

# THE FUTURE OF WINE AND SPIRITS: 2023

As the pandemic subsides and the cost of living crisis unfolds, brands should offer affordable luxury, permissibility, and make water advocacy their next eco story.



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# Report Content



- Meet Mintel's global wine, spirits and RTDs expert
- The now, the next and beyond

## WHERE WE ARE NOW

- The trend continues for 'nesting' with spirits and wines for 'hometainment'
- The trend for 'less but better' spirits, wines and RTDs shows resilience as drinkers treat themselves to premium
- What we have seen

## IN THE NEXT TWO YEARS

- Mintel's perspective

### Dial up affordable luxury as inflation bites

- Bolster spirits' status as treats by telling premium stories
- Despite financial concerns, drinkers will aspire to affordable luxuries like premium spirits
  - Graph 1: select consumer perceptions of personal financial situations over the next year, by market, 2022\*
- Flag quality attributes to stretch mid-range spirits into premium
  - Graph 2: select attributes seen by consumers as defining premium spirits, 2022
- Position mid-range spirits to ride the trend for affordable luxury
- Dial up quality to prove value for mid-range wines
- Premium alcoholic RTDs can also be a part of affordable luxury
- Resist temptation to cut advertising spend in uncertain times
- Heritage brands should remind drinkers they have stood the test of time

### Tap permissibility to engage alcohol moderators

- Alcohol moderation trend surges, but permissible spirits, wines and RTDs will still resonate
  - Graph 3: proportion of consumers who consume alcoholic drinks but have cut back, 2022\*
- Health tops reasons why adults drink less alcohol, but budget is not far behind
- Moderators will seek out BFY\* signals that give permission to enjoy RTDs, spirits and wines
  - Graph 4: launches of select alcoholic drink sub-categories with select minus or natural claims, 2020-22
- Alcoholic RTDs are permissible treats, and often the first step on the moderation journey
- Brands should work harder to frame wine as permissible
- Lower-ABV spirits have more scope to make BFY claims vs full proof spirits
- 0% ABV spirits need to dial up BFY mood benefits to fully engage spirits moderators

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## Make water stewardship the next eco story

- Showcase water stewardship to grow the eco story for spirits and wines beyond packaging
  - Graph 5: top seven ethical and environmental claims used by wine and spirits launches, 2018 vs 2022
- Build on responsible spirits packaging with emerging water conservation claims
  - Graph 6: consumers who agree environmental factors such as water protection are important when making food and drink choices, 2021\*
- See water conservation as a route to quality ingredients in spirits
  - Graph 7: select water-related ingredient claims made by whisky and vodka launches, 2018-22
- Spirits should call out their actions to protect precious water resources
- Water stewardship is a necessity for wine, and should be called out
  - Graph 8: top seven ethical and environmental claims used by wine launches, 2018 vs 2022
- Showcase 'dry farming' to bolster wine claims for water conservation
  - Graph 9: consumers who mention water shortages within their top three environmental concerns, 2022\*
- Make 'dry farming' the next step in wine's eco story

## IN FIVE YEARS AND BEYOND

- Mintel's perspective
- Technology will enable in-store refills for sustainable spirits
- Pivot wine packaging to reusable commerce
  - Graph 10: proportion of total wine launches offered in 750ml pack size, by market, 2018-22
- Consumer acceptance will grow for greener lab-made spirits, wines and RTDs
  - Graph 11: consumer net agreement with the statement, "Science can provide solutions to the climate crisis", 2022\*
- Lab-made molecular spirits to achieve scale and steal share from traditional spirits
- The jackpot scenario of hangover-free alcohol substitutes is around the corner
  - Graph 12: reasons why alcohol drinkers reduced or limited alcohol intake in the last 12 months, 2022
- Alcohol substitutes will still face competition from functional adult soft drinks
- Alcarelle has potential to give alcohol a technological upgrade

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