

Tuesday, 13 February 2024

# Over 14 million Australians are now consuming alcohol – driven by increases for wine and 'RTDs'

New data from Roy Morgan's Alcohol Consumption Report shows the proportion of Australians who drink alcohol was at 68.1% in the 12 months to September 2023, up by 1.8% points since the pre-pandemic period in the 12 months to March 2020 (66.3%).

The number of Australians drinking wine, beer and spirits reached pandemic highs during 2021 as Australians were stuck at home for extended periods during the many lockdowns that different parts of the country experienced. Consumption of all of the 'big three' alcoholic beverages has since declined as a share of population over the last two years as we emerged from pandemic restrictions.

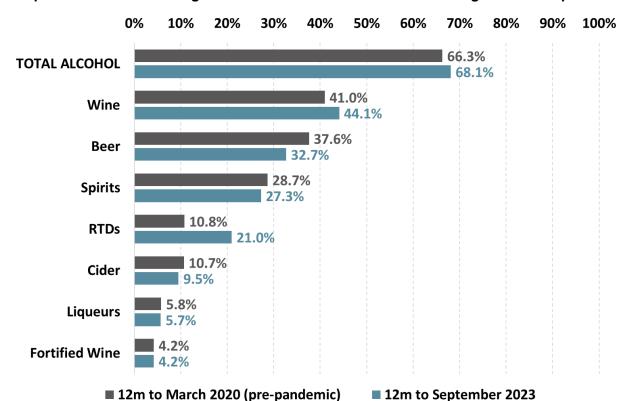
However, consumption of RTDs (Ready-to-drink) has continued to increase and in late 2023 is now at a record high of well over one-in-five Australians.

In the year to September 2023 over 14 million Australians (14,013,000, 68.1%) aged 18+ consumed alcohol in an average four-week period for the first time compared to 13,073,000 (66.3%) in the year to March 2020 – an increase of nearly 1 million Australians and higher than at any point during the pandemic.

The standout alcoholic beverages over the course of the pandemic have been 'Ready-to-drink' (RTDs) for which consumption increased from 2,138,000 Australians (10.8%) pre-pandemic and that number has more than doubled to 4,319,000 (21.0%) in late 2023 – a massive increase of over 2.1 million people.

The most popular alcohol is wine which has stretched its lead over the last few years with the number of Australians drinking wine increasing from 8,096,000 (41.0%) pre-pandemic to 9,068,000 (44.1%) in the 12 months to September 2023 – an increase of nearly 1 million people.

## Proportion of Australians aged 18+ who consume alcohol in an average four-week period



**Source**: Roy Morgan Single Source Australia, Apr. 2019 – Mar 2020, n=14,632. Oct. 2022 – Sep. 2023, n=62,929. **Base**: Australians aged 18+.

The spirits category enjoyed a clear 'pandemic boost' of over 1 million extra consumers and in the 12 months to December 2021 there were 6,759,000 (33.8%) Australians drinking spirits, however this 'boost' has now receded. There are now 5,623,000 (27.3%) Australians drinking spirits, down slightly from 5,671,000 (28.7%) pre-pandemic.

In contrast to wine and RTDs, the major category that hasn't been able to arrest a long-term decline is the beer category. Although consumption of beer did increase during the early stages of the pandemic this momentum quickly dissipated.

Now under a third of Australians, 6,725,000 (32.7%) consume beer, down significantly from the 7,413,000 (37.6%) who did so in the 12 months to March 2020 just before the pandemic struck and turned the world upside down during much of the past four years.

The fifth most popular category alcohol is cider, which dipped significantly during the pandemic but has since recovered much of this lost ground. During the 12 months to December 2021 only 1,620,000 (8.1%) consumed cider, down by nearly 500,000 compared to pre-pandemic consumption of 2,114,000 (10.7%). Since this low point in 2021 consumption has recovered by over 300,000 to 1,953,000 (9.5%) in late 2023.

Roy Morgan CEO Michele Levine says the increase in alcohol consumption during the pandemic years has been sustained and driven by a doubling in the consumption of RTDs ('Ready-to-drink') and almost 1 million more Australians drinking wine than pre-pandemic:

"The rapid increase in the consumption of alcohol during the pandemic years of 2020-21 was driven by increases for all four of the major alcohol categories – wine, beer, spirits and RTDs. However, as the pandemic subsided, these four categories experienced very different trajectories of consumption.

"Consumption of RTDs has continued to increase, consumption of wine has plateaued at a far higher level than pre-pandemic, consumption of spirits has largely returned to its pre-pandemic levels and consumption of beer – which had the smallest pandemic increase – has continued its long-term decline.

"The short-term pandemic related trend peaked in the 12 months to June 2021 with overall consumption of alcohol reaching a high of 69.7% of Australian adults. Since then, the share of adults consuming alcohol has declined by 1.6% points to 68.1%. However, the growth in population over the last two years means the raw number of adults drinking an alcoholic beverage in an average four weeks has continued to increase since mid-pandemic — **up 105,000 to a record high 14,013,000**.

"The 'shock' of the pandemic disrupted, and has apparently ended, a longer-term trend of declining alcohol consumption amongst the Australian population. In the year to June 2006 nearly three-quarters of Australian adults, 73.5%, drunk an alcoholic beverage in an average four weeks.

"The strong performance of RTDs (Ready-to-drinks) and wine over the last few years has helped arrest this long-term decline and means total alcohol consumption today is sustainably above prepandemic trends – and is up on a year ago.

"Compared to a year ago there are now 9,068,000 Australian adults drinking wine in an average four weeks, up 159,000 on a year ago – though the share of the population is virtually unchanged. Over half of Australian adults aged 65-79 (50.7%) and 50-64 (50.3%) drink wine in an average four weeks.

"Consumption of beer is also marginally up on a year ago with 6,725,000 Australian adults drinking beer in an average four weeks – up 89,000. However, the standout performer of the last few years has been RTDs which have kept increasing in the post-pandemic period. Now 4,319,000 Australian adults drink RTDs in an average four weeks – up 624,000 on a year ago and up over 2.1 million on pre-pandemic in the year to March 2020.

"In contrast, the spike in the drinking of spirits experienced during the pandemic has proved short-lived with 5,623,000 Australian adults now drinking spirits in an average four weeks, down 201,000 on a year ago and down over 1.1 million from the pandemic peak of spirits consumption in 2021.

"Roy Morgan will continue to keep a close eye on the emerging trends in the alcohol consumption market as Australians deal with a cost-of-living crisis that has led to a moderation of spending on discretionary items over the last few months as Australians take care of the essentials in life.



"The trends we are seeing in the post-pandemic period suggest consumption of wine has found a new high above pre-pandemic levels while consumption of spirits looks set to return to pre-pandemic levels. The good news is that consumption of RTDs such as vodka, gin, bourbon and rum has been on a sharp rise in recent years and that trend has continued despite the challenging economic circumstances faced by many Australians."

## Related research findings

View the <u>Alcohol Consumption Currency Report</u>, as well as <u>targeted profiles on Australians based on</u> what alcohol they drink, how much alcohol they drink, where they buy their alcohol from, and much more.

For further comment or more information about Roy Morgan's alcohol data please contact:

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## **About Roy Morgan**

Roy Morgan is Australia's largest independent Australian research company, with offices in each state, as well as in the U.S. and U.K. A full-service research organisation, Roy Morgan has over 80 years' experience collecting objective, independent information on consumers.

## **Margin of Error**

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
10,000	±1.0	±0.9	±0.6	±0.4
20,000	±0.7	±0.6	±0.4	±0.3
50,000	±0.4	±0.4	±0.3	±0.2

