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# Beverage alcohol value set to rise by $34 billion in next decade

India and Brazil lead the way as traditional markets stagnate

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After a lackluster year marked by volume contraction in several major economies, the global beverage alcohol industry is shifting its focus to emerging markets to fuel future growth. According to new data released by IWSR on Thursday, May 29, global beverage alcohol (TBA) value is expected to increase by $34 billion over the next decade, driven largely by growth in India, Brazil, Mexico, South Africa and Türkiye.

In 2024, global TBA volumes fell by 1%, while value rose by 1%, adding $8.5 billion. The United States and China, the world's two largest markets, posted volume declines of 3% and 5% respectively. Meanwhile, India recorded volume growth of 6% and value growth of 9%, becoming the industry's most significant growth engine. Brazil also posted a 1% gain in volume and 5% in value, signaling the rise of emerging markets as key players.

From 2024 to 2029, IWSR forecasts global TBA value across 160 tracked markets will grow by $16 billion, or 1%, with value growth expected to total 3% across the full 2024–2034 period. Much of this expansion will come from developing markets. India alone is projected to contribute nearly half of global value growth by 2034, driven by beer and whisky, and is on track to become the world's largest market for Scotch whisky by 2027.

Other developing markets are also positioned for long-term gains. Brazil's performance is supported by premium beer, RTDs and brandy. In Türkiye, premium-plus whisky and growing beer consumption are driving volume, while South Africa sees momentum in beer and RTDs, particularly wine-based products that appeal to younger consumers.

Among the beverage alcohol categories, wine continues to struggle, and is the only segment forecast to decline in volume through 2034, with a projected compound annual growth rate (CAGR) of -1%. In contrast, RTDs are expected to grow at a 2% CAGR, while beer, spirits and cider will remain flat. However, premium and super-premium segments are projected to outperform in value, reflecting a trend of consumers drinking less but spending more.

This pattern of selective premiumization is visible across several categories. In the U.S. and China, premium and super-premium beer were the only segments to grow in 2024. Premium beer also performed strongly in Brazil and the UK, where stout helped drive an 8% increase in the category. Super-premium beer is forecast to grow at a 3% CAGR globally to 2034.

RTDs also benefited from premiumization in 2024, posting global volume growth of 2% and a value increase of 5%. Though hard seltzers are in decline, cocktails and long drinks are gaining popularity, particularly in markets with a focus on higher-value

offerings.

In spirits, Tequila is expected to see volume and value growth of 2% and 3% respectively across the top 31 markets, especially outside Mexico. Scotch whisky's outlook is positive in India and Türkiye, where the latter is projected to become Scotch's fourth-largest market by 2030. Spirit aperitifs are also gaining traction, with expected annual growth of 4% led by Brazil, Poland and the United States.

No-alcohol beer continues its rise, with the category forecast to become the second-largest beer segment globally by 2025. In the U.S., no-alc beer is expected to generate $2 billion in new value over the next five years, while Brazil will contribute $500 million. This growth comes amid a broader decline in traditional beer, which contracted by 1% in 2024, driven by reduced consumption in the U.S. and China.

Despite the overall stagnation in TBA volumes, value growth opportunities remain, particularly in niche and premium segments. IWSR's new 10-year forecasting tool, which underpins this analysis, indicates that beverage companies will need to adjust strategies to balance growth in developing markets with the need to maintain presence in larger but declining markets like the U.S., China, Germany and the UK, which are expected to collectively shrink by $6 billion through 2034.

The data reflects a decisive shift in the global beverage landscape. While developed markets remain significant, it is the emerging economies that will increasingly shape the future of the industry.