations Gravitate to Different Point of Purchase Influences

All generations value trust from repeat purchases alongside pricing at the point of purchase

Off Premise Influencers by Generation

	Gen Z (21+)	Millennials	Gen X	Boomers
Pre-Shop Influences	Previous Purchase	Previous Purchase	Previous Purchase	Previous Purchase
	Recommendation	**Recommendation**	Replenish Need	Replenish Need
	Recently Consumed	Recently Consumed	Recently Consumed	**Recommendation**
Point of Purchase Influences	Checked Pricing	Checked Pricing	Checked Pricing	Checked Pricing
	Interesting Packaging	Interesting Packaging	**Exploring the Aisle**	Exploring the Aisle
	New Product Trial	**Product was on Deal**	Interesting Packaging	**Product was on Deal**

Source: NielsenIQ BASES Category Shopping Fundamentals (CSF) 2025; United States

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Topics for the Session

The State of Beverage Alcohol

Beverage Alcohol is operating in a period of slower growth and greater complexity as consumers face more spending constraints while also having more choices than ever before.

The New Consumer Playbook

Consumers are no longer loyal to a single category; they are actively assembling repertoires that shift based on occasion, need state, budget, and wellness goals.

Moderation, Value, & Preference Shifts

Moderation trends, economic pressures, and evolving tastes are changing not only what consumers buy, but also how often, where, and why they purchase.

Winning the Occasion

Future growth will be driven by brands that align with evolving occasions, from social hosting moments to personal wind-down rituals, regardless of alcohol content.

NIQ

What's the playbook?

Win the Occasion, Not the Category

Consumers are assembling BevAl repertoires based on need states and occasions rather than categories. Growth will come from owning occasions such as hosting, celebration, relaxation, meals, and moderation moments.

Build Portfolios for Choiceful Consumers

The future BevAl basket will include alcohol, non-alc, THC-adjacent, and functional options. Winning suppliers will create portfolios that allow consumers to stay within their brand ecosystem regardless of occasion or consumption goal.

Deliver Value Through Experience

Economic pressure is driving consumers to reassess where, when, and how much they spend. Flexible pack sizes, accessible premium offerings, and clear reasons to pay more will be critical to maintaining engagement.

Make Innovation Intentional

Innovation must solve for consumer needs, not shelf novelty. Flavor-forward RTDs, nostalgia-driven concepts, and occasion-based solutions will outperform incremental line extensions that lack a clear consumer role.

Embrace Moderation as a Growth Strategy

Moderation is reshaping consumption frequency without eliminating beverage occasions. Brands that provide options across ABVs, formats, and consumption occasions will be best positioned to retain consumers over time.

Focus on Loyalty, then Recruitment

As category growth slows and consumer repertoires expand, protecting core buyers becomes increasingly important. Strong availability, relevance, and occasion-based engagement will be more valuable than relying solely on new buyer acquisition.

Thank you!

The Modern Drinker's Shopping Basket:

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Scan the QR Code!

Request Slides & Submit Feedback

Contact me!

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NielsenIQ Thought Leadership

August 2026

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The *Halftime* Report

Second Half View

The Game Plan
What to Expect

26 Weeks Ending 07/11/2026

While there are certainly BevAl segments to be optimistic about in the back half of the year, there are several potential issues that may prove challenging:

Tougher Comparisons Ahead

Several categories face stronger year-ago holiday and seasonal comparisons, raising the bar for back-half performance. Even stable weekly sales may translate into continued declines.

Volume Pressure Will Persist

Broad-based volume declines are unlikely to reverse quickly as moderation, fewer occasions, and changing consumer preferences continue to reshape demand. Growth will remain concentrated in pockets rather than category-wide.

Pricing Has Varied Power

With pricing largely normalized and declining in parts of Spirits, suppliers have fewer levers to protect dollar sales. Growth will need to come from stronger demand, mix, and engagement.

RTD Growth Will Moderate

Spirits-based RTDs should remain a leading growth pocket, but recent trends suggest momentum is beginning to slow. As the segment matures, differentiation in flavor, ABV, ingredients, and occasion expansion will matter more than incremental launches.

Consumer Selectivity Will Intensify

Economic pressure will continue to influence brand, pack, and channel choices, with shoppers prioritizing products that fit specific occasions and budgets. Clear value will matter at both premium and accessible price points.

The *Halftime* Report

Second Half View

The Game Plan Actions

26 Weeks Ending 07/11/2026

Staying connected to core brand shoppers should be a priority in volume-challenged times, and some action steps are certainly needed:

Protect Core Shoppers

Prioritize the households and occasions already driving the business through targeted communication, dependable availability, and relevant promotions. Retention is critical when new-buyer recruitment is increasingly difficult.

Optimize Pack and Price

Build a stronger range of pack sizes, formats, and price points that allow shoppers to stay within the category without sacrificing the occasion. Focus on accessible entry points alongside premium options with a clear value proposition.

Defend Key Drinking Occasions

Move beyond traditional category cues and defend key occasions by connecting brands to emerging social, meal, relaxation, and moderation occasions. Growth will come from giving consumers more relevant reasons to choose Beverage Alcohol.

Make Innovation Work Harder

Prioritize fewer, bigger bets with meaningful differentiation, sufficient distribution, and sustained support. Innovation should reward loyal buyers, recruit new buyers, or unlock incremental occasions, not simply add complexity at the shelf.

Build Velocity That Carries into 2027

Assess portfolios through the lens of productivity, incrementality, and retailer value as softer demand intensifies inventory and SKU pressure. Focus investment behind the brands and items best positioned to drive velocity and gain share.