Health, Wellness, Moderation and the Evolving Role of Alcohol

WELCOME TO THE WEBINAR

Rachel Wormald
General Manager
The Drinks Association

NIQ Beverage Alcohol Webinar:

Health, Wellness, Moderation & the Evolving Role of Alcohol

Prepared using NIQ's suite of Beverage Alcohol Data:
REACH, OPUS, OPM and Omnishopper

Tom Graham
NIQ Pacific – Beverage Alcohol Insights Lead

August 2025

Meet your host and NIQ moderation guru…

Name	*Tom Graham*
Role	*Beverage Alcohol Insights Lead*
Hobbies	*Running, skiing, watching sport, cooking, searching for balance…*
Moderation experience	*11 months no drinking between August 23 – July 24*

Me

Also me

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Let’s define *Moderation*

Moderation impacts are leading to Beverage Alcohol volume declines

Non Alcohol Beer, Wine, and Spirits

GLP-1s

Tariffs

Health & Wellness

Premiumization

Tax Legislation

Economic Pressures

Dry July

How is moderation defined?

Quantitative and Qualitative

Individual and Cultural

Tangible Limits and Mindset shifts

NHMRC Guidelines to Reduce Health Risks from Drinking Alcohol (2020):

"To reduce the risk of harm from alcohol-related disease or injury, healthy men and women should drink no more than **10 standard drinks a week and no more than 4 standard drinks** on any one day."

AI-generated definition (2025):

"Alcohol moderation refers to the practice of consuming alcoholic beverages in a way that **minimizes health risks, supports personal well-being, and aligns with individual or cultural values.**

It encompasses both **quantitative limits and qualitative behaviors**, and is increasingly shaped by generational shifts, wellness trends, and product innovation."

Qualitative interviews reveal a variety of takes on alcohol moderation…setting us up to further explore the numbers behind these comments.

What does mindful consumption mean?

Consumers look to incorporate alcohol into their life in a more **sustainable way** with broader wellness in mind, balancing **everyday moderation** with **occasional indulgence** and prioritising **quality over quantity**

- ✓ ***Enjoyment***
- ✓ ***Socialising***
- ✓ ***Experience***

- ✓ ***Health goals***
- ✓ ***Safety***
- ✓ ***Finances***

How are consumers moderating?

Setting a pre-determined limit

“I decide in advance how many drinks I'll have at parties”

“Moderating alcohol for me means setting limits and being aware of how much I drink in one outing”

Making different drink choices

“I pace myself by alternating drinks with water, or choosing lower alcohol and knowing when to stop”

“Switching to light beers became my way to cut back”

Prioritising the right occasion

“I indulge heavily only on birthdays and big milestones”

“I used to drink heavily, but now it's only at bigger moments like weddings and graduation”

Source: CGA REACH Global Qualitative Interviews

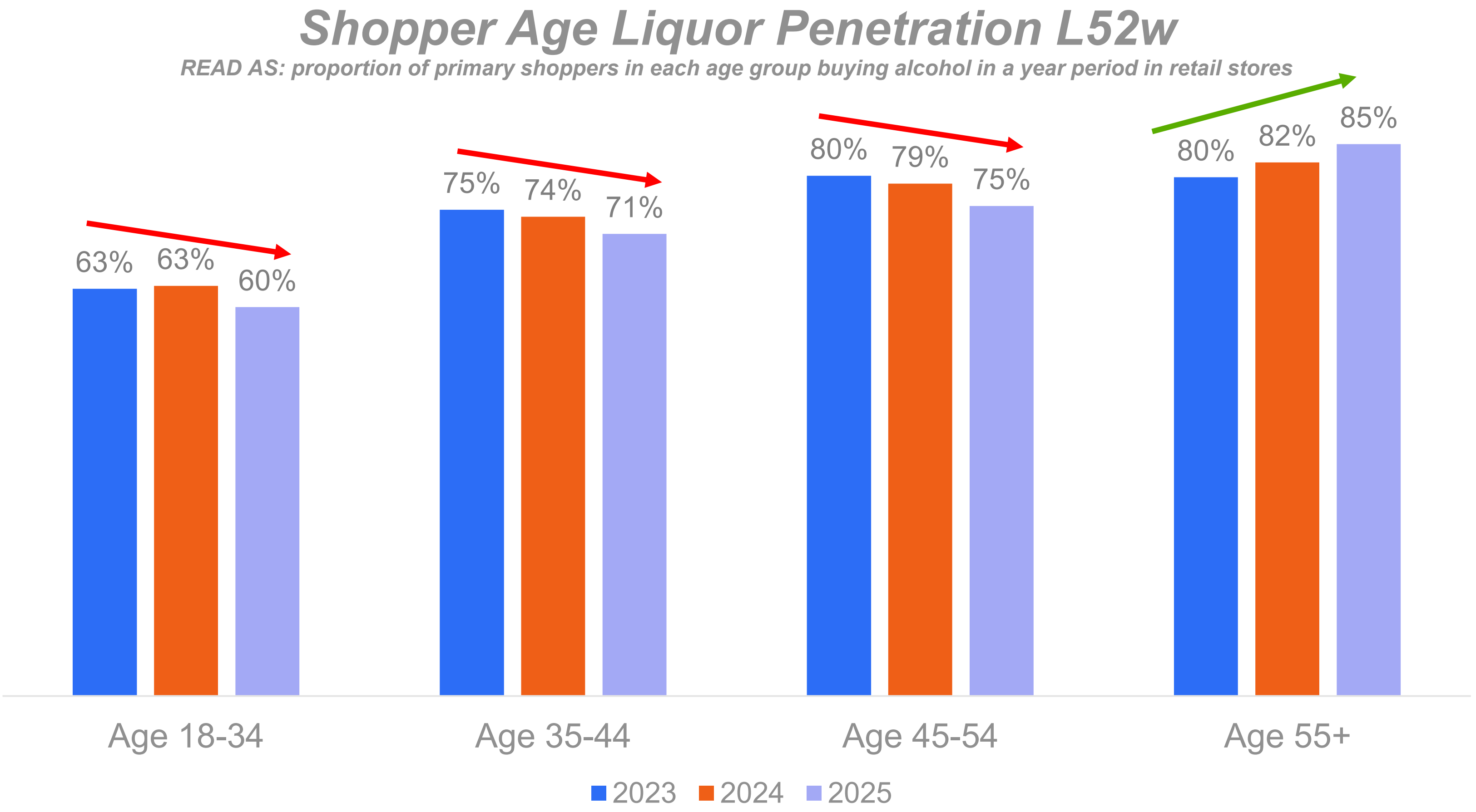
Are people drinking less?

The shopper base for liquor *has reduced* – but only slightly, with no signs of a mass exodus

Although those over 55 have become more likely to buy alcohol in a 12 month period.

Total Omnishopper Liquor Penetration L52w

2025	***69%***
2024	***71%***
2023	***70%***



NIQ Omnishopper June 2025

Year on year reduction in shopping occasions is seen across most buyer groups

Higher frequency 35-54s are a notable drop over the 2 years – highlighting key demos to target with reengagement or product innovations

Number of liquor shopping occasions per shopper per year	Age 18-34	Age 35-44	Age 45-54	Age 55+
2025	9.9	12.9	18.4	23.0
2024	10.8	14.2	20.9	24.5
2023	11.1	14.5	22.6	22.6

NIQ Omnishopper June 2025

In the On Premise, a similar trend towards a slight *shrinking alcohol user base* is seen

Total On Premise Liquor Penetration

(read as of total LDA population, % who drink at least one type of alcohol out of home)

2025	70%
2024	71%
2023	73%

NIQ OPUS March 2022, 2023, 2024, 2025

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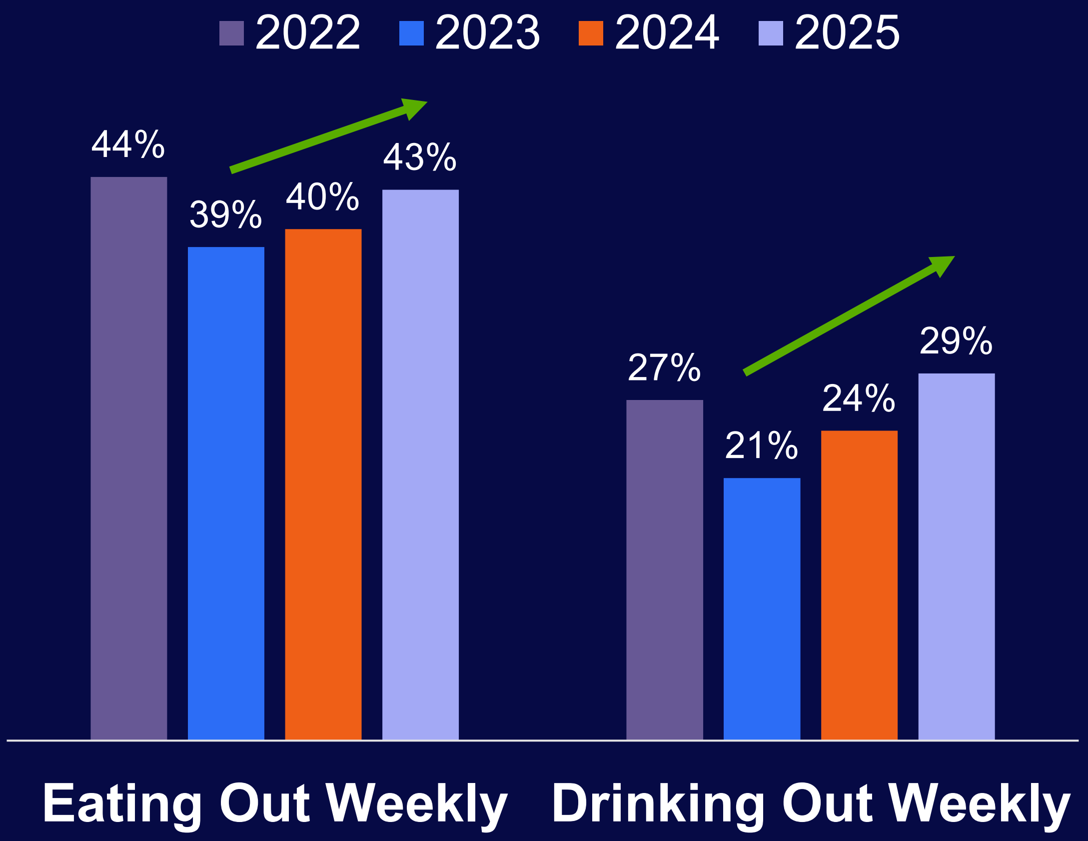
But does not mean reduced visitation to the channel – more a *shift in how they visit*

Frequency of visit



Experience focused occasions are gaining share

An indicator that consumers see the channel as much more than merely a place to consume

Top occasions gaining share of total On Premise visits vs YA	
After work drinks	**+1.4pp**
An event in a venue (Quiz, Bingo)	**+0.8pp**
Themed event (Halloween, St. Patricks Day)	**+0.8pp**
Ticketed event (DJ, Comedy, Bands.)	**+0.6pp**
Business meeting	**+0.5pp**
Live music	**+0.5pp**

Source: OPUS Australia March 2024 March 2025; Sample size: 528 – 4470

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Consumers also claim to be reducing consumption in both channels

Following penetration drops and highlighting a challenging time for alcohol volumes

How has your alcohol consumption in the following locations changed compared to 12 months ago?

	On Premise	At home
I am drinking *more* here now	8%	11%
I am drinking the *same* amount	59%	60%
I am drinking *less* here now	34%	30%

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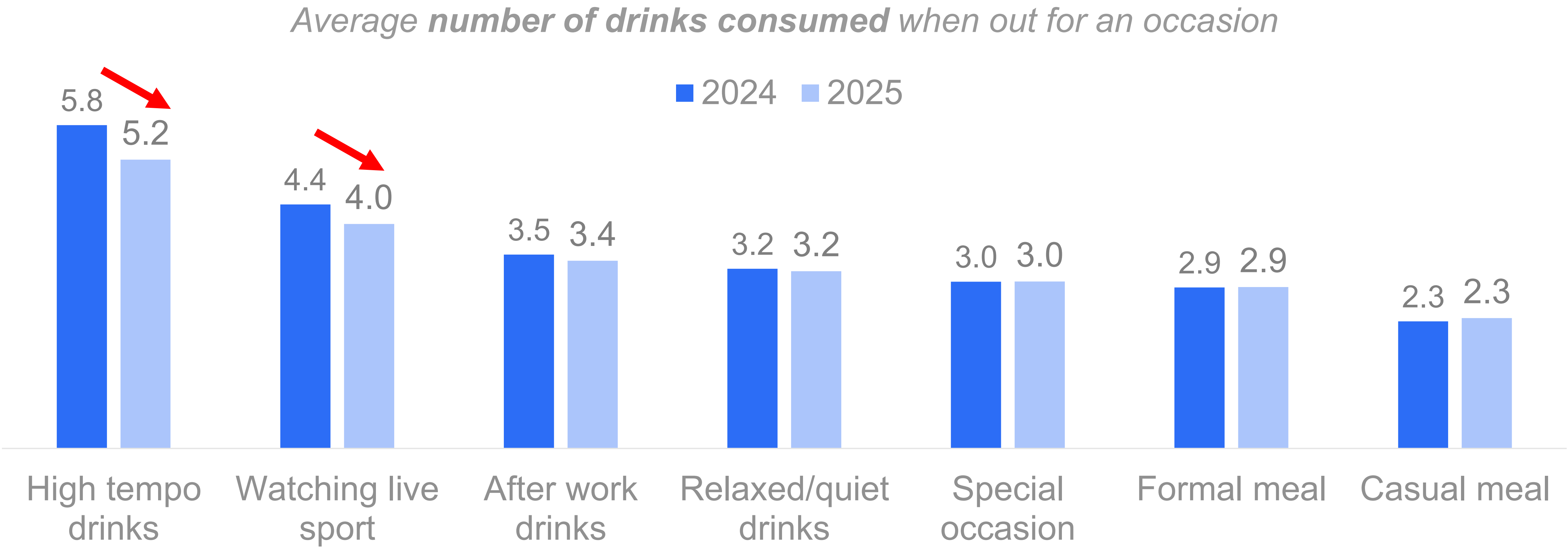
Traditionally high-volume On-Premise occasions are those most impacted

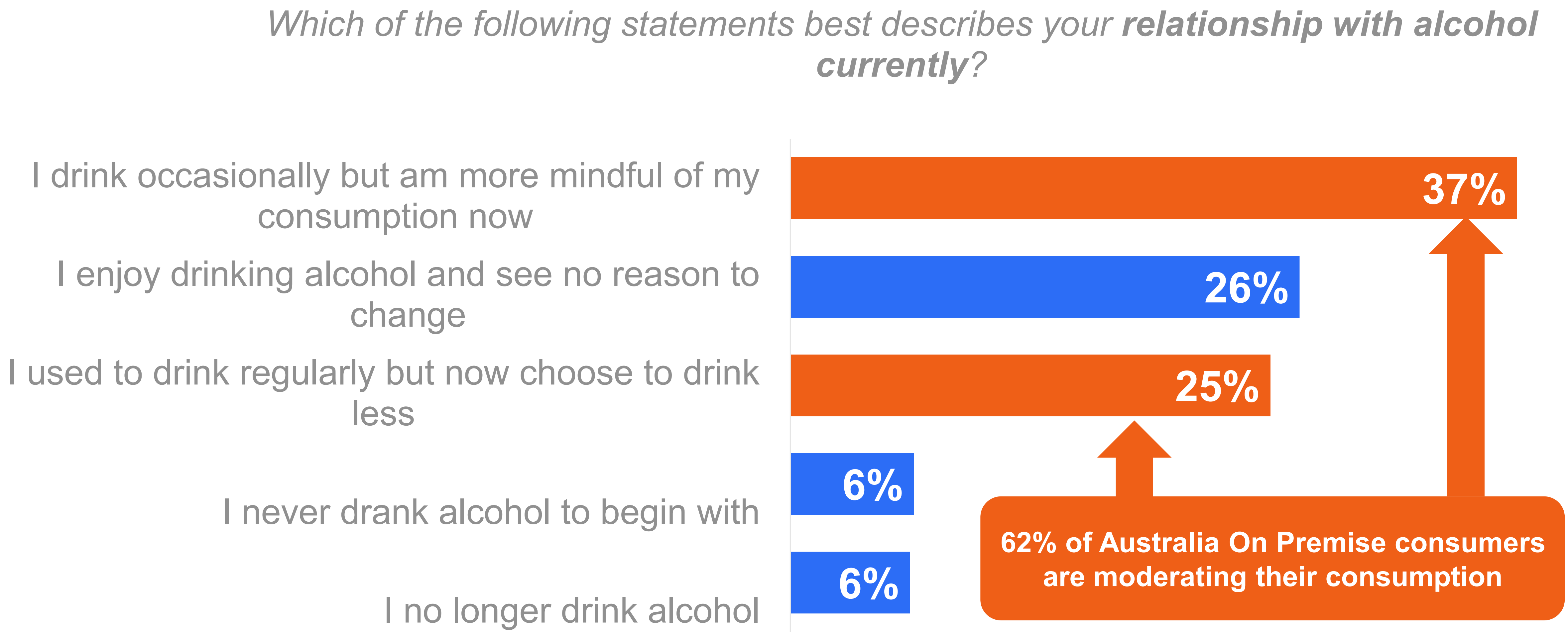
But may open the door for less but better strategy?



Source: OPUS Australia October 2023, March 2024, September 2024, March 2025; Sample size: 124 – 2438

"Mindful" consumption is now the dominant interaction/relationship with alcohol

Tapping into mindset shifts and appealing to these consumers is crucial for growth



RECAP 1: Are People Drinking Less Recap?

🔍 Top 3 Insights

1. **Yes, but it's complicated**—while overall alcohol consumption is declining, it's not a uniform trend across all demographics or occasions.
2. **Moderation is driving change**, not abstention—most consumers are still drinking, just differently (less often, fewer drinks per occasion).
3. **Behavioural shifts vary by context**—some consumers are drinking less at home, others in On Premise

✅ Top 3 CTAs for Suppliers

- **Avoid blanket assumptions**—segment strategies by age, occasion, and moderation style.
- **Support moderation behaviours**—offer products and formats that suit reduced consumption without compromising experience.
- **Equip venues/retailers with insights**—help them understand nuanced shifts and adapt offerings accordingly.

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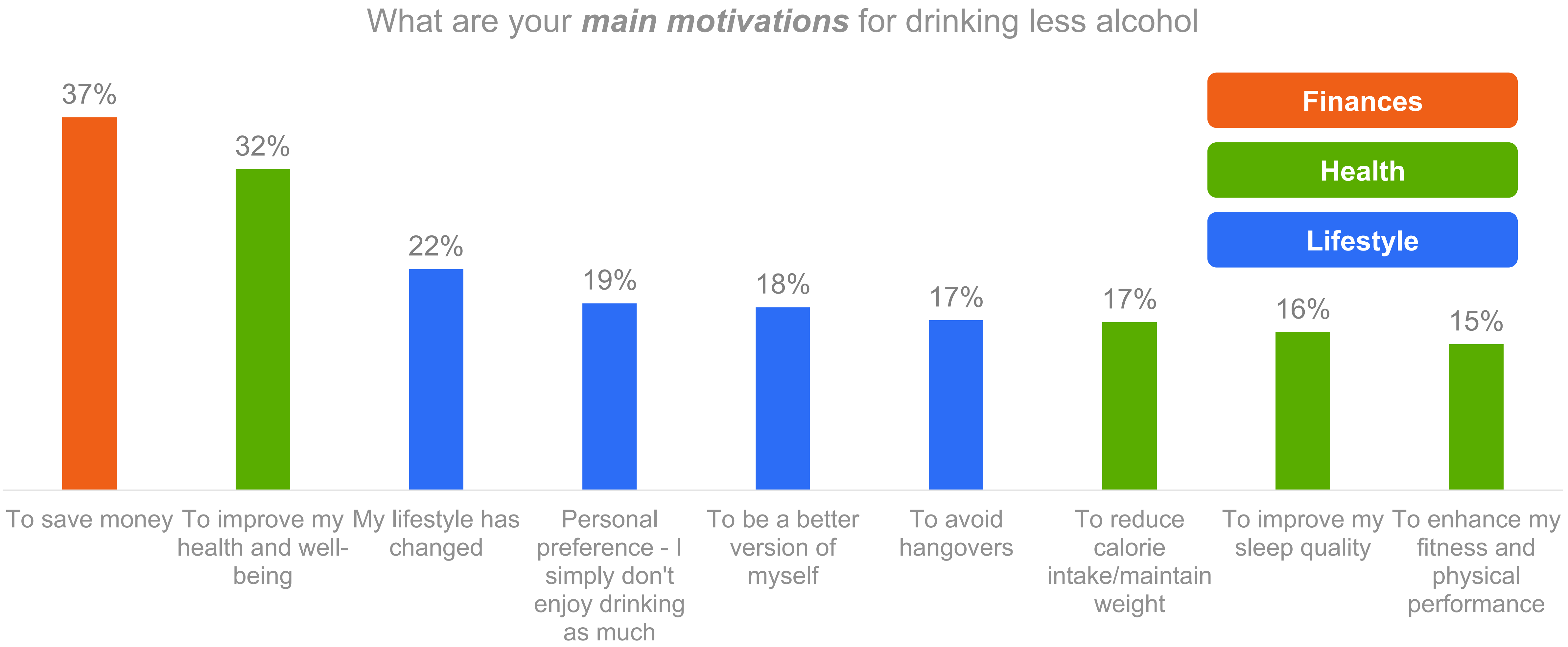
What is driving moderation trends and are they here to stay?

Moderation motivation is multifaceted

Consumers are cutting back for reasons you can act on—tap into health, lifestyle, and value-driven choices



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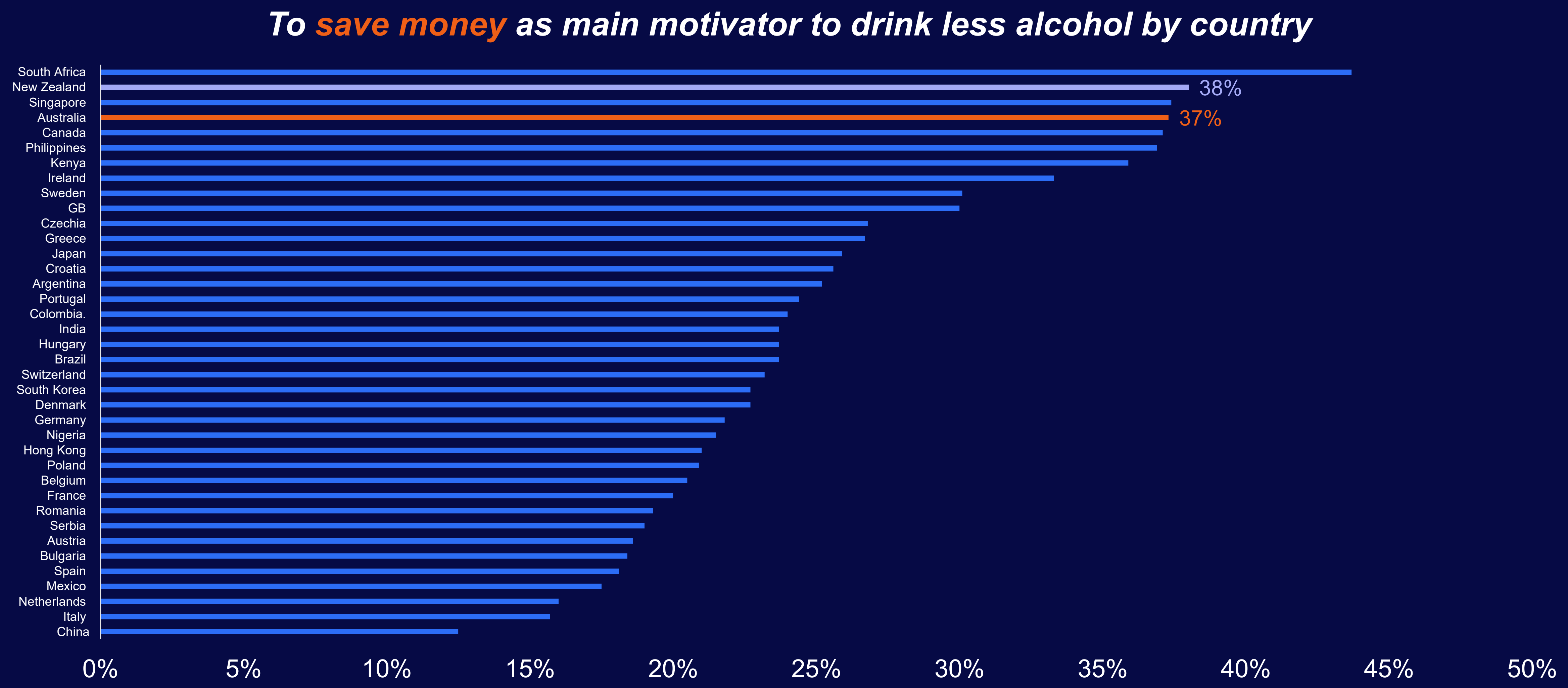
Financial headwinds weigh heavier on Australians than the global average

Suggesting some moderation behaviour may dissipate as finances improve



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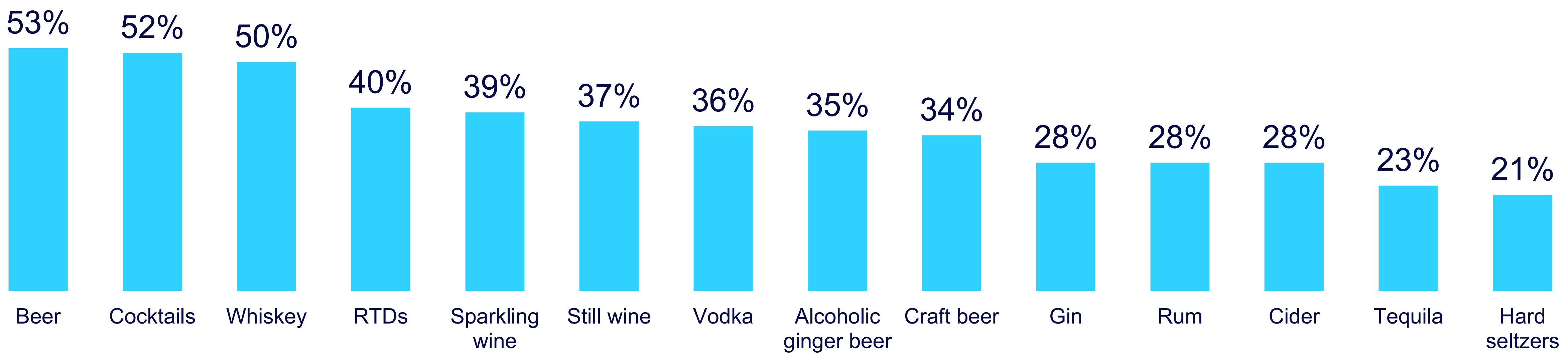
In Australia, all categories are impacted by inflation

Could engagement return as consumers finances improve – for some, no doubt?

Reasons for drinking less than 1 year ago across categories – Proportion selecting ‘it’s become too expensive’

‘It’s become too expensive’ is the #1 or #2 factor for consuming all categories less than a year ago



Source: CGA by NIQ OPUS Australia March 2025, Sample size: 57 - 165

Different brand positioning can be used to attract different age groups moderating

Self fulfilment and improved sleep for under 35s, hangovers and control for middle-age, and finances and health for over 55

What are your ***main motivations*** for drinking less alcohol – top 4 over-indexes vs avg consumer

18-34		35-54		55+	
To be a better version of myself	+8.1pp	To avoid hangovers	+4.2pp	To save money	+8.5pp
To improve my sleep quality	+5.7pp	To maintain better control over my actions	+3.2pp	To improve my health and well-being	+8.4pp
Religious or cultural beliefs	+5.3pp	To reduce calorie intake/maintain weight	+1.4pp	My lifestyle has changed	+3.5pp
I am seeing the moderation/sober curious trend more on social media	+4.7pp	There are better no/low options in bars/restaurants	+1.2pp	Medical reasons or doctor's advice	+3.1pp

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NARTDs are carving out a space in adult soft drinks through mood claims

Appealing to betterment and ***traditional alcohol occasions***

📈 **Product Lines**

•**Recess Mood**: Functional sparkling waters with mood-enhancing ingredients

•**Powder Mixes**: On-the-go wellness blends

•**Canned Mocktails**: Alcohol-free options tapping into the Adult NA (non-alcoholic) trend

"Recess can be found in 18,000 retailers across the US - including Target, Albertsons, Wegmans, Sprouts and CVS - but more than 50% of its sales come from ecommerce (where it's the largest alcohol-alternative brand on Amazon).

The brand is doubling sales year-on-year: and its next milestone will be to cross $100m in sales."

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Heineken 0 has led the way in drink driving related comms

Tapping into that staying in control motivation and hangover avoidance

"Heineken 0.0 champions responsible choices—whether you're behind the wheel or just avoiding the next-day fog. With zero alcohol and full flavour, it's the smart option for staying sharp, social, and safe."

•**Positioning**: Reinforces Heineken 0.0 as the premium choice for non-alcoholic beer, aligned with control, clarity, and social inclusion.

•**Targeting**: Appeals to health-conscious consumers, designated drivers, and those seeking moderation without compromising on taste.

•**Cultural Relevance**: Leverages Heineken's leadership in drink-driving communications to build trust and credibility.

•**Occasion Fit**: Perfect for daytime socialising, work events, and any moment where staying in control matters.

Social exercise and health tracking watches are also playing bigger roles

Influencing when, where, and how some brands are activating

% of Australians who claim these lifestyle factors are important

Exercise regularly **50%**

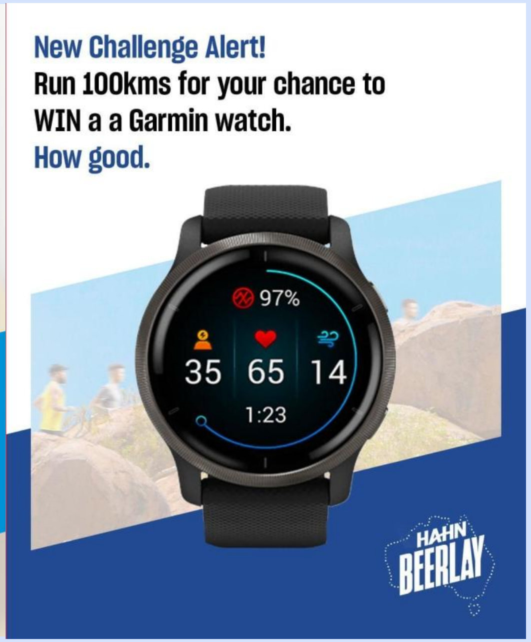
Ensure I get quality sleep **48%**

+59%

Increase in running club memberships in 2024 vs YA

6.9M

smart watches sold last 4 years in AU

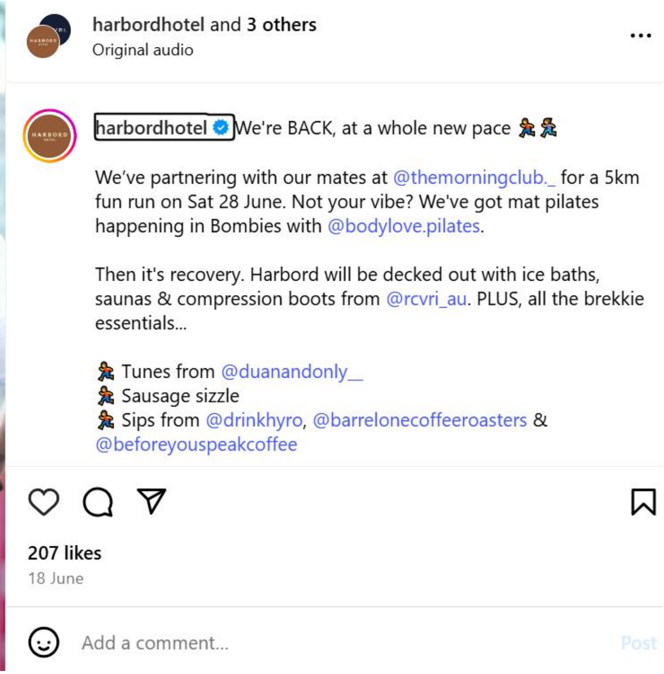


Double digit growth **vs 2YA in Retail**

Double digit growth **vs 2YA in On Premise**

And the role of the pub is evolving with the trends

Expanding occasions, events, and dayparts to attract health/wellness aligned consumers


harbordhotel and 3 others
Original audio

harbordhotel We're BACK, at a whole new pace 🏃🏃

We've partnering with our mates at @themorningclub._ for a 5km fun run on Sat 28 June. Not your vibe? We've got mat pilates happening in Bombies with @bodylove.pilates.

Then it's recovery. Harbord will be decked out with ice baths, saunas & compression boots from @rcvri_au. PLUS, all the brekkie essentials...

🏃 Tunes from @duanandonly__
🏃 Sausage sizzle
🏃 Sips from @drinkhyro, @barrelonecoffeeroasters & @beforeyouspeakcoffee

207 likes
18 June

Add a comment... Post

Partnered with local run club 'morning club' to put on regular events that included group run, Pilates, ice/sauna and food/drinks

Signifies to current and potential customers pub is down with the trends and aligned with consumer lifestyles

Unlocked new dayparts to engage with consumers and grow share of occasions outside of typical operating hours

<u>*Harbord Hotel*</u> branches out to tap into the northern beaches running club craze

RECAP 2: Drivers and the Future of Moderation?

Top 3 Insights

1. **Moderation is likely here to stay**, but its drivers are evolving—health and wellness remain key, but financial pressures are currently *amplifying the trend*.
2. **Motivations vary by age group**—younger consumers are driven by self-improvement and sleep; older consumers by cost and health.
3. **Future behaviours may shift** as economic conditions improve, but wellness and lifestyle alignment will continue to grow as importance factors.

✅ Top 3 CTAs for Suppliers

- **Segment messaging and innovation** by age group—align with distinct motivations like fitness, control, or value.
- **Plan for dual-track strategies**—support both temporary financial moderation and long-term wellness-driven behaviours.
- **Invest in future-fit formats**—low/no alcohol, functional drinks, and premium experiences that align with evolving consumer values.

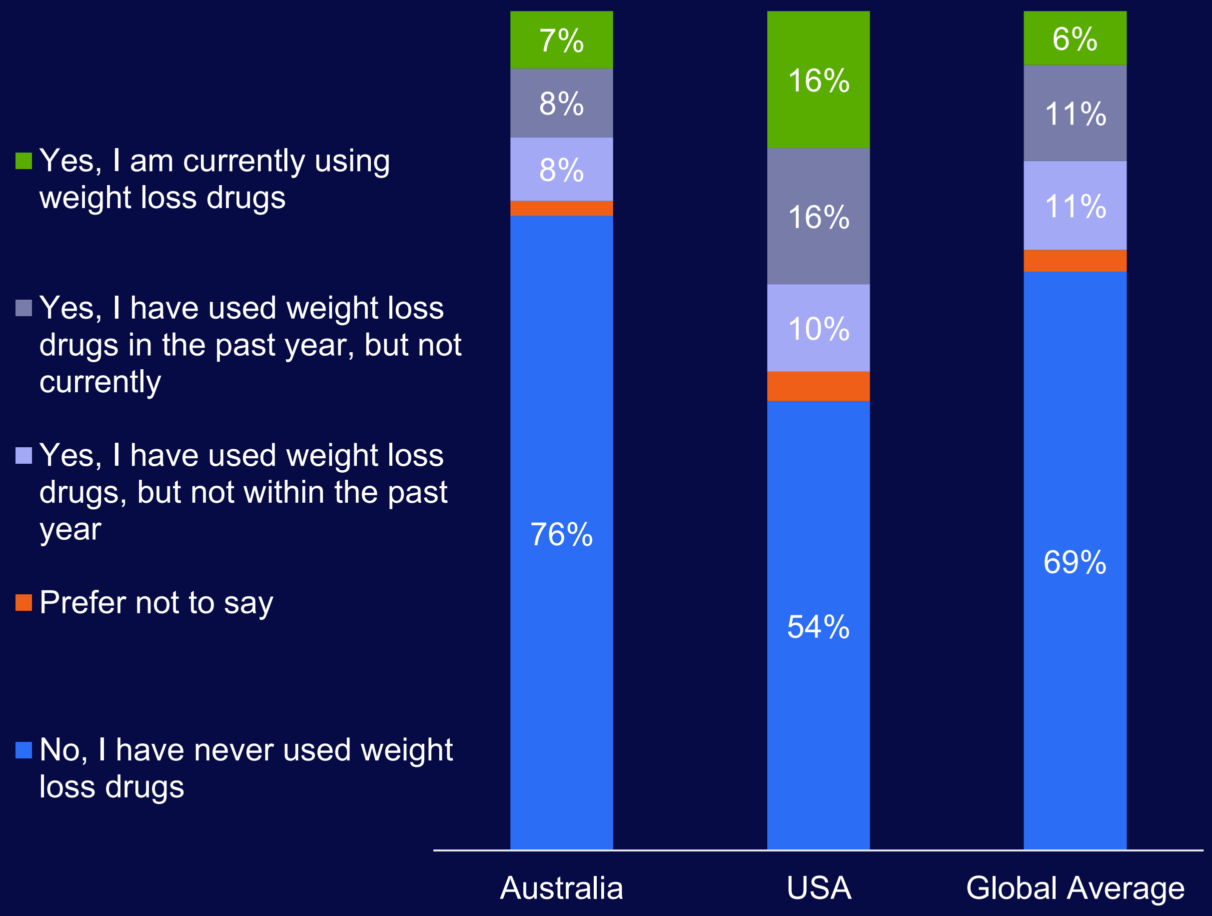
With increased supply and reducing stigma – are weight loss drugs going to super-charge moderation trends, or do they give consumers the confidence to drink?

Australia lags the US in uptake and usage. Key questions we need to answer:

Is there a growing appeal for these treatments in Australia?

How do these treatments impact consumers relationships with alcohol?

Health & Wellness: Have you ever used, or are you currently using any weight loss drugs (e.g. Ozempic, Mounjaro)?



NIQ REACH Australia, US, Global 2025

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Most Australian consumers do *not see the appeal* of weight loss drugs

Showing less appeal in Australia vs the US global Average

How appealing or unappealing do you find weight loss drugs to use yourself?

	Australia	US	Global Average
Very appealing	10%	18%	14%
Slightly appealing	20%	20%	21%
Neither appealing nor unappealing	24%	25%	24%
Slightly unappealing	12%	9%	13%
Very unappealing	34%	28%	28%

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Impact of drugs on alcohol consumption and On Premise visitation are mixed

Suggesting polarisation in the impacts and a need for targeted strategies to address reducers as drugs become more prevalent

*What **impact** did taking weight loss drugs have on the below behaviours?*

	My alcohol consumption			Going out to restaurants, bars or other similar venues to eat/drink		
	Australia	US	Global Average	Australia	US	Global Average
Caused me to increase this behaviour	26%	28%	26%	24%	36%	29%
It did not impact this behaviour	37%	40%	44%	46%	38%	45%
Caused me to decrease this behaviour	30%	25%	25%	26%	22%	22%

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RECAP 3: The GLP-1 Factor, to early to judge?

Top 3 Insights

1. **GLP-1 drugs are emerging as a potential moderation driver**, but their impact on alcohol consumption is still unclear and polarised.
2. **Australia lags behind the US** in uptake and appeal—most consumers do not find these drugs appealing.
3. **Behavioural impact is mixed**—some users reduce alcohol consumption and venue visitation, while others report no change or even increased engagement.

✅ **Top 3 CTAs for Suppliers**

- **Monitor GLP-1 trends closely**—stay ahead of potential shifts in alcohol behaviour as adoption grows.
- **Avoid over-indexing on assumptions**—segment messaging and innovation based on actual behavioural data, not hype.
- **Prepare for polarisation**—develop targeted strategies for both reducers and maintainers, especially in On Premise.

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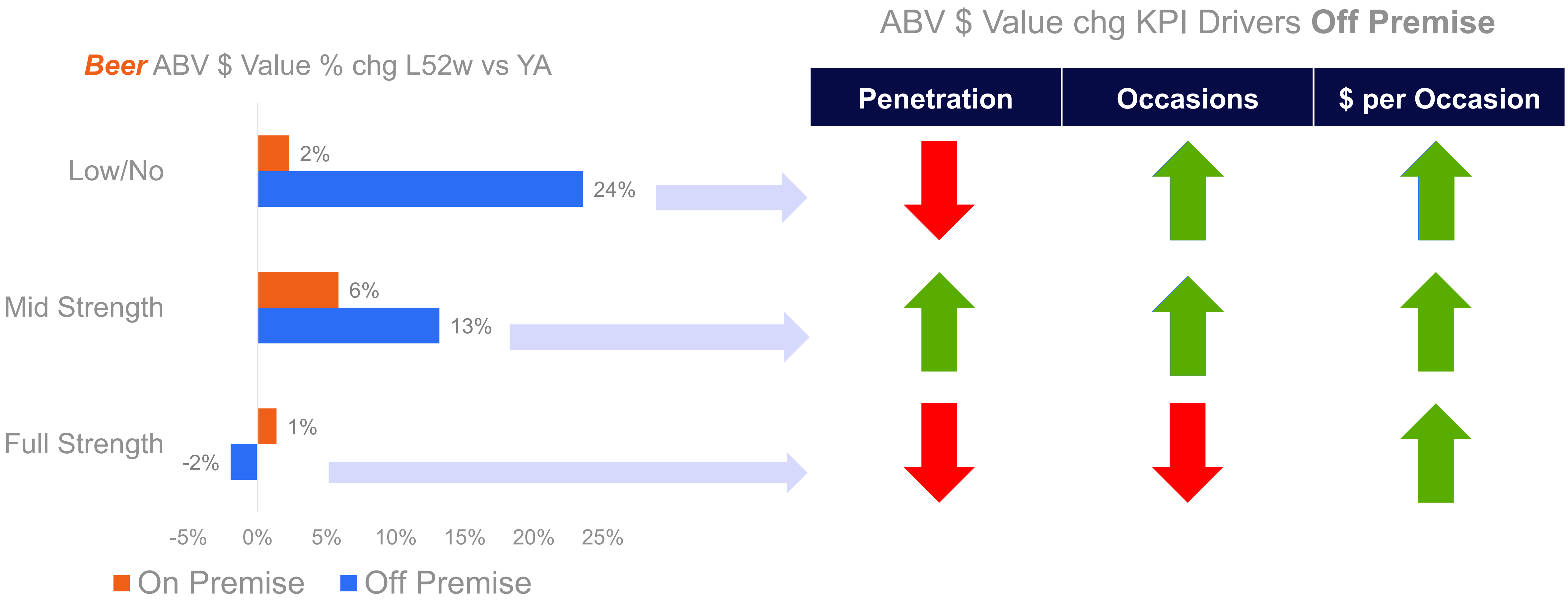
How is this impacting BevAlc category dynamics?

In Retail: Mindful behaviour in the form of low/no and mid-strength beer growth

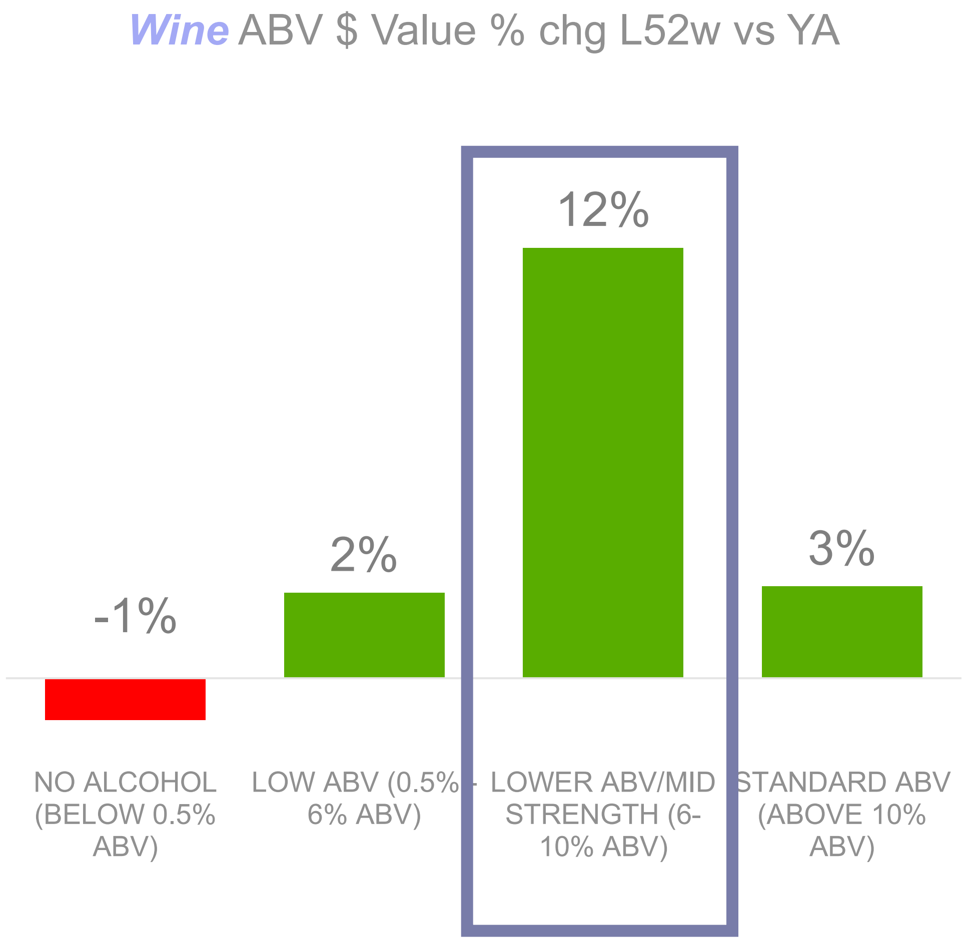
Across both channels and driven by more people and more occasions



NIQ OPM and NIQ Omnishopper to June 2025

Wine follows beer's path in mid-strength

With varied interest from different shopper groups – suggesting opportunity to target penetration gains



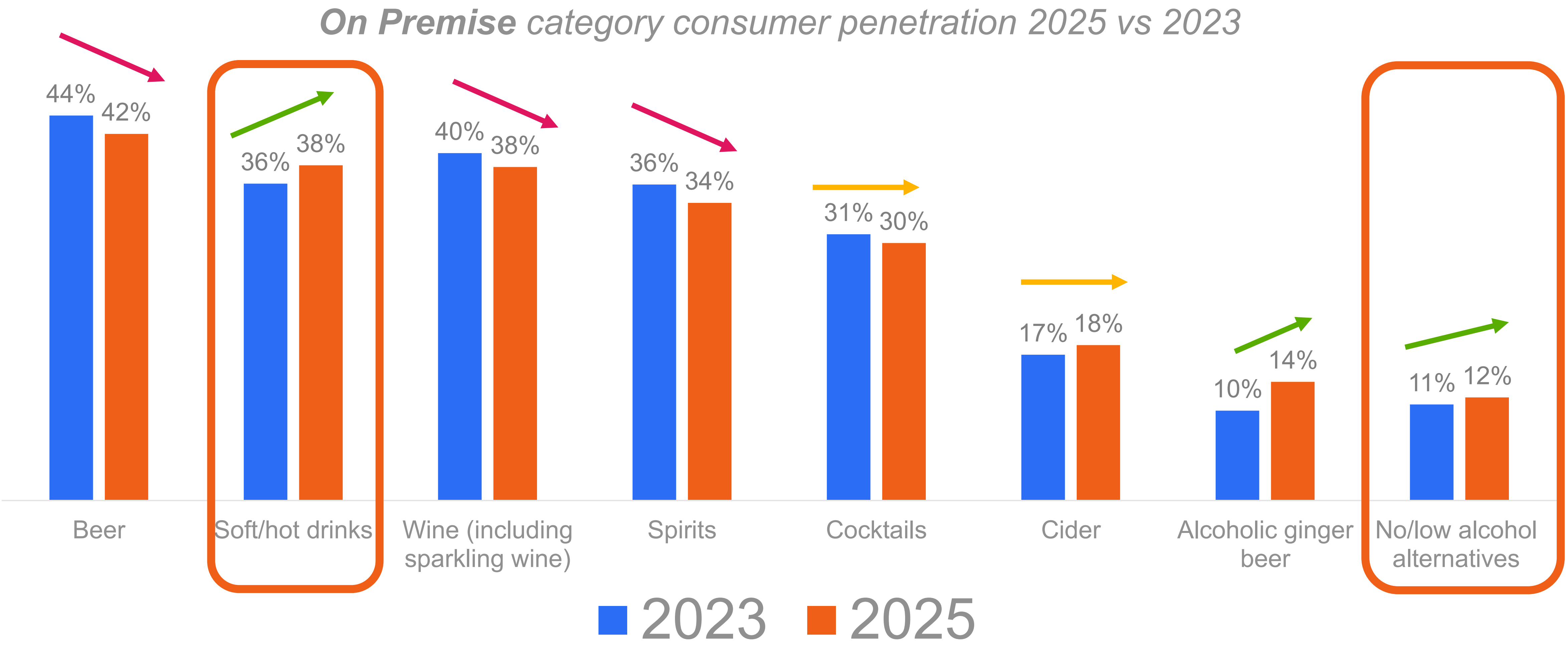
Lower ABV/Mid Strength Wine % of wine buyers buying mid-strength

Demographic group	***L52w***	***Change***
Age 18-34	***26%***	*-1.7*
Age 35-44	***28%***	*2.8*
Age 45-54	***30%***	*-4.5*
Age 55+	***37%***	*0.3*

NIQ Omnishopper Australia

Traditional alcohol categories witness a drop in On Premise preference

With moderation minded choices maintaining or gaining in penetration



Source: OPUS Australia March 2022-2025, Sample size: 4000 – 4004

When drinking out: Moderation behaviour wears many different hats

Understanding where your products can fulfill consumer needs is crucial

When you want to moderate what you drink or drink less when out, what do you do?

NIQ REACH Australia 2025

On-Premise venues may need to rethink menus when appealing to under 55s

Younger consumers moderating in more nuanced ways – seeking out different ABVs or zebra striping with no/low alternatives

When you want to moderate what you drink or drink less when out, what do you do?
– top 3 over-indexes vs avg consumer

18-34		35-54		55+	
I choose **lower-ABV brands** within the same drink category	*+6.1pp*	I alternate between alcoholic drinks and **no/low alcohol options**	*+4.1pp*	I choose the same drink as always but drink less of it	*+5.1pp*
I choose a **different drink**, one I know won't get me drunk quickly	*+3.7pp*	I choose the same drink but a **different format** (i.e. bottled beer instead of draught, single spirit and mixer instead of a double measure)	*+2.6pp*	I alternate between alcoholic drinks and a soft drink/water	*+2.7pp*
I alternate between alcoholic drinks and **no/low alcohol options**	*+3.3pp*	I choose a **different drink,** one I know won't get me drunk quickly	*+2.0pp*	Other	*+2.6pp*

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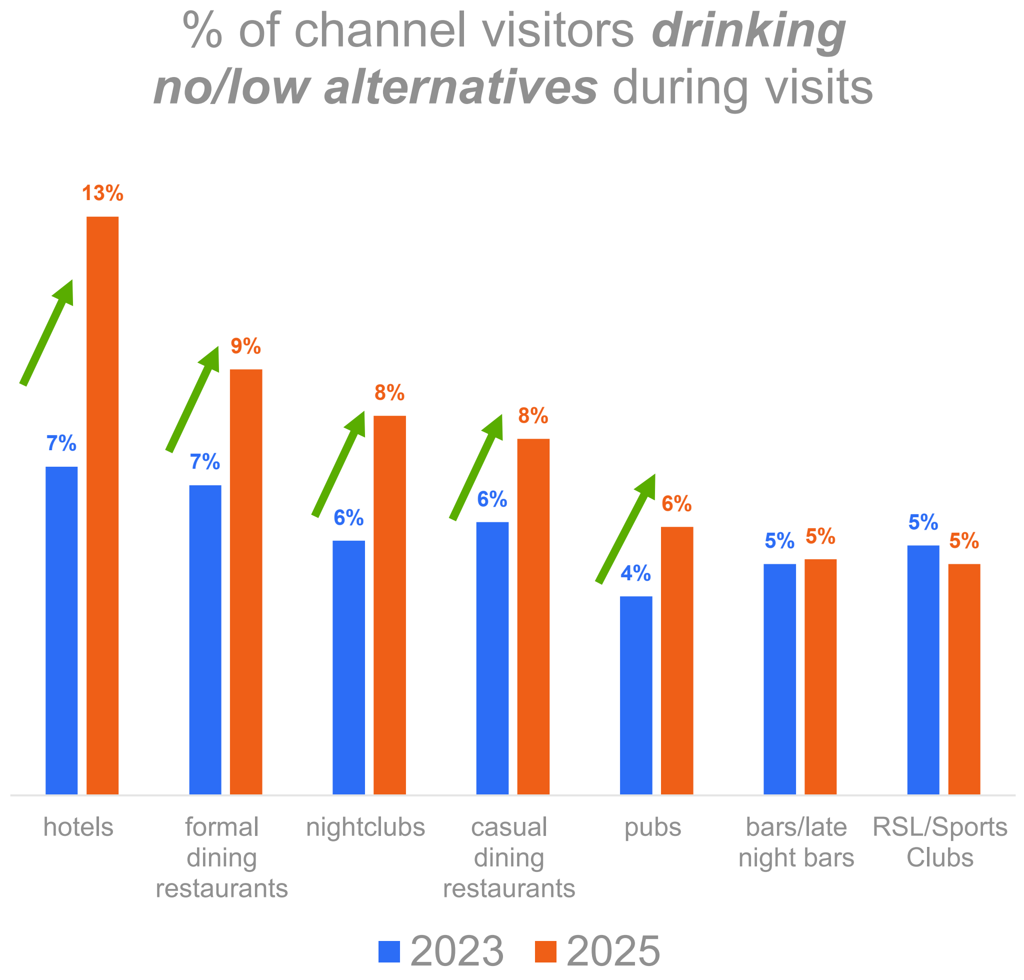
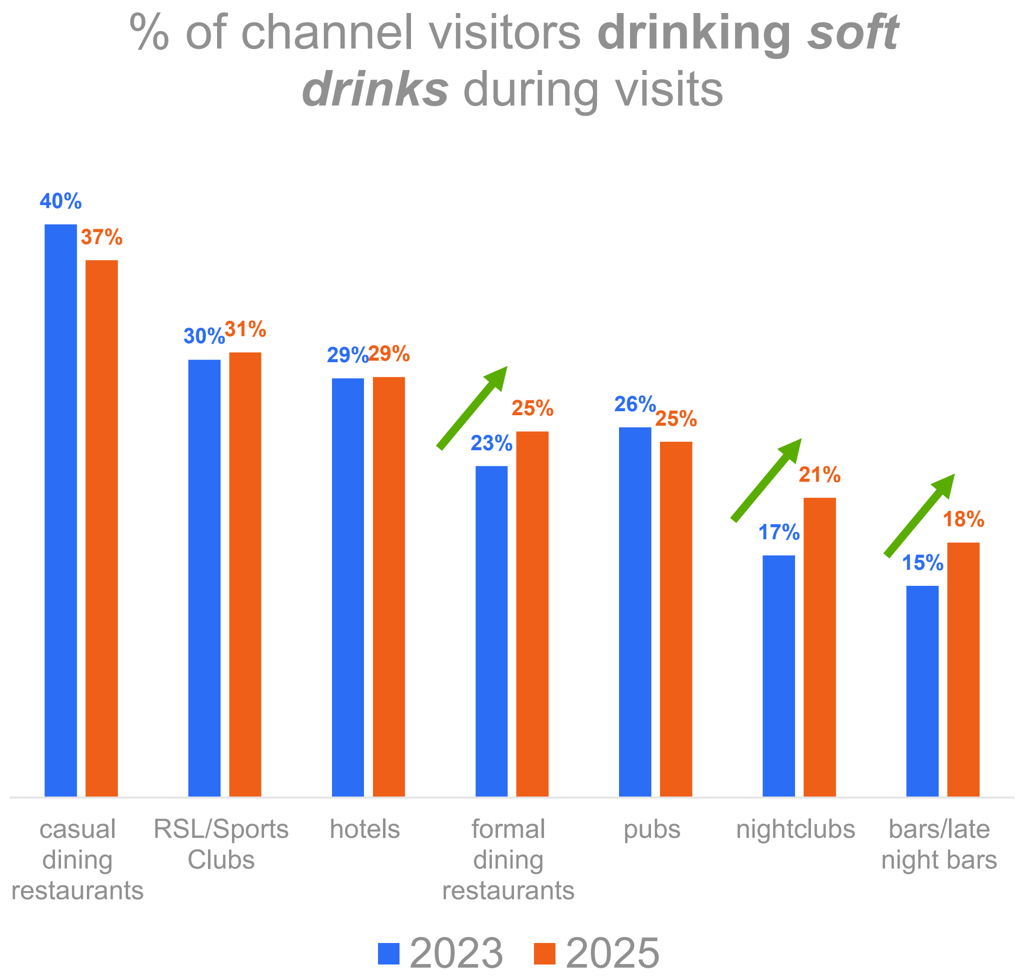
More formal/premium skewing venue types see increased demand for no/low and softs

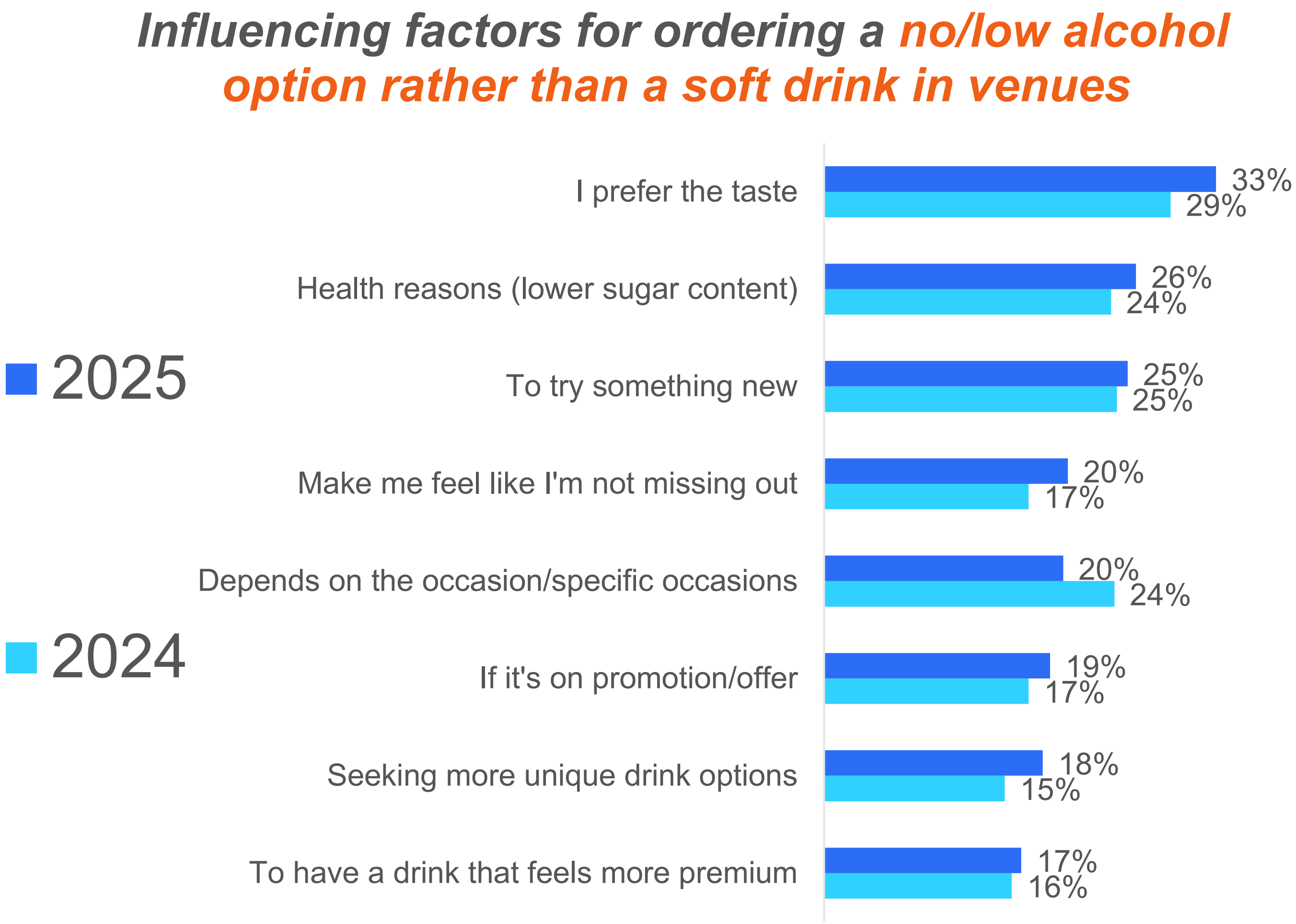
Creating greater need to provide products that meet experience expectations around premiumness and quality





NIQ OPUS March 2023, 2024

Success in no/low means meeting taste expectations and delivering dual no-alc and low sugar/carb function



NIQ OPUS March 2024, 2025

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RECAP 4: Category Impacts and Opportunities

🔍 Top 3 Insights

1. **Low/no and mid-strength alcohol segments are growing**, especially in retail, driven by health-conscious and moderation-minded consumers.
2. **Traditional alcohol categories are seeing slight decline in preference**, particularly in the On Premise, as consumers shift toward lighter formats and functional alternatives.
3. **Venue types and occasions are evolving**—premium and formal venues are seeing increased interest in soft drinks and no/low options, reflecting changing occasion expectations.

✅ Top 3 CTAs for Suppliers

- **Expand low/no and mid-strength offerings** across beer, wine, and spirits to meet rising demand, especially in formal/premium settings.
- **Experiment with shelf and menu desgins**—group products by ABV, function (e.g. mood, recovery, low-sugar/carb), or occasion to help consumers navigate moderation choices.
- **Position products for evolving occasions**—focus on quality, experience, and wellness alignment to win in premium and daytime settings.

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A final reflection: Do we need to act?

🔑 Top Insights

•**Moderation is the new norm**: Aussies aren't quitting booze—they're drinking smarter and more mindfully.

•**Finances matter**: Cost is the #1 reason for cutting back, more than health or wellness.

•**Younger drinkers = wellness warriors**: Think sleep, fitness, self-improvement.

•**GLP-1s are emerging**: Low appeal in AU but could reshape habits—watch this space.

•**Low/no & mid-strength are winning**: Especially in retail, driven by mindful and health seeking behaviour.

✅ Supplier Moves

1. **Segment by age & mindset**: Tailor products and messaging to generations and motivations for reducing consumption.
2. **Back moderation**: Innovate in low/no, mid-strength, and functional formats – make sure innovation is tied to a clear occasion/need.
3. **Rethink shelves & menus**: Group by ABV, occasion, or benefit (e.g. mood, recovery, diet).
4. **Stay flexible on GLP-1s**: Don't overreact—track real behaviour, not hype.
5. **Premium matters**: Consumers want quality, even when drinking less – think premium non-alc, mid-strength, or adult soft drinks.

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Thank you!

Tell us what you think of the insights from todays session…

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