



# Where Have All the Young Drinkers Gone? A New Report Has Answers.

**New York, October 18 , 2023** — *Where have all the younger drinkers gone?* It's the question that everyone who works with beverage alcohol has been asking themselves.

A new benchmark study released today offers answers. Based on a national survey of 1,300 drinking age U.S.-based Gen Z and Millennial consumers, the report reveals what's shaping new consumption trends.

"The key takeaway for us was that social norms around drinks in general are changing," said Erica Duecy, Co-founder of Business of Drinks. "There are huge implications here for the way that wine is marketed to new audiences."

According to a recent [Gallup report](#), the number of adults under the age of 35 who drink alcohol has fallen to 62% — down from 72% a decade ago. Even those who do drink alcohol are drinking less than in the past; fewer than four in 10 now drink regularly.

"While the changes have been relatively dramatic for these young beverage consumers, a full understanding of the reasons for the shifts has been less clear and not fully investigated," said Roger Brooks, founder of Research & Marketing Strategies. "It was an area that begged for additional research."

The report — "Millennials and Gen Z: A Comprehensive Study of Alcohol and Non-Alcohol Beverage Purchase and Consumption Behavior," a joint venture between the [Business of Drinks podcast](#) and Research & Marketing Strategies — offers a fresh look at what these younger audiences drink, along with what influences their buying decisions.

At more than 90 pages, the report offers an in-depth analysis of Millennial and Gen Z drinking preferences — with a special section dedicated to wine.

### **Five Key Report Insights:**

#### **1. Soft drinks are the big winner.**

In a world where everything is available, both Gen Z and Millennials are reaching for soft drinks. These were, by far, the most consumed beverages across both age cohorts. What three quarters of respondents liked about them was their flavors, while two thirds appreciated how easy they are to find. Soft drinks emerged as the most versatile beverage, with people willing to enjoy them at just about every social occasion.

2. **Millennials drink more alcohol than Gen Z.**

After soft drinks, wine and major beer brands were tied in second place for Millennials; wine was in second place for Gen Z, followed by major beer brands, spirits, and hard seltzers. Overall, Millennials reported drinking more alcohol, across all categories. The only category that Gen Zs consumed more of were non-alc cocktails. When Millennials are enthusiastic about wine, they consume it from two to three times per week, to every single day. But this only represents 25% of the cohort. Many other Millennials find the category confusing. They also worry that it will make them put on weight, or that it will give them a headache.

3. **Flavor, flavor, flavor.**

Over and over, respondents emphasized the importance of flavor. While flavor is extremely important to both segments, it's especially important for Millennials; just over 80% of this group said that flavor was extremely or very important to them. But don't discount its importance for Gen Z who, according to [research from the food industry](#), consistently rank flavor as among their most desired attributes. In our study, flavor came in as extremely or very important 75% of the time for Gen Z. In a warning for the wine industry, many respondents reported that wine didn't deliver the flavor goods they were seeking.

4. **Price matters.**

With less money to spend than older drinkers, value for money counts for a lot. Just over 33% of Gen Z said that major beer brands were good value for money, while 34.8% of Millennials agreed; 30% of Gen Z agreed that hard seltzers were good value for money, with 27% of Millennials agreeing.

When it comes to wine, 27.4% of Millennials think it's good value, compared to 24% of Gen Z. In other words, about 75% of both cohorts do not think wine is good value. More than two thirds rarely, if ever, spend over \$30 for a bottle of wine, while 50% of the respondents rarely or never spend over \$50, suggesting it will be hard to convince this cohort to trade up, as per the premiumization trend. Most importantly, price is the top purchase driver in deciding what kind of wine, or brand, to buy, with around six in 10 saying price is extremely or very important.

5. **Friends and family shape preferences.**

Younger audiences care more about what the people around them are drinking than they do about critics and scores. Online, Millennials and Gen Zs turn to social media and online search as their most relied-on online resources for finding wine; wines tried in restaurants also play a big role. At the bottom of their list? Wine apps, wine publications, and critic scores.

These five insights represent a fraction of the information contained in the report. From category preferences at specific drinking occasions to drivers of discovery and purchase, the insights

from this report can help marketers develop a data-backed roadmap for product development, sales, and advertising.

### **About the study**

The study was conducted during August and September 2023. More than 1,300 people were surveyed, 600 of whom were legal drinking-age members of the Gen Z generation, whose cohort began in 1997. The rest were Millennials, born between 1980 and 1996.

The respondents were geographically spread across the continental U.S.A., to ensure that they were a representative sample.

While the first half of the report focused on beverages in general, the second half was devoted solely to wine, the alcohol category that has seen the greatest relative consumption decline among these age groups.

The study examines:

- How are Millennials and Gen Zs interacting with alcohol?
- What are they drinking when they're not drinking alcohol?
- Why do they choose one type of beverage over another?
- Who and what is influencing their purchase and consumption behavior?
- Are social norms around beverages and beverage occasions changing – and if so, how?

One section of the study focuses on wine, asking:

- How has Covid changed wine consumption for these audiences?
- Which regions and styles of wines do they prefer?
- Who or what drives wine purchase and consumption?
- On which drinking occasions is wine preferred over other beverages?
- How much are younger audiences willing to spend on wine?

The report is available for purchase and download at:

<https://www.researchandmarkets.com/reports/5892638/millennials-gen-z-comprehensive-study-alcohol>

For comment, interviews or additional information, please contact [info@businessofdrinks.com](mailto:info@businessofdrinks.com)

### **About Research & Marketing Strategies**

[Research & Marketing Strategies](#) is an independent marketing research and strategy consultancy established by longtime researcher Roger Brooks. His mission is to leverage more than 25 years of widely diverse custom corporate marketing research expertise primarily for the wine industry (a key focus), startups, and non-profit organizations.

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**About Business of Drinks**

Business of Drinks is the brainchild of longtime journalists Erica Duecy and Felicity Carter. Its purpose is to follow the money through the world of drinks, assessing where the opportunities lie for drinks brands and stakeholders throughout the three-tier system. It's both [a podcast](#) and a content studio that produces articles and research reports, while also offering content strategies for the beverage industry.

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