Alcohol Manufacturers Drink In Profits From At-Home Consumption, Reports Mintel

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Mintel research finds that more consumers are throwing back their glasses at home, instead of in bars or restaurants.

Among alcohol drinkers, 90% consume alcoholic beverages at home, compared to 77% who drink outside the home.

Furthermore, those surveyed consume almost twice the amount of drinks at home in an average month than they do in restaurants or bars (10 vs. 5.7).

The nearly $80 billion off-premise alcoholic beverage market has grown 21% since 2004 as more consumers cut back on eating out in light of trying economic times.

Drinkers are also cutting back in terms of the alcohol theyâ€™re purchasing for at-home consumption â€“ 28% of respondents who drink alcoholic beverages at home have traded down to less expensive brands than last year to save money.

â€œIn a price-sensitive environment, consumers may shy away from discretionary expenses, like alcohol, to save a few bucks,â€• says Garima Goel-Lal, senior analyst at Mintel. â€œAbout half of those who report drinking alcohol at home are drinking less than they did a year ago, but the market is still enjoying viability.â€•

While beer enjoys the largest share of market sales (48%), wine is the most popular alcoholic beverage consumed off-premise, with 67% of those who drink alcohol at home indulging in a glass. Distilled spirits are consumed by 57% of respondents and regular beer by 53%.

â€œThe wine market has seen a magnitude of innovations, due largely in part to winemakersâ€™ need to break free from stereotypes that may have been alienating younger users,â€• adds Garima Goel-Lal. â€œRecently weâ€™ve seen an array of packaging innovations, unpretentious labels and food-wine pairings to attract lucrative demographics previously unheeded by wine manufacturers.â€•

More than two in five respondents who drink alcohol at home (43%) say they are very knowledgeable about alcoholic beverages, with 35% gleaning information from magazines or television.

Thirty-one percent cite the Internet as their primary source of alcoholic beverage research. More than half of respondents who drink alcohol at home are influenced by promotional or discounted prices of alcoholic beverages.

Source: Mintel Oxygen Reports

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