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Australia’s alcohol consumption fell 2% in early 2026, a steeper drop than the global market

IWSR data showed RTDs alone avoided volume losses as cider fell 3% and beer dropped 2%

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Alcohol consumption in Australia fell 2% in the first half of 2026 from a year earlier, a steeper decline than the broader global market, according to IWSR data shared with Drinks Trade on Friday, November 20.

The comparison covered 21 markets that together account for 76% of global beverage alcohol consumption. Across those markets, total consumption fell 1% from a year earlier. When the United States and China were excluded, however, the remaining markets posted 1% growth, underscoring how heavily the two largest markets influenced the overall result.

For Australia, the figures point to continued pressure on demand across major alcohol categories. That matters for brewers, winemakers, distillers and exporters that use the market to gauge consumer demand and shifting competition between categories, especially as retailers and suppliers adjust product mix, pricing and promotional plans.

IWSR's category data showed that ready-to-drink products, or RTDs, were the only major category in Australia that did not lose consumption volume in either of the comparison periods reviewed, covering the first halves of 2024, 2025 and 2026. Cider recorded the largest decline in the first half of 2026, down 3%, followed by beer, down 2%.

Wine and spirits each fell 1% in Australia in the first half of 2026, making them more resilient than the market as a whole. For the wine trade, that suggests the category held up better than overall alcohol demand, even as consumers continued to moderate spending and drinking in other parts of the market.

At the same time, IWSR said Australia's pattern differed from the broader global picture when measured in volume terms. Three segments accounted for most of the decline: full-strength beer, which fell by less than 1% but still had a large effect because of its scale; still wine, down 4%; and national spirits, down 11%.

The global data pointed to a wider divide between large and smaller markets. The United States and China both posted notable declines, with total beverage alcohol volumes down 4% and 3%, respectively. IWSR said growth in Brazil, India, Colombia, South Africa and the United Kingdom was strong enough to lift consumption into positive territory across the markets outside the United States and China.

“The global beverage alcohol market has never been uniform, but this most recent data points to a growing disconnect between American and Chinese consumers and the rest of the world,” IWSR President and Managing Director Marten Lodewijks said in comments reported by Drinks Trade. “This creates challenges for the industry, as these are its two largest markets by volume and value.”

Some categories continued to expand despite the overall slowdown. Across the 21 markets, IWSR said no-alcohol beer, Indian whisky and prosecco all grew in volume in the first half of 2026. That mix reflects a market in which consumers are not moving in one direction. Some are drinking less, some are shifting between categories, and some are moving toward products positioned around convenience, moderation or specific occasions.

Lodewijks said moderation was becoming a structural feature of the market, but added that strong growth was still evident in several countries. “While larger, legacy categories like still wine and full-strength beer have kept TBA volumes negative, this has been somewhat offset in most markets by RTD and no-alcohol beer growth,” he said.

For Australian producers and importers, the data adds to a more complex picture than a single headline decline suggests. Beer and cider remained under pressure, RTDs continued to show resilience, and wine’s overall decline was shallower than the total market even as still wine posted a sharper drop. That kind of split could shape decisions on inventory, marketing and export priorities as companies assess where demand is weakening and where it is holding up better.