

Innovation on Tap

Does Dry January end on the 31st?

*Or are evolving consumer
preferences changing the
beverage industry for good?*

A consumer insights report by

Highlight.

Drinking habits are changing, but not the way you think

Drinking is not a zero sum game.

While there are consumers who abstain completely, for most of us, drinking alcohol is occasion-based. Maybe we'll drink on holidays. Maybe we'll have a mocktail when we're designated driver. Maybe we'll pause while pregnant, or training for a marathon.

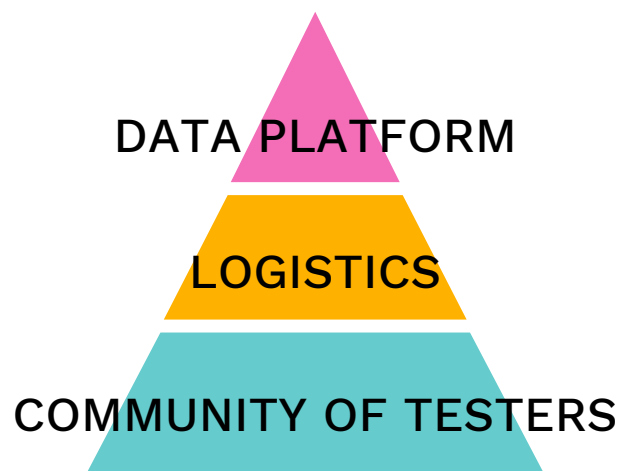
[According to NIQ](#), 82% of people who buy non-alcoholic drinks also purchase drinks that contain alcohol. In other words, the world isn't going cold turkey. But, as the average consumer seeks out healthier options, their purchase habits for alcoholic (and non-alcoholic) beverages are inevitably evolving.

Highlight's product testing solution integrates:

About the study

Highlight is a three-part physical product testing solution: an owned community of nationwide testers, a logistics and shipping solution, and an [insights platform](#) that delivers consumer and sensory data in real time.

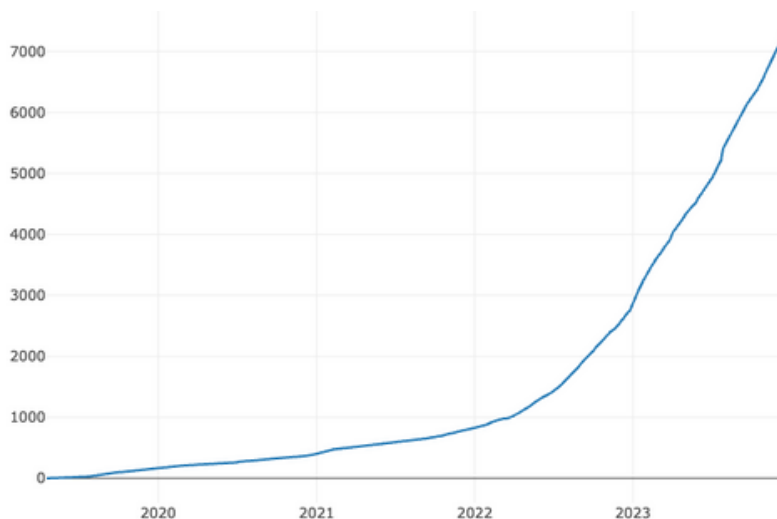
For this trend report, Highlight polled our proprietary audience in January 2025 with a 14-question survey to gather both quantitative and qualitative data on alcoholic and non-alcoholic beverage consumption habits. In total, 2,000 respondents from across the country completed the survey.



What's fueling the change in alcohol consumption behaviors?

The non-alcoholic drinks space is [expected to grow](#) to \$30 billion in 2025 as more Americans change up their drinking habits. Subreddits like [r/SoberCurious](#) have exploded in subscriber growth, while other Reddit users [lament the loss](#) of drinking-oriented communities that used to be so popular on the platform. Headlines declare the destruction of [wine vineyards](#) and the closure [craft breweries](#).

Subscribers over time, r/SoberCurious



via [subredditstats.com](#)

So, is drinking really out? An interview from [Food Dive](#) last year with Laura Taylor, founder of Mingle Mocktails, reveals more: “I see [our products] as more of an overarching, inclusive beverage,” said Taylor. “Somebody like me who doesn’t drink can enjoy it, but my husband can throw in some vodka.”

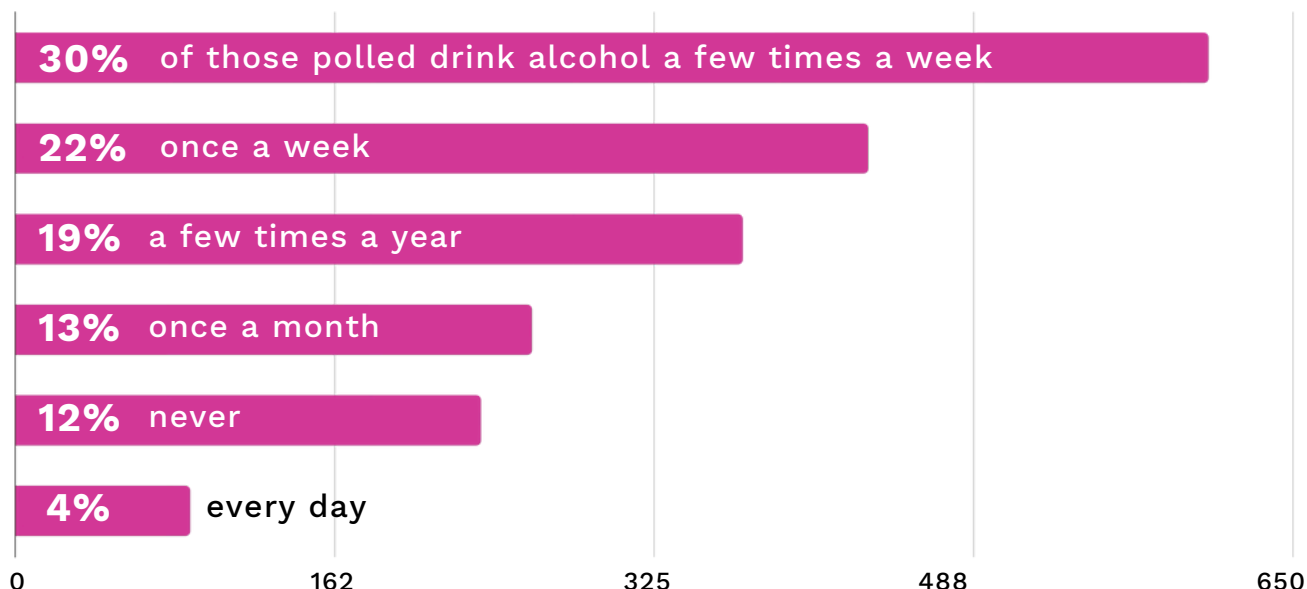
Notably, Mingle’s ready-to-drink cans contain 35% less sugar than a regular 4-ounce rosé, and was identified as the fastest-growing brand in the non-alcoholic spirits category in 2024.

There’s no doubt American shoppers are seeking healthier choices. (See [Highlight’s report on the growth of “Better for You”](#) from 2024 for more info.) With alcohol officially linked to cancer ([per the surgeon general](#)), it’s no surprise that consumers are seeking out beverages that are better for them in every way, whether that means lower in alcohol, sugar, or additives like [red dye 40](#).

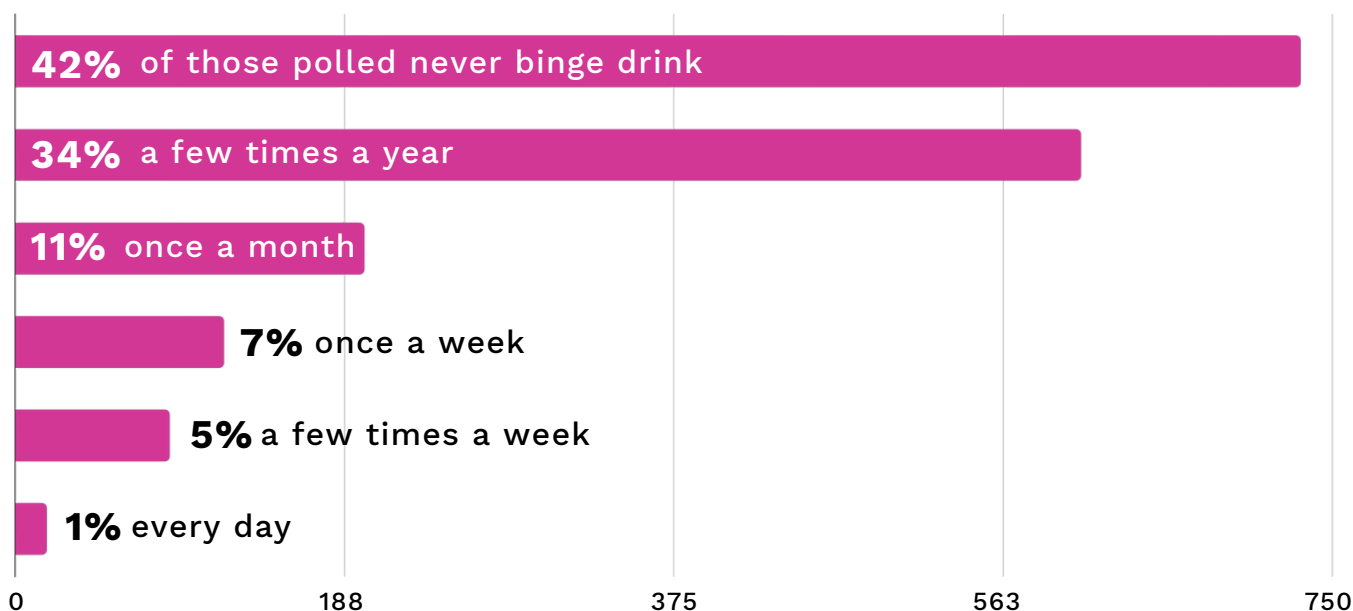
How much are Americans drinking?

Highlight surveyed our nationwide proprietary panel to ask 2,000 respondents about their current alcohol drinking and purchase habits.

How often do you drink alcohol?



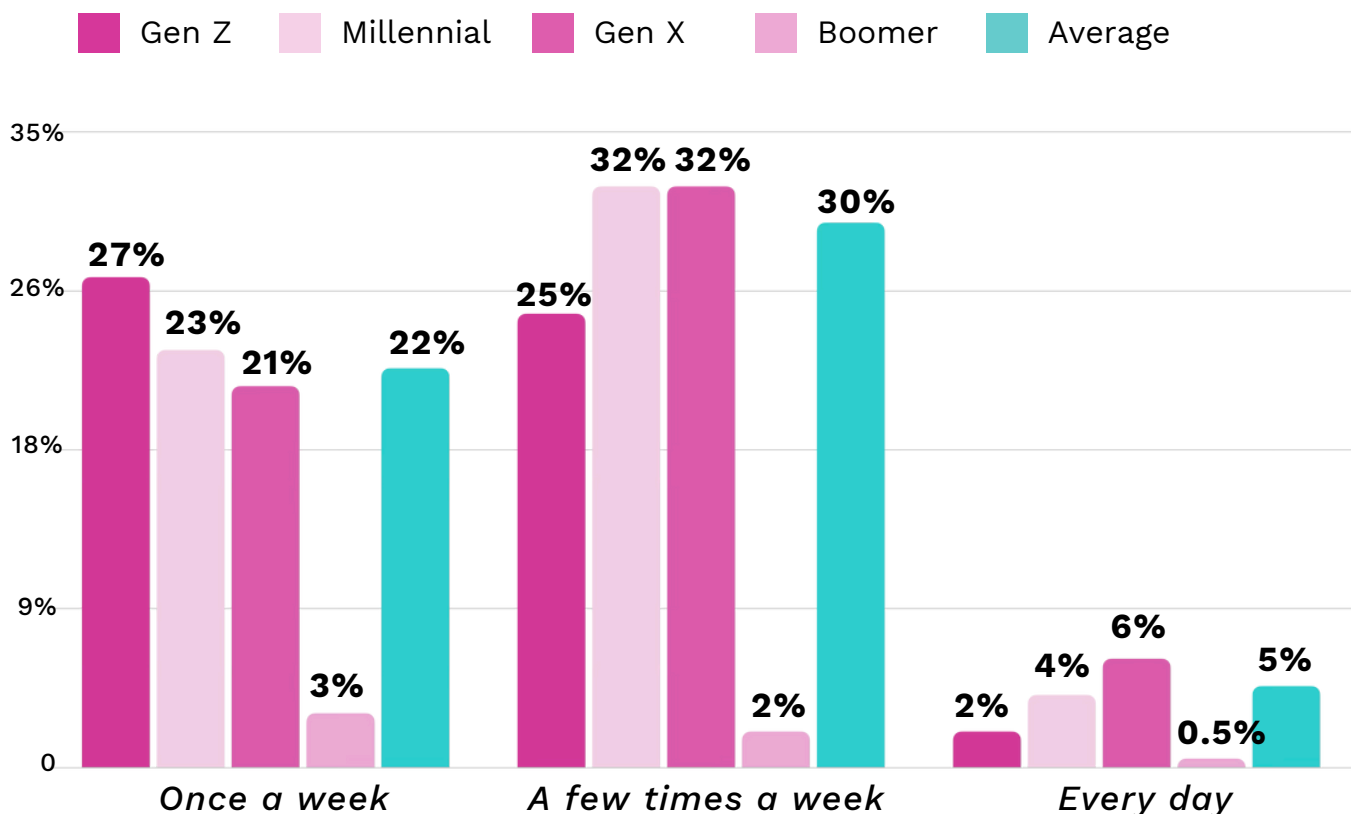
When asked about binge drinking specifically (defined as 4 or more drinks for women or 5 or more drinks for men in one sitting), answers were very different:



Do alcohol consumption habits really vary by generation?

Are the headlines decrying the decline of alcohol consumption in Gen Z consistent with Highlight's survey findings? The answer is: not really.

Alcohol consumption frequency by generation



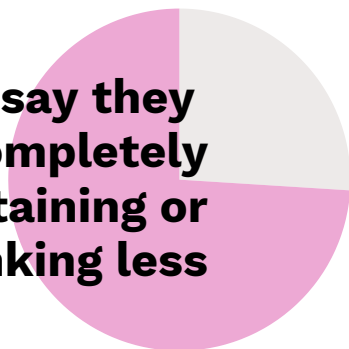
The data displayed above was the strongest evidence we found of any reported decline in Gen Z alcohol consumption: While Millennial and Gen X drinkers most popularly reported drinking multiple times a week, Gen Z most popularly answered once a week. While that may be less than the generations before them, that's hardly a complete departure.

Regardless of how we sliced and diced the data, the most prominent trend revealed was that alcohol consumption and frequency tends to decrease with age—an “insight” anyone who has aged can tell you.

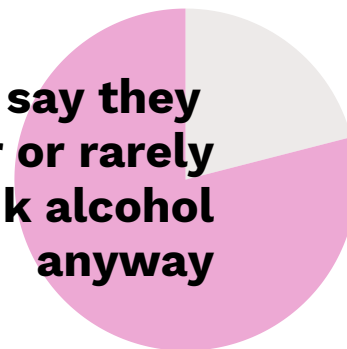
The impact of Dry January and New Year's resolutions

Although 53% of respondents answered that they are not participating in “Dry January,” there’s more to the story here:

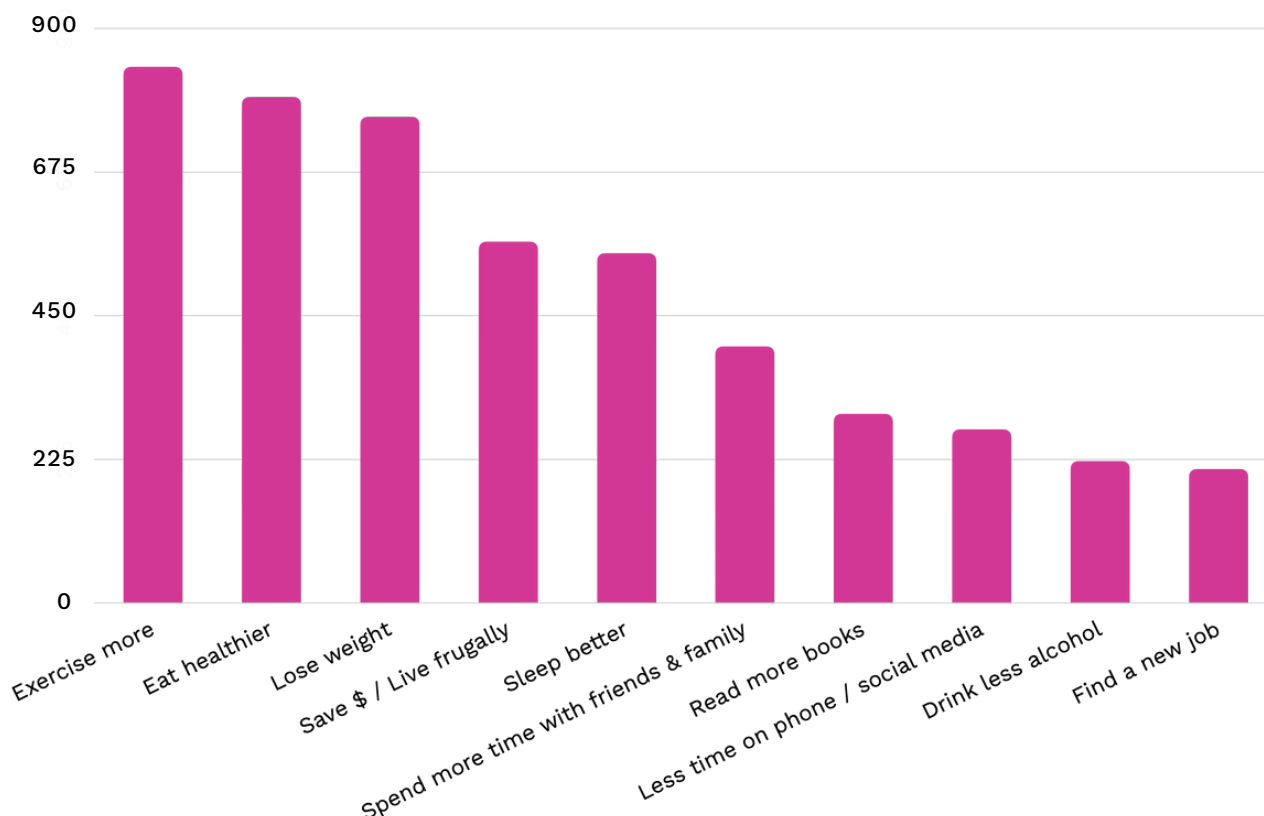
26% say they are completely abstaining or drinking less



21% say they never or rarely drink alcohol anyway



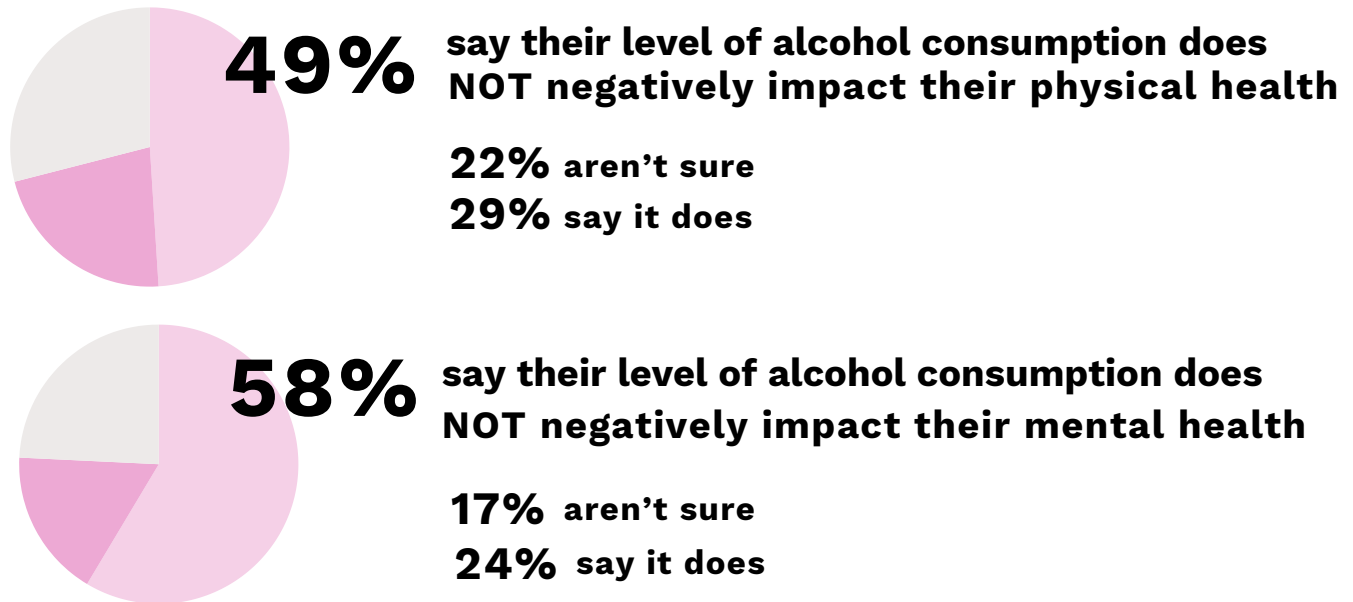
91% of respondents said they are pursuing at least one New Year's resolution. The top 10 most popularly chosen resolutions were:



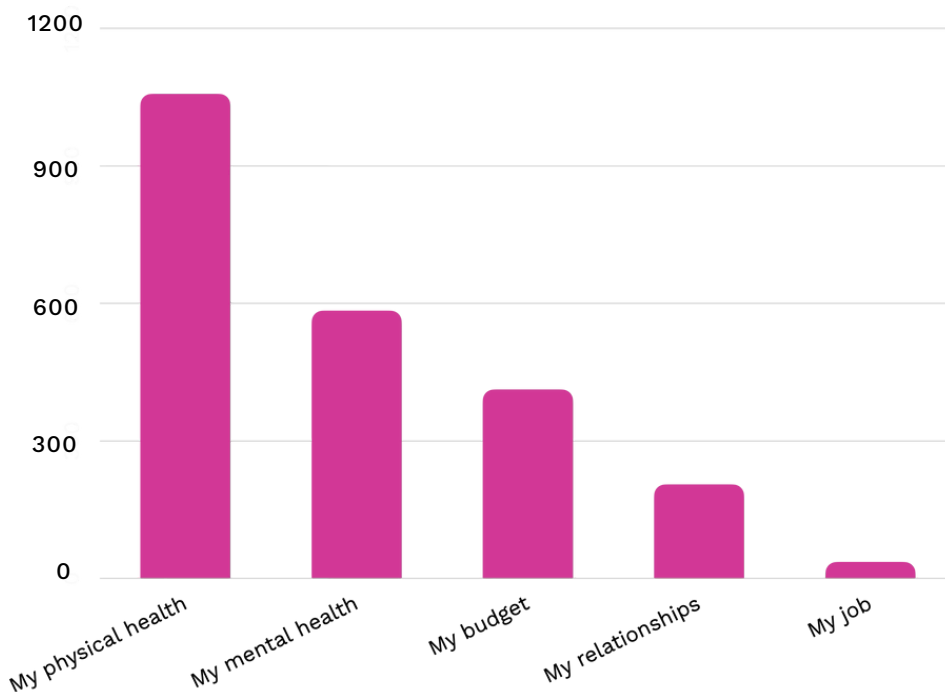
While “drink less alcohol” made the top 10, the more commonly chosen resolutions point to other healthy living goals.

Consumers are split on alcohol's impact to their health

Highlight asked respondents what they believe alcohol's impact on their health to be:



Yet, **32%** say they are motivated to curb their drinking for the following reasons:



While many who consume alcohol believe they do so in a healthy way, those that choose to moderate their drinking are primarily motivated by a drive to promote their personal health.

Curiosity for alcohol alternatives is strong...

Consumers are already trialing non-alcoholic products that are available in their areas.

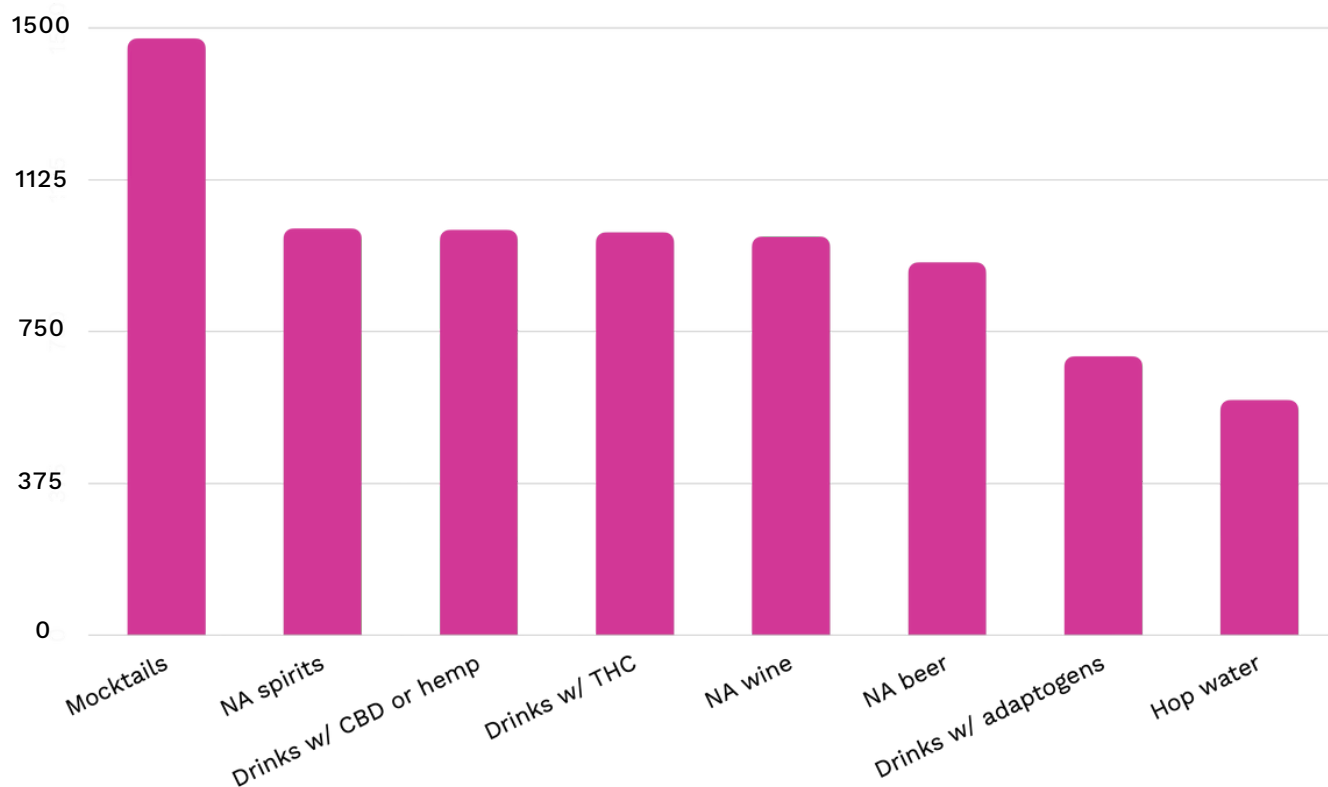


55% purchased or consumed non-alcoholic beverages in the past six months

In the past six months:

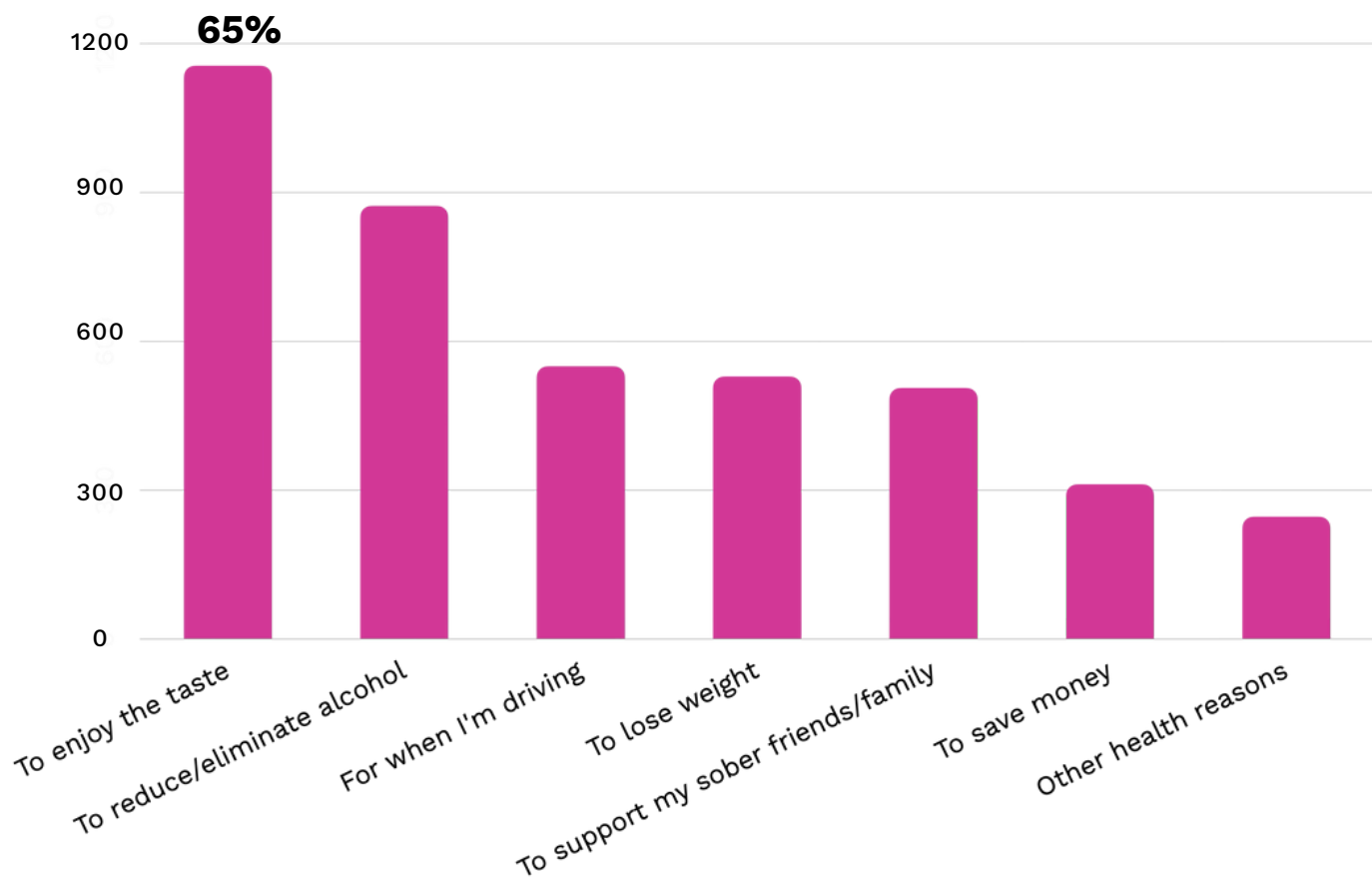
- 65% of respondents had tried mocktails
- 45% had tried non-alcoholic (NA) beer
- 27% had tried drinks containing CBD or hemp
- 24% had tried NA spirits
- 24% had tried NA wine

89% of respondents said they'd be interested in trying non-alcoholic beverages if they were available locally, including:



...but it still always comes back to taste.

Consumers clearly have a desire to seek out products that promote their health, and for many, alcohol replacements are a part of that effort. But when we asked respondents, “Why would you be interested in trying a non-alcoholic alternative?” you may be surprised by the results:



“I quit drinking last year and have been pleasantly surprised at how many tasty/satisfying alternatives there are. Even at bars there [are] usually a few options.”

he/him, 44, CA

“No one should feel pressured to drink alcohol, and having more beverages that are non-alcoholic more widely available is a positive step in the right direction.”

she/her, 24, FL

“I think [this trend] is a good thing. It leads to a healthier lifestyle.”

he/him, 53, MN

3 key takeaways for beverage innovators

Be wary of headlines. Trust the data.

Before you scrap your entire innovation strategy over a flurry of headlines about how Gen Z doesn't want to drink alcohol or that Millennials are killing yet another industry, survey your target consumer groups to see what they really think.

“Better for you” is driving big change

Alcohol consumption patterns may be changing, but that may be driven by larger trends to prioritize our health in our purchases. For the vast majority of consumers, that doesn't mean eliminating alcohol—but it does open myriad opportunities to innovate alcohol alternatives that taste great and help consumers feel healthier.

Whatever you do, it better taste great

As Highlight founder and CEO Dana Kim [put it](#), “My number one, two, and three priorities for my product are: taste, taste, and taste.” Whatever you innovate, the fundamentals still apply, so be sure to test with consumers to make sure they love what you're brewing.

About Highlight

Highlight's in-home product testing platform helps CPG brands innovate, test, and successfully launch (and relaunch) better products for people and the planet. Ship your product to Highlight, and our logistics team repackages for our owned community of testers. Quickly field IHUTs (in-home usage tests), concept tests, sensory evaluation and more, then watch results as results roll in. Highlight's customers have tested products in early development, blind-tested products against the competition, and benchmarked in-market products for category insight.

Learn more at letshighlight.com.