

provoke

insights

Alcohol
Trends Research
Summer 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.

Spring 2023 Wave

As economic uncertainty looms, American consumers are changing their buying habits. Brands need to understand when consumers consider quality over price, and what purchases they are not willing to compromise.

In the sixth wave of our bi-annual trends research, Provoke Insights probes into these behaviors to understand how the economic climate has affected shopping habits across multiple categories.

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 Spring 2023.

A random stratified sample methodology was used to ensure the sample represented 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.



Alcohol Purchasing Trends

More than half of Americans have purchased alcohol in the past month. These consumers are more likely to be affluent males, live in urban areas and the Midwest, and are parents.

Consumers are purchasing this indulgence, despite noticing price increases at establishments that sell alcohol, such as supermarkets, restaurants, superstores, and e-commerce sites. Inflation has forced consumers to budget more than they have in the past three months and is making room in their wallets to purchase items through discount stores, using coupons, and buying in bulk.

However, a smaller subset of drinkers is giving up alcohol when dining out due to restaurant price increases. Additionally, many drinkers claim they could live without alcohol for a while or cut it out altogether if there was a recession.



Alcohol Shopping Preferences

Alcohol brand loyalty is mixed, with only half sticking with familiar brands. Compared to non-alcohol shoppers, they are more influenced to switch brands that better align with their values and will pay more for sustainably sourced items.

The price point also plays an influential role when selecting alcohol, as American drinkers are more concerned with cost than quality when purchasing these items.

As these consumers resonate with entertaining ads, alcohol brands would benefit from creating humorous ads to grab drinkers' attention and to help them stay top of mind while shopping for these items.

Overview

Detailed Findings



The Alcohol Shopper

is Significantly More Likely to Be

\$ 61% Household Income \$100K+

♂ 59% Males

🏙️ 59% Urban

🧭 58% Midwest

👤 58% Parents

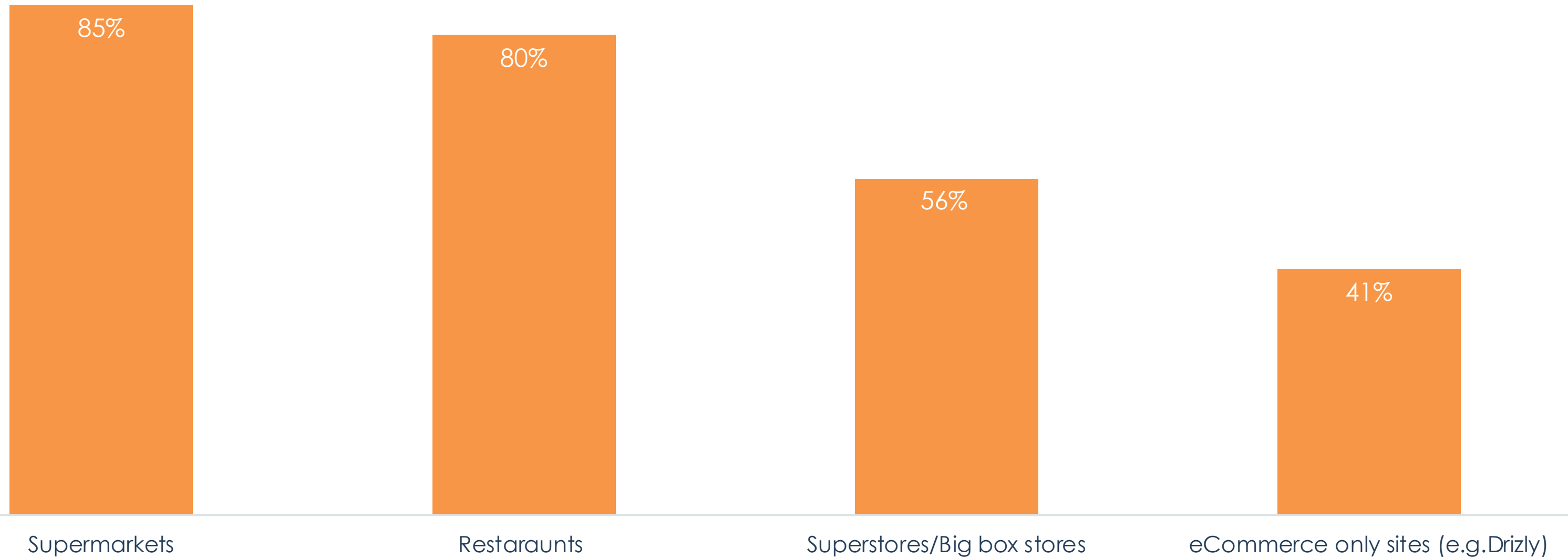
53% 

of Americans
Purchased Alcohol
in the Last Month

Price Increases



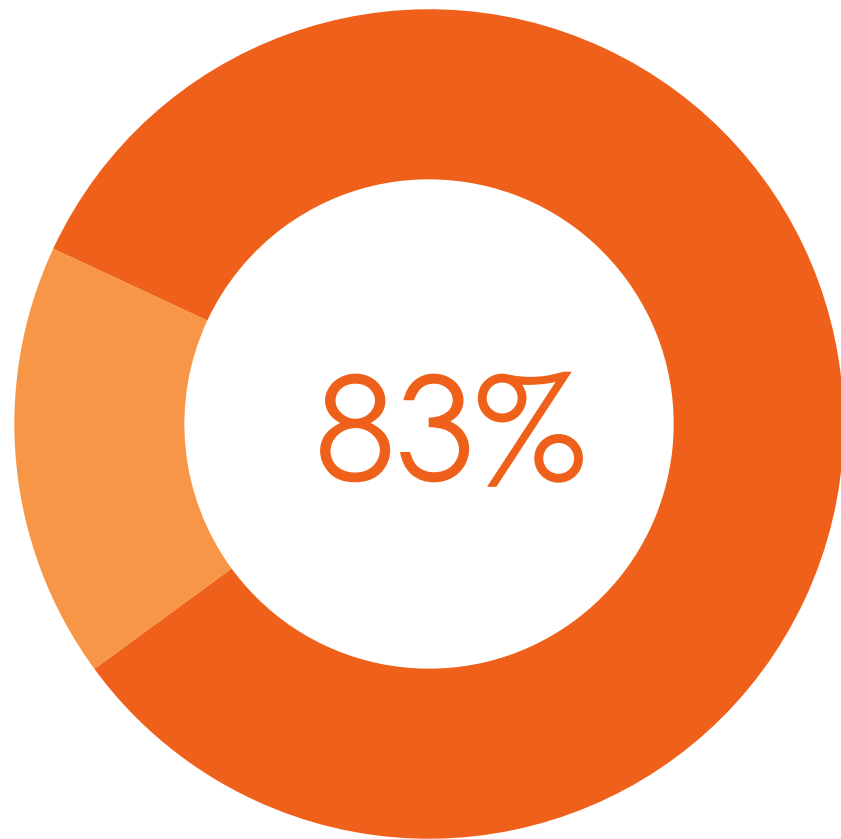
Americans see the impact of inflation at food establishments such as supermarkets and restaurants.



Spending Behavior Changes

Consumers are couponing and shopping at discount stores more.

Changed Spending Behavior in the Last 3 Months



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



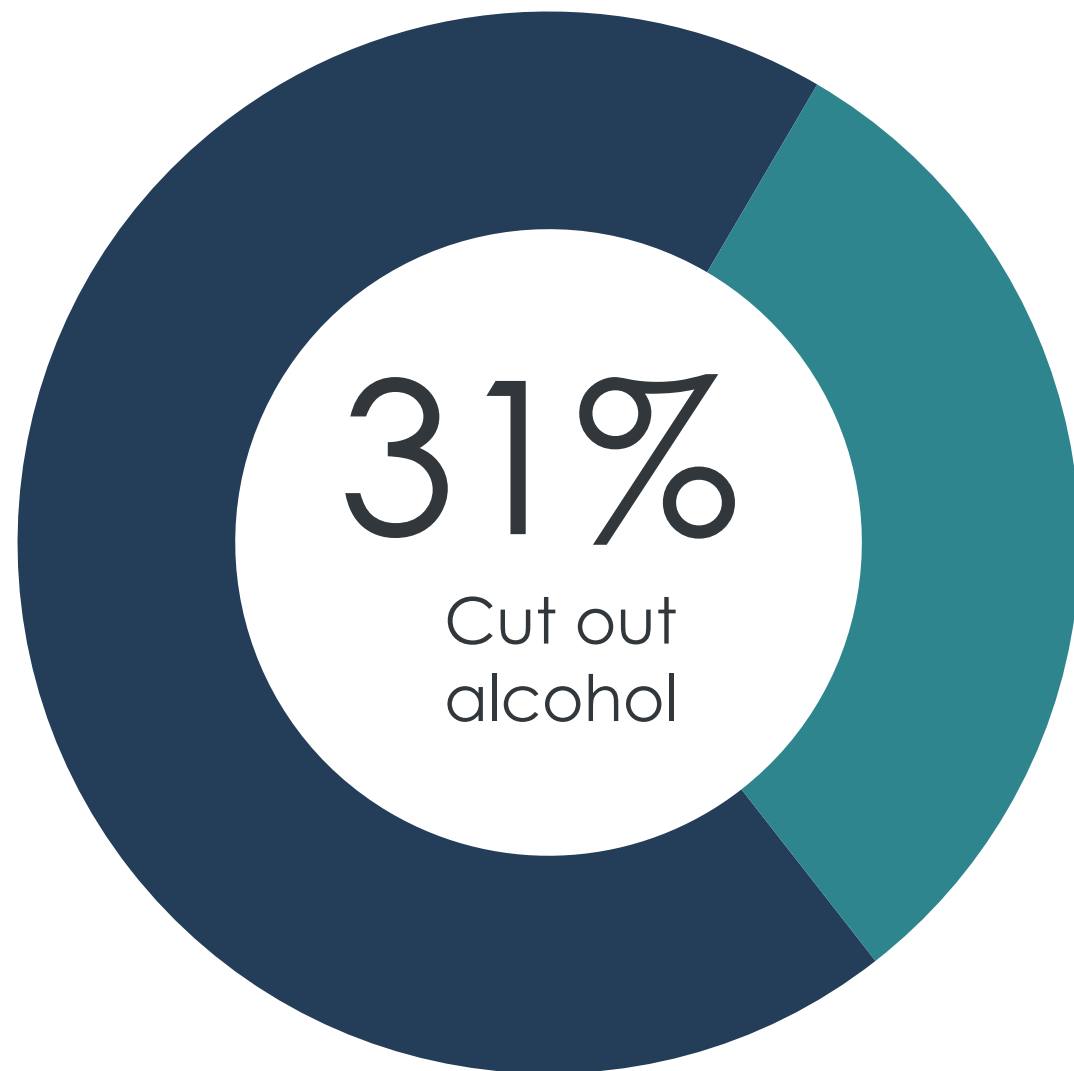
Ways Spending Behaviors Have Changed



Base: Spending behavior has changed (n=1,250)

Dining Out

Almost a third of Americans are cutting alcohol out from their meal to save money on their restaurant bill.



Whose More Likely Cutting Out Alcohol?

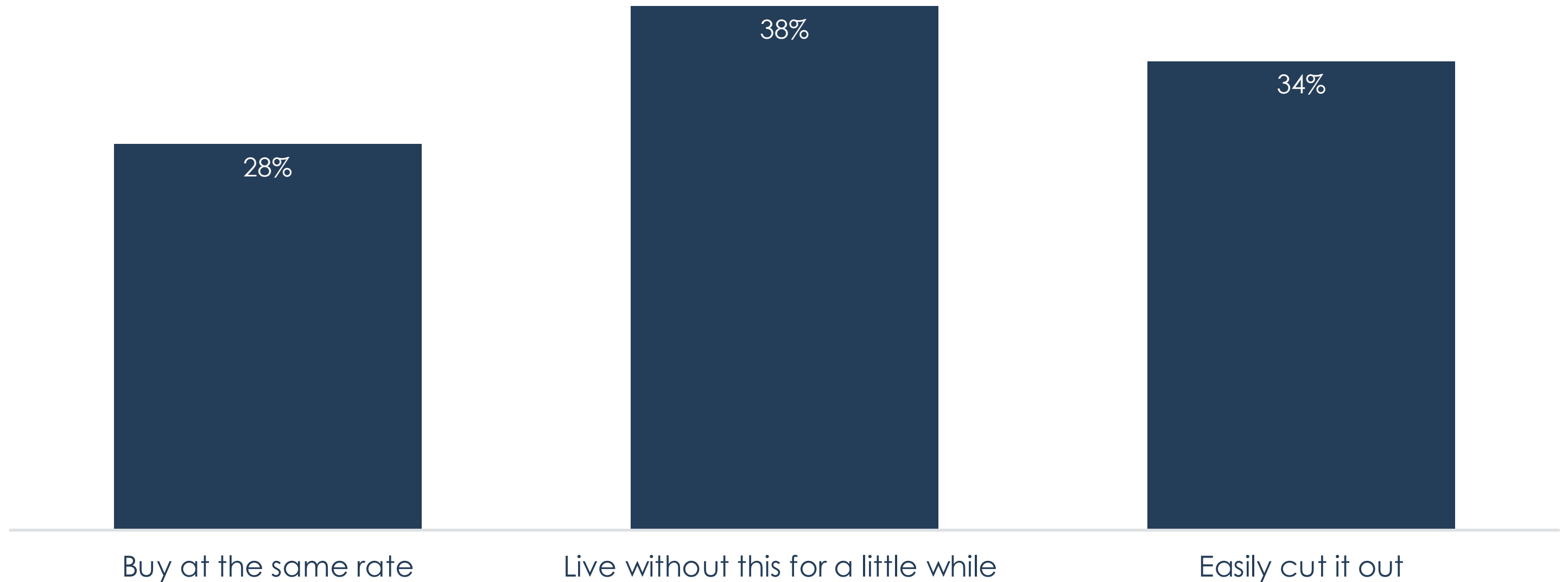
 35% Gen Z

 35% Parents

 35% Northeast

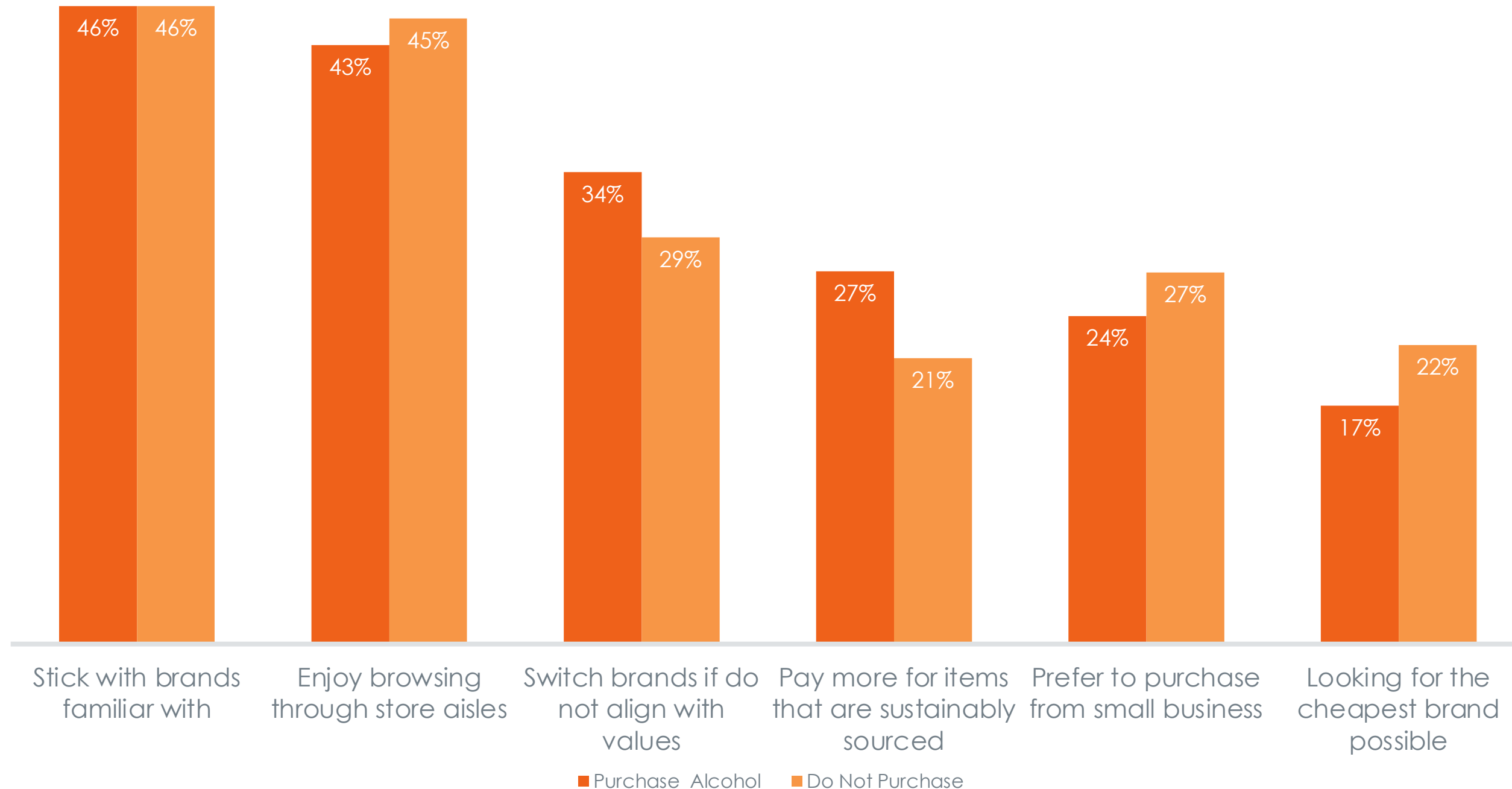
Alcohol Spending in a Recession

If a recession occurs, only a quarter of consumers will continue buying alcohol at the same rate.



Alcohol Purchasers Buying Behaviors

Half of these consumers stick with brands they know. Compared to non-alcohol shoppers they are also more likely to buy a brand more aligned with personal values.



Quality vs. Price

Americans who consume alcohol are more concerned with price than quality when purchasing these items.

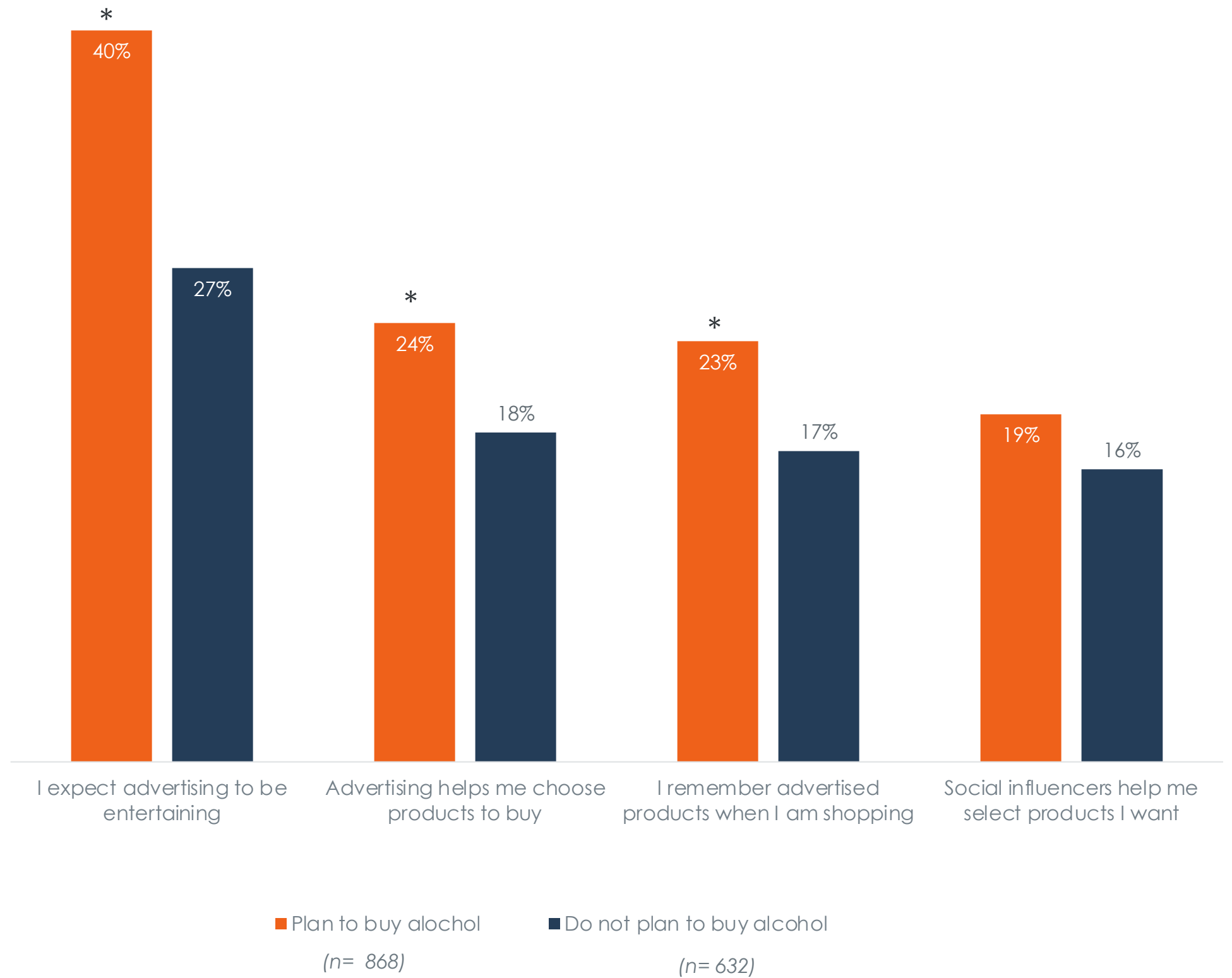
Quality Index By Industry	
Skincare	15%
Major appliances	14%
Electronics	14%
Furniture	14%
Home improvement items	9%
Fine jewelry/watches	4%
Beauty supplies	2%
Outdoor gear	1%
Apparel	0%
Fitness gear	-6%
Hotel stays	-7%
Alcohol	-12%
Toys	-16%
Airline tickets	-34%

Index created by percent who stated quality over price minus the average

Price Index By Industry	
Airline tickets	34%
Toys	16%
Alcohol	12%
Hotel stays	7%
Fitness gear	6%
Apparel	0%
Outdoor gear	-1%
Beauty supplies (not skincare)	-2%
Fine jewelry/watches	-4%
Home improvement items	-9%
Furniture	-14%
Electronics	-14%
Major appliances	-14%
Skincare	-15%

Index created by percent who stated price over quality minus the average

Those who plan to purchase alcohol are more receptive to advertising.



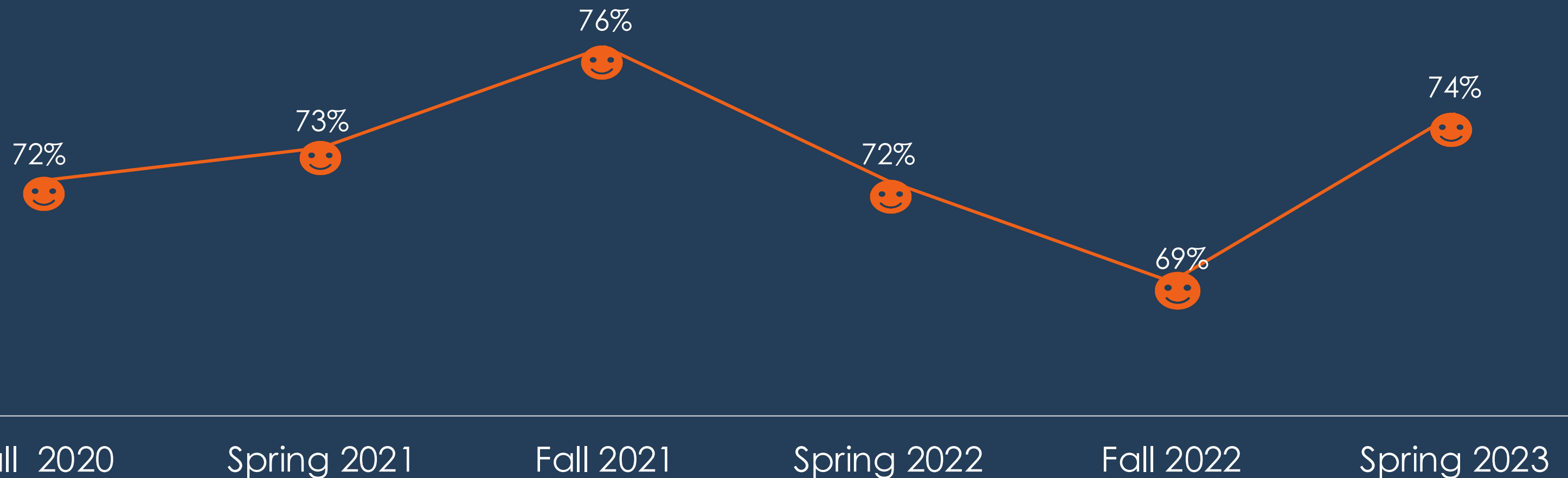
A man with dark hair and a beard, wearing a light blue dress shirt and a dark tie, is sitting at a desk. He is looking down at a document he is holding, with his hand resting on his chin in a thoughtful pose. The background is slightly blurred, showing a blue box and some papers on the desk. The overall lighting is soft and professional.

External Trends Impacting Brands in Spring/Summer 2023

Consumer Optimism


Optimism levels are at the highest levels since Fall 2021.

Very/Moderately Optimistic




Finding the Optimism in Everyday

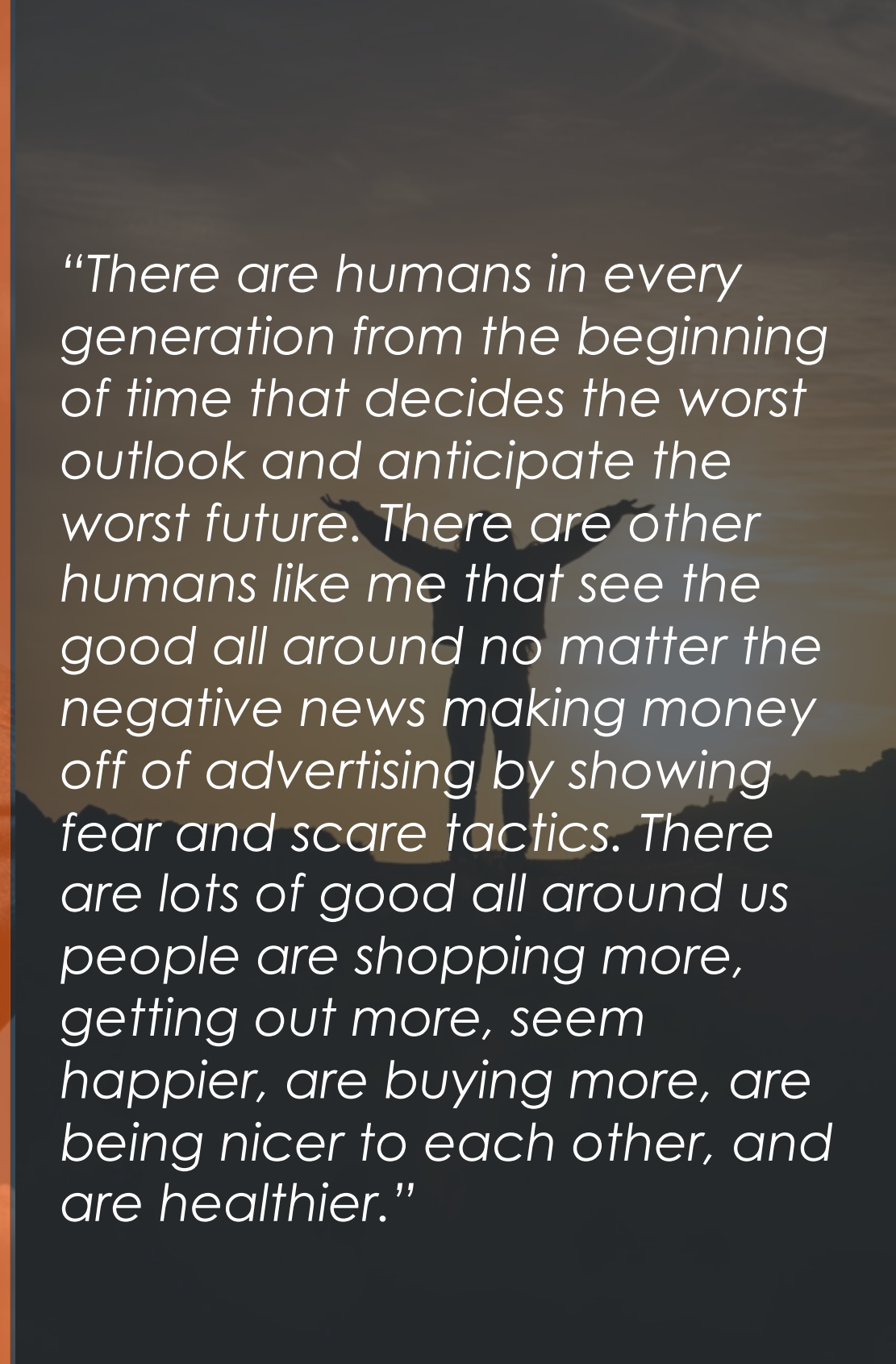
"I am optimistic about the future because of the younger generation. Today's youth are growing up in a more inclusive, diverse, and progressive world than ever before. They are passionate, informed, and eager to make a positive impact. Young people are driving change through activism, innovation, and social entrepreneurship. They advocate for a better future, demand action on important issues, and challenge the status quo."



"I am generally optimistic and believe that "tomorrow is another day", meaning every day is an opportunity to improve upon the past and make a brighter future."



"There are humans in every generation from the beginning of time that decides the worst outlook and anticipate the worst future. There are other humans like me that see the good all around no matter the negative news making money off of advertising by showing fear and scare tactics. There are lots of good all around us people are shopping more, getting out more, seem happier, are buying more, are being nicer to each other, and are healthier."



Government & Inflation Fuel Lack of Optimism

Divisive Government

“If our country were less politically and economically divisive, I would feel more optimistic. People have lost the ability to disagree in a civil manner. Our healthcare system is a nightmare. We do not take care of our society's most vulnerable.”

“People stop hating each other over politics & race, opinions. Get rid of political parties only interested in themselves.”

“Government that works for the majority of the people not just the interests that give them money.”

Inflation

“What would make me more optimistic about the future is an increase in personal finances and a decrease in the cost of everyday items and necessary products and services such as gas, clothing, utilities, and food”

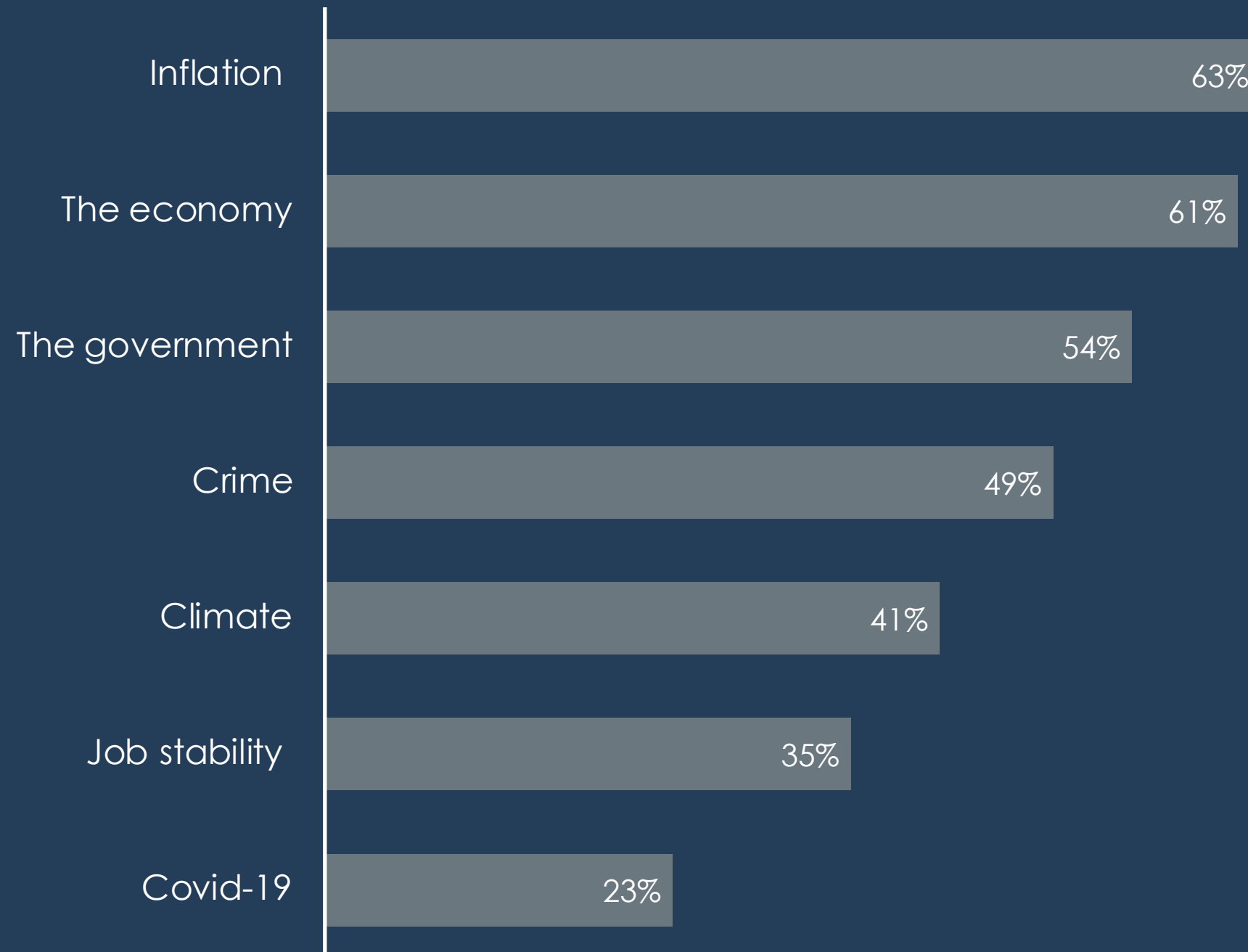
“If inflation were to go down.”

“Making sure I am financially stable and have money for my son.”

Top Concerns Impacting Consumers

Inflation and the economy are the leading issues impacting Americans.






Extremely/Very Concerned
(5-point scale)





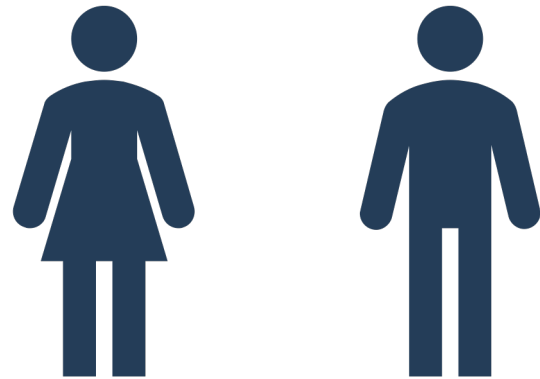
62% of
Americans are
Concerned with the
Economy

Who is Significantly More Likely to Be Concerned About the Economy

-  74% Not Optimistic
-  70% Republican
-  69% Budget Conscious
-  68% Live in Rural Areas
-  66% Live in the Northeast

Respondent Overview

Gender



51%
Female

49%
Male

*<1% other identity

Generation

42 years old
Median Age

Z 16% Gen Z

X 30% Gen X

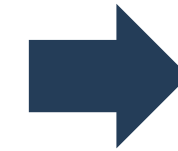
M 35% Millennials

B 18% Baby Boomers

Parental Status



40%
Have children

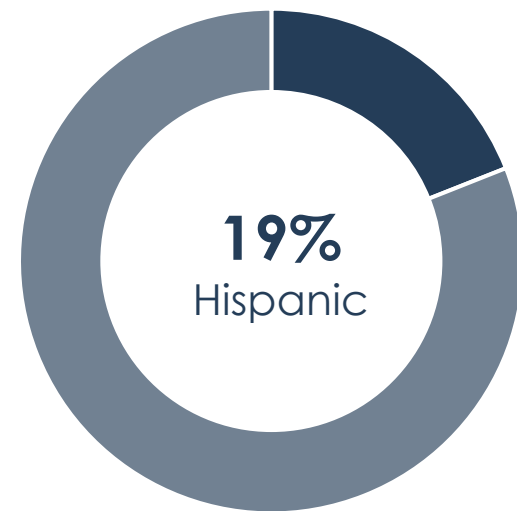


57%
Moms

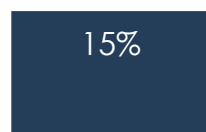


43%
Dads

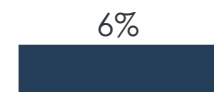
Ethnicity



White



Black



Asian



Mixed/Other/Prefer not to say

Household Income

