

CHEF'S STORE INDUSTRY REPORT:

The Future Of Alcohol In Restaurants

The pandemic changed the landscape of alcohol consumption and alcohol trends in 2020. Many states saw the birth of to-go cocktail sales, which helped boost a floundering restaurant revenue stream. Consumers embraced new spirits and hard seltzers exploded on the scene. Many of the 2020 trends continued through 2021 and are expected to gain more momentum in 2022.

An Overview of Alcohol Consumption and Sales

Where are alcohol sales heading in the future? Examining customer habits and revenue predictions can help restaurant owners plan for 2022.

Alcohol Sales are Instrumental in Businesses Surviving COVID-19

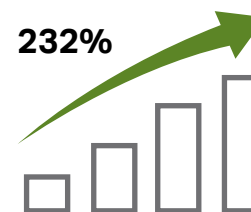
In 2020, off-premise drink sales helped increase ticket prices, customer traffic, and boosted revenue.



Overall alcohol sales were up **24 percent**¹ in 2020 during the pandemic.



More than **35 states**² allowed the sale of to-go alcoholic beverages to help increase revenue for restaurants in 2020.

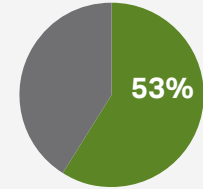


Online alcohol sales were up an impressive **232 percent**³ by the end of 2020.

Alcohol Consumption is Up

In 2020, Americans consumed more alcohol than previous years, and that trend is expected to continue its upward trajectory.

- **53 percent⁴** of Americans currently consume alcohol, which is up from **51.7 percent⁵** from previous years.
- Over the next 6 years, the alcoholic beverage market is anticipated to grow at a compound annual growth rate of over **4 percent⁶**.



Alcohol Market Sales Will Boom in Years to Come

The continued growth of the alcohol market can be a crucial revenue stream for restaurants.

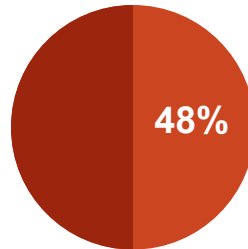
\$249.1 million in 2021

\$284.1 million in 2022

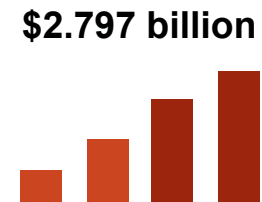
The United States saw approximately **\$249.1 million⁷** in alcoholic drinks revenue in 2021, which is expected to climb to **\$284.1 million⁸** in 2022.



There is an expected **3.6 percent⁹** volume growth in the alcohol sales market for 2022.



48 percent¹⁰ of alcohol market spending is predicted to come from bars and restaurants by 2025.



The global alcohol sales market is anticipated to get as high as **\$2.797 billion¹¹** by 2028.

What Does the Future Hold for Beverage Trends?

Consumer habits during 2020 helped lay the groundwork for beverage trends in 2021 and are shaping drinks fads in 2022.

The Rise and Continuation of To-Go Cocktails

Beer, wine, and mixed drinks available for takeout weren't just phenomena in 2020. In fact, to-go cocktails have had a strong foothold in 2021 and are predicted to stay in many areas for 2022 and beyond.



In 2021, **16 states**¹² permanently approved the sale of takeaway cocktails.



14 states¹³ have extended to-go cocktail sales. California's recent extension lasts until **2026**¹⁴.



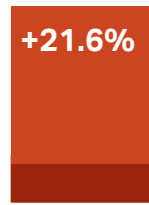
Serving alcohol for takeout and delivery could increase off-premises sales by **5-10 percent**¹⁵.

What Alcoholic Drinks Were Most Popular Among Consumers?

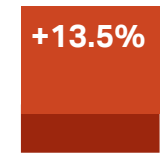
2020 and 2021 saw an uptick in high-end spirits and sparkling beverages across the board.



Tequila
31.4%¹⁷



Brandy and cognac
21.6%¹⁸



Whiskey
13.5%¹⁹



Sparkling wine sales totaled \$1.8 billion in sales in 2020, a 20.3 percent²⁰ growth compared to 2019.



Hard seltzers skyrocketed with an unpredicted 203 percent²¹ increase in sales.

2022 Beverage Predictions Based on Data

While we wait to see what the most sought-after alcoholic beverages will be in 2022, we can make a few predictions about what bar and restaurant owners should plan for going forward.

Top Alcohol Trends Expected to Continue



Hard Seltzers:

Low in alcohol with plenty of bubbles, seltzer-based drinks are here to stay. Seltzers have an expected volume growth of **33.2 percent²²** in 2022. By 2025, **47 percent²³** of seltzer sales are predicted to come from bars and restaurants.



Ready to Drink Cocktails:

Born from pre-made to-go cocktails, canned ready-to-drink (RTD) beverages are trending upward. Between 2020 and 2021, RTD beverages increased by **126 percent²⁴**. As a result, **60 percent²⁵** of retailers are planning to stock more RTD options in 2022.



Tequila:

Agave-based spirits like tequila and mezcal will be big in 2022. **80 percent²⁶** of retailers are increasing their stock, and we could see a **5 percent²⁷** compound annual growth rate growth between 2021 and 2026.

LOOKING FORWARD: The Growth of Alcohol Sales Market Means More Revenue Potential for Restaurants

The ability to offer drinks to-go have fueled a booming new trend over the past two years. Restaurants of all styles are actively offering more drink options to capture this growing revenue stream.

Restaurants can get ahead of the curve and stock trendy cocktails to help boost sales and increase their customer base by providing them drinks they want in a quick and convenient way.



www.chefstore.com

Sources:

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