

2022 Drizly Consumer Trend Report



Introduction

Drizly's fourth annual Consumer Trend Report is based on a nationwide survey of adults of legal drinking age conducted during April 2022.¹ Throughout the report, survey responses are supplemented by relevant sales data from the Drizly platform for deeper context and insights.

This year's report shines light on what Americans are poised to drink this summer and throughout 2022, how those preferences differ across generations and genders, and how likely recent phenomena, like the rise in home bartending, are to endure. Standout findings include a developing picture of Gen Z consumers of legal drinking age, who are showing interest in red wine, are more willing than other generations to try non-alcoholic drinks, and are more apt to splurge for premium-priced alcohol than might be expected.

Tequila's reshaping of America's bar carts shows no sign of stopping, fueled in part by strong interest in tequila-based ready-to-drink cocktails. Moreover, ready-to-drink cocktails stand on their own as an emerging category that more Americans are interested in trying than any other.

There are signs that alcohol gift-giving is on the rise. Along with a steep climb in gift purchases on Drizly over the last couple of years, survey respondents revealed an inclination to give more gifts of wine, beer, and spirits "just because."



¹Results are from a Prodege Decipher® survey conducted among a sample of 1,004 U.S. adults, aged 21 and older who have purchased alcohol in the past 90 days. Respondents had to reside in one of the following 33 states in order to qualify for the survey: Arizona; California; Colorado; Connecticut; District of Columbia; Florida; Georgia; Iowa; Idaho; Illinois; Indiana; Iowa; Kentucky; Louisiana; Maine; Maryland; Massachusetts; Minnesota; Missouri; Nebraska; New Hampshire; New Jersey; New York; North Carolina; Ohio; Oklahoma; Oregon; Pennsylvania; Rhode Island; Tennessee; Texas; Virginia; Washington; and Wyoming.

Major findings

Tequila's rapid ascent continues. The agave-based spirit is poised to find its way into even more glasses – and now, cans – this summer and well beyond. For one, tequila-based ready-to-drink cocktails ranked at the top in terms of new kinds of drinks Americans want to try most.

As ready-to-drink cocktails rise, home mixology may be falling. Ready-to-drink cocktails ranked highest among adult beverage options respondents plan to buy more this year, while 73% of respondents said they would most likely enjoy them at home. It could well point to a potential decline in home mixology, which experienced a boom during the pandemic.

Millennials and Gen Z lead in non-alcoholic drinks trial. Gen Z and Millennials are miles ahead of Gen X and Boomers in replacing traditional drinks with non-alcoholic versions. “Healthier lifestyle” was chief among reasons why, and was cited more often by men than women.



Major findings

Gen Z has a surprisingly big taste for red wine...and more expensive alcohol for certain occasions. The nation's youngest legal drinkers cited red wine as the drink they most anticipate buying more of this year, topping a list that included tequila and hard seltzer. Gen Z is also more inclined to spend more on more premium alcohol for certain occasions than their older cohorts.

Giving alcohol as gifts “just because” may be becoming more common. It's not just Father's Day, anniversaries and the holidays. This year's survey points to routine alcohol gifting shaping up as more common, at a time when gifting in general is seeing a major uptick on Drizly.

Americans cheat on their go-to drinks on vacation. Nearly 80% of survey takers admitted to choosing drinks that go with their vacation location's vibe (e.g., tropical drinks in the tropics), or that are locally made, over their usual drink choices.



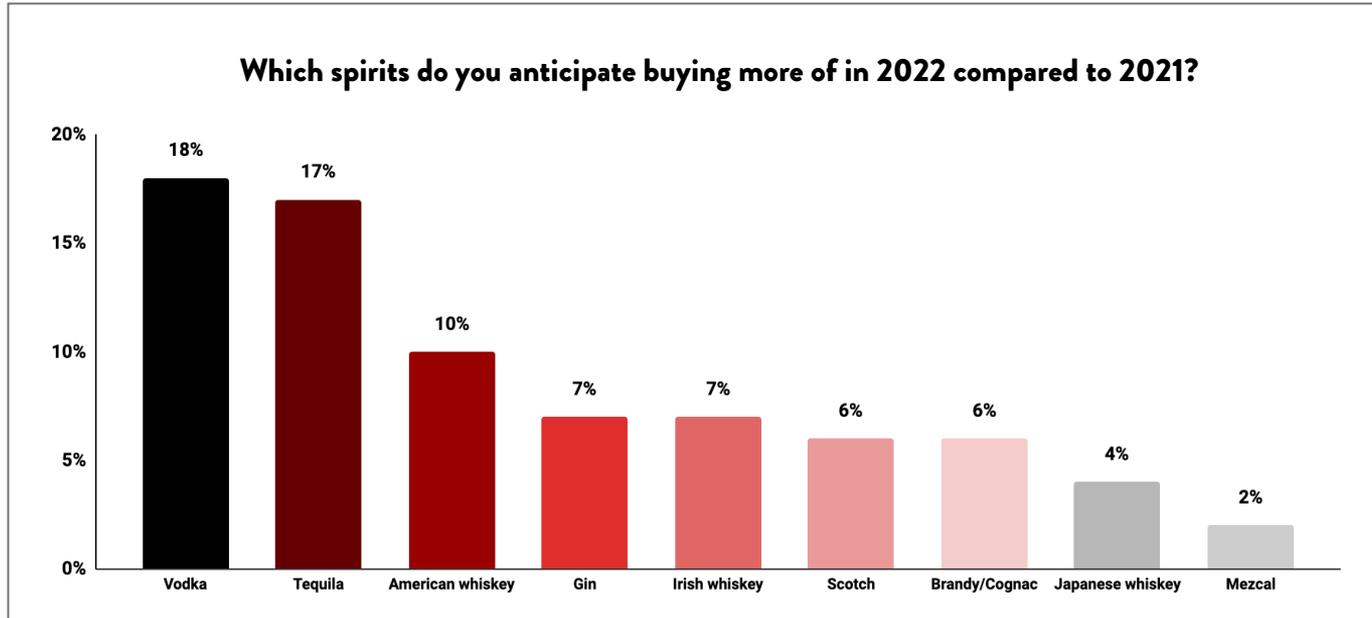
Tequila is still en fuego: in the bottle and the can.

Tequila's rapid ascent remains one of alcohol's most compelling stories of the past few years. This year's Drizly Consumer Trend Report finds new chapters being written, and cements tequila's growing potential to be one of the top drink choices for Americans.

Among the reasons why, our survey findings point to tequila drinkers enjoying it in a new format – ready-to-drink cocktails, a segment that itself is growing exponentially, as detailed in the next section's findings.



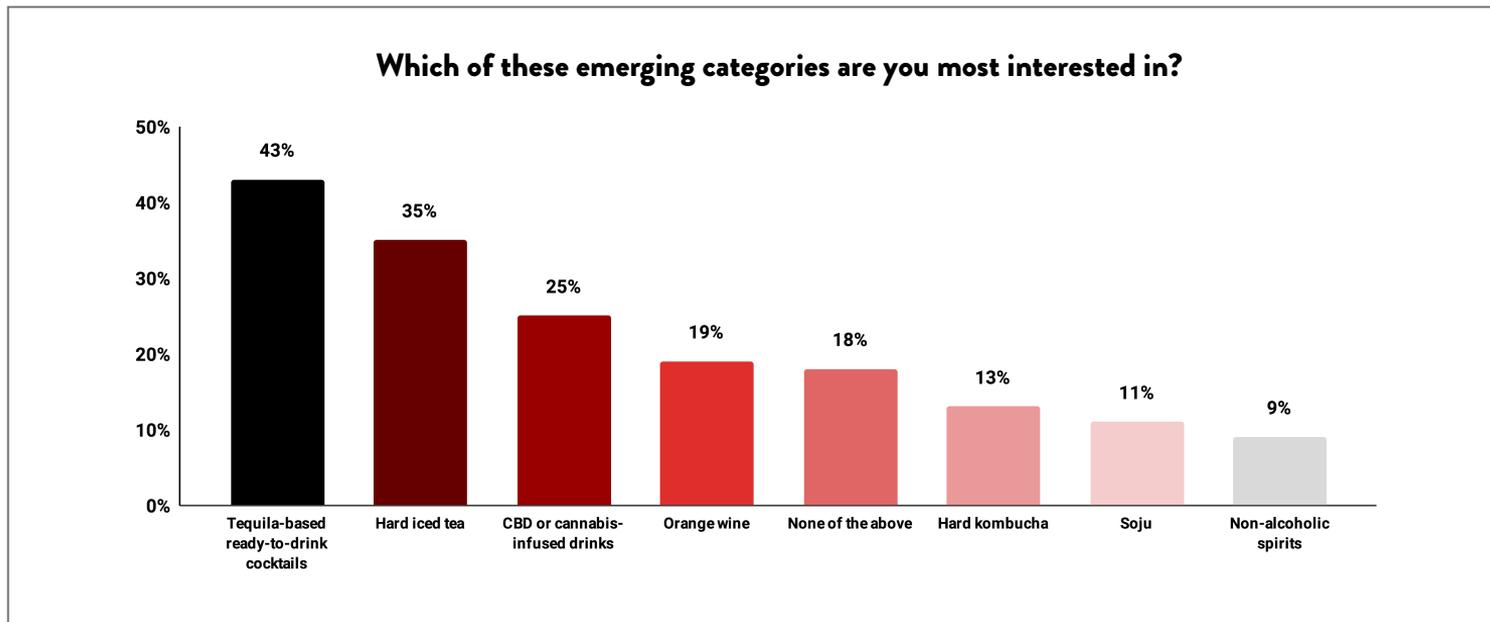
Which spirits do you anticipate buying more of in 2022 compared to 2021? 17% of respondents said they'll reach for more tequila this year: a full 7 points higher than those who said they'd buy more American whiskey, which has been a longtime leader in the spirits category, and lagging vodka by just 1%. Trends on Drizly point in the same direction. While vodka still holds a higher share of the spirits category on Drizly, tequila's share of liquor sales has increased by 5 points over the past 3 years, while vodka's share of liquor has declined by 8 points over the same period.² What's more, Drizly's recent Retail Report found 80% of respondents planning to stock more tequila in 2022 – 40 points ahead of vodka.³



²Source: Drizly Internal Data, 2019-2021

³Source: Drizly Retail Report, 2021

Which of these emerging categories are you most interested in? At 43%, tequila-based ready-to-drink cocktails (a.k.a., canned cocktails, or RTDs) took the top spot among newer types of drinks that respondents are interested in trying. That outpaced other rising options like hard iced tea (35%) and hard kombucha (13%). The takeaway is clear: there is a thirst for tequila in new formats. There is potential for long-term growth with younger drinkers leading the charge. Nearly 70% of Gen Z respondents, along with 56% of Millennials, named tequila as their preferred spirit-base when shopping for RTD cocktails. Sales on Drizly paint the same picture, where margaritas have been the top-selling type of ready-to-drink cocktail over the past 5 years, and currently hold 20% share of overall RTD category sales.⁴



⁴Source: Drizly Internal Data, 2017-2022

Canned cocktails may put a dent in home mixology.

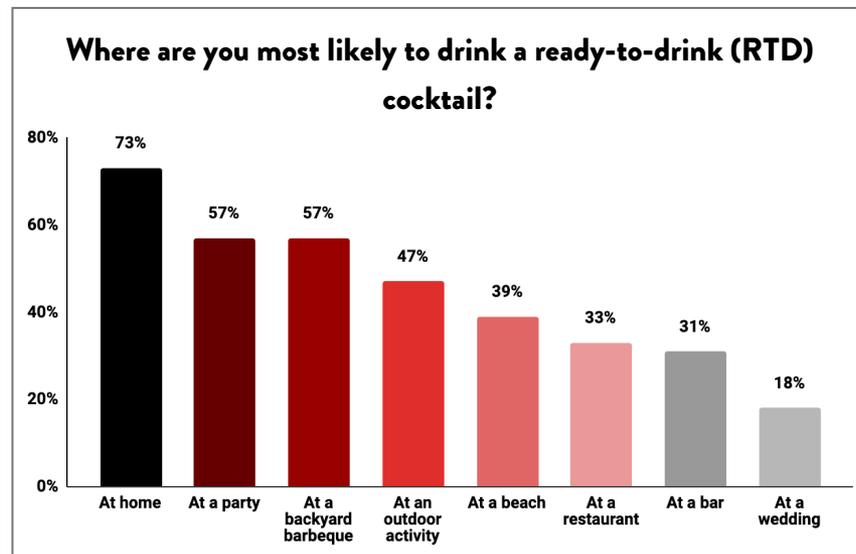
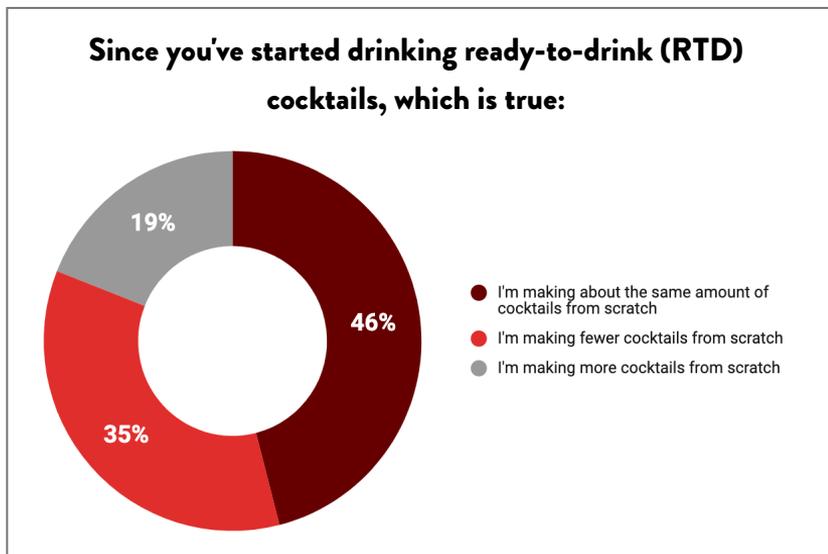
The past few years saw Americans taking hold of shakers, strainers, muddlers and other mixology tools like perhaps never before with our houses, apartments and condos standing in for our favorite bars and restaurants to enjoy a cocktail.

The question soon became, what shape would home bartending take once bars and restaurant visits again became routine?

It turns out, canned (ready-to-drink/RTD) cocktails, which are booming, could contribute to reversing this 2020-fueled trend.

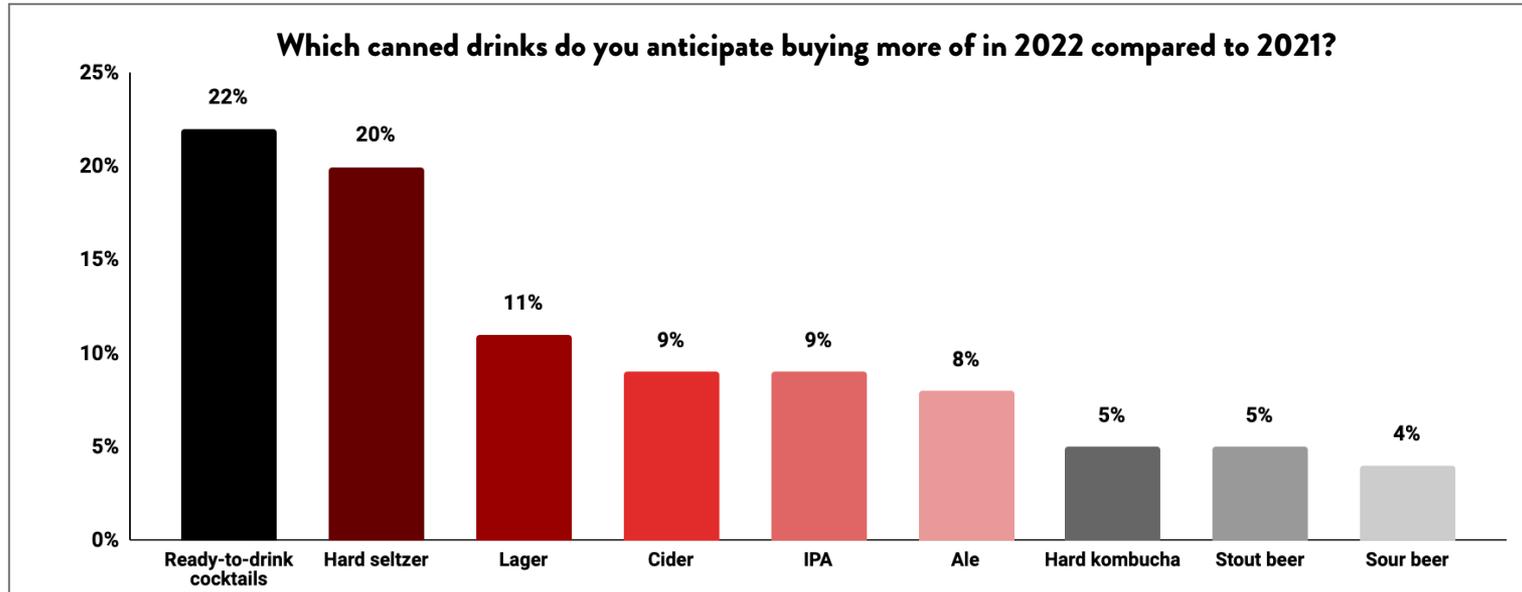


Since you started drinking ready-to-drink (RTD) cocktails, are you making more, less or the same amount of cocktails at home? Where are you most likely to drink RTD cocktails? More than one-third of those surveyed said that they are making fewer cocktails from scratch since they started drinking canned cocktails. And overall, a decisive 73% of respondents cited “home” as their most likely place to enjoy RTDs. The potential impact on home mixology looms large considering how fast the RTD cocktail category is growing. 2021 saw a 170% increase in the number of RTD brands available on Drizly compared to 2019. During that same period, ready-to-drink cocktails captured 4% of overall liquor sales on Drizly, up from less than 1% in 2019.⁵



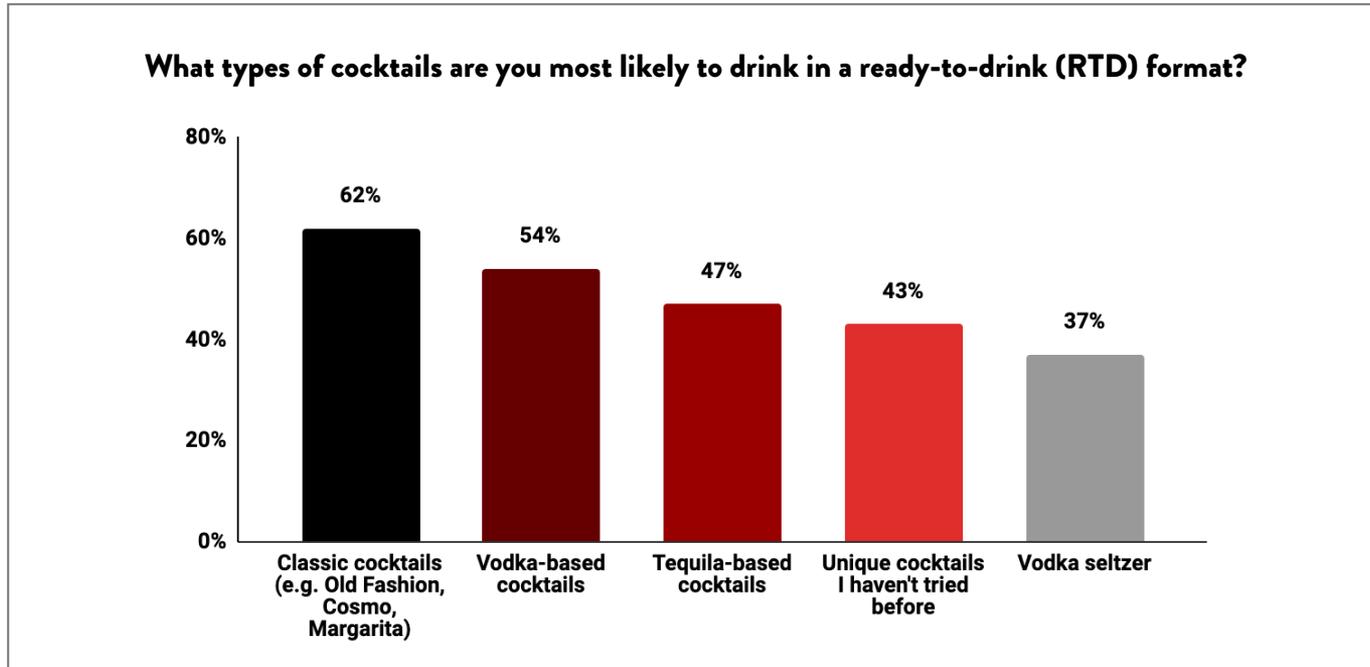
⁵Source: Drizly Internal Data, 2019-2021

Which canned drinks do you anticipate buying more of in 2022 compared to 2021? The fact that RTDs are outpacing hard seltzers among “most likely to buy more” canned options underscores a leveling off for hard seltzer that Drizly was among the first to identify in 2021, when hard seltzers’ share of overall adult beverage sales declined for the first time on the platform. That decline, coupled with RTD cocktails’ concurrent meteoric rise, suggests that RTDs may be taking share from hard seltzers. Hard seltzer’s history over the past three years could be a blueprint for RTD’s near-term prospects. From 2018-2020, hard seltzer experienced a 278% growth in share (sitting at 3.4% share on Drizly in 2020) and from 2019-2021, RTDs experienced a 400% growth in share (sitting at 2% share overall on Drizly in 2021).⁶



⁶Source: Drizly Internal Data, 2018-2021

What types of cocktails are you most likely to drink in ready-to-drink (RTD) format? When it comes to RTD cocktails, people like their classics. Old Fashioneds, Cosmos and Margaritas topped the list for respondents, at 62%. That bested the likes of popular vodka-based cocktails in general (54%), vodka seltzers (37%), and other tequila-based cocktails (47%). RTD cocktails are relatively new, so an embrace of less popular or experimental cocktails could well be on the horizon as the format develops. To wit, 43% of survey-takers said they're up for trying something new.



Millennials and Gen Z are saying yes to non-alc drinks.

Non-alcoholic versions of popular adult beverages are finding new fans. Our survey found that Gen Z and Millennials are most game to try non-alc, at a time when options are rapidly expanding. 2021 saw a 166% increase in the number of non-alcoholic products available on Drizly compared to 2019.⁷

It's logical, as health consciousness keeps rising.⁸ What may come as a surprise is how much more inclined Millennials and Gen Z are to swap a non-alc beer or cocktail than Gen X and Boomers.

Also worth noting: men are outpacing women in embracing non-alc for reasons of “better health.”

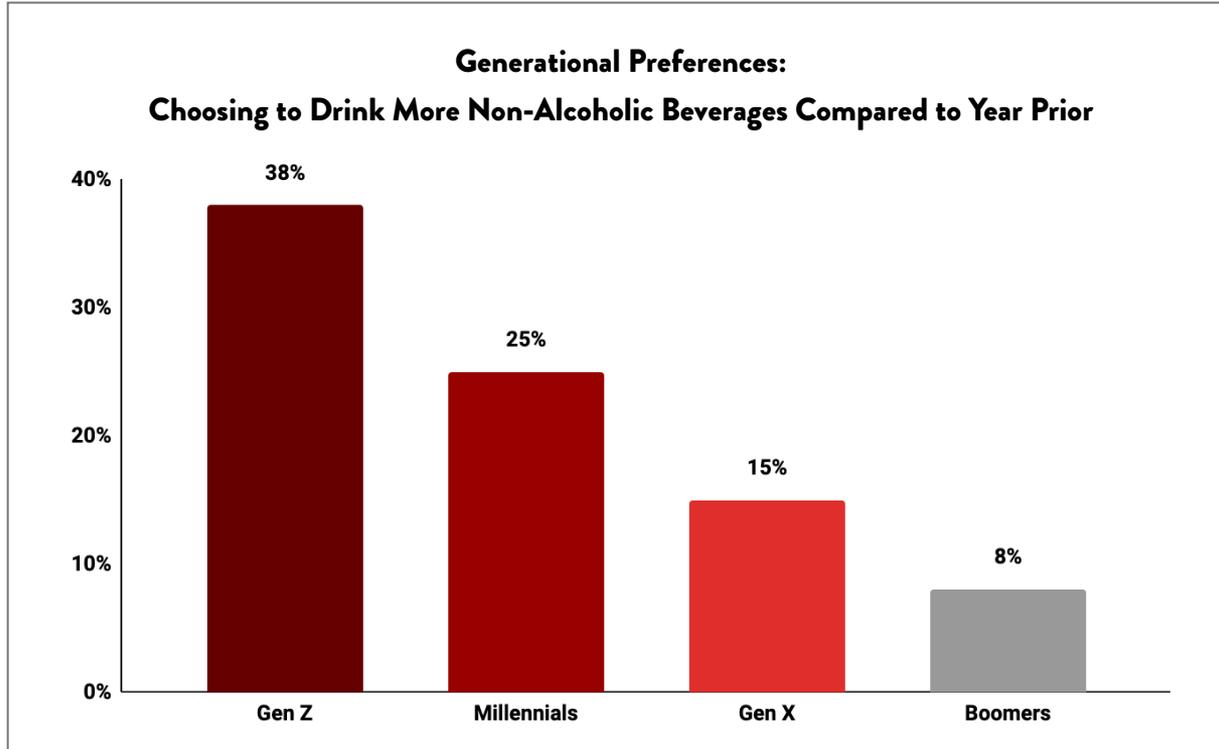


⁷Source: Drizly Internal Data, 2019-2021

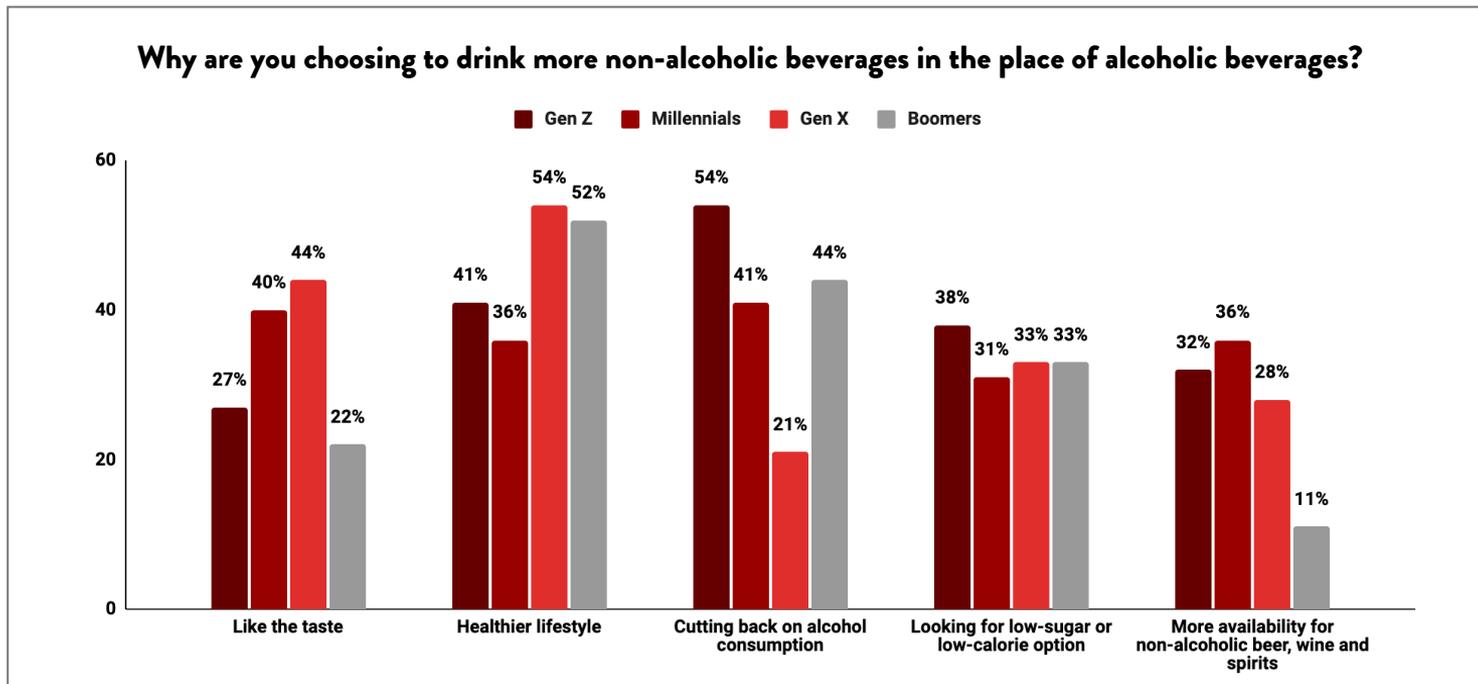
⁸Source: FCMG Gurus Report, “How Has COVID-19 Changed Consumer Behavior - Global Report 2021”



In the past year, have you chosen to drink more non-alcoholic beverages in place of alcoholic beverages than the year prior? Gen Z (38%) and Millennials (25%) are miles ahead of Gen X (15%) and Boomers (8%) in replacing at least some traditional drinks with non-alcoholic versions. Younger consumers' tendencies to embrace new products may explain this seeming generational inversion, and a previous wave of non-alc products that didn't deliver on taste expectations may be keeping Boomers from trying this time around.



Why are you choosing to drink more non-alcoholic beverages in the place of alcoholic beverages? Boomers ranked “like the taste” lowest (20%) among all generations when asked why they choose to drink non-alc. When asked why they are interested in non-alc drinks, “healthier lifestyle” led the way (44%), with men (49%) besting women (36%) in citing health as their primary motivation. While still relatively small, this category is growing rapidly. On Drizly, non-alcoholic spirits’ share of sales are up over 600% year-over-year, followed by non-alcoholic wine (300%). Sales of non-alc, beer, building off a larger base, have increased by 200% since 2020. Over 90% of Drizly’s retail partners now carry at least one non-alcoholic option.⁹



⁹Source: Drizly Internal Data, 2020-2022

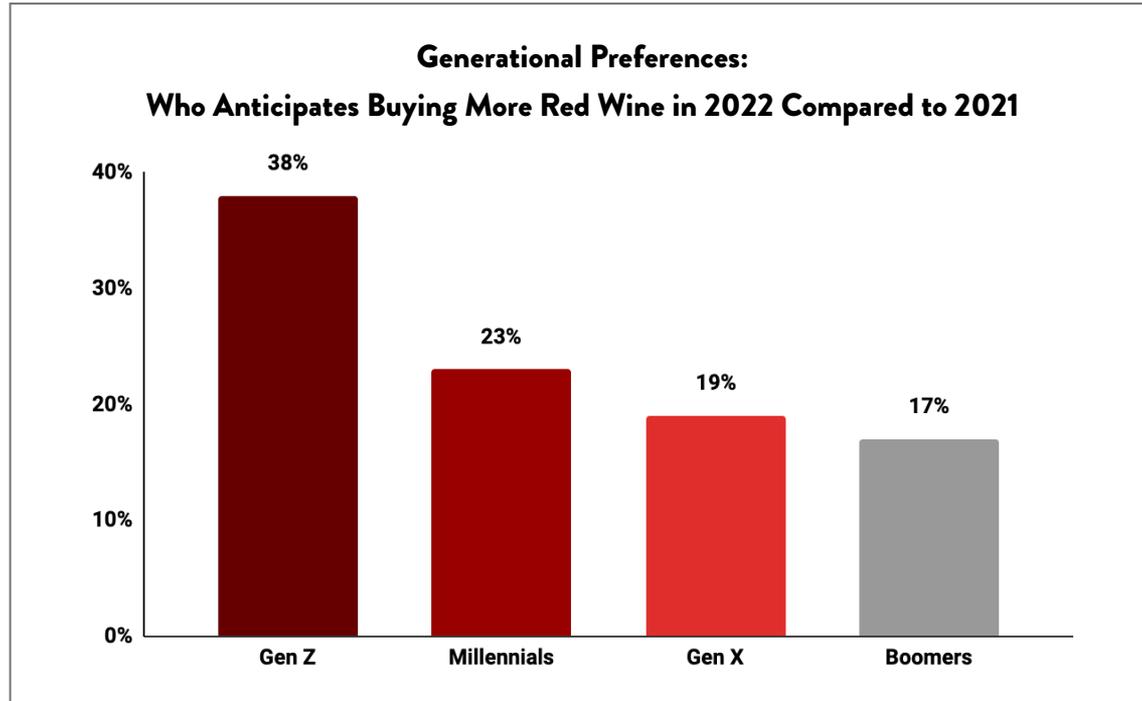
Gen Z wants more red wine, and is willing to splurge on alcohol for certain occasions.

While hard seltzer, ready-to-drink cocktails and tequila show no signs of falling off Gen Z's radar, it came as a surprise to learn what the nation's youngest legal drinkers say they'll buy more of this year: red wine.

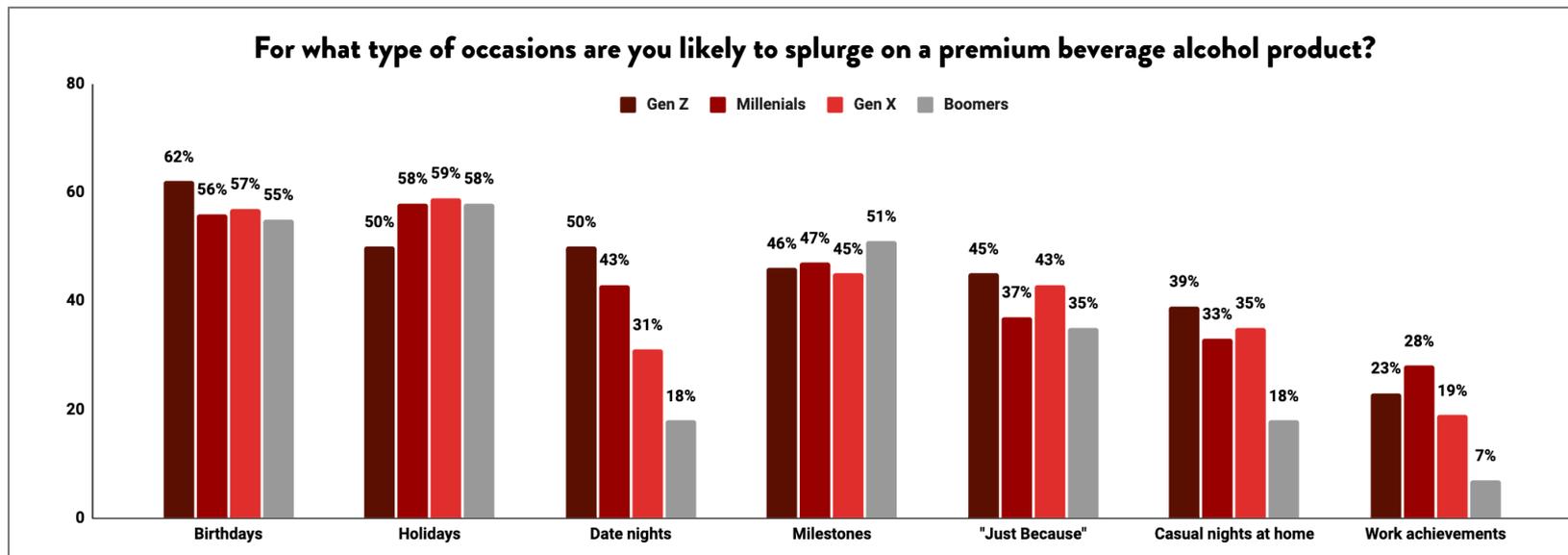
That wasn't the only unexpected finding among this increasingly influential cohort in this year's survey. Gen Z is also inclined to reach higher than the bottom shelf, and to splurge on upscale drinks for not-very-upscale occasions.



Which drinks do you anticipate buying more of in 2022 compared to 2021? Red wine topped the list of drinks Gen Z plans to buy more this year, with 38% of the cohort saying so. That topped all other alcoholic beverages, including tequila (36%), vodka (32%), hard seltzer (26%), rosé (24%) and RTDs (23%). That craving for more red wine far outpaced any expressed by Millennials (23%) and Gen X (19%). Gen Z also proved itself to be the generation most likely to substitute non-alc beverages for traditional alcoholic beverages (38%), while also showing the highest affinity for spirits-based canned cocktails: 35% versus 25% of Millennials and 20% of Gen X.



For what type of occasions are you likely to splurge on a premium beverage alcohol product? Gen Z views more informal and frequent kinds of get-togethers as reasons to spend more on adult beverages – even more so than their older cohorts. Those reasons run the gamut from date nights (50%) and “just because” (45%) to casual nights at home (39%) – in each instance, often significantly, outpacing Millennials’, Gen Xers’ and Boomers’ inclinations to splurge in casual settings. The relatively lower cost of treating yourself at home compared to on-premise – and Gen Z’s near-native inclination to order online for delivery – may at least partially explain this finding.



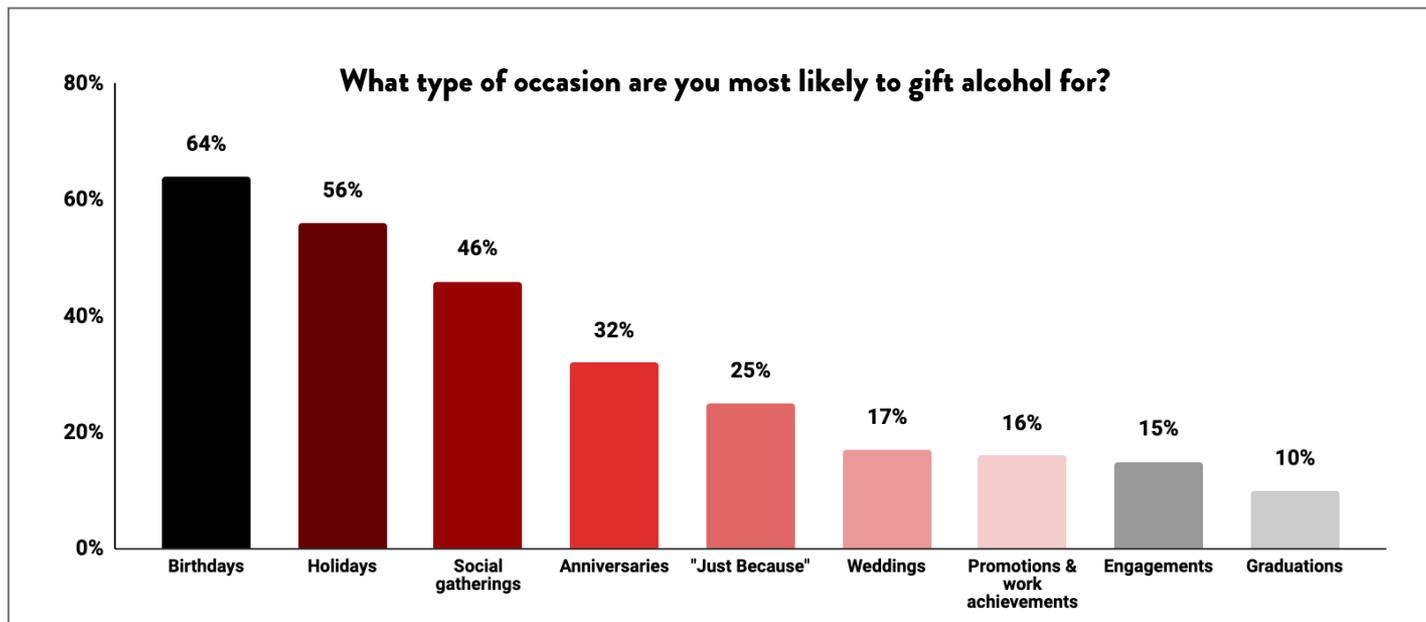
“Just because” could be rising as a reason to give alcohol gifts.

Father’s Day, birthdays, anniversaries and holidays are longtime natural occasions to give alcohol gifts. It may be time to add “just because” to that list: everyday alcohol gift giving appears to be on the rise. This year’s survey, paired with an uptick in alcohol gift-giving overall on Drizly, points to routine alcohol gifting becoming more common.

And while routine alcohol gifting may be up, the question of which bottle to send remains a baffling task for some.



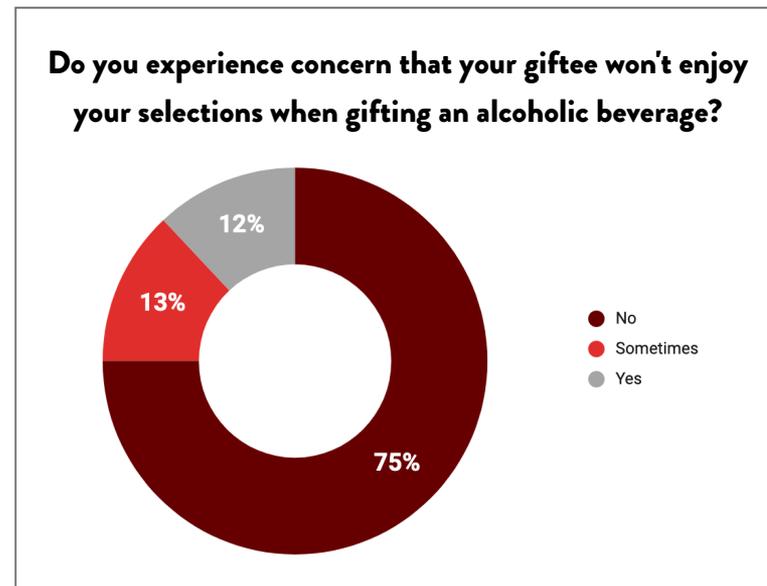
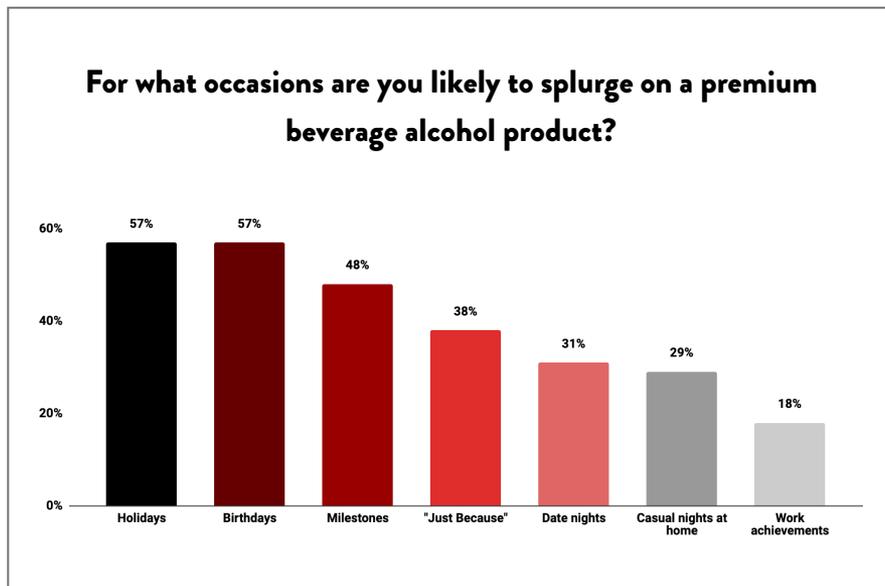
What type of occasion are you most likely to gift alcohol for? When asked about specific occasions for gifting wine, beer and spirits, 25% of survey takers cited “just because,” outranking traditional occasions such as recognizing work achievements, engagements, weddings and graduations. It comes at a time when gift giving in general has boomed on Drizly. As the past few years made alcohol shopping online a routine activity for many, gift purchases on Drizly increased by 66% (2021 vs 2020) and grew to 11% share of all sales. Meanwhile, the share of gifts given during non-traditional months (i.e., apart from Mother’s Day, Father’s Day, the holidays, etc.) has also risen year-over-year – and again, pointing to a potential increase in “just because” gifting.¹⁰



¹⁰Source: Drizly Internal Data, 2020-2021

For what occasions are you likely to splurge on a premium beverage alcohol product? Do you experience concern that your gift won't enjoy your selections when gifting an alcoholic beverage?

Tradition still holds when it comes to reasons to splurge on more expensive alcohol gifts, with birthdays (57%), holidays (57%) and milestones (e.g., anniversaries, 48%) ranking on top. Notably, “just because” placed fourth (38%), ahead of occasions like celebrating work achievements (18%). And while we may be gifting alcohol more often, and increasingly, on a whim, some are still puzzled over what to give: 25% surveyed admitted to being unsure about what their giftee would enjoy getting.



#Vacationvibes influence drink choices: Americans cheat on their go-to drinks on vacation.

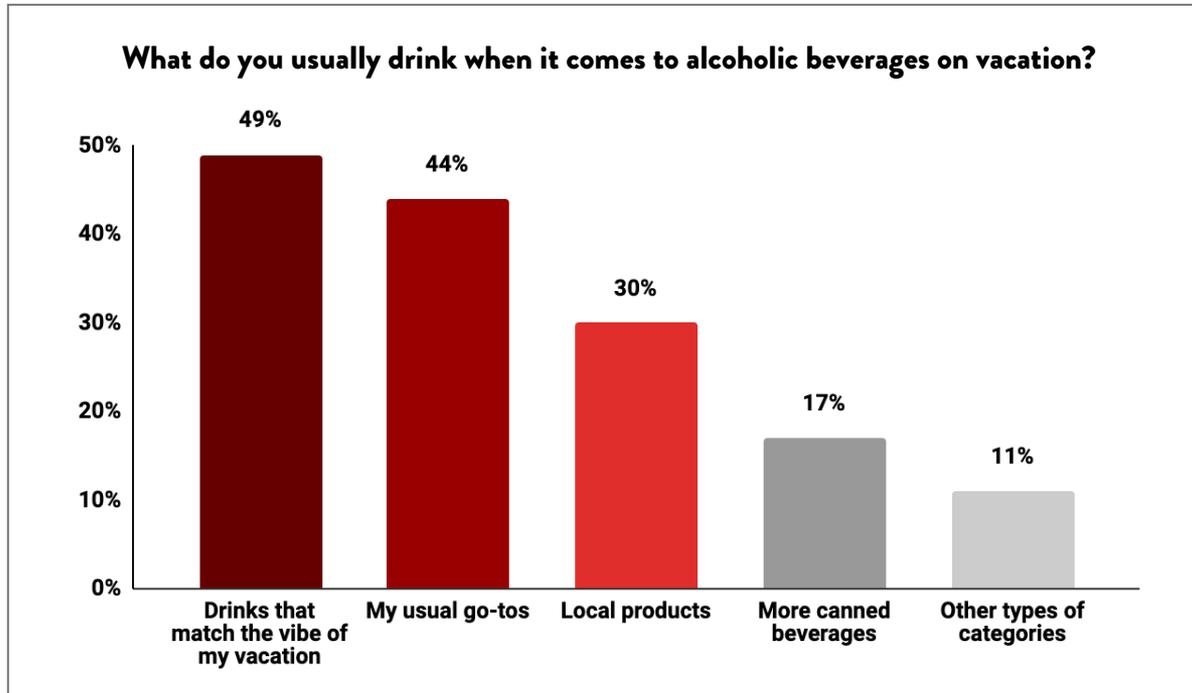
Do you leave that favorite highball high and dry when vacation time comes around, looking for something out of the ordinary?

You're not alone. Nearly half of all Americans cheat on their go-to drinks when on vacation, as this year's survey uncovered. We reach for drinks that match our "vacay lo-cays," not our home bases.

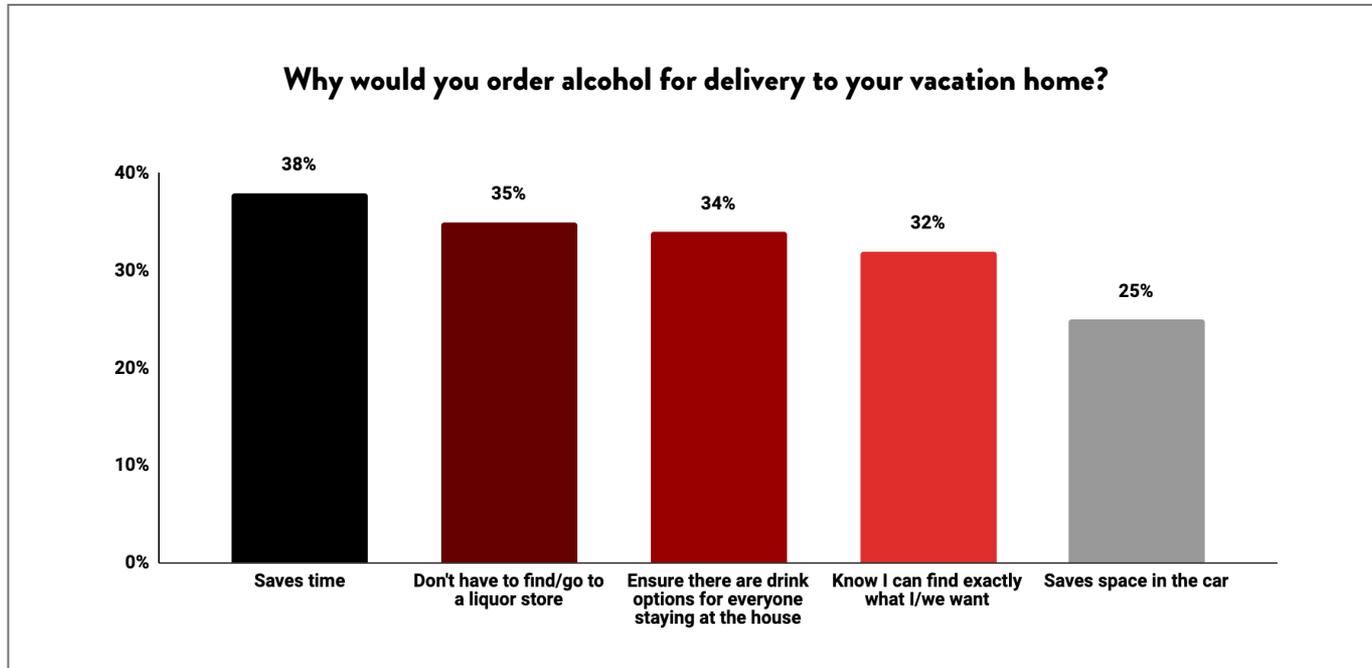
We're also planning those rendezvous in advance, opting to order alcohol for delivery upon arrival at our vacation destinations.



What do you usually drink when it comes to alcoholic beverages on vacation? Travel makes Americans feel more inspired and adventurous in their drinks choices. 79% of respondents said they usually buy drinks that match the vibe of their vacation (e.g., tropical drinks on a beach) or that are produced locally, far outpacing their usual go-tos (44%).



Why would you order alcohol for delivery to your vacation home? Those who said they've ordered alcohol delivery on vacation do it for efficiency and convenience. "Saves time" (38%), and "Don't have to find/go to a liquor store" (35%) were the top stated reasons for ordering alcohol delivery while away from home.



About Drizly

Drizly, an Uber company, is a leading alcohol e-commerce and on-demand delivery platform. The best way to browse and buy beer, wine, and spirits, Drizly connects millions of consumers of legal drinking age with retailers in nearly two thousand cities to get delivery to their door in under 60 minutes. With the ability to send gifts, connect with an event-planning concierge, and shop one of the widest selections of drinks through a transparent, personalized shopping experience, Drizly helps consumers celebrate and create moments that matter. Drizly partners with thousands of retailers and suppliers helping them to reach new customers, tap into key market and customer insights, and diversify their business to grow sales. As the industry leader, Drizly is building the best shopping experience for beverage alcohol in a regulatory compliant manner that promotes a safer drinking culture. Learn more at [Drizly.com](https://www.drizly.com), download the Drizly app ([App Store](https://www.apple.com/app-store) and [Google Play](https://www.google.com/play)) and follow Drizly on [Facebook](https://www.facebook.com/drizly), [Twitter](https://twitter.com/drizly) and [Instagram](https://www.instagram.com/drizly).

