Consumer Countries/Markets

The IWSR: US beverage alcohol volumes decline again in 2017

Press Release
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For the third year in a row total beverage alcohol consumption decreased -0.7% in the US in 2017 due to a struggling beer category, according to the just-released IWSR US Beverage Alcohol Review (US BAR) database, the most comprehensive source on total beverage alcohol volume trends and in the US.

Though wine and spirits experienced growth of 1% (3.5m nine-liter cases) and 2.2% (4.8m nine-liter cases) respectively, it was not enough to offset a massive decline in beer of 29.4m nine-liter cases (-1.1%), which holds the majority share of alcohol volume. Continued pressure on domestic and light beer overshadowed growth in the import and craft sector.

Despite total beverage alcohol volume loss, industry value continues to increase as consumers trade up to more quality products. The US alcohol industry is valued at $157.7bn, up 1.6% from the prior year. This has been led by spirits, most notably tequila (+7.3%), Cognac (+9.3%) and US whiskey (+5.5%). Both still wine (+0.9%) and sparkling wine (+4.3%) have enjoyed continued momentum as consumers gravitate toward alternative packaging and view wine as an everyday drinking occasion.

Key US consumption trends in 2017:
• 62% of the adult population consumed alcoholic beverages, down from 65% the year prior. People are drinking less, largely due to health concerns and a prevalent wellness trend affecting all social sectors.
• The number of domestic wineries (12,335), breweries (8,863) and distilleries (2,531) increased by a combined 14% in 2017, which affects traditional on- and off-premise sales channels as consumers visit and make on-site purchases.
• While total retail sales grew 4.4% from 2016, total e-commerce sales increased by 16% from 2016 to account for 8.9% of total retail sales. Through the importance of consumer convenience, e-commerce sales of beverage alcohol have become a significant sales driver.
• Cross-category consumption and trend-driven innovation has led to a variety of hybrid products capitalizing on everything from rosé to barrel-ageing to non-alcoholic.

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Beer and beyond: ‘The European brewing landscape is experiencing a renaissance’. As the ‘cradle of modern brewing’, Europe is home to an estimated 80 beer styles and 50,000 beer brands. But where’s it all going next? As a multitude of styles, flavors and innovations continue to evolve, The Brewers of Europe is hosting a two-day event to look ahead to the future of the category. Click here to read more