

A photograph of three young women sitting at a wooden bar, laughing and holding drinks. A disco ball hangs from the ceiling in the background. The scene is dimly lit with colorful bokeh lights.

provoke
insights

Alcohol
Consumer Trends
Winter 2023

Background & Objectives

Overview

Provoke Insights, a leader in research for branding, advertising, media, and content marketing initiatives, conducts a bi-annual consumer trends study to keep a pulse on the market across multiple industries. The extensive study allows Provoke Insights to stay ahead of the trends and understand consumer mindset in the current moment.

Winter 2023 Wave

Three years since Covid, fears of the pandemic have decreased, but consumers have other growing concerns, from inflation to the economy. Provoke Insights wants to understand how these new issues impact consumers' buying behavior. In this wave, Provoke Insights dives deep to understand how these new issues have impacted category buying behavior.

This deck focuses on the the alcohol sector.

Methodology

Provoke Insights conducted a 15-minute survey among 1,500 Americans between the ages of 21 and 65. The study was in-field in Autumn 2022.

A random stratified sample was used followed by weighting to ensure a high degree of representation of the U.S. population (household income, age, gender, geography, ethnicity, and children in the household).¹

Results based on this sample have a maximum margin of sampling error of $\pm 2.5\%$ at a 95% confidence level.

Statistical differences between subgroups indicated in this report were tested at a 95% confidence level.



Current State of the Market

Consumers fear their financial future as the economy and inflation are major concerns. They are experiencing price increases first-hand, particularly at supermarkets and restaurants. As a result, budgets are tightening. Consumers are eating more at home, making fewer impulse purchases, and buying store-label brands.



Overall Alcohol Purchasing Habits

Consumers purchasing alcohol are likelier to be men with a higher household income. They consider themselves more environmentally friendly, and they favor shopping small business.

While consumers have a brand preference, they are strongly influenced by what is available at the retailer. As a result, this sector must ensure its products are available at multiple online and in-person retailers.



A Closer Look at the Liquor Sector

Two-thirds of hard alcohol buyers engage with brands online, primarily through the brand's website, followed by social media.

While in-store still dominates for hard alcohol purchases, over one-quarter of liquor purchasers buy online. However, the method they purchase online is mixed; online delivery services, big box retailer websites, national alcohol websites, and liquor store websites are all channels being used.



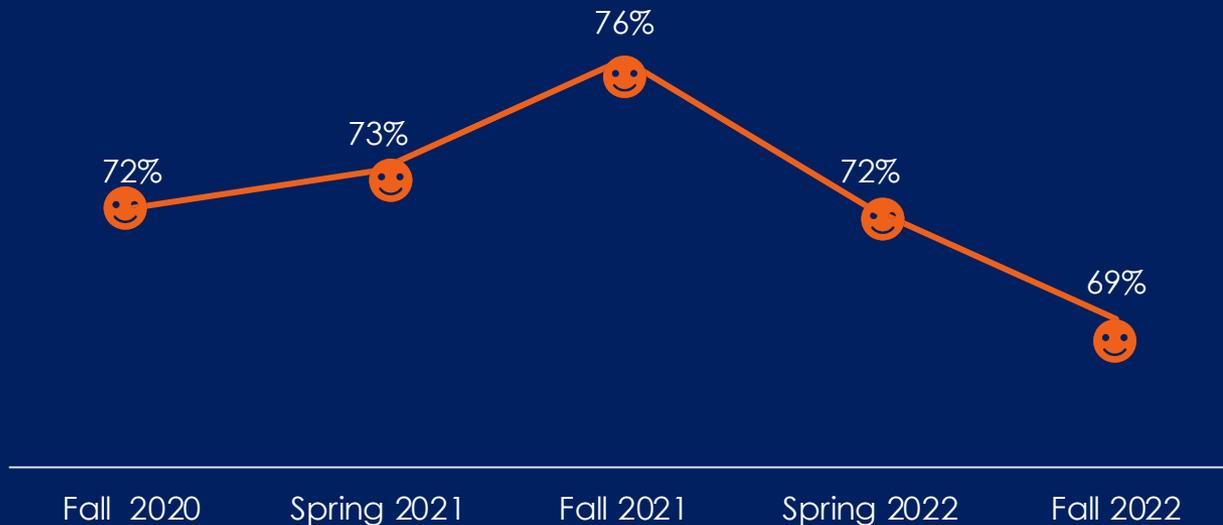
What External Trends are Impacting Brands Today?



Consumer Optimism

Optimism levels have declined to below where they were during the peak of the Pandemic.

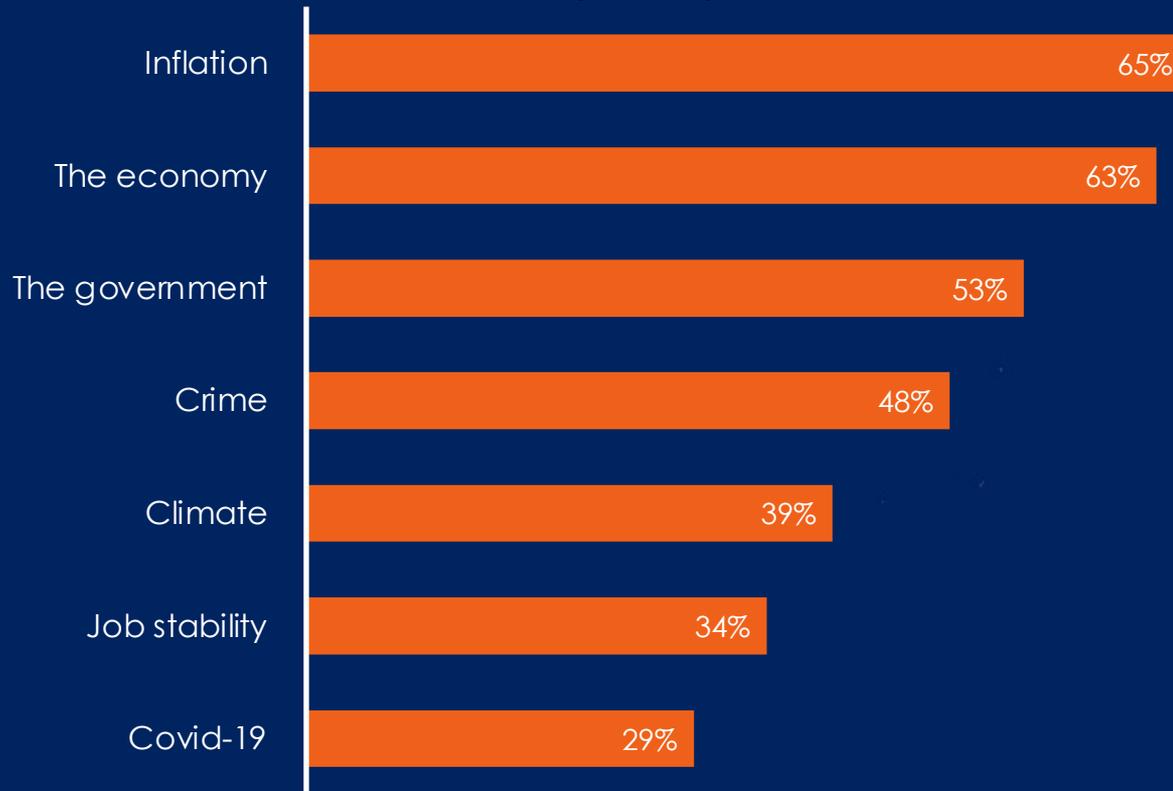
Very/Moderately Optimistic



Top Concerns Impacting Consumers

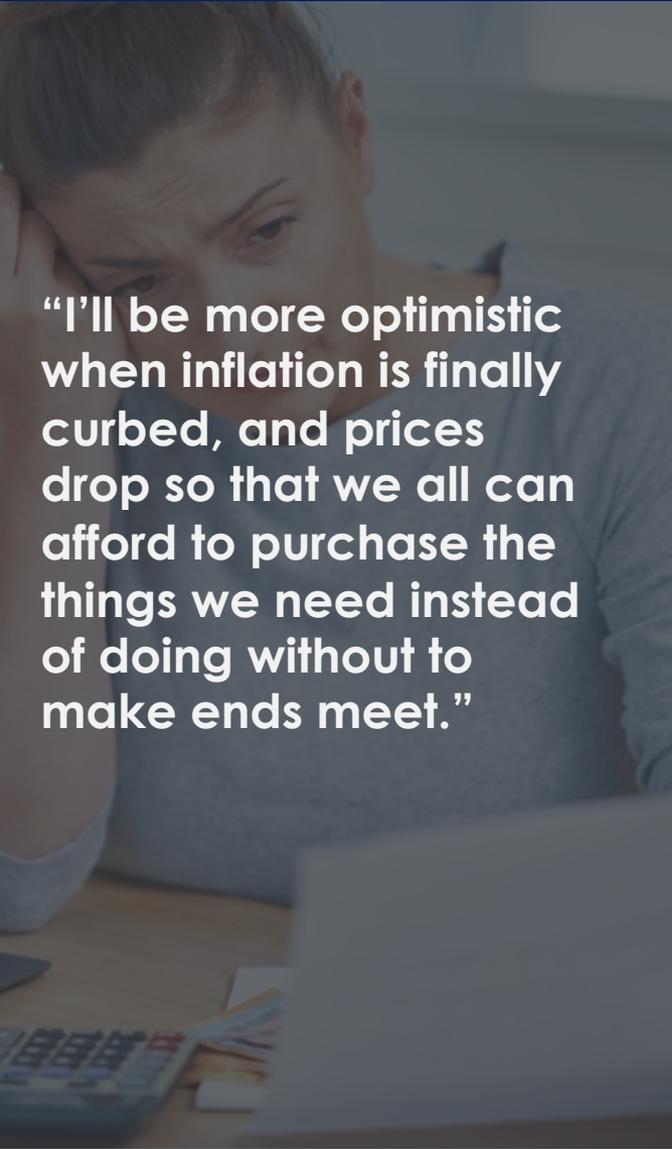
*Inflation and the economy are major issues for most Americans.
Job stability and Covid-19 are not key worry areas.*

Extremely/Very Concerned

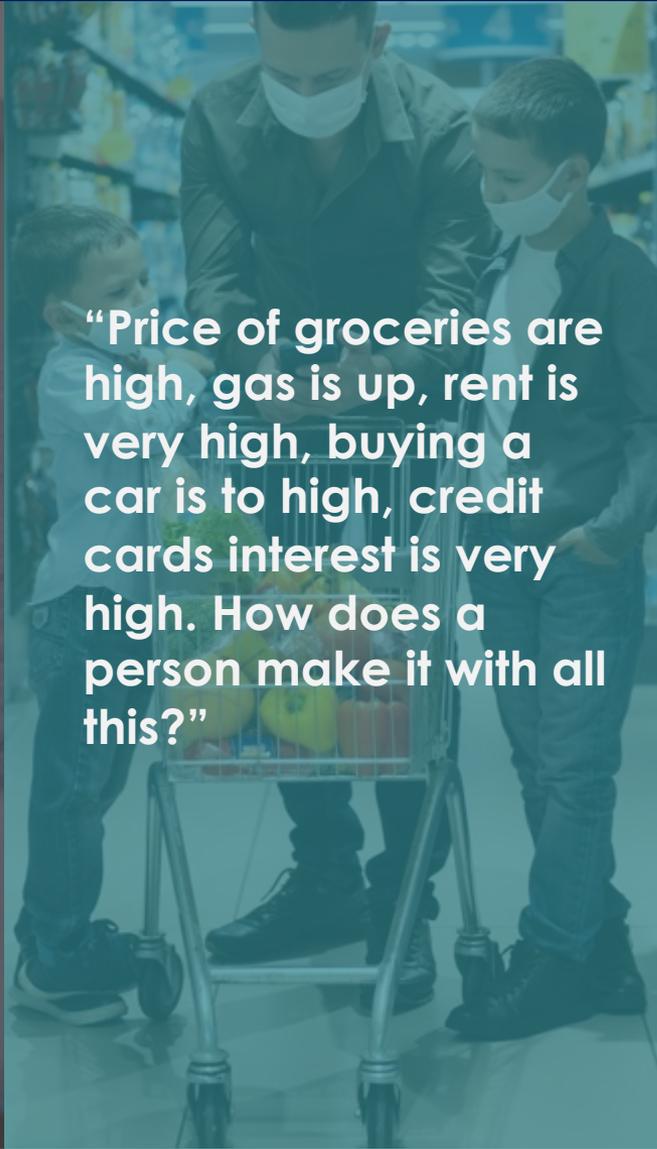


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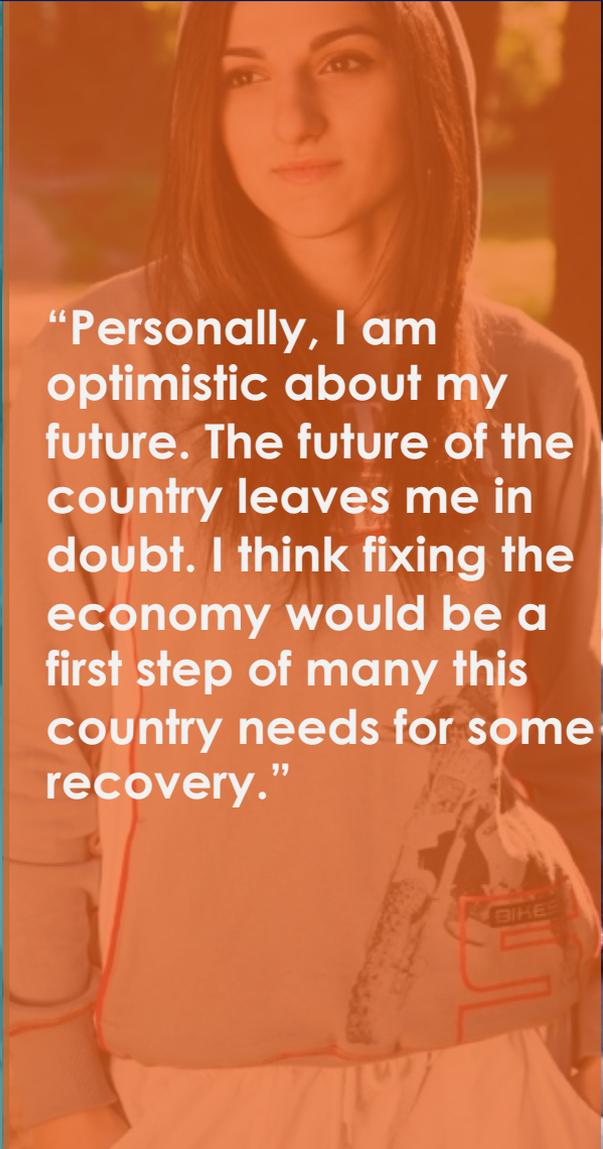
Optimism Will Grow As The Economy Improves



“I’ll be more optimistic when inflation is finally curbed, and prices drop so that we all can afford to purchase the things we need instead of doing without to make ends meet.”



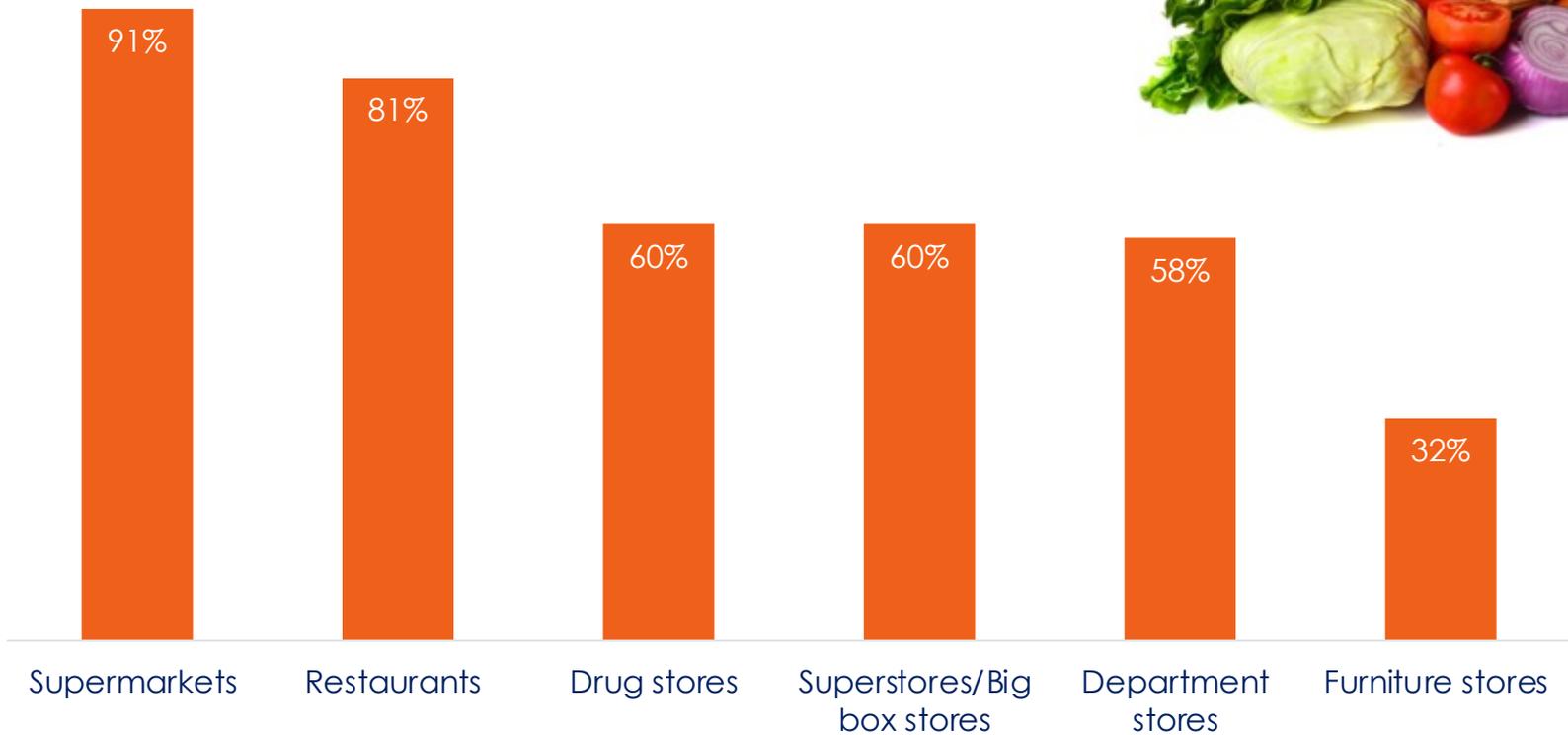
“Price of groceries are high, gas is up, rent is very high, buying a car is too high, credit cards interest is very high. How does a person make it with all this?”



“Personally, I am optimistic about my future. The future of the country leaves me in doubt. I think fixing the economy would be a first step of many this country needs for some recovery.”

Price Increases

Americans see the impact of inflation at food establishments such as supermarkets and restaurants.



Consumers are in saving-mode; using multiple techniques to reduce their spend.



More Budget Conscious in the Last 6 Months

Top Ways They're More Budget Conscious

-  39% Eat at home
-  29% Less impulsive with purchases
-  22% Buy generic/store label brands
-  19% Use coupon
-  17% Less discretionary spending
-  15% Shop at discount store

Base: All Qualified Respondents (N=1,500)

Base: Slightly/More Budget Concern (n=1,051)

A man in a white shirt is smiling and reaching up to a high shelf in a store, holding a shopping cart handle. The background shows shelves stocked with various products, likely in a liquor or grocery store. The scene is brightly lit, and the man appears to be in the middle of shopping.

Alcohol: Shopping Behaviors

41% 

of Americans plan to purchase alcohol in the next three months

The Alcohol Shopper

is significantly more likely to be

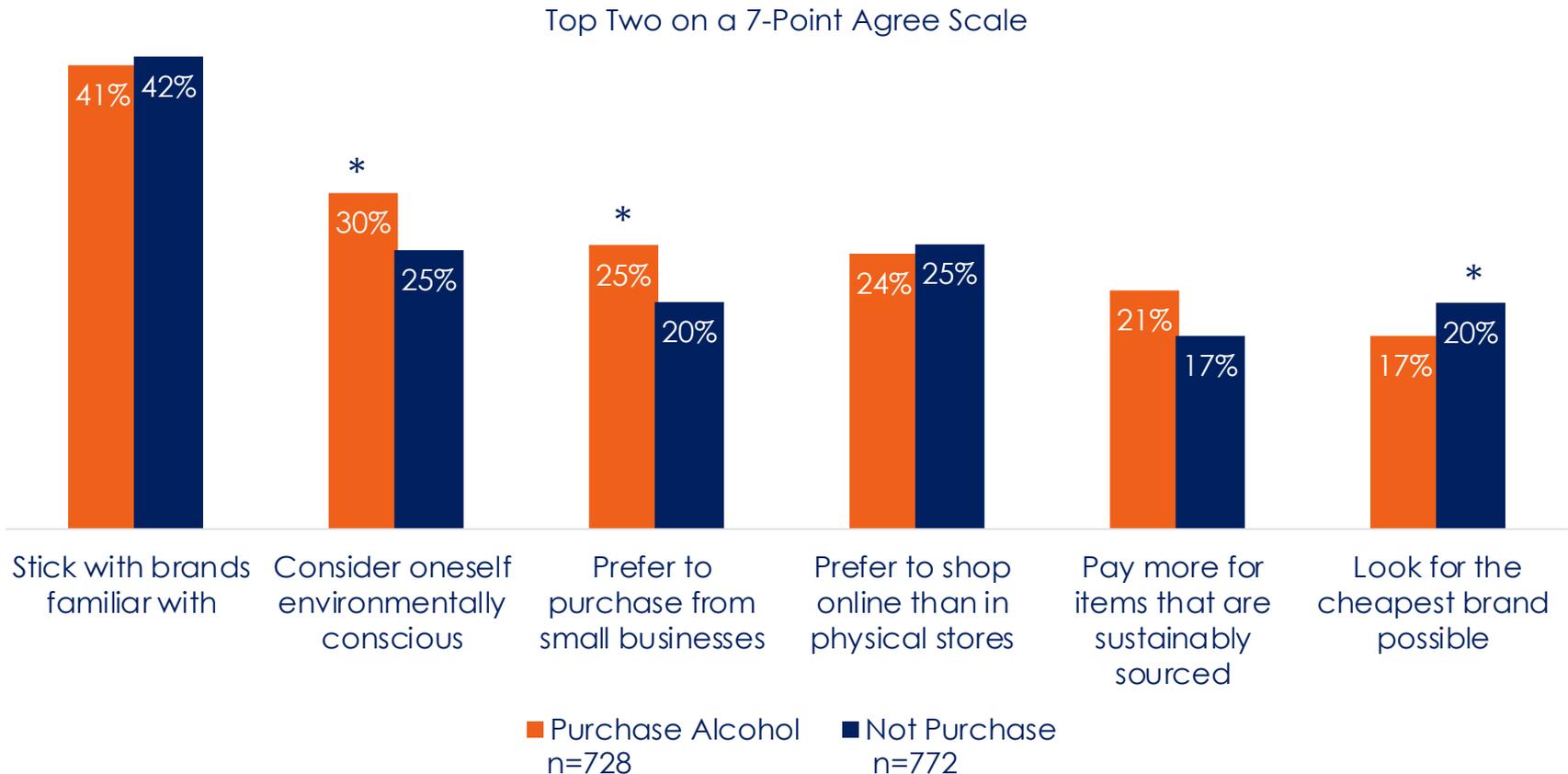
♂ 46% Male

\$ 49% Household income \$100K+



Buying Habits

Those who purchase alcohol are more environmentally friendly, prefer purchasing at small businesses, and are less price-conscious.



*Significantly different

Alcohol Purchase Influences

Price, followed by in-store availability, most influences what type of alcohol consumers purchase.



Impacts on the Alcohol Industry

Over a tenth of consumers say that lack of inventory has impacted their purchasing decision when buying alcohol.



11%

Feel lack of inventory has most affected alcohol purchasing decisions



8%

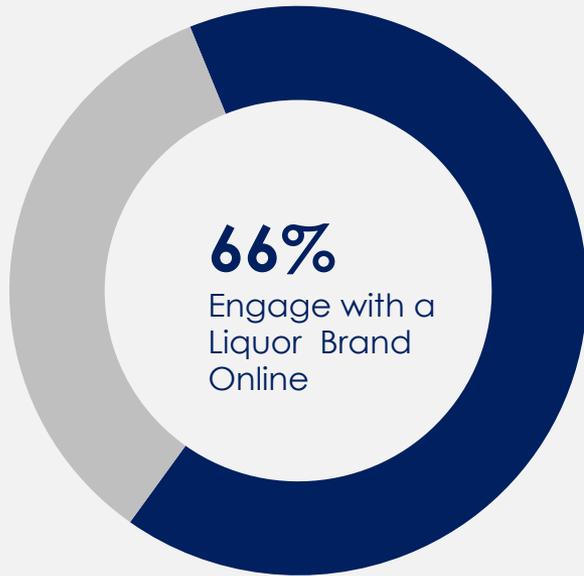
Feel customer service/staffing has most affected alcohol purchasing decisions

A man in a white shirt is smiling and reaching up to a high shelf in a liquor store, selecting a bottle. He is holding a shopping cart handle. The background shows rows of liquor bottles on shelves.

A Closer Look at the Liquor Sector

Liquor Online Brand Enragement

Most spirit purchasers engage with a brand online via a website or social media.



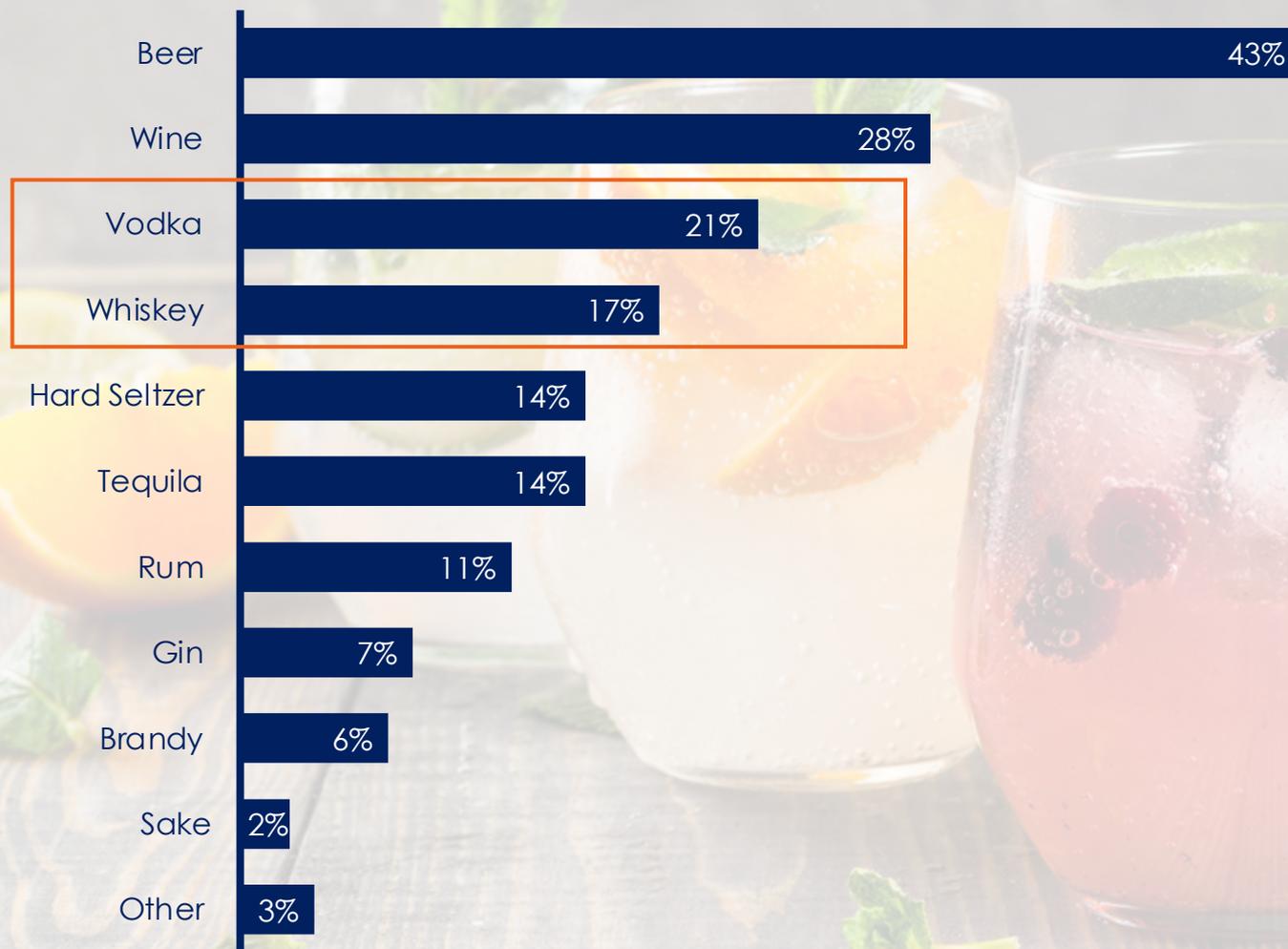
Ways They Engaged Online



Alcohol Purchased in the Last Month

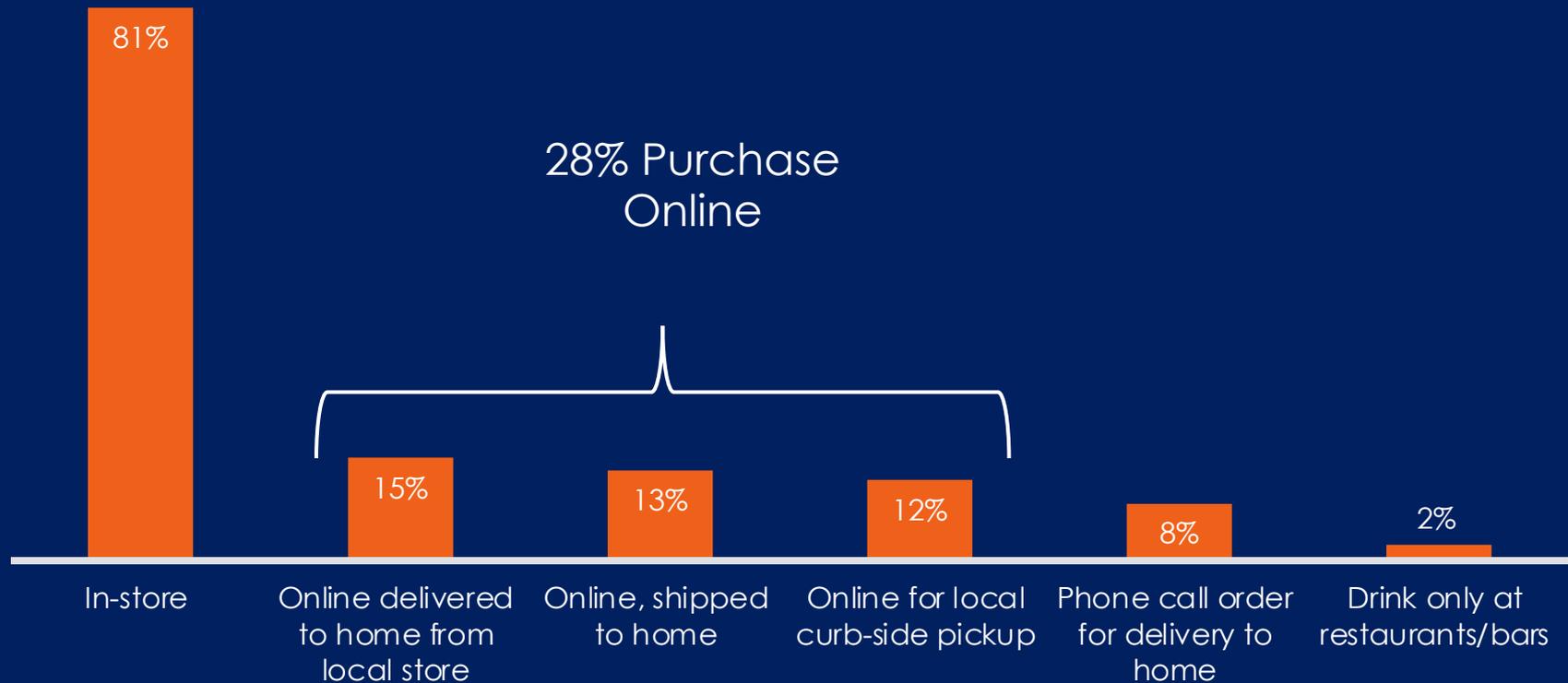


Vodka, followed by whiskey, is the most popular spirit.



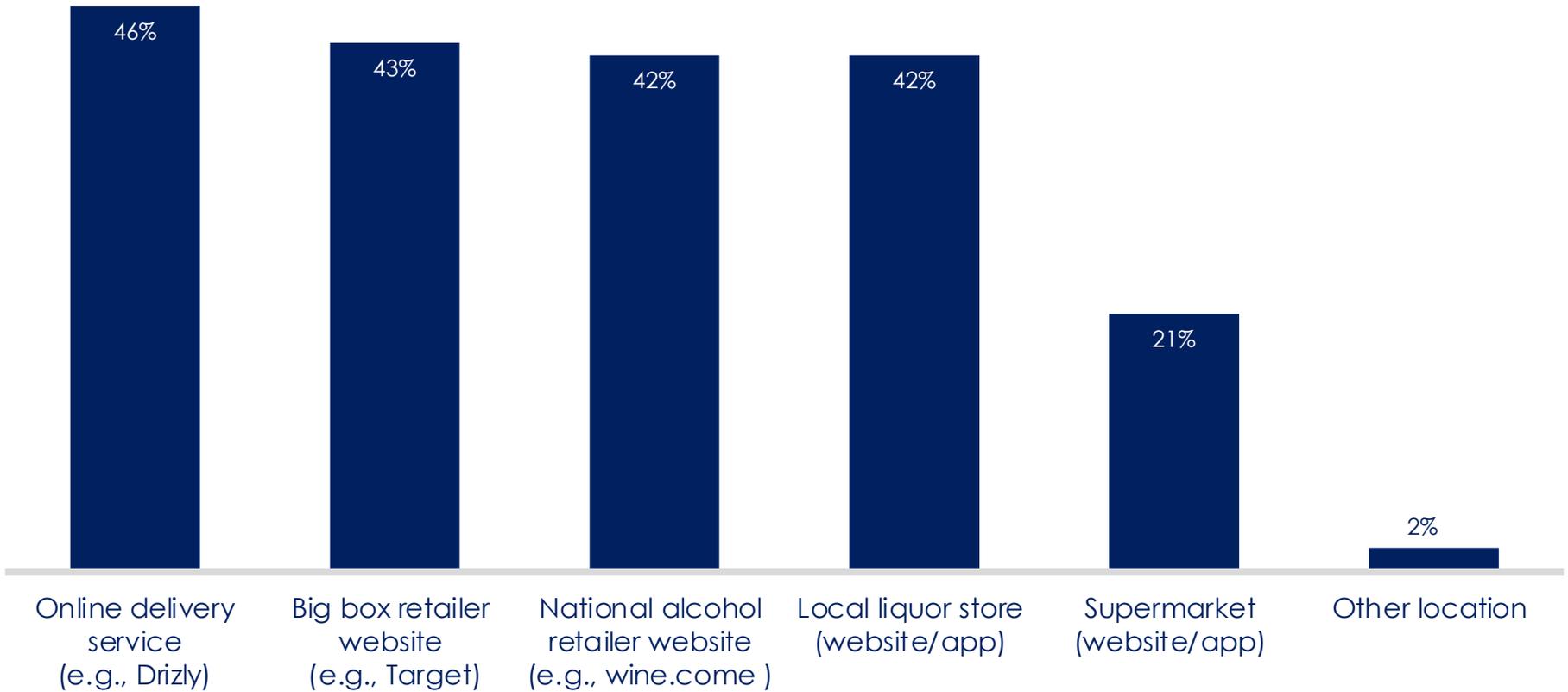
How Consumers are Purchasing Alcohol

While in-store still dominates for hard alcohol purchases, over one-quarter of liquor purchasers buy online.



Online Spirit Purchases

Consumers' online methods of purchasing alcohol are mixed.





Purchase Influencers Index

Industry Comparison





Influence of *In-Store* *Availability* on Purchase Decision *Industry Comparison*

Index

1.	Alcohol	18%
2.	Toys	11%
3.	Outdoor gear	10%
4.	Apparel	10%
5.	Fitness gear	8%
6.	Beauty/Skincare products	8%
7.	Major Appliances	0%
8.	Electronics	-2%
9.	CBD products	-16%
10.	Fine jewelry/watches	-16%
11.	Automobiles	-31%

**Index is calculated by dividing the industry percent by the average and then deducting 100%*



Influence of *Available Inventory* on Purchase Decision *Industry Comparison*

Index

1.	Airlines	19%
2.	Apparel	16%
3.	Outdoor gear	16%
4.	Electronics	14%
5.	Toys	6%
6.	CBD products	-4%
7.	Beauty/Skincare products	-5%
8.	Fine jewelry/watches	-6%
9.	Alcohol	-8%
10	Hotels	-8%
11.	Major Appliances	-10%
12.	Automobiles	-14%
13.	Fitness gear	-15%

*Index is calculated by dividing the industry percent by the average and then deducting 100%



Influence of **Price** on Purchase Decision

Industry Comparison

Index

1.	Hotels	18%
2.	Airlines	17%
3.	Toys	8%
4.	Apparel	8%
5.	Outdoor gear	7%
6.	Beauty/Skincare products	3%
7.	Major Appliances	1%
8.	Electronics	-4%
9.	Fitness gear	-5%
10.	Alcohol	-11%
11.	Automobiles	-12%
12.	Fine jewelry/watches	-12%
13.	CBD products	-17%

**Index is calculated by dividing the industry percent by the average and then deducting 100%*



Influence of *Quality* on Purchase Decision

Industry Comparison

Index

1.	Hotels	37%
2.	Fine jewelry/watches	20%
3.	Fitness gear	17%
4.	Electronics	10%
5.	Outdoor gear	7%
6.	Apparel	6%
7.	Beauty/Skincare products	0%
8.	Toys	-1%
9.	Major Appliances	-2%
10.	CBD products	-5%
11.	Automobiles	-22%
12.	Alcohol	-29%
13.	Airlines	-38%

**Index is calculated by dividing the industry percent by the average and then deducting 100%*



Influence of *Next Day Delivery* on Purchase Decision *Industry Comparison*

Index

1.	Major Appliances	66%
2.	Electronics	31%
3.	Automobiles	19%
4.	Fitness gear	17%
5.	Fine jewelry/watches	14%
6.	Outdoor gear	5%
7.	Toys	-1%
8.	Apparel	-22%
9.	CBD products	-26%
10.	Beauty/Skincare products	-37%
11.	Alcohol	-65%

**Index is calculated by dividing the industry percent by the average and then deducting 100%*



Influence of *Customer Service* on Purchase Decision *Industry Comparison*

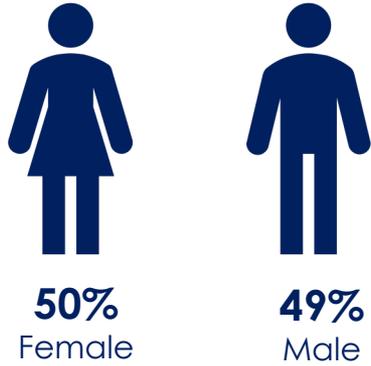
Index

1.	Airlines	51%
2.	Fitness gear	50%
3.	Hotels	47%
4.	Electronics	17%
5.	Fine jewelry/watches	12%
6.	Major Appliances	11%
7.	CBD products	4%
8.	Automobiles	3%
9.	Outdoor gear	-20%
10	Apparel	-30%
11.	Toys	-41%
12.	Beauty/Skincare products	-43%
13.	Alcohol	-61%

**Index is calculated by dividing the industry percent by the average and then deducting 100%*

Respondent Overview

Gender



*1% other identity

Generation

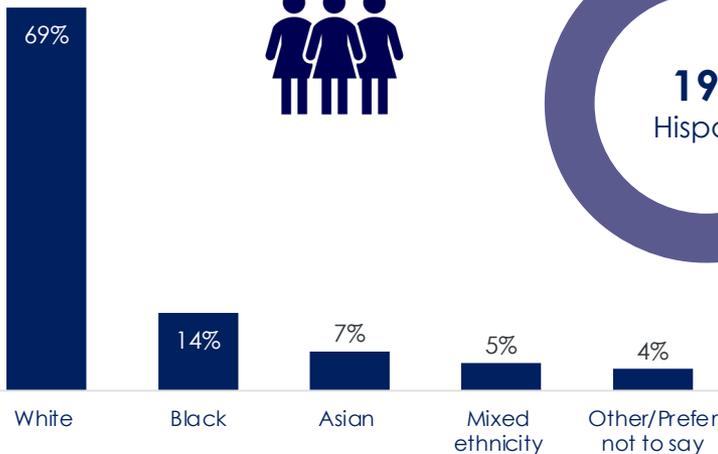
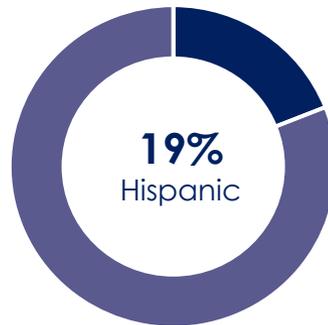
42 years old
Average Age



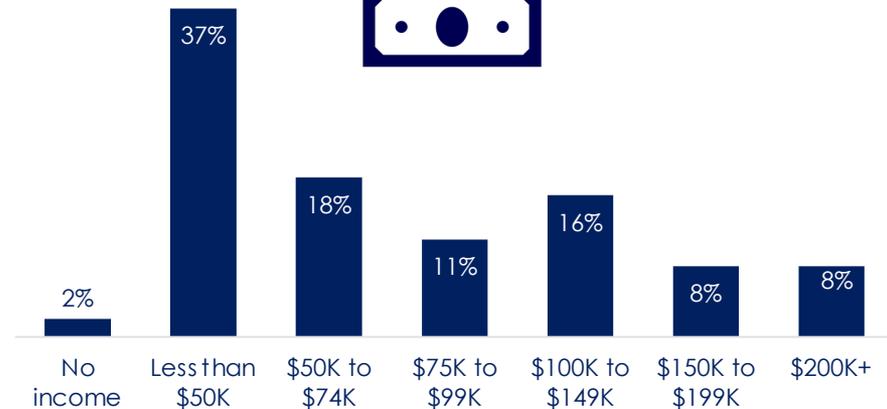
Parental Status



Ethnicity



Household Income



About Provoke Insights



Founded on the premise that research should better align with marketers' needs, Provoke Insights empowers brands to navigate through today's cluttered advertising space. This full-service market research firm solely focuses on research for **branding, advertising, and content marketing** initiatives.

At Provoke Insights, you work with a research expert who is also a seasoned brand strategist; this ensures that questions are deeply explored, and insights are cultivated and capitalized. We develop insights from the data to help guide growth for your company's vision.

For more information or press inquiries, reach out to info@provokeinsights.com.