

Spirits Packaging Trends

A look at the trends influencing spirits package design and innovation.



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Introduction

As the world's largest hybrid packaging supplier, Berlin Packaging tracks consumer insights, product trends, and packaging innovation to understand what is happening in the market so we can best help our customers succeed. The spirits category is in a time of transition as the world settles into a new post-pandemic normal.

Consumers continue to spend more time at home, health consciousness remains at the forefront, and economic uncertainty is impacting spending habits. Product innovation and packaging solutions that leverage these latest trends can help brands win in the crowded and evolving spirits market.

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As a result of COVID-19, the home has become a place for both work and play. Even as the pandemic wanes, work-from-home and hybrid models will remain popular, shifting consumer habits and behaviors. This is creating longer-term changes in when, how, and where people consume alcoholic beverages.

While on-trade alcohol consumption is returning, the popularity of off-trade consumption will remain. Lingering safety concerns, cost considerations, and familiarity will continue to drive consumers to entertain at home.

53% of global consumers work from home at least once weekly

48% study from home at least once weekly

31% entertain at home at least once weekly

Home as a Hub



Packaging Opportunities

01. At-home (and on-the-go) convenience
02. RTD cocktails and single-serve sizes
03. Elevated design that evokes the bar experience



Premiumization in alcoholic beverages has been an ongoing trend for decades. Manufacturers are capitalizing on consumers' desire for indulgent experiences by continuing to introduce premium products and elevated experiences.

However, severe inflationary pressures, the growing risk of stagflation, and the potential of a recession will impact the spirits sector. Consumers are becoming more price-conscious and looking for products that provide value. Trading down and across will shift the focus away from premiumization, with both ends of the spectrum impacting the industry simultaneously.

What does “good value for money” mean to you when buying alcoholic drinks?

- 41% - high quality products / ingredients
- 24% - low price / cheap

Packaging Opportunities

01. Custom design that differentiates from the competition
02. Limited-edition formats reinforce premium positioning
03. Packaging features that add value
04. Value sizes

Premium Polarization

Shifts toward healthier lifestyle choices are becoming prominent across most FMCG industries, and the spirits sector is no exception. Attitudes toward alcohol are changing, especially among younger consumers. There is growing demand for no and low alcohol options, and these products are becoming part of the mainstream.

Consumers are no longer just focused on their physical health but looking for products and ingredients that support emotional and mental wellness as well. Functional benefits, including those that help with relaxation, cognitive performance, brain health, and increased energy, are growing in popularity and likely to fuel the next stage of the better-for-you spirits segment's growth.

66% of global consumers say they are always/often influenced by how a product impacts their health and wellbeing when choosing what to purchase

65% of consumers say “being healthy” means mental wellbeing

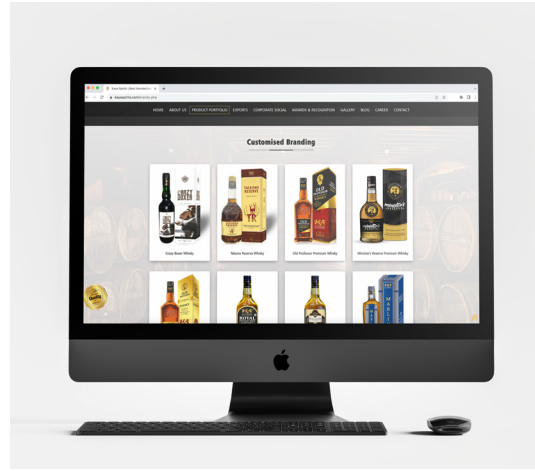
Health-Conscious



Packaging Opportunities

While consumers are interested in no and low alcoholic options, they don't want to sacrifice the cocktail experience.

01. Cues from traditional spirits bottles
02. Sophisticated label design
03. Communicate product benefits through impactful brand design



According to IWSR Drinks Market Analysis, global alcoholic beverage e-commerce sales are expected to grow 66% 2020-25. Consumers appreciate the value, convenience, and variety found online.

Beyond traditional e-commerce, there is a rise in D2C and subscription-based delivery programs. In the United States, producers sold \$223 million worth of wine via their DTC channels in June, an increase of 18% from the previous year. The spirits industry is lagging behind, but trade organizations are lobbying the government to pass DTC shipping laws (currently only allowed in 9 states plus District of Columbia).

In 2025, e-commerce sales will represent 6% of all off-premise sales volume



Packaging Opportunities

01. Colorful bottles that differentiate on the shelf and online
02. Bold brand design that jumps off screen
03. Secondary packaging that creates a special unboxing experience
04. Eco-friendly secondary packaging materials

Digitalization

We Believe Anything Is Possible®

With over 100 years in the packaging industry, more than 2,000 packaging professionals and a global network of suppliers and warehouses, we offer 50,000+ SKUs of plastic, glass, and metal containers, closures, and dispensing systems across all markets for customers just like you.

Our Business Model

Berlin Packaging is not a distributor. We're not a manufacturer. And we're not a packaging consultancy. Instead, we're all three at the same time. We are best-of-breed amongst manufacturing, distribution, and value-added service providers. We are the world's largest **Hybrid Packaging Supplier®**.



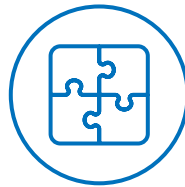
Best Elements of
a Manufacturer

+



Distribution
& Logistics

+



Value-Added
Specialty Services

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We offer value-added services specialized to best address all your packaging needs.

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- Quality Advocacy
- Global Capabilities
- Warehousing & Logistics
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- Sustainability Solutions

