

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 dark spirits market continues to thrive due primarily to the strong growth of American whiskey. Consumer interest in craft products as well as changes in drinking habits and preferences have benefited many dark spirit brands, especially super- premium brands."
– Caleb Bryant, Senior Beverage Analyst

This report looks at the following areas:

Dark spirit drinkers tend to be enthusiastic about dark spirits and while some enjoy trying various spirit brands, the relatively high cost of spirits means many consumers stick with their preferred brand of choice. Newer dark spirit brands can achieve growth by highlighting unique production methods, targeting diverse occasions, and marketing to new consumers.

- The high cost of spirits motivates consumers to stick to brands they know
- Scotch is flat but that's not the whole story
- Craft rum is still in its infancy
- Consumers are drinking less

BUY THIS REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533

> Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

^{АРАС} +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



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

The high cost of spirits motivates consumers to stick to brands they know Figure 1: Dark spirit important attributes, spirit purchasing behaviors among dark spirit consumers, September 2018

Scotch is flat but that's not the whole story

Figure 2: US volume sales of whiskey/whisky, by type, 2013-18

Craft rum is still in its infancy

Figure 3: Dark spirit brand purchases, September 2018

Consumers are drinking less

Figure 4: Total per capita US alcohol consumption, 2012-20

The opportunities

American whiskey thrives

Consumers are experimenting and thirsty for more information on spirits Figure 5: Reasons for drinking more spirits, by dark spirit drinkers, September 2018

Connect with dark spirit drinkers on-premise

Figure 6: On-premise alcohol attitudes, by dark spirit consumers, September 2018

Importance of dark spirit attributes varies by the brands consumers purchase

Figure 7: Dark spirit important attributes, by brand type consumers, September 2018

What it means

The Market – What You Need to Know

American whiskey, Irish whiskey, and cognac stand out in the market

Other drinks rise up with beer's decline

Cannabis is a big unknown for alcohol companies

Spirit brands must adapt to iGen preferences

Market Size and Forecast

Continued growth of spirit sales

Figure 8: Total US sales and fan chart forecast of distilled spirits, at current prices, 2013-23

Figure 9: Total US sales and forecast of distilled spirits, at current prices, 2013-23

Market Breakdown

American and Irish whiskey takes market to new highs

Figure 10: US volume sales and forecast of dark spirits, by segment, 2013-23

Figure 11: US volume sales of whiskey/whisky, by type, 2013-18

Figure 12: US volume sales of whiskey/whisky, by type, 2013-18

BUY THIS REPORT NOW



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: US volume sales of whiskey/whisky, by type, market share, 2013-18

Market Perspective

Premium mixers encourage AH spirit consumption

Beer remains supreme but is starting to falter

Producers raise a glass to wine's growth

Innovation keeps the FMB market fresh

Figure 14: Total US volume sales and forecast of flavored malt beverages, 2013-23

On-premise alcohol consumption falls

Figure 15: Reasons for drinking AH instead of AFH, by generation, January 2018

Figure 16: US volume sales of dark and white distilled spirits, by channel, 2013-17

White spirit innovation could threaten whiskey's growth

Market Perspective Deep Dive: Cannabis

Cannabis: alcohol companies' biggest threat or opportunity?

Figure 17: Cannabis consumer behaviors, June 2018

Figure 18: Attribute association, cannabis vs spirits, June 2018

Market Factors

Number of distilleries reaches all-time high

Unsafe at any proof?

iGens will reshape the alcoholic beverage market Figure 19: Distribution of population aged 21+, 2018-23

Key Players – What You Need to Know

Growing dark spirit brands take risks

Scotch starts retooling its image

Trade war is a buzzkill for American whiskey

Tech brings new opportunities for spirits

What's Working?

Jameson and Jim Beam embrace beverage blurring

Crown Royal propels Canadian whisky market

Figure 20: Purchase intent, Crown Royal Texas Mesquite Blend

Figure 21: Crown Royal Texas Mesquite Blend vs all dark spirits: product perception

Can't stop cognac

Figure 22: Cognac cocktails

Bourbon is the base spirit for trendy cocktails

Figure 23: Change in incidence of dark spirits as an ingredient in cocktails, Q2 2015-Q2 2018

Figure 24: Bourbon cocktails with unique ingredients

What's Struggling?

Scotch looks to expand its consumer base

BUY THIS REPORT NOW



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.

Popularity of craft products is detrimental for value spirits

Figure 25: Percent change in 9-liter cases sold, 2012-17

Trade war dampens thriving whiskey market but will consumers benefit?

Rum sales soften; brands take two different approaches to growth

A sobering future?

Figure 26: Total per capita US alcohol consumption, 2012-20

Figure 27: Social media mentions of "Dry January," 2013-18

What's Next?

Ecommerce remains a hurdle to overcome

Figure 28: Spirit purchasing behaviors, "I have purchased spirits online," among all spirit/cocktail drinkers, select dark spirit brand type purchases, September 2018

Enjoy a 12-year bourbon "aged" in minutes

Japanese whiskey will either thrive or die

What do Jay-Z, Metallica, and Bob Dylan have in common?

The Consumer – What You Need to Know

Spirit attitudes and behaviors depends on brand preferences

Younger men are core consumers; opportunities exist to connect with younger women

Barrier to spirit trial is lower when drinking AFH

Dark Spirit Consumer Segmentation

Overview Segment definitions Brandy/cognac Canadian whisky Bourbon

Scotch

Irish whiskey

Alcoholic Beverages Consumed

Dark spirits are primarily an "also" beverage

Figure 29: Alcoholic beverages consumed, most vs also drink, September 2018

Dark spirit drinker demographic profile

Figure 30: Alcoholic beverages consumed, any drink, drinker demographics indexed against all alcoholic beverage drinkers, September 2018

Alcoholic Beverage Consumption by Occasion

White and dark spirits compete for similar occasions

Figure 31: Alcohol consumption by occasion, correspondence analysis, September 2018

Figure 32: Alcohol consumption by occasion, correspondence analysis, September 2018

Dark Spirit Purchases

Bourbon leads the dark spirits market

Figure 33: Dark spirit purchases, September 2018

BUY THIS REPORT NOW



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 34: Repertoire analysis, dark spirit purchases, among those who have purchased in the past six months, September 2018

Men under 45 are core dark spirits drinkers

Figure 35: Dark spirit purchases, by age and gender, September 2018

Hispanics are an important potential market for scotch brands

Figure 36: Dark spirit purchases, by race/ethnicity, September 2018

Dark Spirit Brand Purchases

Rum can look up for growth

Figure 37: Dark spirit brand purchases, September 2018

Younger drinkers purchase a variety of brands

Figure 38: Dark spirit brand purchases, by age, September 2018

Dark Spirit Engagement

Scotch drinkers are highly passionate consumers

Figure 39: Dark spirit engagement by type, September 2018

Dark Spirit Important Attributes

Brand familiarity drives most dark spirits purchases

Figure 40: Dark spirit important attributes, September 2018

Figure 41: Dark spirit important attributes, by select dark spirit type consumers, September 2018

Craft claims less important among popular brand drinkers

Figure 42: Dark spirit important attributes, by brand type consumers, September 2018

Consumers drinking more look for quality cues

Figure 43: Dark spirit important attributes, by changes in spirit consumption, September 2018

Occasions, not quality cues, are important for younger women

Figure 44: Dark spirit important attributes, by age and gender, September 2018

Figure 45: Online Ad, "make your Own Rules"

Dark Spirit Drinkers' Purchasing Behaviors

Break dark spirit drinkers out of their routine

Figure 46: spirit purchasing behaviors, among dark spirit drinkers, September 2018

Value dark spirit drinkers need guidance

Figure 47: spirit purchasing behaviors, by brand type consumers, September 2018

Opportunity to increase brand engagement among dark rum drinkers

Figure 48: spirit purchasing behaviors, by dark spirit type purchasers, September 2018

Spirit Attitudes

Cocktails can be an entry point into higher dark spirit tiers

Figure 49: Spirit attitudes, by dark spirit brand type consumers, September 2018

Younger dark spirit drinkers enjoy new experiences

Figure 50: Spirit attitudes, by age, among dark spirit drinkers, September 2018

Brands will have difficulty reengaging lapsed consumers

Figure 51: Spirit attitudes, by changes in spirit consumption, among dark spirit drinkers, September 2018

BUY THIS REPORT NOW



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.

Dark Spirit Drinkers and Health

"Soft" health claims appeal to dark spirit drinkers

Figure 52: Alcohol health innovation interest, by dark spirit drinkers, September 2018

Increase dark spirit consumption among women through natural/organic products Figure 53: Alcohol health innovation interest, by gender, among dark spirit drinkers, September 2018

Dark Spirit Drinkers and Low-alcohol Beverage Attitudes

A third of dark spirit drinkers would have low-alcohol drinks again

Figure 54: Interest in/experience with low-alcohol products, among dark spirit drinkers, September 2018

Figure 55: Low alcohol beverage attitudes, by dark spirit drinkers, September 2018

Dark Spirit Drinkers' On-premise Attitudes

Target dark spirit drinkers on-premise

Figure 56: On-premise alcohol attitudes, by dark spirit consumers, September 2018

Dark rum consumers experiment on-premise

Figure 57: On-premise alcohol attitudes, by select dark spirit types, September 2018

High-end/super-premium brand drinkers are also foodies

Figure 58: On-premise alcohol attitudes, by dark spirit brand type consumers, September 2018

Experimentation is an experience for women/younger dark spirit drinkers

Figure 59: On-premise alcohol attitudes, by age, among dark spirit drinkers, September 2018

Figure 60: On-premise alcohol attitudes, by gender, among dark spirit drinkers, September 2018

Changes in Spirit Consumption

Spirit consumption is stable among dark spirit drinkers

Figure 61: Changes in spirit consumption, by dark spirit type drinkers, September 2018

Figure 62: Demographic profile, dark spirit drinkers drinking spirits more/less, indexed against all dark spirit consumers, September 2018

Experimentation is driving increased consumption

Figure 63: Reasons for drinking more spirits, by dark spirit drinkers, September 2018

Very few dark spirit consumers are switching to other alcohol types

Figure 64: Reasons for drinking less spirits, by dark spirit drinkers, September 2018

Spirit Format Consumption by Occasion

Spirit with single mixer is the most versatile format

Figure 65: Spirit format consumption by occasion, among consumers who drink spirits by select format September 2018

Figure 66: Spirit format consumption by occasion, among consumers who drink spirits by select format, September 2018

Dark spirit drinkers keep it neat

Figure 67: Spirit format consumption by occasion, among consumers who drink spirits by select format, dark spirit consumer vs white spirit consumer comparison, September 2018

Appendix – Data Sources and Abbreviations

Data sources

Sales data

Fan chart forecast

BUY THIS REPORT NOW



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 Mintel Menu Insights Purchase Intelligence Mintel Market Sizes Mintel Food and Drink shopper segmentation Social media methodology Abbreviations and terms Abbreviations **Appendix – The Market**

Figure 68: Total US sales and forecast of distilled spirits, at inflation-adjusted prices, 2013-23 Figure 69: US volume sales and forecast of dark spirits, 2013-23 Figure 70: US volume sales and forecast of dark spirits, by segment, 2013-23 Figure 71: Total US volume sales of dark spirits, by segment, 2016 and 2018 Figure 72: US volume sales of dark and white distilled spirits, by channel, 2013-17 Figure 73: US volume sales of dark and white distilled spirits, by channel, 2013-17

BUY THIS REPORT NOW