

Summer Drinks



Trying Tequila and Mezcal

Summer is the perfect time to get on board with trending Mexican spirits

The classic margarita cocktail remains a mainstay, but mezcal and tequilas are also finding their way into familiar cocktails. More and more drinkers are discovering the joys of sipping these finely crafted spirits, too.

GROWING TRENDS

U.S. sales of mezcal and tequila actually exceeded whiskey sales in the U.S. last year. American drinkers purchased \$6 billion dollars worth in 2022, a rise of 17.2%. Only vodka outpaced mezcal and tequila, according to the Distilled Spirits Council of the United States — but vodka sales were also slightly down. Interest has led consumers toward bold new choices, while mixers experiment with well-known cocktails. For instance, your next margarita might be made with mezcal. You can also jazz up a martini or Negroni with tequila.

What's behind this growing trend? These spirits have a sense of place, and a unique story of how they're crafted. Many distilleries are family owned and operated. That deep authenticity matches well with growing interest in Mexican cuisine and cultural elements like Cinco de Mayo and the Day of the Dead. Today, American consumers have more choices and access



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to higher-quality products than ever before. Celebrities have also gotten on board, as Kendall Jenner and Dwayne “The Rock” Johnson followed George Clooney into signature premium tequilas.

A WORLD OF FLAVORS

Trending cocktails like the Old Fashioned and espresso martini have been buzzy for a

while yet the margarita is still the top seller at most bars and restaurants, according to industry experts. But why settle for the ordinary? It's never been easier to dive into the world of flavors found in tequila, whether from familiar, tried-and-true producers like Jose Cuervo and Don Julio or newer discoveries including Casa Dragones, Calle 23 and

Codigo 1530.

The smokier Mezcal from makers like Madre, Illegal and Mezcal Amores is similar to tequila, but it's made from agave that's been cooked over a wood-burning fire. Within this larger sales uptick, mezcal has seen almost double the growth of tequila recently. Get creative this summer by exploring out from there,

including clear cristalino tequila that's filtered by activated coal to bring out more natural floral and fruit flavors. Intriguing variants include coffee variants like Vivir Cafe Tequila that work as a cool alternative to espresso martinis, or tequila that has rested in wine barrels instead of more traditional methods.

The Rise of Hard Teas

Seltzers ruled the last few summers, but hard tea is set to take over

For years, Twisted Tea basically owned a small market. The interest in alcoholic seltzers, which began during the quarantine era, led more people to try something different. As a result, hard teas are having a moment.

INSIDE THE NUMBERS

Sales of hard teas are now estimated to grow by more than 25 percent through 2032, according to one market research firm. Drinkers in general are looking for beverages with less alcoholic content, organic ingredients, lower sugar, flavorful aromas and fruit notes — and hard teas fit the bill.

Widely available variations include combinations of tea with wine, vodka and beer, among other ingredients. There are even region-specific programs meant to attract consumers on a local level. In general, peach-flavored hard teas continue to dominate the American market, with a projected 50% share of all sales. Hard teas with the lowest alcohol-by-volume numbers — somewhere between 2% and 5% — are projected to make up about half of sales, as well.

HEALTH BENEFITS?

Experts expect consumption of drinks with no or low



alcohol content to increase in general by a third into 2026. Hard tea meets that standard while also offering perceived health benefits. The products are often about 100 calories, and make regular use of real fruit and botanicals. Because of the presence of antioxidants and heart-healthy polyphenols, teas are commonly associated with wellness —

though brewers of hard tea don't play up those properties in their ads.

EXCITING CHOICES

The Svedka vodka company has launched the Tropics Tea Spritz, which combines sparkling water, natural pineapple guava, orange mango or raspberry kiwi flavors, tea and

their spirits. Lagunitas Brewing has produced Disorderly TeaHouse, a sparkling spiked tea with flavors like raspberry, lemon and blackberry. More recently founded companies like Owl's Brew have also seen explosive growth with teas that incorporate botanicals.

Twelve5 Rebel offers both hard tea and hard coffee, and

has introduced a larger can that holds just over 19 ounces while still retaining its skinny profile. Even White Claw has gotten into the action, after defining the fading hard-seltzer trend. They've introduced White Claw hard seltzer iced tea, made with sustainably sourced ingredients. Truly has also branched out into spiked iced tea.

More and More Mocktails

O'Douls used to be the only option before mocktails got a sexy makeover

A post-pandemic turn away from heavy drinking gave “mocktails” their initial momentum. Some sober-curious consumers had already begun taking month-long breaks from alcohol. They were joined by others who had already permanently sworn off booze to create a bustling new market for cocktails with all of the taste and inventiveness but without the alcohol. The “mocktail” trend was born.

HOW IT BEGAN

The so-called “virgin” Shirley Temple drink became popular way back in the 1930s. But the mocktail movement really took hold after the quarantine era. As the pandemic began, a study by Cedars Sinai showed a dramatic increase in alcohol consumption by adults older than 30. (It rose by 14% in March 2020 alone.) By 2021, Nielsen reported that 22% of all consumers had decided to cut back on their consumption of alcohol.

FLOODING THE MARKET

Going alcohol free has gotten easier than it was even a few years ago, thanks to a huge number of new mocktail choices. Ready-to-drink options have smoothed the way for regular home consumption, while bars and restaurants had



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to move past the old non-alcoholic standbys of soda and tonic water. The trend is particularly popular with younger people, as 45% of Generation Z told NielsenIQ that they never drink in one survey. At the same time, four out of five traditional consumers who regularly buy spirits, beer and wine also purchase non-alcoholic beverages, opening up the seg-

ment to still more people.

DIFFERENT OPTIONS

Decreasing your alcohol consumption has a number of known benefits, including improved mental, heart and general health. But that doesn't mean you can't enjoy a finely crafted drink. In fact, the sober and sober-curious

can enjoy a vast range of options nowadays. Wineries and breweries regularly offer no-alcohol options, while distilleries embrace rising demand by including variations that are flavorful without being boozy.

Spices, herbs and botanicals add different flavorings to a range of newly created cocktail recipes, while old favorites

are reworked for a new era. For instance, non-alcoholic aperitifs and bitters are hot right now. Crodino is a new variant from the makers of Campari that's ideal for making a non-alcoholic Aperol spritz with the addition of soda water. Fruit-spiked sparkling wines like “Secco” are positioned to take off in America soon.

Cocktails in a Can

There's no easier path to refreshment during the year's hottest months

Changing consumer behaviors have significantly cooled the market for hard seltzers, which were up an astounding 160% year over year as recently as 2020. Industry leaders like Truly and White Claw made up 75% of the total market share, before tastes changed. But this huge shift did not impact the wider demand for ready-to-drink options.

WHY THEY'RE TRENDING

New spirit-based ready-to-drink (or RTD) cocktails are separated into three categories; malt-based, spirits-based and wine-based. Hard seltzers, hard tea and hard kombucha use malt-alcohol as a base. Overall sales have increased nearly 70%. Sales of more conventional products like RTD wine are also up 29%. These hand-held options offer variety for those who don't consider themselves mixologists, and convenience when you're headed to the beach or the boat. They're also often lower in calories and cheaper, too.

In all, hard seltzers make up 43% of ready-to-drink sales, but the category is quickly declining. The strength of this segment remains its punch, margarita and "ranch water" flavors. Flavored malt beverages account for 37% of the market, spirit-based RTDs are 10.5%, and wine is 8.9%.



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Spirits-based seltzers are up 55% year over year, with vodka as the main driver. While wine RTDs make up the smallest part of this category, they've experienced a jump of 23.3% over last year as consumers take advantage of their convenience and portability.

LATEST PRODUCTS

When RTD products began

taking off, the standard options was built with a vodka base. Now tequila-focused ready-to-drinks are set to take off — in particular margaritas and seltzers, according to the Wine & Spirits Wholesalers of America. The fastest growing new segment, however, is whiskey. In keeping, bourbon maker Bulleit introduced pre-

made versions of the Manhattan and Old Fashioned. Others have introduced Highball RTDs.

Elsewhere, Truly Hard Seltzer-maker Boston Beer Co. offers 24-ounce malt-based Slingers Signature cocktail-style drinks in three flavors, Peach Screwdriver, Bahama Mama and Pineapple Punch. Ciroc's brand exten-

sions include four different spritzes blending natural flavors with vodka derived from French grapes. Molson Coors' Topo Chico Spirited offers a cocktail line made with their signature mineral water. Smaller makers include Spirited Hive, which cans cocktails using real honey instead of corn syrup or sugar.

How to Drink Sustainably

Living the Earth-friendly way can also extend to your summer libations

Most people think of recycling or electric-powered vehicles when the concept of sustainability is mentioned. There is also a growing trend toward Earth-friendly approaches in mixology and manufacturing, as people craft new approaches and products that focus on reuse and recycling.

MIXOLOGY WITH A TWIST

Leftover ingredients are increasingly being up-cycled, according to the Bacardi Cocktail Trends Report. Rum is being infused with avocado pits, simple syrups are made from pineapple husks, and cordials can be created with leftover rinds, among other things. Zero-waste cocktails may feature inventive new approaches like utilizing distillates, shrubs, vinegars and cordials as alternatives for citrus. Even simply using what's available can create a new sustainability while inventing exciting flavor combinations. Don't throw away the last splashes of port or sherry; instead, add the sherry to a gin and tonic or the port to an Old Fashioned for an unexpected new complexity.

Companies are now getting in on the trend: Served, Toast and Discarded actually create drinks using food waste. Toast's award-winning beer is based on out-of-date bread, while Discarded makes vodka with



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leftover grape skins. Served uses fruit that's been rejected by supermarkets to jazz up their boozy sparkling water.

MAKING IT DIFFERENTLY

How a company operates can help save the planet, too. For instance, the climate-positive Sapling Spirits company makes vodka and gin with a focus on reforestation and

regenerative farming. The wind-powered Montanya rum distillery offsets more than 100% of its carbon production, while using water from an aquifer under its Rocky Mountains headquarters that's fed by snowmelt.

Other times, sustainability is simply about returning to age-old traditions and techniques. Sotol is a sort of cous-

in to agave that's distilled from a Mexican plant within the same family as asparagus. It's actually been around for hundreds of years, first becoming popular with indigenous peoples. Companies like Cultured Spirits are not only returning to these ancient plants, they're resting the sotol in an old-fashioned way by placing it inside clay-lined pots. The

mineral-rich runoff from this distillation process is then used to fertilize the next plantings for more sotol. Elsewhere, Lagunitas' Disorderly TeaHouse is billed as the original hard tea brewed with guayusa; it's hand-picked by indigenous Ecuadorian farmers who favor these tea leaves for their "ancient energy."

Diving Into Pink Drinks

‘Sex and the City’ brought back the classic Cosmo, kicking off a huge trend

Whether you’re enjoying “rosé all day” or a fun Cosmopolitan, summer is a great time to drink pink. Carrie Bradshaw of TV’s “Sex and the City” favored the classic Cosmo drink, resurrecting it for a new generation. Suddenly, pink was back — and not just in cocktail culture.

Drinks made with strawberry, hibiscus, cranberry, dragonfruit or raspberry were joined by parallel rising interest in lighter-colored wines like rose’ and pink moscato. Rose’ sales alone rocketed up 118% in the late 2010s, and it’s expected to increase by nearly 70% into 2024. Sales of pink vodka, rum and gin are also on the rise.

Here’s how it happened:

NEXT BIG THINGS

Flavored vodkas took off in the early 2000s, followed by a gin renaissance — and it all looks better in pink.

Instagram then supercharged the scene by encouraging drinkers to share photos of their most inventive — and colorful — concoctions. Today, market analysts are projecting that even niche products like pink tequila are in line for big growth through 2026. Pink gin sales have continued to increase by double digits, after shooting up nearly 265%



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in the late 2010s.

LOOKING BACK

Many of the initial entrants in this growing segment relied upon artificial sweeteners and artificial berry flavors, meaning they were geared more for those who wanted to try gin than for those who already knew and loved it. Many ended up covering the flat

taste with sodas or citrus when they wanted a summery refresher. Thankfully, the model for making these spirits continued to evolve, as the first widely heralded pink spirits were produced by Gordon’s, Malfy and Beefeater’s.

A NEW WAY

Today, premium pink spir-

its are infused with real florals and botanicals, or aged in red-wine barrels. For instance, the Glendalough Distillery’s Rose Gin actually used rose petals from the garden of distiller Ciaran Rooney’s mom. Gran Centenario Rosangel tequila is infused with hibiscus, then aged in port barrels. Codigo 1530 simply built their pink

expansion out from the distillery’s established process for their anejo and reposado tequilas. (They simply skipped the charring process.) One of the most popular pink vodkas remains the Pink Whitney, which combines New Amsterdam’s five times-distilled vodka and pink lemonade. Its smoothness is a credit in part to being only 60 proof.

The Growth of CBD/THC

The mocktail trend has made room for yet another alternative to alcohol

Are you suffering from “hangxiety”? It’s the worry that your good time tonight might lead to debilitating impacts tomorrow. Do you also find yourself uninterested in smoking? CBD and THC drinks might help fill both the gaps, offering all of the relaxation without having to drink booze or light up. The CBD variation is more widely available, while THC is only sold in states where recreational use of marijuana is legal.

DATA TRENDS

NielsenIQ reports that CBD beverage sales reached \$19 million last year, an annual increase of some 42.2%. Sales were just over \$9 million only a couple of years ago. Some big players have joined the segment, including Pabst Blue Ribbon, Pepsi-Cola and Ocean Spray. Pabst’s non-alcoholic THC seltzer drinks launched in 2020 with strawberry, pineapple, lemon and mango flavors. Pepsi’s hemp-infused seltzer also arrived in grocery stores and local markets in 2020. Ocean Spray’s CBD-infused sparkling water products include blueberry and grapefruit offerings.

WHAT IT IS

The Food and Drug Administration makes a dis-



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inction between cannabidiol (or CBD) and marijuana or hashish. CBD is a compound made from the cannabis sativa plant, and it doesn’t create any sense of being “high.” Instead, it works a calming agent, and is linked with easing anxiety and pain while offering improved focus, mood and sleep. The psychoactive impact of marijuana

and hashish comes from the parts of the plant containing tetrahydrocannabinol, or THC. As with other approved products like face serums and gummies, the dosages in these drinks are strictly controlled. CBD beverages have more recently become widely available; look for high-THC products in local licensed dispensaries.

NEW FLAVORS

Cloud Water infuses 25mg of CBD during a proprietary process which the company says will render the additive tasteless, then combines it with organic wildflower honey instead of artificial sweeteners. Recess is infused with hemp extracts along with real fruit and calming elements like ginseng and

lemon balm. DRAM’s sparkling water combines 25mg of CBD from hemp and various adaptogens. Jeng “mocktails” mimic the Moscow Mule, gin and tonic or Paloma, with 11mg of hemp extract instead of booze. Sprig boasts 20mg of CBD and an original citrus version that’s sweetened by cane sugar.