

# Trending Flavors and Ingredients in Alcoholic Beverages: Incl Impact of COVID-19 - US - August 2020

Report Price: £3695 | \$4995 | €4400

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

## This report looks at the following areas:

- The impact of COVID-19 on consumer behavior and the alcoholic beverages market
- Flavor innovation opportunities
- Attitudes and behaviors regarding alcoholic beverage flavors
- Current and future flavor trends within the category

Prior to the pandemic, overall alcoholic beverage consumption was on the decline with one in five consumers drinking less alcohol less often as compared to the previous year, primarily in the quest for better health. COVID-19 has temporarily slowed attrition, but the challenges that faced the market will resume coupled with some new ones. Limited access and comfort with restaurants and bars, where many consumers find inspiration in the category, will require alcoholic beverage brands to provide a new and exciting experience that aligns with pre-pandemic BFY goals. This Report explores experience and interest in flavor and ingredients within alcoholic beverages to help guide future flavor innovation.



“Alcoholic beverages provide excitement, experience and relaxation for consumers and each of these drivers have become particularly salient because of COVID-19 and the subsequent recession. The category as a whole has seen a sales boost; yet to maintain momentum, brands must innovate for long-term growth.”

- Alyssa Hangartner, Flavor and Ingredient Trends Analyst

## Buy this report now

Visit [store.mintel.com](https://store.mintel.com)

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

Report Price: £3695 | \$4995 | €4400

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**
- **Key issues covered in this Report**
- **Definitions**
- **COVID-19: market context**

### EXECUTIVE SUMMARY

- **Top takeaways**
- **Market overview**  
Figure 1: Total US sales of alcoholic beverages, by location of consumption, at current prices, 2014-19
- **Impact of COVID-19 on alcoholic beverages**  
Figure 2: Short-, medium- and long-term impact of COVID-19 on alcoholic beverages, August 2020
- **Challenges and opportunities**
- **Reemergence**  
Figure 3: Alcoholic beverage attitudes and behaviors, May 2020  
Figure 4: Experience or interest in tier 2 flavors, May 2020
- **Recovery**
- **Innovate for the next generation of drinkers**  
Figure 5: Better for you alcoholic beverage innovation, by age, May 2020
- **Shifting channel changes will accelerate**

### MARKET LANDSCAPE – WHAT YOU NEED TO KNOW

- **Small segment of young consumers drives RTD growth**
- **COVID-19 has significantly altered alcoholic beverage behaviors**
- **Consumers are looking for healthier improvements in the category**

### STATE OF THE MARKET

- **Growth steady across the category, wine falling behind spirits in sales**  
Figure 6: Total US sales and forecast of alcoholic beverages, by type of alcoholic beverage, at current prices, 2014-19  
Figure 7: Share of US sales of alcoholic beverages, by location of consumption, at current prices, 2014-19 (est)
- **Wine-based RTDs fall behind, but foodservice trends point to resurrection**  
Figure 8: Percentage change in US sales volume, 2015-19

### What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

### Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

### Buy this report now

Visit [store.mintel.com](https://store.mintel.com)

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

Report Price: £3695 | \$4995 | €4400

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

Figure 9: Percentage change in alcoholic beverage type on US menus, Q4 2015-19

- **Soaring innovation in flavored alcoholic beverages increases risk for oversaturation**

Figure 10: Percentage change in new alcoholic beverage launches, 2015-19

- **Flavor innovation concentrated in tropical fruit flavors**

Figure 11: Percentage change in new alcoholic beverage products, by flavor, 2017-19

- **Impact of COVID-19 on alcoholic beverages**

Figure 12: Short-, medium- and long-term impact of COVID-19 on alcoholic beverages, July 2020

- **Lockdown**
- **Reemergence**
- **Recovery**
- **COVID-19: US context**

- **Learnings from the last recession**

Figure 13: Total US alcoholic beverage sales, 2004-14

Figure 14: Unemployment, recession versus pandemic, Dec 2007-May 2009 and Dec 2018-May 2020

**MARKET FACTORS**

- **On-premise alcohol faces greatest recovery challenge**

Figure 15: Comfort level related to foodservice establishment activities, July 28-Aug 4, 2020

- **A third of consumers are loyal to a few varieties**

Figure 16: Repertoire of alcohol varieties consumed, May 2020

- **RTD consumption limited to highly engaged consumers**

Figure 17: Alcohol varieties consumed, by repertoire of alcohol varieties consumed, May 2020

- **A sober outlook for future generations**

Figure 18: Interest in alcoholic beverage innovation, by generation, May 2020

**MARKET OPPORTUNITIES**

- **Prior to the pandemic, foodservice brought cocktails back to their roots**

Figure 19: Alcoholic beverage attitudes and behaviors, by generation, May 2020

Figure 20: Percentage change of classic cocktails on US menus, Q4 2015-19

- **BFY innovation will engage the next generation of drinkers**

**What's included**

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

**Did you know?**

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

**Buy this report now**

Visit [store.mintel.com](https://store.mintel.com)

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

Report Price: £3695 | \$4995 | €4400

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

Figure 21: Better for you alcoholic beverage innovation, by age, May 2020

- **Shifting channel changes will accelerate**

Figure 22: Behaviors due to COVID-19, August 12-21, 2020

**COMPANIES AND BRANDS – KEY TAKEAWAYS**

- **Recent flavor innovation falls within tropical fruit families**
- **Flavor innovation introduces certain varieties to new occasions**
- **Cutting-edge fruit flavors fare well due to their familiar foundation**

**PRODUCT DEVELOPMENT – NOW – CURRENT FLAVOR TRENDS**

- **RTD cocktails offer convenient flavor exploration**  
Figure 23: Alcoholic beverage varieties, by age, May 2020
- **Tropical flavors thrive among seasonal beverages**  
Figure 24: Interest and experience with tropical alcoholic beverage flavors, May 2020

**PRODUCT DEVELOPMENT – NEAR – WHAT TO WATCH FOR**

- **Seltzer after dark**
- **Coffee with a kick**  
Figure 25: Interest and experience with coffee as an alcoholic beverage flavor, by age and gender, May 2020
- **Floral flavors pique interest among Gen Z and bloom in foodservice**  
Figure 26: Future interest in floral alcoholic beverage flavors, by generation, May 2020  
Figure 27: Percentage change in floral alcoholic beverage flavors on US menus, Q4 2015-19

**PRODUCT DEVELOPMENT – NEXT – WHAT’S IN THE PIPELINE**

- **Push the boundaries of familiar fruit flavors**  
Figure 28: Interest and experience with emerging fruit flavors, May 2020
- **Under 35s driving demand for healthier innovation**  
Figure 29: Alcoholic beverage innovation interest, by age, May 2020
- **Savory flavors layer in added complexity, tone down sweetness**  
Figure 30: Interest and experience with savory alcoholic beverage flavors, May 2020

**What's included**

- Executive Summary
- Full Report PDF
- Infographic Overview
- Powerpoint Presentation
- Interactive Databook
- Previous editions

**Did you know?**

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world’s leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

**Buy this report now**

Visit	store.mintel.com
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

Report Price: £3695 | \$4995 | €4400

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

THE CONSUMER – KEY TAKEAWAYS

- **Occasion has a strong impact on beverage selection**
- **Flavor innovation paired with convenience will hold greatest appeal**
- **Next generation consumers drive demand for better-for-you options**

FLAVOR EXPLORATION IN ALCOHOLIC BEVERAGES

- **New flavor trial is based on convenient exposure**  
Figure 31: Willingness to try new flavors in alcoholic beverages, May 2020
- **Interest in flavor exploration increases with income, declines with age**  
Figure 32: Interest in new flavors, by age and income, May 2020
- **Residential area impacts flavor exploration**  
Figure 33: Interest in trying new flavors, by area, May 2020

ALCOHOLIC BEVERAGES CONSUMED

- **Top alcoholic beverage varieties reflect variety and convenience**  
Figure 34: Go-to alcoholic beverage varieties, May 2020
- **Flavor innovation can help varieties overcome gender divide**  
Figure 35: Percentage share of alcoholic beverage variety consumption, by gender, May 2020
- **Niche varieties rely on a young consumer base**  
Figure 36: Percentage share of alcoholic beverage variety consumption, by age, May 2020
- **Engagement in the category declines with age**  
Figure 37: Repertoire of alcohol varieties, by generation, May 2020

ALCOHOLIC BEVERAGE ATTITUDES AND BEHAVIORS

- **Consumers look for simplicity for at-home alcohol**  
Figure 38: Alcohol attitudes and behaviors, May 2020
- **Adventurous consumers are appreciating the classics**  
Figure 39: Alcohol attitudes and behaviors, by new flavor trial, May 2020
- **Alcoholic beverage selection is often spontaneous**  
Figure 40: Alcoholic beverage attitudes – Net – Any agree, July 2019
- **Daypart has greatest impact on RTD beverages**

What's included

- Executive Summary
- Full Report PDF
- Infographic Overview
- Powerpoint Presentation
- Interactive Databook
- Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit	store.mintel.com
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

Report Price: £3695 | \$4995 | €4400

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

Figure 41: Alcoholic beverage attitudes, by variety consumed, May 2020

**NOW – PRIMARY ALCOHOLIC BEVERAGE FLAVORS**

- **Consumers enjoy variety when it comes to current flavors**  
Figure 42: Go-to alcoholic beverage flavors, May 2020
- **Ground your flavor portfolio in fruit flavors**  
Figure 43: TURF analysis – Go-to flavors, May 2020
- **Gen Zs dabble in the broadest array of go-to flavors**  
Figure 44: Go-to flavors, by generation, May 2020

**NEAR – INTEREST AND EXPERIENCE IN ALCOHOLIC BEVERAGE FLAVORS**

- **Trial of Tier 2 flavors is budding, and interest is strong**  
Figure 45: Interest and experience with emerging alcoholic beverage flavors, May 2020
- **Interest in flavors is also influenced by gender**  
Figure 46: Interest and experience with emerging flavors, by gender, May 2020
- **Increase engagement of over 55s through sophisticated offerings**  
Figure 47: Interest in emerging alcoholic beverage flavors by age, May 2020

**NEXT – INTEREST AND EXPERIENCE IN ALCOHOLIC BEVERAGE FLAVORS**

- **Interest in emerging flavors points to openness to explore**  
Figure 48: Interest and experience with emerging flavors, May 2020
- **Gen Zs, Millennials lead future flavor interest, but don't discount the rest**  
Figure 49: Interest and experience with emerging alcoholic beverage flavors, by generation, May 2020
- **Interest in emerging flavors is amplified among spirit and RTD consumers**  
Figure 50: Interest in emerging alcoholic beverage flavors, by variety consumed, May 2020

**INTEREST IN ALCOHOLIC BEVERAGE INNOVATION**

- **Seasonal flavors are a fan favorite, sugar is still a top concern**  
Figure 51: Interest in alcoholic beverage innovation, May 2020

**What's included**

- Executive Summary
- Full Report PDF
- Infographic Overview
- Powerpoint Presentation
- Interactive Databook
- Previous editions

**Did you know?**

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

**Buy this report now**

Visit	store.mintel.com
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

Report Price: £3695 | \$4995 | €4400

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

- Improvements on current alcohol ingredients capture widest reach**

Figure 52: TURF analysis – Alcoholic drink attributes, May 2020

- Sugar and alcohol reduction interest varies by generation**

Figure 53: Alcoholic beverage innovation interest by generation, May 2020

- RTD consumers display strongest interest in overall future innovation**

Figure 54: Alcoholic beverage innovation, by variety, May 2020

**APPENDIX – DATA SOURCES AND ABBREVIATIONS**

- Data sources
- Sales data
- Consumer survey data
- Abbreviations and terms
- Abbreviations
- Terms

**What's included**

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

**Did you know?**

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

**Buy this report now**

Visit [store.mintel.com](https://store.mintel.com)

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



## About Mintel

Mintel is the **expert in what consumers want and why**. As the world's leading market intelligence agency, our analysis of consumers, markets, product innovation and competitive landscapes provides a unique perspective on global and local economies. Since 1972, our predictive analytics and expert recommendations have enabled our clients to make better business decisions faster

Our purpose is to help businesses and people grow. To find out how we do that, visit **[mintel.com](https://www.mintel.com)**.