vinetur

Younger generations drive NoLo growth

Non-alcoholic and low-alcohol beverages gain popularity amid wellness and lifestyle shifts

Friday, April 25, 2025



The NoLo trend—short for "no" and "low" alcohol—has quickly become one of the most significant shifts in the alcoholic beverage industry in recent years. Across the United States and globally, consumer preferences are moving toward drinks that offer the taste, ritual, and social aspects of alcohol without the traditional levels of alcohol content. This shift is reshaping the strategies of major beverage companies, inspiring a

wave of innovation among craft producers, and changing the landscape of bars, restaurants, and retail outlets.

The NoLo movement began gaining momentum in the late 2010s, with health and wellness trends playing a major role in its rise. Consumers, especially millennials and Gen Z, have increasingly prioritized mental clarity, physical fitness, and mindfulness. The COVID-19 pandemic accelerated this shift, as people reevaluated their lifestyles and habits during lockdowns. This period of reflection led many to question their relationship with alcohol, resulting in a growing demand for alternatives that fit healthier lifestyles.

According to data from the IWSR Drinks Market Analysis, the global NoLo alcohol beverage market grew by more than 8% in volume in 2023, compared to traditional alcohol volumes, which remained largely flat. In the United States, the NoLo sector is forecasted to grow by 25% between 2022 and 2026, a pace that outstrips the growth rate of many traditional beverage categories. Major beer companies like Anheuser-Busch InBev and Heineken have heavily invested in non-alcoholic beers, while spirits companies such as Diageo and Pernod Ricard have launched new lines of low-alcohol or alcohol-free spirits to meet the demand.

The beverage industry's response to NoLo's rise has been multifaceted. Many breweries now offer non-alcoholic versions of their flagship beers, using advanced techniques such as vacuum distillation and reverse osmosis to remove alcohol without compromising flavor. Craft breweries have joined the movement as well, with brands like Athletic Brewing Company specializing exclusively in non-alcoholic beers that appeal to serious beer drinkers seeking high-quality, flavorful options.

In the spirits sector, innovation has taken a slightly different path. Rather than merely removing alcohol from traditional spirits, companies are creating entirely new formulas using botanical distillations and complex flavor profiles that mimic the experience of drinking gin, whiskey, or tequila. Brands such as Seedlip and Ritual Zero Proof have pioneered this space, offering sophisticated, non-alcoholic alternatives that allow consumers to enjoy cocktails without the effects of alcohol.

Restaurants and bars have also adapted to the growing demand for NoLo options. Many establishments now feature dedicated "mocktail" menus or integrate non-alcoholic pairings into tasting menus. Some high-profile venues, particularly in major cities like New York, Los Angeles, and Chicago, have even opened as fully alcohol-free bars, serving a variety of NoLo beers, wines, and cocktails. This new approach to hospitality reflects a broader cultural shift where drinking occasions are no longer solely associated with alcohol consumption.

Retailers have expanded their selections to meet consumer demand as well. Grocery stores, liquor stores, and online marketplaces now offer a growing range of NoLo products. Retail giants such as Whole Foods and Target have introduced dedicated sections for non-alcoholic beverages, while specialty retailers like Boisson and The Zero Proof focus exclusively on NoLo offerings. E-commerce has played a critical role as well, enabling small and emerging NoLo brands to reach consumers directly.

Several factors are driving the continued growth of the NoLo trend. In addition to health consciousness, there is a growing emphasis on inclusivity and social responsibility. NoLo beverages allow people who are pregnant, managing medical conditions, or choosing sobriety for personal reasons to fully participate in social events without feeling left out. Younger consumers are also redefining social norms around drinking, favoring moderation and balance over excess.

Regulatory and marketing challenges still exist for the NoLo category. Labeling laws vary between states and countries, sometimes complicating how these products can be advertised and sold. There is also the challenge of overcoming long-standing perceptions that non-alcoholic products are inferior in taste or quality. However, as product innovation continues and consumer acceptance grows, these barriers are gradually being dismantled.

Investment in NoLo brands is increasing, with major beverage companies acquiring or investing in startups specializing in non-alcoholic alternatives. Strategic partnerships between established alcohol brands and NoLo innovators are becoming more common, signaling the importance of the category's future. At the same time, independent NoLo brands continue to gain traction, often positioning themselves as more authentic and

aligned with the wellness values of younger consumers.

As NoLo beverages become a permanent fixture in the industry, the boundaries between traditional and non-traditional drinking experiences are blurring. NoLo is no longer seen as merely a substitute for alcohol but as a category in its own right, offering new possibilities for flavor, ritual, and enjoyment. The rise of NoLo in alcoholic beverages is transforming not just what people drink, but how they think about drinking itself.