

knit

Generation Moderation?

2022 Report

What the Data Actually Says
About Gen Z & Alcohol



About *knit*

Knit helps brands understand this next generation of consumers through **on-demand feedback from Gen Z**. Get instant answers to your biggest Gen Z strategy questions and feedback on all your product or marketing ideas – by tapping into Knit’s Gen Z consumer panel (the largest in the nation). Access both the “what” and “why” behind all your decisions through our extensive quant & qual solutions, and ensure you talk to your exact audience through our robust segmentation capabilities (geo, interests, and more).

Trusted Gen Z Research provider of:



Send to your entire Gen Z Panel?

225 Respondents

Launch N

More on Knit at: goknit.com



About Gen Z

Generally speaking, **anyone born after 1997** is a member of the most ethnically diverse, first digitally-native generation in the world. American Zs are social and environmental idealists, glued to their screens, and have a **collective estimated buying power of \$150 Billion** (and counting). That spending power will only grow as more members of Gen Z hit the workforce, and brands will meet the needs of this wholly unique – and largely untapped – market of consumers when they better understand their needs, ideals, and values.

Generations Defined

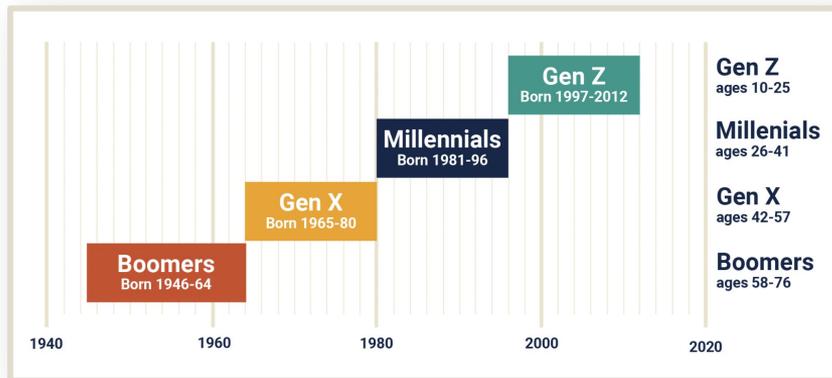


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Generation Moderation?

Purchasing Insights



The pandemic changed how we drink. 20 months later, Gen Z is still feeling the impact

For a while there, Generation Z and Millennials were all set to have one major thing in common – an unquenchable urge to “murder” things. Remember the decades-long killing spree that had Millennials extinguishing everything from casual dining to marriage? There was research that suggested that Gen Z had developed the same killer instinct in regard to alcohol.



Prior to 2020, Gen Z was on track to be a generation of teetotalers, especially compared to the generations that came before them:



Between 2016 and 2017 Nielsen data showed that beer market penetration had **decreased by 1%**, in keeping with a decade-long downward trend, driven in part by Gen Z’s preferences and habits.



In 2018, [Berenberg](#) uncovered a downward trend in per capita alcohol consumption among Zs— and it was steep. Compared to Millennials, Gen Z was drinking **20% less**. What’s even more interesting is that they had no plans to stop stopping, either. 64% of Berenberg’s study participants expected to reduce their consumption even further as they got older.



By 2019, UK-based [GlobalWebIndex](#) found a similar generational spread among respondents of drinking age who said they drank at least “once per week”:

- Gen Z: **15%**
- Millennials: **28%**
- Boomers: **36%**



Then, 2020 came along, global pandemic in tow, and alcohol consumption spiked – and continued to rise as lock-ins were announced, quarantines were enforced, and offices opened, closed, and opened again.





Pandemic restrictions gave online sales a shot in the arm

Suddenly, any insights brands had begun to glean about the newest generation of consumers were as outdated as a can of FourLoko. How was the pandemic changing the alcoholic beverage market, and how would those changes impact industries from restaurants to retail ?

In the first week of 2020, [Nielsen](#) reported a **54% increase** in national alcoholic beverage consumption with a 262% year-over-year increase in online sales alone – a staggering increase. Though perhaps not very surprising given the pivot to online ordering for everything from groceries to gardening supplies when stay-at-home orders went into effect.



262%

YOY Increase in **online alcohol sales**
in 2020



Research from the *Journal of the American Medical Association* ([JAMA](#)) found that in the early months of the pandemic, **3 out of 4** American adults were drinking one additional day per month than they were prior to March 2020.

Our own data definitely backs this up:



20 months into the pandemic, **35.5%** of our Gen Z respondents said that they **consume more alcohol** now than they did prior to March 2020.

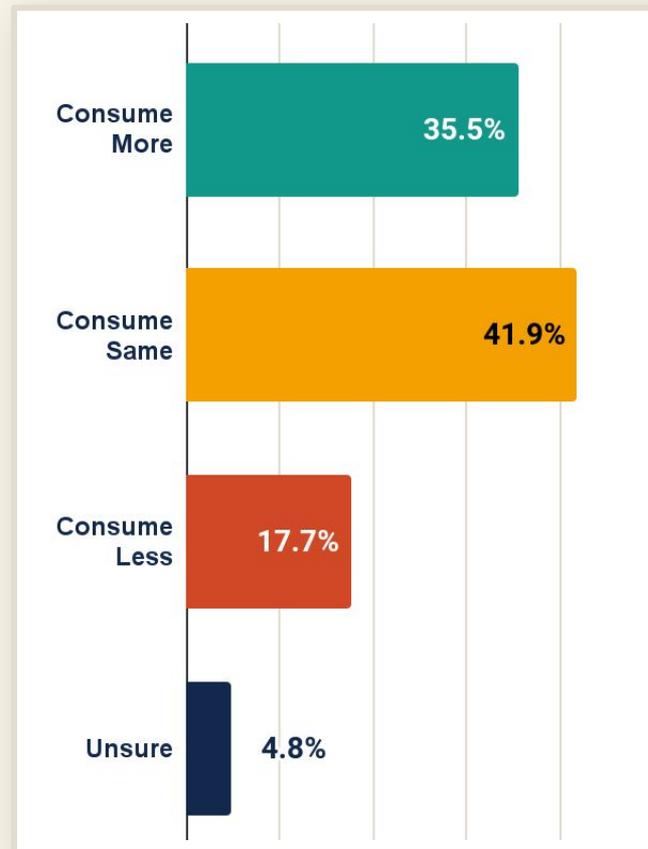


41.9% of our respondents said that their alcohol consumption habits hadn't changed at all, while **17.7%** said they **drink less** and 4.8% didn't know.



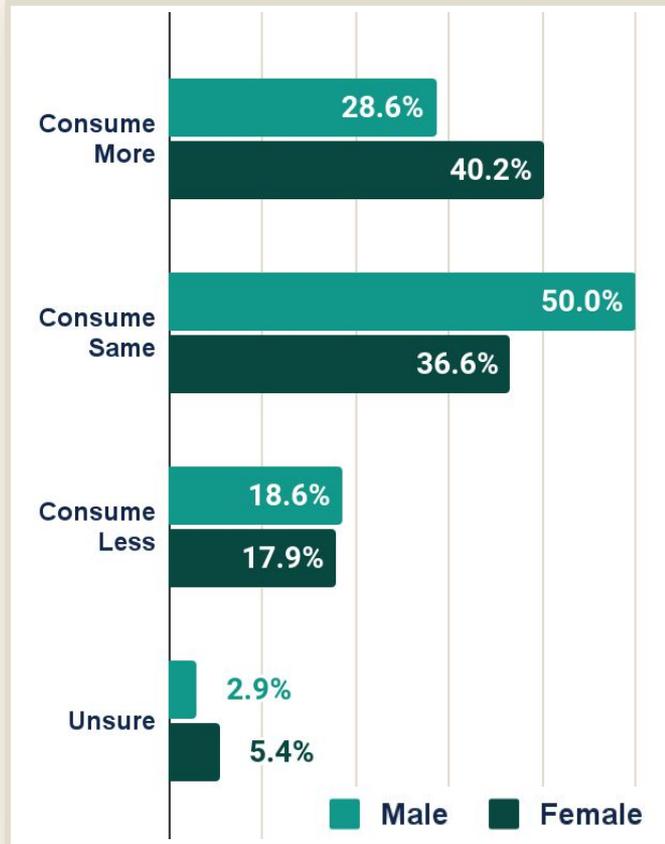
35% of Gen Z
consumes more
alcohol now vs pre-pandemic

Gen Z's Post-Pandemic Alcohol Consumption



By Gender:

Gen Z's Post-Pandemic Alcohol Consumption



Gen Z is drinking more now, than pre-Corona

These numbers only tell a part of the story, however. When we looked at responses from female-identifying respondents separate from their male counterparts, things got pretty interesting:

Respondents identifying as female were more likely to say that they drank more than they did prior to the pandemic – **40.2%** – while only **28.6%** of male-identifying respondents said the pandemic has them drinking more.



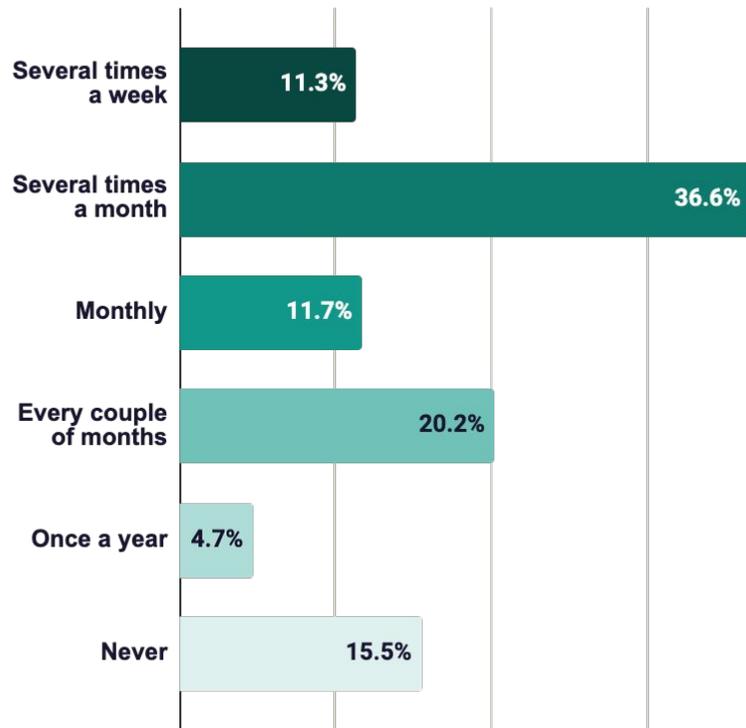
Gen Z Stocks Up – or waits for a special occasion

So, does this increase in consumption translate to an increase in purchasing frequency? The majority of our respondents – **36.6%** – said they bought alcohol “**several times a month**”, but the second most popular purchasing frequency of “**every couple of months**” was a close second at **20.2%**. Perhaps Gen Z drinkers fall into two categories: steady imbibers, and occasional indulgers.

What’s more, when we broke the data out by gender, we found that while the top purchase frequency barely budged, shifts in less prevalent frequencies emerged.



Gen Z's Alcohol Purchasing Frequency





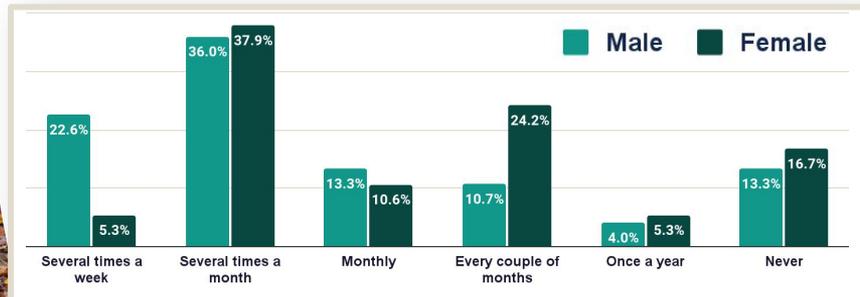
Males and females buy booze at different rates

Male-identifying respondents outpace their female counterparts: **22.6%** said they purchased alcohol several times a week, compared to just **5.3%** of females.

On the other hand, female respondents were more likely than males to put the frequency of their alcoholic beverage purchases at “every couple of months” by 13.5 percentage points.

So, does the increase in purchase frequency affect the amount that Gen Z spends on alcohol?

By Gender: Gen Z's Alcohol Purchasing Frequency



From Beer to Bubbly, Gen Z is budget-conscious

Gen Z's Average
**Monthly
Spend**
on Alcohol

\$46.30

That's the equivalent of:

- About **3.5 margaritas** at your local café y cantina or;
- **Five six-packs** of White Claw Hard Seltzer or;
- A **fifth of Hennessy** Very Special Cognac (depending on where you live)

It also happens to be Gen Z's average monthly alcohol spend.

That doesn't necessarily mean that the average Gen Z drinker will spend \$50 on drinks each month. In fact, our research found that almost none regularly spent in the \$41-50 range.



Gen Z's alcohol budget

Most of our respondents' dollars were clustered at the lower end of the spectrum, dipped in the middle, and lifted a bit at higher spend amounts. Every month:

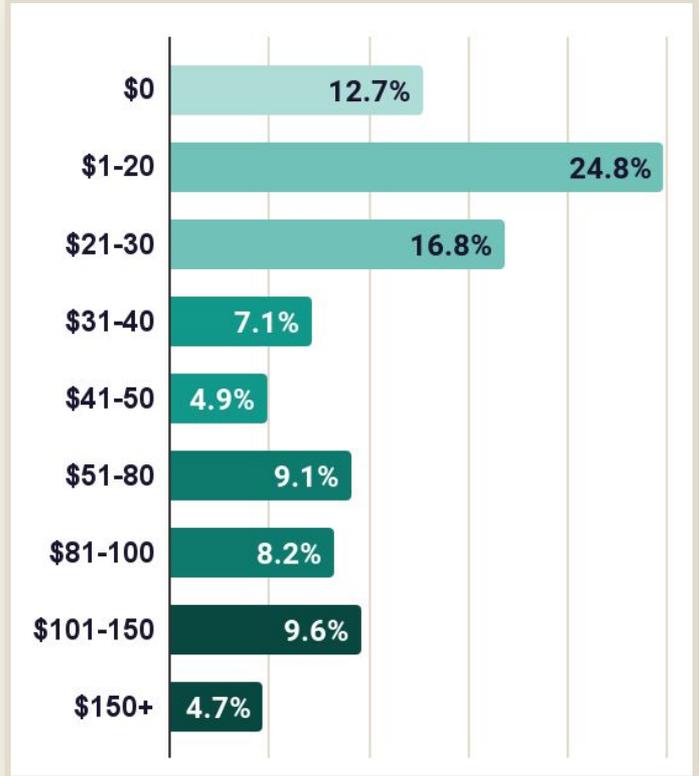
- Most – **24.8%** – spend between **\$1-20**
- **16.8%** said they spend between **\$21-30**, the second most popular bracket
- **\$101-150** rounded out the list of top three spend amounts

In the same way that \$46.30 can buy anywhere from 3.5 margs to 30 cans of seltzer in the same 30 day period, what Gen Z is willing to spend on alcohol varies depending on factors like geography, employment status, and how frequently they're stocking up.

Let's take a look.



Gen Z's Average Monthly Spend on Alcohol



By Gender: Gen Z's Average Monthly Spend on Alcohol



By Ethnicity: Gen Z's Average Monthly Spend on Alcohol



Where Gen Z's pockets are a bit "fatter"

Gender: We found that every month, Gen Z **males** spent nearly **twice as much** as their female peers – which tracks with the purchase frequency data for both groups.

Ethnicity: We discovered an even wider spread for Gen Z wallets. Reported averages went as low as **\$27.20 for Asian respondents** and as high as **\$73.90 for Black respondents**.



Straight from Gen Z



So favorite alcohols to consume for me... We often drink a lot of like **cheaper beer if we play like drinking games**. But if it's a more **casual** night, I'll usually drink an **IPA** or some kind of wine.

I think it just kind of **depends on price**. We're all kind of **broke in college** so it helps having something that's affordable.

I think **bars**, I tend to usually drink more **mixed drinks**. If we go out, it's usually like, you start with shots as opposed to a beer or a more sipping drink. And then for parties, it's usually a lot of hard seltzers.

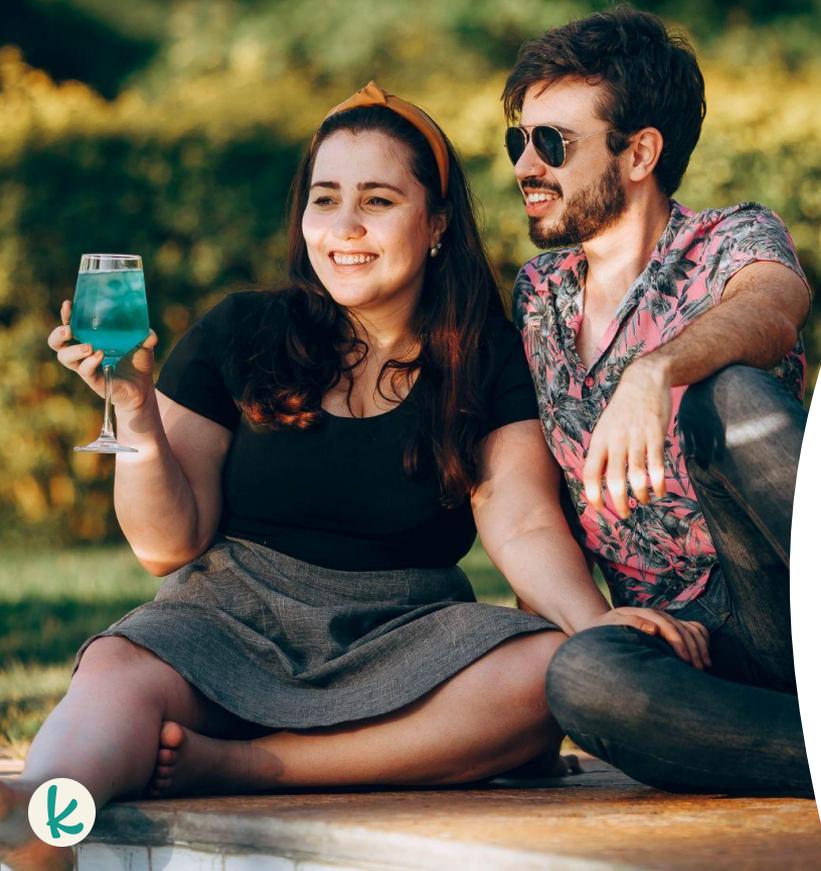


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The Takeaway for Brands



Gen Z is **budget-conscious, debt-averse, and financially curious** as a group. Their money has to go further than previous generations: the inflation rate is the highest since 1982, the national housing and rental market has been in "hyper-growth" for two straight years, and 2021's wage growth may already be cooling.

Our [previous research](#) found that when it comes to personal finance, **Gen Z prioritizes saving**. It makes sense that Gen Z will spend less overall than previous generations.

To get an invitation to the party, brands will have to appeal to these savvy spenders with competitively priced offerings or by delivering the most value and versatility at the price point.

Gen Z may be digitally native, but when it comes to alcohol, they buy **offline**

When we say that members of Gen Z are digitally native, we mean more than just "Gen Z has never known a world with Google and smartphones". That's just one (accurate) way to look at it.

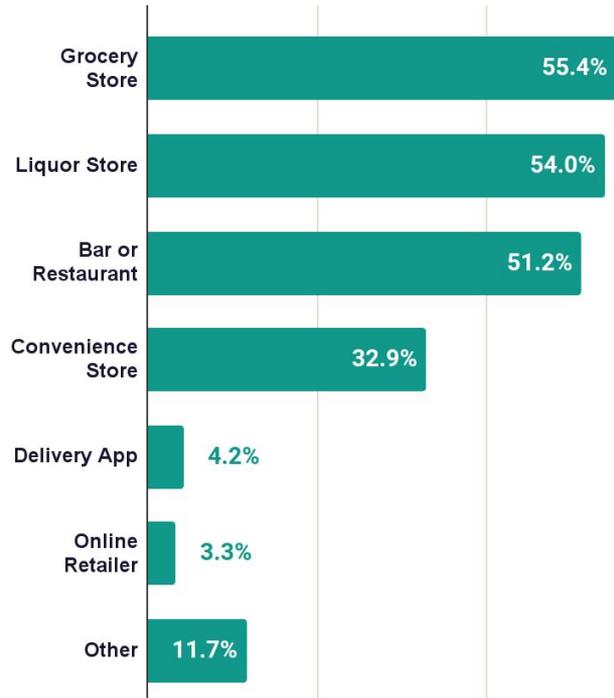
It may be more instructive to think of Gen Z's relationship to digital connectivity and information technology in the same way anyone born after 1925 thinks about electricity: they don't, unless it's dysfunctional or absent.

For Gen Z, who has never not known the internet to be anything other than absolutely ubiquitous and essential, digital connectivity is a utility, pure and simple.

So when **our study participants indicated that they weren't shopping online** or using a delivery app for alcohol purchases, that stood out to us right away.



Where Gen Z is Purchasing Alcohol



Where do the “regulars” head?

Just **4.2%** of our Gen Z respondents used **convenience delivery apps like Drizly and GoPuff**, and that wasn't even the least popular option. Online retailers are the last place Gen Z went to purchase alcohol.

Grocery and liquor stores were top places for Gen Z to shop for alcohol, nearly tied at **55.4%** and **54%**, respectively. Bars and restaurants were not far behind: 51.2% of our respondents identified them as places they regularly made alcohol purchases. Even convenience stores, which aren't always known for their wide selection, blew online and app shopping out of the water at 32.9%.

So ... what drives Gen Z offline?





State law could drive offline sales

A few states do not allow direct-to-consumer alcohol delivery or only allow it if the consumer places the order in a liquor or package store first. Other states have laws restricting the delivery of certain categories of alcohol, like wine and malt beverages.

It stands to reason that for Zoomers in such states, shopping in-store is the easiest or only option if they want to purchase certain kinds of alcohol, or any alcohol at all.



School policy and delivery apps don't always mix

Many of our respondents (62%) were **full-time college students**, which is representative of drinking age Gen Z'ers in the general population, too. Schools, retailers, and delivery apps all have policies that may restrict direct delivery to students living in on-campus housing. For many Zoomer students, making alcohol purchases in person is the best or only option.





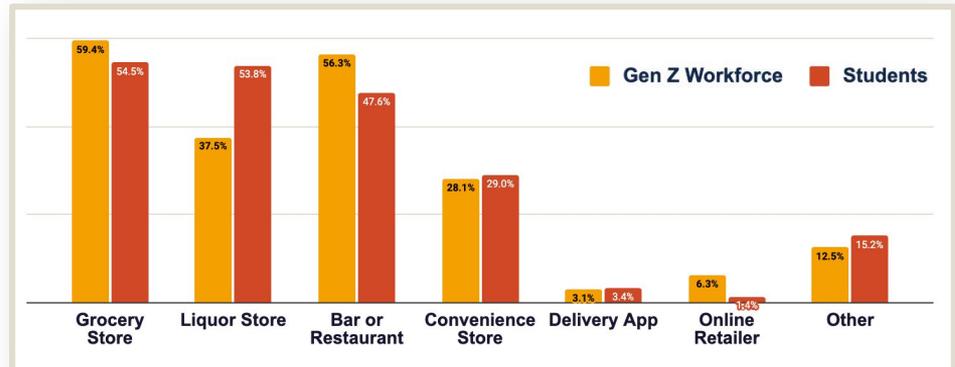
Offline shopping is budget friendly

Finally, we've already established that Gen Z is **budget-conscious**, and delivery fees, shopping fees, and minimum spend amounts can add up fast – and that's *before* you factor in a tip.

Savvy Gen Z shoppers may simply feel that the convenience isn't worth the price tag, especially if they're making multiple purchases a month and aren't averse to brick-and-mortar shopping anyway.

We'd put money (pun totally intended) on this hypothesis: when we zoomed in on our respondent's employment status, we found a jump of nearly five percentage points in online retailer purchases for working respondents:

By Employment Status: Where Gen Z is Purchasing Alcohol



These insights track with the conclusions above, if you consider that the Gen Z workforce has the combination of **less time** and **more money** that reframes the value of convenience shopping.

They might also be more likely to optimize shopping trips by making alcohol purchases when they do the big shop at the grocery store or stop on the way home for gas.





The Takeaway for Brands

When it comes to engaging Gen Z online, there's an opportunity here to reinvest resources typically spent on e-commerce back into focusing on **how your brand's values align with Gen Z's** and providing informational resources.

For instance, making it easy for consumers to determine which local brick-and-mortar retail establishments carry your products when they seek you out online can help **create the seamless experience Gen Z craves**.



Gen Z buys for taste, but disposable income and a discerning eye go hand in hand

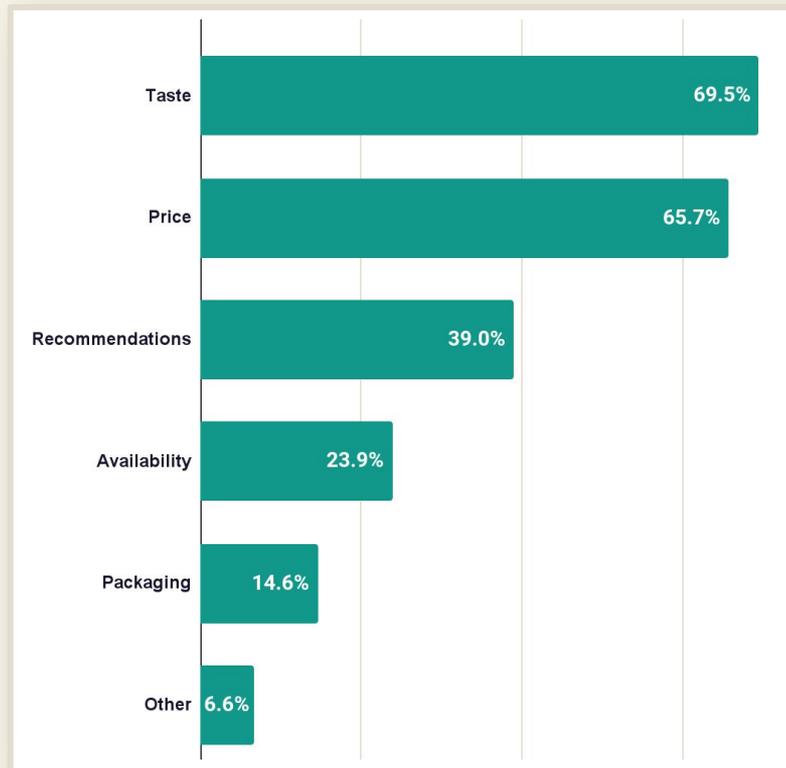
Whether they're shopping online or in person, most of Gen Z's purchasing decisions are made before they ever get to the front door, let alone the register.

This won't come as a surprise for anyone familiar with this group of consumers. Gen Z is distrustful of branding, less swayed than Millennials by influencers, and most likely to rely on friends' recommendations and social proof than rented billboards and parasocial #sponsoredposts. When it comes to alcohol, the circle of influence shrinks. They trust their own perceptions above any other factor.

Overall, our respondents ranked **"taste"** as their **top consideration** for making their ultimate alcohol purchasing decisions (69.5%), followed by "price" (65.7%), and recommendations from people they know and trust (39%).



Greatest Factors on Gen Z's Alcohol Purchase Decisions

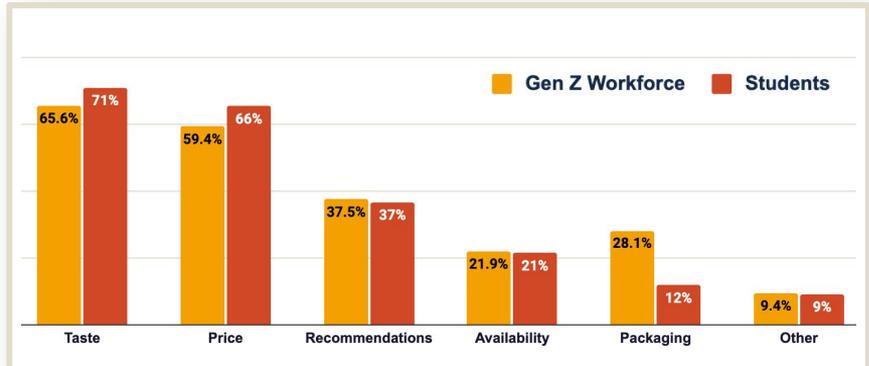




Packaging doesn't influence Gen Z

With one fascinating exception, that is. As Gen Z transitioned from full-time students to full-time workforce participation, they gave more weight to packaging when shopping for alcohol. This may indicate that as Gen Z's income allows for a degree of disposal, they're more willing to branch out and try something new, and they're relying on product packaging to point them in the right direction.

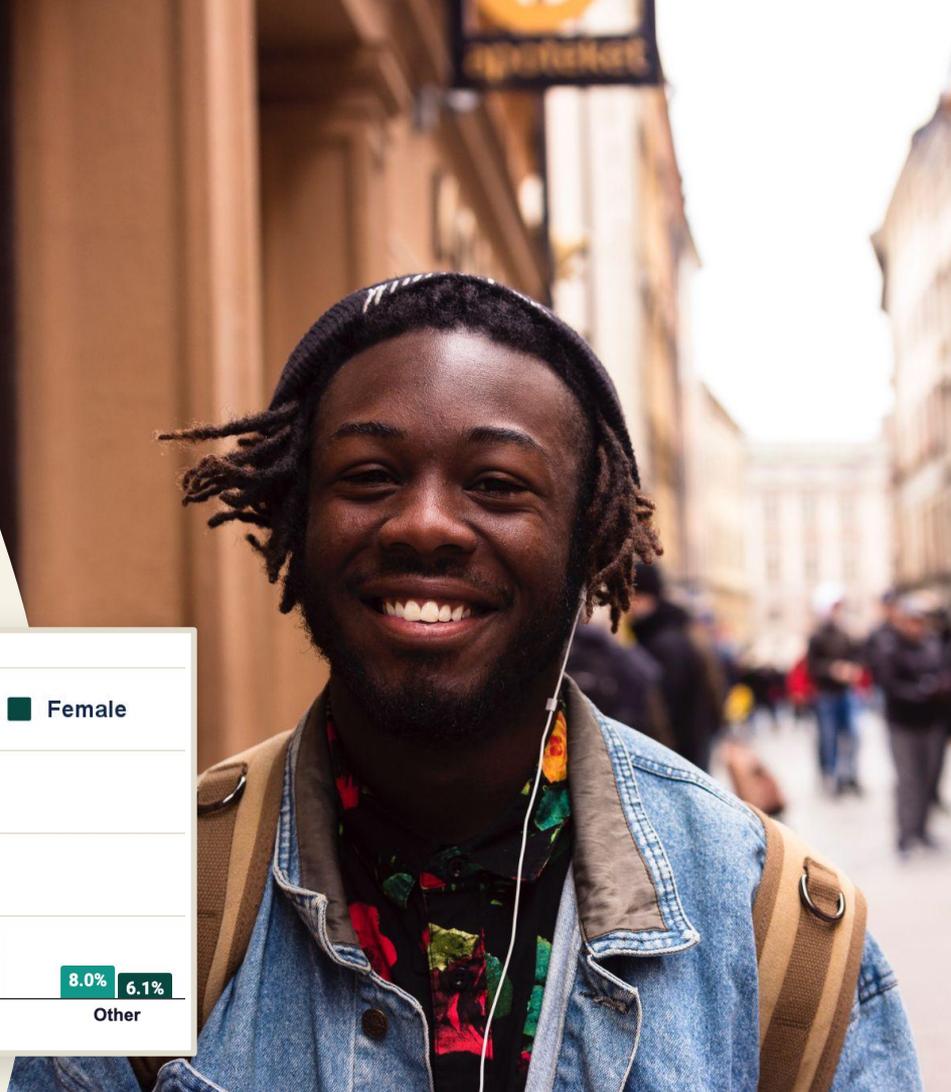
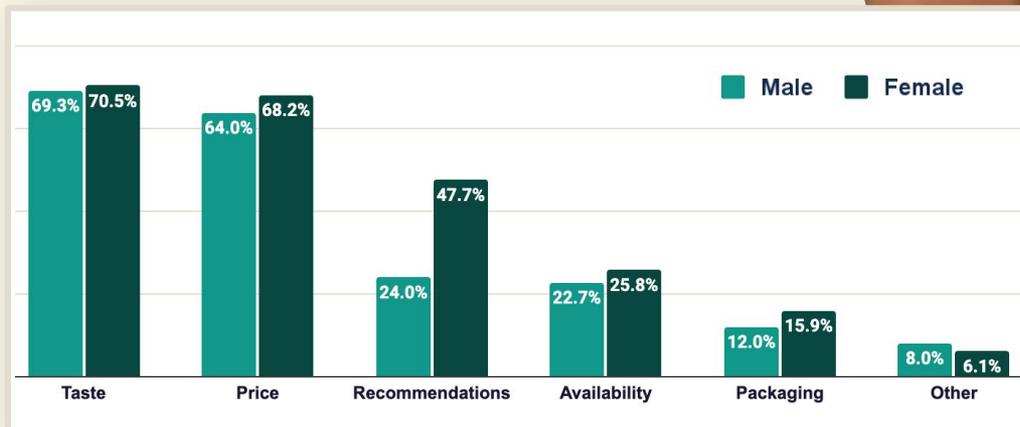
By Employment Status: Gen Z's Alcohol Purchase Decisions



Males seek out less recommendations

Females and males aligned across the board for purchasing decision influencers except where **"recommendations from friends and family"** came into play. Such recommendations still came in third after taste and price for both groups, but females were nearly twice as likely as males to say that they relied on such recommendations – **47.7% to 24.0%** – when deciding what to buy.

By Gender: Gen Z's Alcohol Purchase Decisions





The Takeaway for Brands



As Gen Z continues to come of (drinking) age, they'll continue to **rely on others' experiences and recommendations**, including their older siblings and parents. Validating those groups' brand loyalty drivers can help organizations earn Gen Z's trust, too. Brands should also be proactive when considering product packaging for the next wave of 21+ Zoomers.

Environmentally sustainable packaging that appeals to Gen Z **aesthetics** or **nostalgia** has the potential to capture their interest when they're ready to strike out on their own.



Generation Moderation?

Consumption Insights

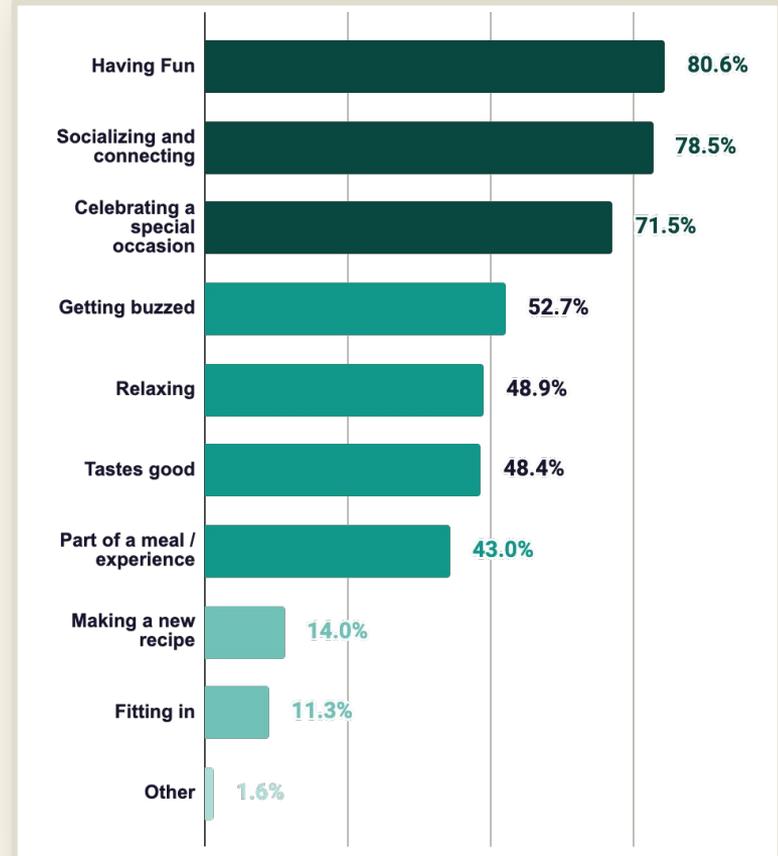


Gen Z drinks to get social — not ‘sloshed’

Gen Z’s top three reasons for drinking reflect a theme we saw over and over while conducting our research on the generation’s relationship with alcohol: thoughtful, socially-driven consumption. Most of our respondents chose **“having fun”**, followed by **“socializing and connecting with others”** when selecting all of the reasons they had to raise a glass, with **80.6%** choosing the former and **78.5%** selecting the latter. 71.5% cited **“celebrating a special occasion”** as a reason to partake.



Gen Z’s Reasons for Drinking Alcohol



Straight from Gen Z



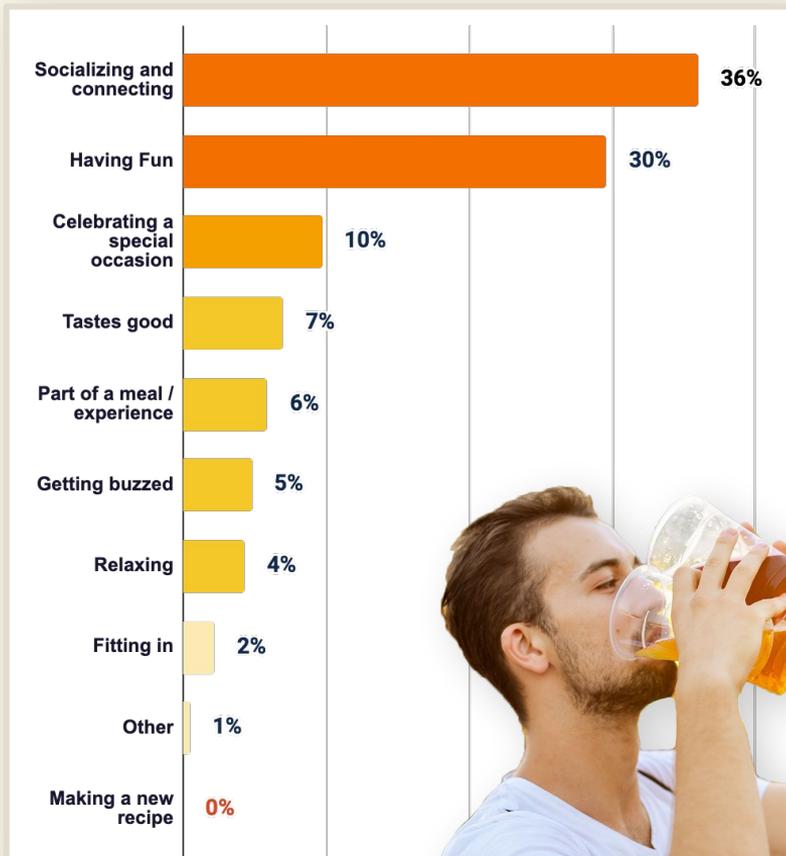
My favorite drinks are probably **mixed drinks or shots** of hard liquor. I really like hard teas as well, like **Twisted Teas**. These are my favorite because in social settings I like mixing drinks, **so I don't get too drunk**. But if I were to go be at a bar or club with friends – having fun – I would definitely take shots. But I don't drink that often, and my drinks do not change per... actually they do change, definitely, **depending on the situation**. Like I said, like shots in the bar club or a hard seltzer, a hard tea or a mixed drink when I'm out with family or in a restaurant. So I don't get messed up.



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in browser**



Gen Z's *Top* Reasons for Drinking Alcohol



A new generation of social drinkers

When we asked our respondents to tell us **their top reason** for imbibing, the majority (36%) chose **“Socializing and connecting with others”** by a margin of 6.4 percentage points. “Getting buzzed” came in a distant 6th place with just 4.8% of our Gen Z respondents saying it was their primary reason for drinking alcohol.

Just **2.2%** of our participants chose **“Fitting in”** as their top reason, and no one said that “Making a new recipe” was the most influential factor in their decision to drink. That last datapoint came as something of a surprise. It suggests that, for Zoomers included in the **36% of Americans** that picked up the culinary pursuits during the initial stages of lockdown, mixology probably wasn’t one of them.

Females were more likely than males to say that they drank alcohol as a “Part of a meal or experience” – 48.2% to 37.1%. So were respondents who were full-time members of the Gen Z workforce when compared to the full-time student participants – 62.1% and 45.5% cited it as influencing their decision to drink respectively.





The Takeaway for Brands



Teasing out the difference between peer-to-peer influence and peer pressure will be especially crucial in the alcoholic beverage space. Remember, Gen Z is likelier to rely on recommendations from people they know when deciding what to buy, and they're very likely to buy and consume alcohol with those same people. What they won't be interested in is drinking to stay on trend or fit in, so **appealing to a sense of FOMO is unlikely to work**, and may even create a negative association with any brand attempting to.



Straight from Gen Z



For me, it matters more about **what I'm doing versus what I prefer**. If I'm having dinner at my house or I'm just relaxing, then I'll be drinking some **wine**. But if I'm out at a restaurant then I'm likely to get a **cocktail** or some kind of mixed drink. If I'm at a friend's house or some kind of party then I'm more likely to drink a **seltzer** or some kind of **mixed drink**. If I'm at a club or a bar then I'm willing to do shots and mixed drinks. So really, I just have preferences of what I drink based off of where I am or what I'm doing.



[Click to watch video
in browser](#)



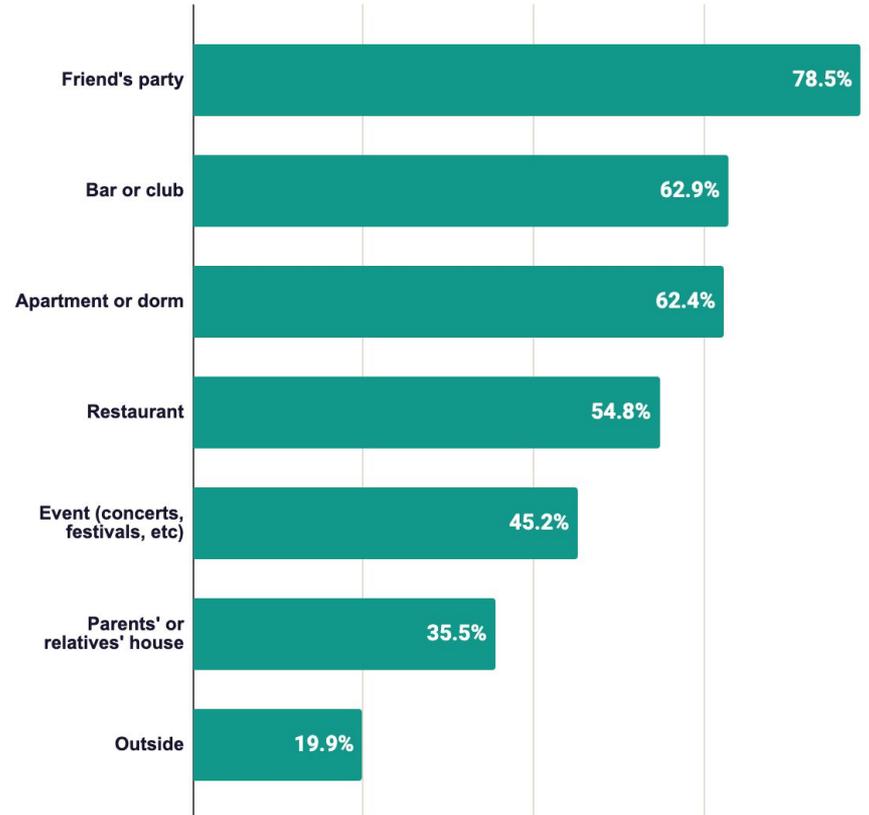
In general, Gen Z prefers a night in over a night on the town

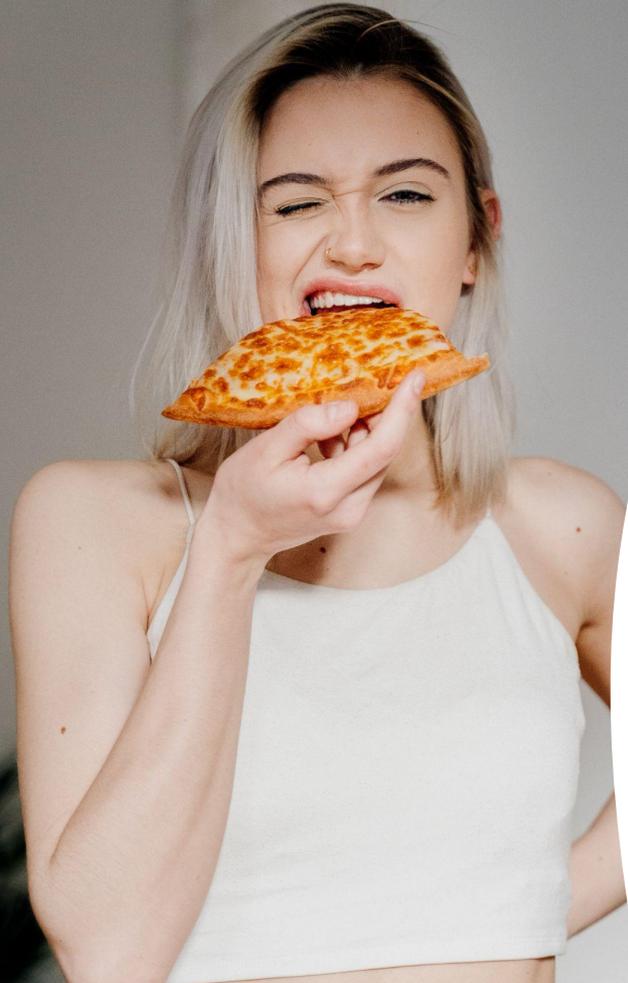
Where Gen Z chooses to drink aligns with what we know so far about their consumption habits and purchasing preferences so far. Their top places to drink provided opportunities to socialize, save money, or both.

Environments that introduced other costs or weren't likely to be associated with socializing fell to the bottom of the list.



Where Gen Z Chooses to Drink





Over on [Vox](#), writer Kaitlyn Tiffany coined the phrase “**homebody economy**” in 2018 to describe the shifting interest among Millennials and Gen Z to stay in instead of go out. Her piece explores the meteoric rise of brands offering everything from luxury bedding sets to – yep – alcohol delivery to help cater to the interests of the Millennials spending 70% more time at home than the rest of the general population.

The homebody economy is the result of the **pre-pandemic trend** that saw young people **spending more money inside of their home** than out of it; on food delivery than on restaurant tabs, for instance. This shift occurred long before the average layperson could use “coronavirus” or “spike protein” in everyday conversation and was considered something of a “Millennial thing”.

It may now be a “Gen Z thing”, too.



Gen Z adapted their habits to pandemic norms

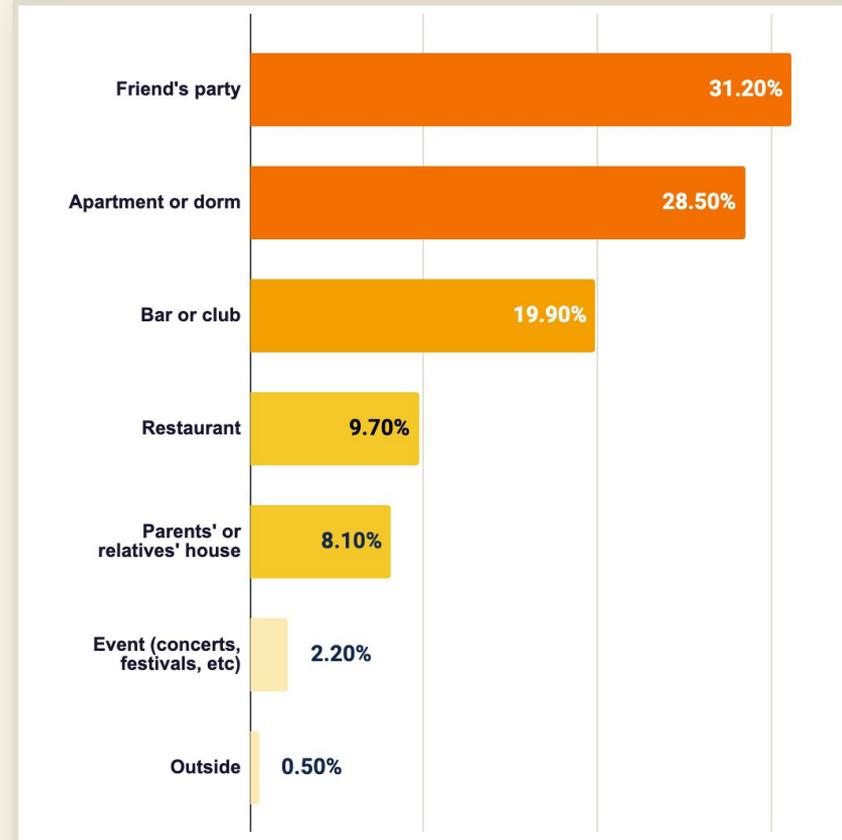
The locations our survey respondents cited as their go-to spots for alcohol consumption included:

- “At a friend’s **party**” – **31.2%**
- **28.5%** said “at my **apartment** or dorm”
- **Bars and clubs** came in third – **19.9%**.

White respondents were more likely than any other group to say that they **frequently drank at restaurants**, and female-identified respondents cited that location more than their male-identified counterparts to cite restaurants, too – 60.7% vs 45.7%.



Gen Z’s **Top Places to Drink**



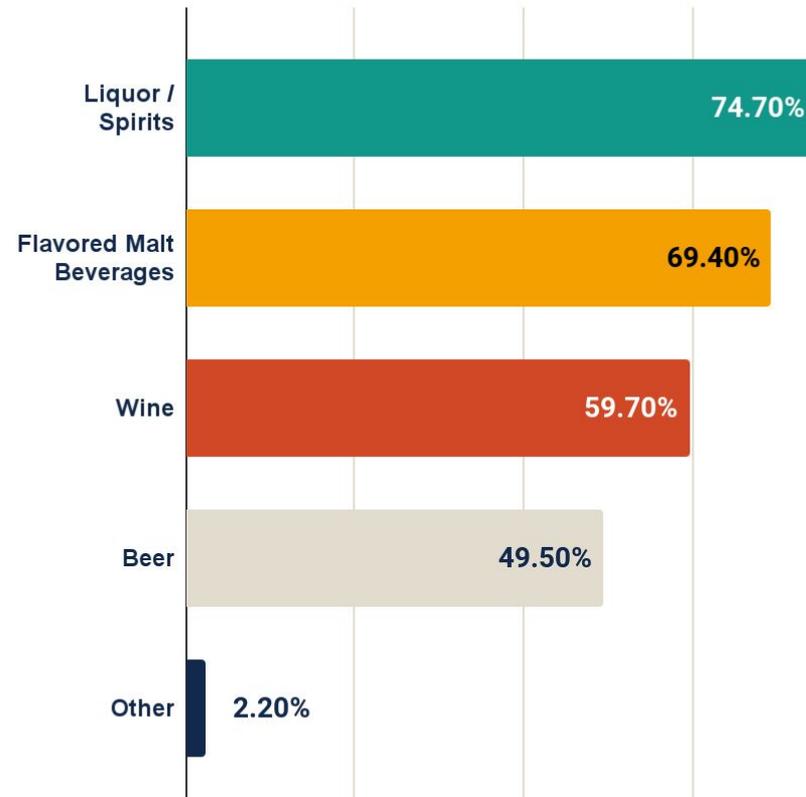
Gen Z overwhelmingly prefers FMBs over beer

Flavored malt beverages used to refer to everything from “flavored beer” to ‘90s “malternatives” and included everything from a four-pack of Bartles & Jaymes Country Kwencher to a 40 ounce of Mickey’s, and even the much parodied (but perhaps before its time) Zima. Now, FMBs are largely synonymous with one of **Gen Z’s favorite alcoholic beverages**: hard or spiked seltzer.

Let’s back up for a second. Seltzer is hugely popular with Gen Z, but it’s not the *most* popular. That honor goes to **liquor and spirits, favored by 74.4%** of our respondents. We opened with it, though, because its meteoric rise in popularity and subsequent staying power as a Gen Z favorite just happened to unseat a longtime favorite from the alcoholic beverage top three.

Beer, as you can see, is creeping toward the bottom of Gen Z’s list of favorites. So, how have FMBs – particularly alcoholic seltzers – managed to unseat one of civilization’s oldest beverages?

Gen Z’s Favorite Alcohol Types





How did hard seltzer overtake beer?

First, It doesn't feel coincidental that White Claw, was introduced onto the market just as more Americans were swearing off soda (and turning to La Croix to get their bubbly fix) in 2016.

Second, most seltzers have the same alcoholic content as beer but have fewer calories and more flavors, appealing to wellness-aware, novelty-seeking consumers.

Finally, the hypermasculine way beer has been traditionally marketed just ... doesn't resonate with the generation that tends to fall anywhere from "agnostic" to "activist" when it comes to conversations about gender.



Straight from Gen Z



I personally enjoy **White Claws** or **Truly seltzers**. I think for me, **two or three is enough**. And I also don't drink very often. The flavors I enjoy. The taste isn't bad.

I personally do not like beer. I also think that these hard seltzers are **affordable** because they do have buy one, get one free deals.

If I had to choose versus other drinks, seltzers are probably my top choice.



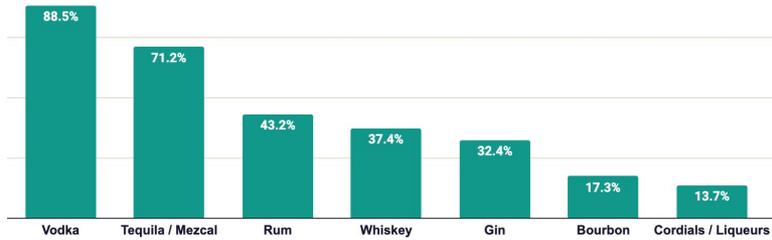
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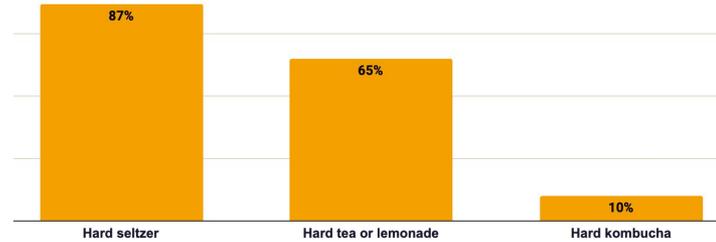
The (other) thing vodka, red wine, hard seltzer, and lager have in common

After we collected data about our respondents' favorite categories of alcoholic beverage, we asked them to get even more specific. Here's what we found:

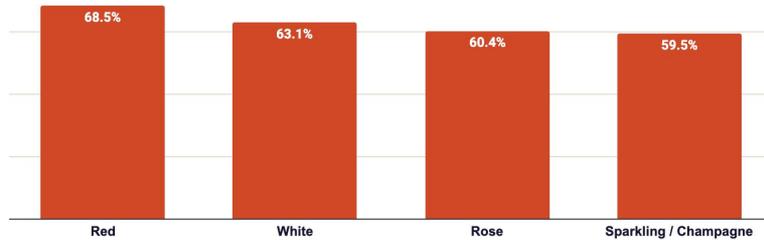
Gen Z's Favorite Liquor Types (of liquor drinkers)



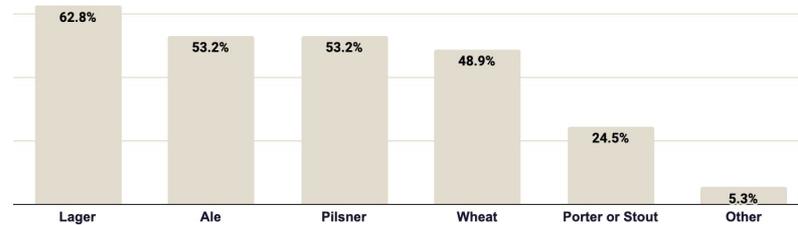
Gen Z's Favorite FMB Types (of FMB drinkers)



Gen Z's Favorite Wine Types (of wine drinkers)



Gen Z's Favorite Beer Types (of beer drinkers)



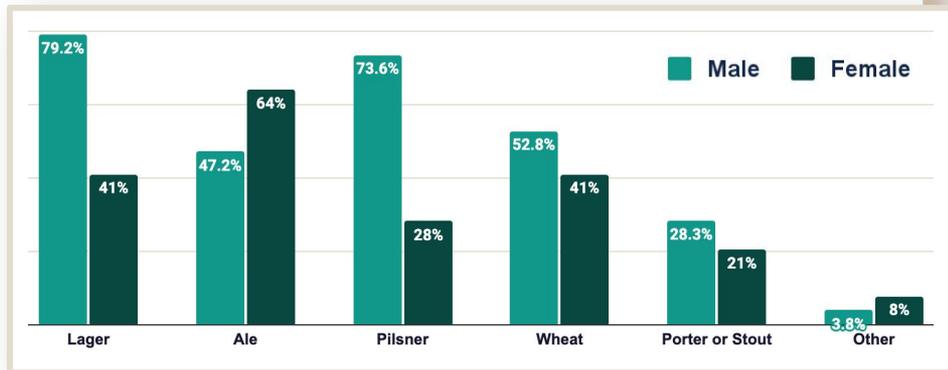
Beer

Wide gaps emerged when we drilled down into gender breakout data, where **beer regained some ground with males** as the second most popular alcoholic beverage (75.7%) but fell to the **bottom of the list for females** (33%).

Beer was also the least popular for panelists that identified as Black or African American (33.3%) and Asian Z's (43.8%).

Lager was the most popular type of beer overall (62.8%) and held on to that top spot for all but two of our participant groups. More females preferred ales (64.1%), and pilsners tied with lagers for Gen Z Hispanics (88.9%). Wheat beer was chosen by 100% of Black beer drinkers, claiming the top spot for that group.

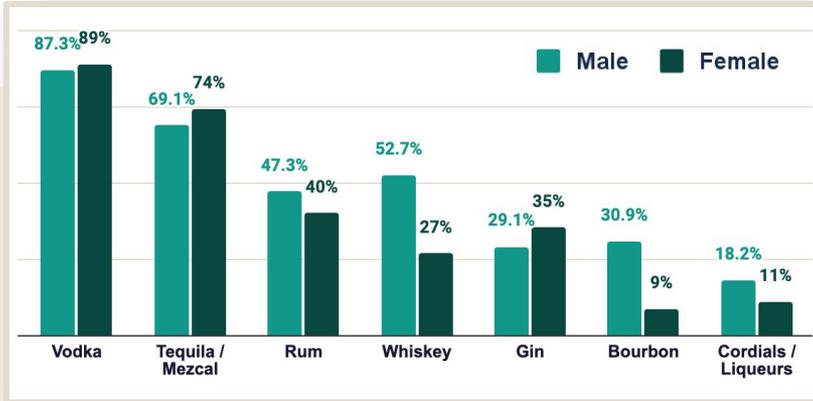
By Gender: Gen Z's Favorite Beer Types



Whiskey and Bourbon

Males were also more likely to say they preferred whiskey (52.7%) and bourbon (30.9%) than their female counterparts (26.8% and 8.5%, respectively).

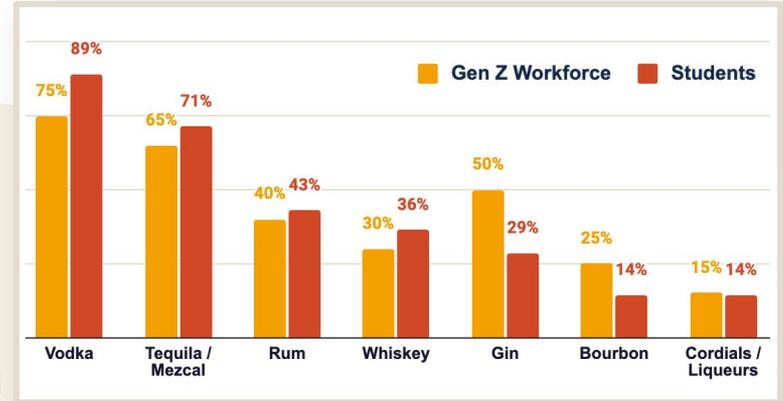
By Gender: Gen Z's Favorite Liquor Types



Gin

Gin also proved more popular with working Zoomers, pulling into third place in the liquor category with 50% of our respondents choosing it as their most preferred liquor, compared to just 28.6% of full-time students.

By Employment Status: Gen Z's Favorite Liquor Types



Wine

We found the distribution across wine types particularly interesting, because of the remarkably even spread.

Once we drilled down, though, we found that **females preferred rosés** much more than their male counterparts (70.4% to 42.1%), and **working Gen Z chose red wines** more often than full-time students (80% to 62.9%).

Red wines were similarly popular with Asian and Hispanic participants (86.1% and 77.8%), and least popular among white and Black respondent groups.

Wine also managed to knock the hugely popular FMB category off its pedestal for one of our respondent groups – **wine was more popular with members of Gen Z who said they were full-time workers** than FMBs like seltzer and cider, eking in just a little higher at 69% over 62.1%.

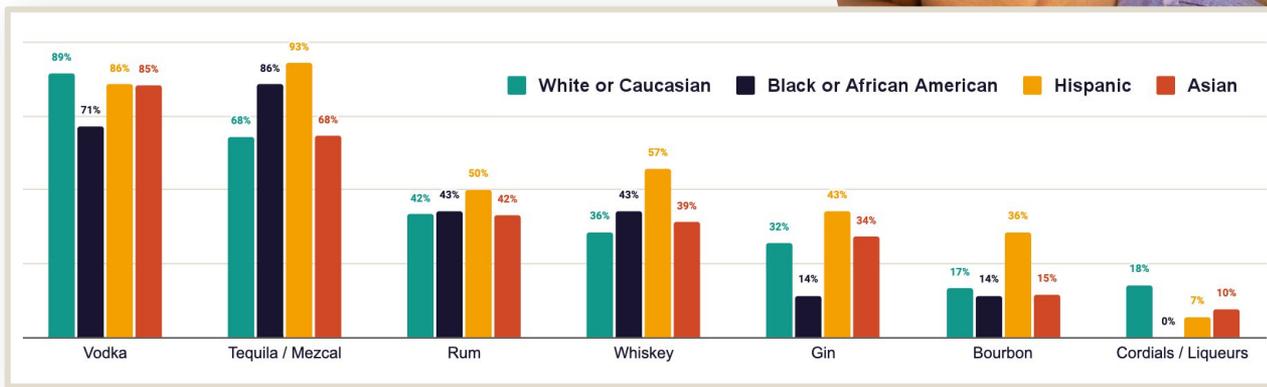


Tequila & Mezcal

Vodka was the number one choice across all groups broken out by ethnicity, gender, and ethnicity – except two. Panelists who identified themselves as Hispanic or Black chose Tequilas and Mezcal more often than their fellow respondents – specifically **92.9% of Hispanic and 85.7% of Black Zs** said they reached for those liquors.



By Ethnicity: Gen Z's Favorite Liquor Types



Generation Moderation?

Gen Z's Top Alcohol Brands



Gen Z's Most Frequently Mentioned "Favorite" Alcohol Brands

We asked Gen Z panelists to name their top two favorite alcohol brands across all categories. Without any prompted answers, respondents overwhelmingly listed 4 brands within their top two:



White Claw

16.6%

In Gen Z's Own Words:

"The blueprint for seltzers"
"Best for parties"
"Easier to drink in moderation"



Tito's Vodka

16.6%

In Gen Z's Own Words:

"Mixes well with other drinks"
"The best tasting for a good value"
"High quality but not too expensive"



Smirnoff Vodka

12.1%

In Gen Z's Own Words:

"Great to make mixed drinks [with]"
"Good flavors for various mixed drinks"
"Inexpensive"



Truly Hard Seltzer

9.5%

In Gen Z's Own Words:

"Easy, casual drink I can have anytime"
"Great options"
"Affordable"



Every Brand Gen Z Mentioned as their “Favorite” Alcohol Brand

From seltzers and vodkas to beer and soju, Gen Z had a wide variety of brands big and small cracking into their top two. Below is the full list of every brand mentioned:



Generation Moderation?

Abstinence Insights



Wellness-minded Gen Z's are rethinking drinking

So far, we've identified a few potential explanations for Gen Z's pre pandemic **reputation for drinking less** than earlier generations, from their relative thriftiness to their preference for drinking socially, which relies on navigating other people's schedules as well as their own.

But there is also a **subset of Gen Z that simply abstains** from alcohol, and they're being joined by peers that are looking to scale their drinking back, which tracks with the group's overall increased alcohol consumption during the pandemic.

We'll explore the second group (those scaling back) in a few pages, but first, let's dig into what we know about the first group – Gen Z Abstainers.



Gen Z's top three teetotalism reasons:

Don't like the taste or smell - 51.7%

The majority of our abstainers – survey respondents that indicated that they did not drink alcohol – said that they found alcohol unappealing in general, disliking the taste or smell, for instance.

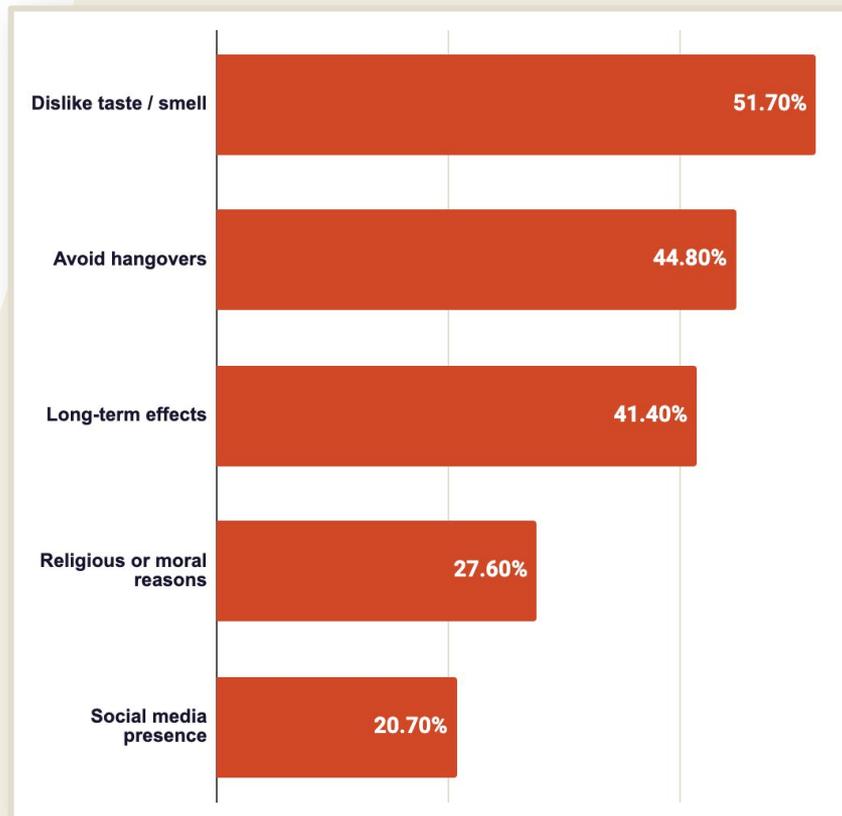
It's not worth the hangover - 44.8%

Also unappealing? The crashing headache, accompanying nausea, and unholy cottonmouth of a hangover. These excruciating afterparties can ruin someone's whole day, and it's enough for Gen Z to skip the spirits.

It could have negative long-term effects - 41.4%

It would seem that the generation that values self-care has an eye toward caring for their future selves, too. Concerns about how drinking in the short-term will impact the long-term health of our respondents rounds out their top three list of reasons not to drink.

Gen Z's Reasons for Abstaining from Alcohol





Sobriety is nuanced for Gen Z

Gen Z is less likely overall to associate moralism with drinking, but some groups did say they **abstained due to “moral or religious reasons”**, particularly female (38.1%) and Asian (35.7%) respondents. None of the males we surveyed said they chose not to drink for those reasons.

Perhaps it's this hesitation to assign a moral value to the act of drinking that put **concerns about having pictures or videos of themselves intoxicated being posted online** at the very bottom of the abstinence list. It came in last, with only 20.7% of our participants saying it played a role in their decision to not drink.

Our Zs were actually much more likely to cite a **family history of alcohol dependence** or even **their own recovery** from alcohol misuse than the potential embarrassment of being tagged while intoxicated.





The Takeaway for Brands



Gen Z is tuned into physical health and well-being, in both the short and long term. If caring for their **physical and mental well-being** means skipping the celebratory shots and sticking to nonalcoholic alternatives, their lack of concern for fitting in makes it easy to put those values into practice.



Gen Z isn't hype about Dry January, but that doesn't mean they're not ready for a reset

Hold up, hold up... What's 'Dry January?'

Dry January is fairly new to the social lexicon, but it's pretty ubiquitous for its age, and not an entirely novel concept.

Officially, it's a [public health initiative](#) that challenges people to **abstain from alcohol for the month of January**, coinciding nicely with the yearly tradition of the New Year's Resolution all around the world.

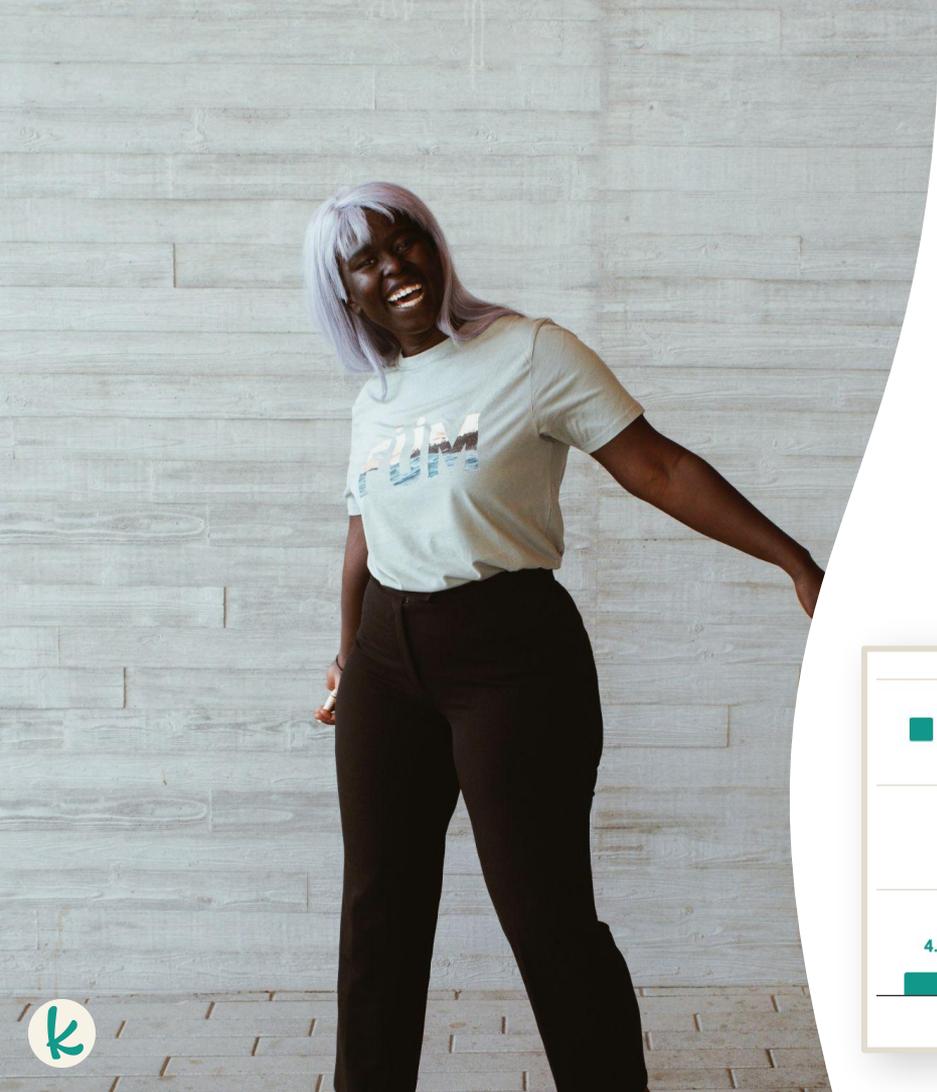
Dry January diehards say it can function as something of a reset button, helping them reclaim lost sleep, productivity, and money, setting them up for a truly new year.

Then there's "**Damp January**", which is a little like Dry January on training wheels, where participants pledge to reduce their intake or swap their usual out for **low-alcohol alternatives**.

In 2022, it's [estimated](#) that 1 in 5 adults are participating or planned to participate in the challenge, with Millennials taking the largest participation share at about 25%.

We wanted to gauge whether or not Gen Z was likely to follow suit, so we asked!



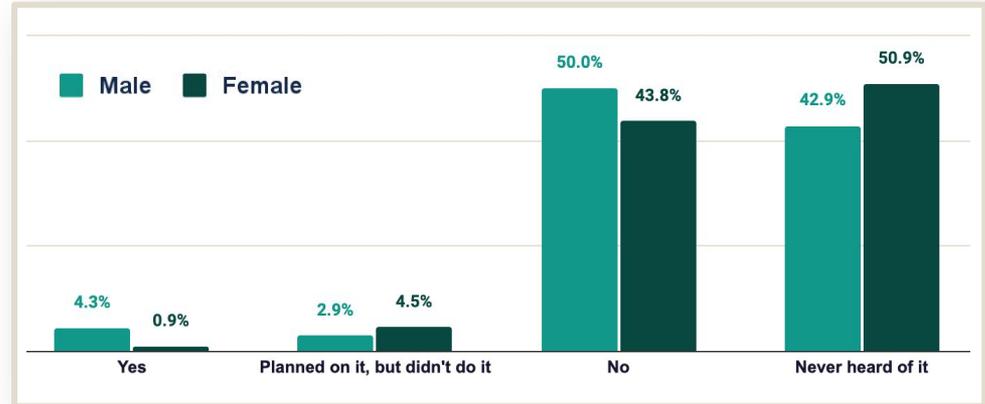


For the most part, our respondents had never heard of Dry January before we asked them whether they'd participated before: 47.8%, to be precise. 46.2% had heard of it but never participated before, and 3.8% had planned to participate in a past year but ultimately didn't.

Only 2.2% of our respondents said they participated in Dry January before.

Males were more likely to have participated than females – 4.3% vs. just 0.9% – and females were more likely to have planned to give it a go but didn't actually participate – 4.5% to 2.9%.

By Gender: Gen Z's Previous Dry January Participation



New Year. New Goals. New Challenges.

Our respondents did express an interest in Dry January 2022, however: **10.2% said they planned to give it a shot this year.** Another 33.9% weren't sure if they would participate or not, but the majority of the Zoomers we talked to (55.9%) said they did not plan to take part in the campaign this year.

Of those that did think they'd participate, **their top reasons for doing so** were centered around two Gen Z values we've come to know pretty well: the pursuit of **wellness and a desire to save money.**

Gen Z's Top Reasons For Participating in Dry January:



57.9%
to improve
health & wellness



52.6%
to save
money



42.1%
to **cut back** on
overall consumption



Males – a group with a higher overall monthly spend on alcohol – were **more likely than their female peers to say they wanted to participate in order to save money**. 71.4% cited it as a primary driver in Dry January participation as compared to 42% of females.

For their part, half of the **female Gen Zs we spoke to wanted to participate for health or wellness reasons**, and about a third of them thought the concept presented “a fun challenge”, while none of their male peers cited that reason as a driving factor in their own participation.

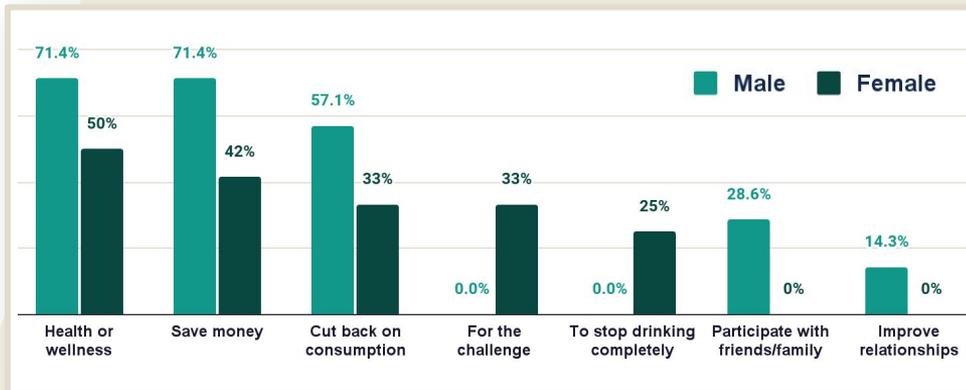
When we zoomed in on the “health and wellness” reasons that respondents universally cited as the biggest Dry January motivator, we found that weight topped the overall chart.

#1 Reason for taking part in Dry January:

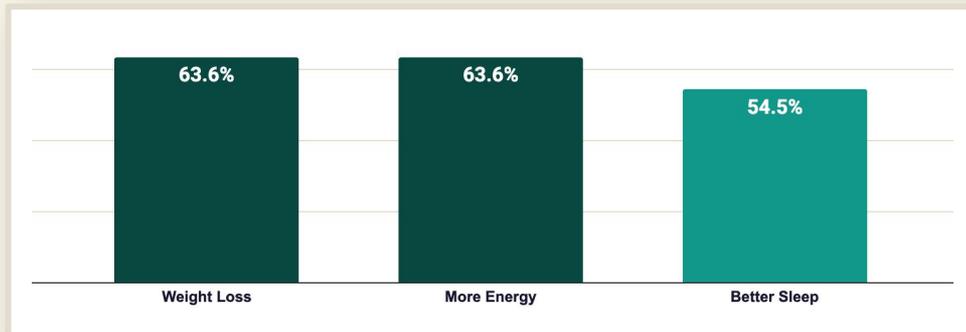
- **Females:** Weight Loss
- **Males:** (Tie) Better sleep/More energy



By Gender: Gen Z's Reasons for Dry January Participation



Gen Z's Health & Wellness Reasons for Dry January Participation





The Takeaway for Brands



Brands hoping to stay top-of-mind during Gen Z's temporary periods of abstinence and emerge as a top choice afterward will have something to offer besides percentage of alcohol by volume. Gen Z sees alcohol for the indulgence it is, and will gravitate toward **offerings that allow them to get the most out of it**. High sugar contents, empty calories, and radioactive colorants are unlikely to grab the attention of wellness-minded consumers. The competitive edge is the ability to **offer appealing alternatives**.



Could mocktails replace cocktails for Gen Z?

It sure looks like it.

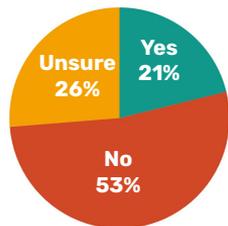
Speaking of appealing alternatives, we asked our participants what impact they thought Dry January might have on their behavior, social calendar, and refrigerators.

52.6% said they would **not change** their daily habits or social calendar.

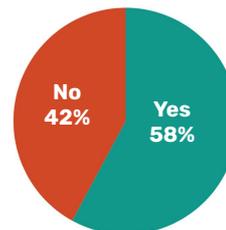
57.9% said they **planned to replace alcoholic drinks** with an alternative.



Will Dry January
Impact Gen Z's
Social Calendar?



Will Gen Z drink
alternatives
during Dry January?



Zero proof alternatives for “generation moderation”

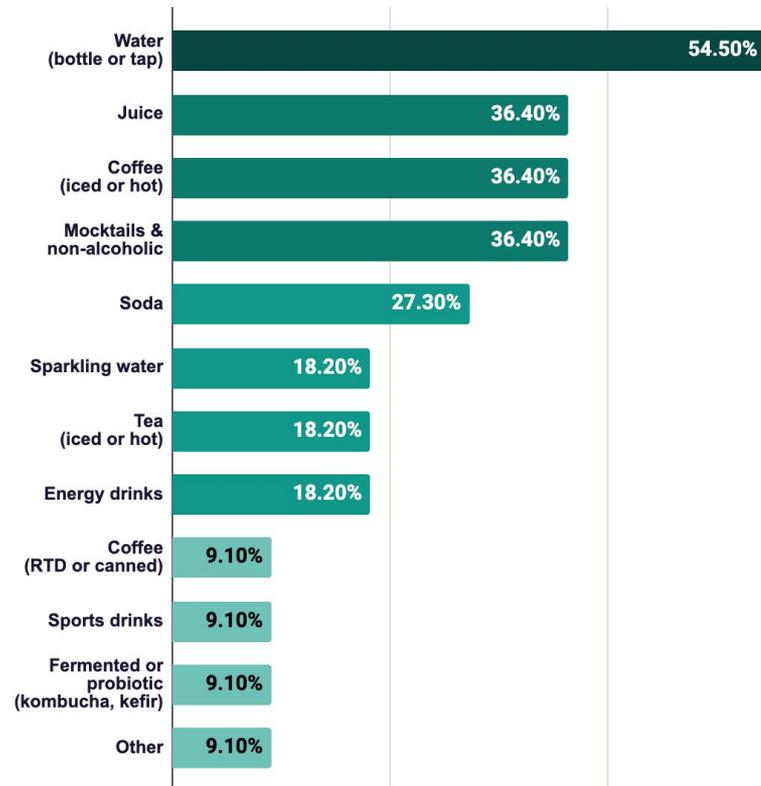
Mocktails have come a long way from the Shirley Temples and Virgin Margaritas. No-and low-alcoholic options have expanded to include beers, wines, and spirits that **taste closer to the real thing than ever before**.

Nielsen reported a **315% year-over-year increase** in online sales of non-alcoholic and low-alcohol alternatives last October. The largest change was in **low-to-no alcohol spirits and liquors**, Gen Z’s preferred category of alcohol – which saw a 188% increase.

Non-alcoholic bitters, botanical “gins”, and smoky “mezcal” have all debuted into **a market that’s expanding rapidly** to cater to the tastes of non-drinkers and drinkers alike.



Gen Z’s Alcohol Alternative Preferences





The Takeaway for Brands



Brands who can deliver the taste and mixability of liquor and spirits at a price that competes with the genuine article can capture the attention of Gen Z year-round, and a seasonal drinking hiatus like Dry January represents an ideal entry point.



knit

It's your move.

Gen Z makes up a large percentage of consumer spending, and it's only projected to increase in the next year. As an industry leader, how do you successfully target this cohort? The best approach is one backed by data and research – Gen Z will be tricky to navigate without it.

Get Gen Z data on your brand.

[Contact Our Team](#)



Study Methodology

Type of Research

Custom, quick-turn quantitative and qualitative research

Level of Confidence

The total population size is 30,000,000.

The total sample size was 396 with gender and ethnicity representative of US Census data, giving us a 95% Confidence Level with a 5% margin of error.

Timing

The entire survey was fielded over a 72-hour period - Monday, December 27 through Thursday, December 30, 2021.

The Methodology

An online survey used a combination of quantitative and qualitative questions to collect feedback from a panel using a method that is PC, mobile, and tablet-friendly. The online survey focused on qualified US-based Gen Z respondents (aged 21-25) to understand their current drinking habits and behaviors.

