Alcohol-free and low-strength drinks

Understanding their role in reducing alcohol-related harms

Scott Corfe
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SMF Social Market Foundation

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The SMF is very grateful for the expert insights shared by a broad range of stakeholders as part of this research. Stakeholder engagement took the form of one-on-one interviews as well as a virtual roundtable chaired by the SMF. Specifically, we engaged with small and large manufactures of alcohol-free and low-strength products, industry and health experts, government officials, national and regional health charities, and trade bodies.

ABOUT THE AUTHORS

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Scott's expert insights are frequently sought after in publications including the Financial Times, the Guardian, the Times and the Daily Telegraph. Scott has appeared on BBC News, Sky News, Radio 4 and a range of other broadcast media.

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EXECUTIVE SUMMARY

This report examines the market for alcohol-free and low-strength beers, ciders, wines and spirits – "NoLo drinks" - in the UK. It looks at recent trends in the market for these products, the demographics of consumers that are drinking them and the potential impacts on health outcomes. In addition, the report considers the regulation of NoLo drinks in the UK and how this differs from other markets. The research draws on desk research, a consumer survey commissioned from Opinium and interviews with a range of stakeholders in industry and the public health space.

This Social Market Foundation (SMF) report was sponsored by Alcohol Change UK. The views expressed in the report are those of the authors and the SMF retains editorial independence with respect to its reports. The key aim of the research was to examine the potential impact of NoLo drinks consumption on the level of alcohol-related harms in the UK.

Alcohol harm is significant - a review of studies in high-income countries showed the gross economic costs of alcohol to range from 1.4% to 2.7% of GDP, equivalent to between £27 billion and £52 billion in the UK in 2016.[1] ONS data show that there were 7,551 deaths related to alcohol-specific causes in the UK in 2018. This is likely to be a significant underestimate of the number of individuals dying from alcohol-related causes, given that this measure excludes diseases where only a proportion of deaths are caused by alcohol, such as cancers of the mouth, oesophagus and liver. It also excludes deaths due to road accidents, falls, fires, suicide or violence involving people who had been drinking.[2]

In response to these harms, the UK Government has expressed an interest in exploring the role that NoLo products can play in improving public health outcomes. With existing research on the health impacts of NoLo drinks limited, this research intends to shed more light on how these products might impact the level of alcohol-related harms in the UK.

The key findings of the research are as follows:

The market for NoLo drinks – rapid growth, but market share remains very low

- **The market for NoLo drinks in the UK is seeing significant growth** – for example, November 2019 data from CGA, a market research firm specialising in the food & drinks sector, showed sales of alcohol-free and low-strength drinks in the on-trade (i.e. in pub, bars and restaurants) growing by 48% in the preceding 12 months.
- **However, this growth is from a very low base and must be put into context** – although much media attention has been given to significant NoLo sales growth, such drinks account for a very low share of the market for alcoholic drinks (including alcohol-free variants of beers, ciders, wines and spirits). In 2018/19, we estimate that the market share of NoLo drinks, by sales value, stood at just 0.2%.
- **Achieving a significant market share for NoLo drinks over the next decade would thus require consistent, strong sales growth**. We estimate that annual sales growth of NoLo drinks would have to exceed over 40% per annum for market share to stand above 10% by 2030.
- **The relatively small size of the NoLo drinks market thus needs to be taken into account when assessing the current health benefits from the use of such products at a population level.** Having said that, at an *individual* level use of NoLo drinks could generate significant health improvements if it leads to reduced levels of alcohol consumption.

Consumers of NoLo drinks – disproportionately young, male and higher income, with implications for the distribution of health impacts

- **Across the nationally representative sample of individuals surveyed by Opinium, just over a fifth (21%) of individuals had consumed an alcohol-free drink in the past 12 months.** A further 21% had consumed an alcohol-free drink, but more than 12 months ago. Similar proportions had consumed a low-alcohol drink in the last 12 months (17%) and more than 12 months ago (21%).
- **There are significant differences in consumption of NoLo drinks across demographic groups.** Notably:
    - Females are less likely than males to have consumed a NoLo drink.
    - Those aged 18-34 are more likely to have consumed a NoLo drink, than those aged 35-54 and 55 and above.
    - Those in the higher income socioeconomic groups are more likely to have consumed a NoLo drink.
    - Those with children under 18 in the household are more likely to have consumed a NoLo drink
    - Drinkers are more likely than non-drinkers to have consumed an alcohol-free drink. 11% of non-drinkers reported having an alcohol-free drink in the past 12 months.
- **Among individuals that had consumed a NoLo drink in the past 12 months, the most commonly cited reason for doing so was to drink at times when it would not have been more appropriate to have something stronger (39%) – for example, when driving later on.** A similar proportion (38%) of individuals said that they had consumed such drinks for the taste, while a third (33%) said they consumed such products to cut down on their alcohol intake. 7% said they consumed NoLo because they were recovering from alcohol dependency. The use of NoLo drinks on specific occasions, rather than regularly, may limit their potential impact on aggregate alcohol consumption. However, that is not to say that such consumption patterns will generate no reductions in alcohol harms; for example, occasional usage could be associated with reduced rates of drink driving.
- **Among those that have *never* consumed NoLo drinks, the most commonly cited reasons were that individuals would prefer to drink a soft drink if not drinking alcohol (39%) and that individuals would rather consume a conventional alcoholic drink (35%).** A quarter (25%) said they did not drink these products because they did not feel the need to cut back. Lack of awareness (6%), cost (6%) or concerns about health impacts (5%) were not widely cited reasons among those that have never consumed NoLo drinks.
- **In the nationally representative Opinium survey, while two-fifths (38%) of individuals that had previously had a NoLo drink thought they would be likely to consume an alcohol-free drink over the next 12 months, just 3% of those that had never had a NoLo drink said they would be likely to have one.** When non-users of NoLo were asked what would increase their likelihood of consuming a NoLo drink over the next 12 months, 79% said that nothing would. 6% said that improved taste of NoLo products would increase their likelihood of consuming a NoLo drink and 5% said cheaper NoLo products would increase the likelihood. This raises questions around the extent to which current non-users of NoLo can be persuaded to

consume these products, though marketing and further innovation in terms of the types of products on offer could conceivably shift consumers in favour of these drinks.

Regulation of NoLo drinks – an approach to descriptors that leads to significant inconsistency in how NoLo drinks are labelled and relatively few safeguards against the use of NoLo drinks as a form of alibi marketing.

- **Although low-strength and alcohol-free drinks have been identified as an area of interest for Government, there is a lack of a distinct policy on their production, marketing, or how they might be aligned with public health objectives.** Many aspects of drinks marketing and labelling, including NoLo marketing and labelling, are self-regulated by industry.
- **There is limited regulation on the marketing and advertising of NoLo drinks.** If a drink is less than 0.5% ABV and it shares the same branding as a drink with 0.5% or more ABV, the Portman Group[i] states that its Code of Practice should be applied to protect under 18's from irresponsible marketing. However, we note evidence that the Code of Practice is often not applied to regular strength drinks – raising questions around the extent to which it is, and will be, applied to NoLo drinks.
- **Descriptors and labelling for NoLo drinks are governed by guidelines, not legislation.** This means current regulations are unclear, posing difficulties for brewers, retailers, and the consumer. Descriptors guidance provided by the Department for Health and Social Care contains elements of ambiguity and it is not clear how they can be enforced by Trading Standards. Notably, a range of well-known beers containing 0.5% ABV – such as beers produced by Big Drop Brewery and Brew Dog – are marketed as "alcohol-free" as opposed to the "de-alcoholised" descriptor suggested in the government guidance.
- **The UK has relatively narrow definitions of what constitutes 'low-strength' and 'alcohol-free'.** In several European countries, such as Germany and Belgium, for example, "alcohol-free" relates to drinks of up to 0.5% ABV, rather than the 0.05% ABV seen in UK Government guidelines. Given the limited evidence base on the health implications of NoLo, it is not possible to conclude which country has adopted the "right" set of descriptors from a public health perspective.
- **Other countries restrict marketing of NoLo products with similar branding to regular strength drinks, to reduce the potential for alibi marketing.** Norway's 1989 Alcohol Act prohibits the advertising of all products carrying the same brand as beverages that contain more than 2.5% alcohol by volume. France's *Loi Évin* alcohol laws also appear to limit the potential for NoLo drinks to be used, ultimately, to advertise stronger strength products of similar branding.

Presentation of NoLo drinks in the media and advertising – two marketing approaches being pursued by industry.

- We undertook an evaluation of a range of media outputs, including mainstream media articles, pieces in the "drinks" trade press and of marketing materials produced by drinks producers or associated with drinks producers.
- **The primary narrative in the mainstream press revolves around changing consumption habits and a "new sensibility" particularly among younger people, driving healthier lifestyles and**

[i] an industry body made up of, and financed by, alcohol producers.

desire for new kinds of "experiences" that are "sophisticated" but not necessarily alcohol-based. The NoLo trend is seen as a "movement" that is "here to stay". Not only that, but a "high status" movement. It is discussed in the media in the context of celebrities, Michelin-starred restaurants and "trendy" bars.

- **In aggregate, media coverage and marketing materials suggest that there are two growth strategies being pursued by NoLo drinks manufacturers.** One is focussed on building NoLo drinks as a distinct branch of the wider drinks sector, through attempts to create a NoLo "community" of drinkers, in order to capitalise on the seemingly growing number of non-drinkers or those people reducing their alcohol consumption. The other aims to encourage people to consume NoLo drinks at times and on occasions when alcohol would not normally be consumed. In other words, creating additional consumption rather than turning people away from existing drinking habits.

  Notably, much of the mainstream press coverage has focused on the first marketing strategy (substitution away from conventional products), rather than the approach of some producers to promote NoLo drinks as complementary to stronger products. This might distort some of the public discourse around these drinks.

- **The two growth strategies exist on a continuum, and very few producers sit at the extremes, but on balance producers tend to lean more towards one approach over the other.** A key factor determining which way a producer leans appears to be whether the producer already sells alcoholic drinks to any great degree. If they do, they tend to prefer what this report calls the "additional consumption" approach i.e. encouraging consumers to consume NoLo drinks in addition to their usual alcohol consumption. If they are more specialist, and are largely focussed on producing NoLo drinks, then they are more sympathetic towards a "substitution" approach, whereby they encourage replacing existing alcohol consumption with NoLo consumption instead. Both are united however in their aim to make NoLo a "status" product, and benefit from the positive sales consequences of such a product.

- **There is as yet little research as to whether the media narratives are actually played out in practice in consumer behaviour.** We should not fall into the trap of believing that such narratives automatically create consumer reality.

Impacts of NoLo drinks on alcohol consumption and alcohol-related harms – a complex picture

- **Within the booster sample of current and past drinkers of NoLo beverages commissioned as part of this research, half (50%) reported that their *current* alcohol consumption was unchanged as a result of consuming these drinks** – by far the most frequently-given response to our survey question on how these products are impacting levels of alcohol consumption.

- **Among those reporting a change in alcohol consumption as a result of NoLo, it was more common to report reduced levels of alcohol consumption rather than increased levels.** A third (33%) said that consumption of NoLo had led to them stopping drinking completely or almost entirely (12%), cutting back a bit (11%) or cutting back significantly (10%). In contrast, just 6% said that their alcohol consumption had increased a bit (5%) or significantly (1%).

- **Among those that have consumed a NoLo product recently – within the last 12 months – the survey findings were more encouraging – with 41% reporting cutting back or giving up**

completely, against 44% saying their alcohol consumption was unchanged. 6% reported increasing alcohol consumption.

38% of those that had consumed a NoLo drink in the last 12 months agreed that they switched to these products to cut back on their alcohol consumption, with 35% disagreeing with this statement and the remainder neither agreeing of disagreeing.

- **The majority of recent NoLo consumers – 57% - agreed with the statement that they used NoLo on specific occasions – such as when driving or waking up early the following day.** Just 21% disagreed with this statement. A pattern of infrequent, occasional use might explain why, despite 21% of adults having an alcohol-free drink in the past year, the market share of such drinks is less than 1%. It might also limit the potential health improvements realised NoLo consumption, as infrequent use might lead to a limited reduction in alcohol consumption.
- **About a third (32%) of those that had consumed a NoLo drink in the last 12 months agreed that they had been using these products on top of, rather than instead of, existing levels of alcohol consumption.** Just under two fifths (39%) disagreed with this statement. Therefore, while a significant proportion of consumers report that NoLo drinks have led to them cutting back on alcohol consumption, policymakers should be mindful of a significant demographic of users that are consuming these products as complements to, rather than substitutes for, stronger products. As such, it is difficult to predict the impacts of increased consumption of NoLo drinks on alcohol consumption in aggregate.
- **We find little difference in impacts on current alcohol consumption between males and females, or between socioeconomic groups.** Across age groups, those aged 18-34 were notably more likely than older ager groups to report consumption of NoLo drinks leading to a reduction in alcohol consumption or giving up drinking entirely.
- **Despite public health experts spoken to as part of this research expressing concern about minors consuming NoLo drinks, a majority of consumers surveyed believe this is acceptable** – particularly in the home. Two thirds (67%) believe it is acceptable for someone under 18 years of age to consume an alcohol-free drink at home, and 60% think is acceptable for them to consume a low-alcohol drink at home.
- **Moderate and heavy drinkers appear more likely than non-drinkers and light drinkers to consume NoLo drinks on specific occasions (such as when driving),** and on top of (rather than instead of) consumption of stronger drinks. This might limit the potential health benefits that could be realised from increased use of NoLo products.

Considerations for policymakers

The report concludes by identifying a number of areas for policymakers to consider with respect to NoLo drinks. Specifically:

- **Government descriptors for NoLo drinks seem unfit for purpose.** This report finds widespread lack of awareness of what government-recommended descriptors such as "alcohol-free" and "low-strength" mean.

  In our view, Department for Health and Social Care (DHSC) descriptor guidelines are ambiguous – making it difficult for consumers to navigate the market for NoLo drinks. With the descriptor guidelines seemingly voluntary rather than mandatory, it is difficult to see how they can be enforced, or what enforcement of voluntary guidelines entails. Notably a number of UK manufacturers of 0.5% ABV drinks market these as “alcohol-free”, despite this descriptor only applying to drinks of 0.05% ABV or less in the DHSC guidelines. EU mutual recognition rules also mean imported NoLo products can be described in a manner different to the DHSC guidelines.

Reducing the number of NoLo descriptors, increasing consumer awareness of these and making them mandatory could greatly improve clarity around the alcohol-content of NoLo drinks, and their potential health implications.

- **Potential health risks of low-strength drinks need to be labelled clearly.** A number of health experts we interviewed were concerned about a lack of clarity around the safety of NoLo drinks for specific individuals – such those who are pregnant and those with a liver condition. There is a compelling case for ensuring that any health risks of NoLo drinks are clearly labelled – something which is not the case at present. Collectively, the DHSC low-alcohol descriptors cover anything from 0.0% ABV to 1.2% ABV. Given that a 0.0% ABV product and a 1.2% ABV product have potentially very different health implications, labelling needs to be made clearer.
- **Advertising legislation should aim to limit the use of NoLo drinks for alibi marketing.** Among the health experts we interviewed as part of this research, a commonly-cited concern was the potential for NoLo drinks to create alibi marketing opportunities – with drinks manufacturers using such products to ultimately market regular strength variants. Notably a wide range of NoLo drinks – such as Heineken 0.0 and Budweiser Zero – share similar branding to regular strength versions of these drinks. Several of the health experts we interviewed took the position that the UK should adopt a similar approach to Norway, and prohibit the advertising of all products carrying the same brand as higher strength “conventional” beverages – as a way of reducing alibi marketing opportunities. They felt that marketing and advertising restrictions should be linked to brand identity, rather than alcohol content of a given drink, with brands linked strongly to alcoholic drinks – including NoLo variants of these drinks - facing a restricted advertising environment.
- **NoLo drinks need to be seen as one tool, among others, for reducing alcohol-related harms.** Given the picture of irregular usage, low market share and a high proportion of consumers reporting no change in overall alcohol consumption, it is unclear why the Government’s Prevention Green Paper has homed in on NoLo drinks as a way of reducing alcohol-related harms. Although some individuals could see sizeable health improvements through use of NoLo drinks, in isolation it seems unlikely that these products can drive the reductions in *aggregate* alcohol-related harms that most health experts would desire.

  As such, it is crucial that the prevention agenda within government is broadened out to focus on other policy options – such as those that reduce the availability of low-cost high-strength drinks, higher rates of taxation on stronger beverages, minimum unit pricing and measures to encourage reformulation of stronger alcoholic drinks. NoLo drinks need to be explored in parallel with other means of preventing harms – not going it alone.

- **Evidence gaps with respect to NoLo need to be filled in with further research.** This report has identified a number of areas where evidence related to NoLo drinks is lacking. Policymakers should explore the extent to which further research and data collection could address these evidence gaps. Particular evidence gaps of note include:
  - The extent to which different NoLo descriptors and regulatory environments have a bearing on health outcomes and the types of products on offer in different countries.
  - Similarly, an assessment of how changing UK NoLo descriptors would impact consumer behaviour and, in turn, health outcomes.
  - An examination of the extent to which any planned government measures to encourage NoLo drinks consumption are effective and generate health benefits.
  - The extent to which NoLo products in the UK might contain more alcohol than stated on the label. We identified a study which found this to be a significant issue in Canada, but are unaware of similar evidence for the UK. Given the potential health risks from mislabelling of products, understanding the scale of this issue in the UK is important.

CHAPTER ONE - INTRODUCTION

Recent years have seen growing public interest in alcohol-free and low-strength versions of drinks such as beer, wine, spirits and cocktails – and this is borne out in data on growth in the market for these drinks. The market research company Nielsen recently said that alcohol-free beer is the fastest-growing drinks trend in the UK.[3] November 2019 data from CGA, a market research firm specialising in the food & drinks sector, showed sales of alcohol-free and low-strength drinks in the on-trade (i.e. in pub, bars and restaurants) growing by 48% in the preceding 12 months and a third (32%) of adults having tried a no or low-alcohol beer, wine or spirit in the preceding six months.[4]

Not only are these drinks becoming more popular, but policymakers are also starting to explore the role that they could play in reducing the substantial societal harms caused by excessive alcohol consumption. ONS data show that there were 7,551 deaths related to alcohol-specific causes in the UK in 2018. This is likely to be a significant underestimate of the number of individuals dying from alcohol-related causes, given that this measure excludes diseases where only a proportion of deaths are caused by alcohol, such as cancers of the mouth, oesophagus and liver. It also excludes deaths due to road accidents, falls, fires, suicide or violence involving people who had been drinking.[5]

In monetary terms, a widely-quoted study by the Cabinet Office estimated the economic costs of alcohol in England at £21bn in 2012 – equivalent to 1.3% of GDP.[6] This estimate took account of alcohol-related health disorders and disease, crime and antisocial behaviour, loss of productivity in the workplace and problems for those who misuse alcohol and their families, including domestic violence. A review of studies in high-income countries showed the gross economic costs of alcohol to range from 1.4% to 2.7% of GDP, equivalent to between £27 billion and £52 billion in the UK in 2016.[7]

The Government's 2019 Prevention Green Paper homed in on alcohol-free and low-strength drinks as a focus of policy in reducing these sizeable alcohol-related harms. The Green Paper set out an ambition of government to "work with industry to deliver a significant increase in the availability of alcohol-free and low-alcohol products by 2025". The Green Paper also stated that, "in order to support further innovation in the sector and encourage people to move towards alcohol-free products, we will review the evidence to consider increasing the alcohol-free descriptor threshold from 0.05% ABV up to 0.5% ABV in line with some other countries in Europe". There is thus interest in adjusting the regulatory environment surrounding these drinks.

Yet, despite the growth in the "NoLo" drinks market and government homing in on these products as a way of reducing alcohol-related harms, there is limited evidence on the impact of these products on health and other social outcomes (such as levels of drink driving and other alcohol-related crimes). Given this, there is a risk of government putting all of its eggs into one basket and focusing on a policy (promoting consumption of NoLo drinks) which might have a limited – or possibly detrimental – impact on health outcomes.

NoLo drinks could *conceivably* impact public health outcomes in a variety of ways. If such drinks encourage individuals to substitute away from stronger alcoholic products, or to give up alcohol altogether, there might be scope for sizeable *individual* health improvement from their usage. This could in turn translate into sizeable *public* health improvement if use of such products is widespread.

If such drinks are consumed *in addition* to existing alcohol consumption, they might be detrimental to or have little impact on health outcomes. Different segments of society – such as different age groups, those with alcohol dependency issues and those in different socioeconomic groups - might also be impacted by these drinks in varying ways.

The focus of this SMF report, sponsored by Alcohol Change UK, is to explore the growing market for NoLo drinks – focusing in particular on how this market might impact alcohol-related harms in the UK. The research utilises findings from desk research, new Opinium survey data commissioned as part of this study, and findings from a series of interviews with experts in industry and the public health space.

The structure of this report is as follows:

- **Chapter 2** provides an overview of recent trends in the NoLo drinks market**,** examining how the NoLo market has evolved in recent years.
- **Chapter 3** examines the demographic groups consuming NoLo products, and the motivations for drinking NoLo.
- **Chapter 4** explores the regulatory environment for NoLo drinks and how this compares with other markets.
- **Chapter 5** explores the context in which NoLo drinks are being marketed, advertised and discussed in the media.
- **Chapter 6** examines the potential impact of greater availability and usage of NoLo drinks on health outcomes.
- **Chapter 7** draws conclusions from the preceding analysis.

What is meant by terms such as “alcohol-free” and “low-strength”?

In December 2018, the Department for Health and Social Care (DHSC) produced guidance on the appropriate use of low-alcohol descriptors, to “help the alcohol and retail industries market their products responsibly”.[8] The guidance sets out how the government expects low-alcohol drinks (those of 1.2% ABV or less) to be described, and replaces the rules set out in the Food Labelling Regulations 1996, which were revoked on 13 December 2018.

Within the DHSC guidance, several definitions for low-alcohol drinks are given, depending on the alcohol content of the drink. The descriptors are:

- **Low-alcohol** – the drink must be 1.2% alcohol by volume (ABV) or below and an indication of its maximum ABV should be included on the label.
- **De-alcoholised** – this term should only be applied to a drink from which the alcohol has been extracted if it contains no more than 0.5% ABV and the product should also include an indication of its alcoholic strength (or state that it contains no alcohol).
- **Alcohol-free** – this should only be applied to a drink from which the alcohol has been extracted if it contains no more than 0.05% ABV, and the products should also include the ABV (or state that they contain no alcohol) on the label in order to use the descriptor.
- **Non-alcoholic** – this should not be used in conjunction with a name commonly associated with an alcoholic drink. There is an exception for non-alcoholic wine where it is derived from unfermented grape juice and is intended exclusively for communion or sacramental use. The labelling or advertising of non-alcoholic wine should make it clear that it is exclusively for such use.

Critically, the DHSC descriptors are voluntary rather than mandatory. The DHSC guidance sets the suggested conditions for their use. Consequently, as we discuss in this report, some “NoLo” products are marketed as “alcohol-free” even though they contain more than 0.05% ABV. For example, some drinks marketed as alcohol-free, such as Brew Dog’s “Nanny State”, “Punk AF” and “Hazy AF” beers, and alcohol-free drinks produced by Big Drop Brewery, contain 0.5% ABV.

Definitions are further muddled by mutual recognition under EU rules. Products from elsewhere in the EU that are below 1.2% ABV and are labelled in accordance with rules in their country of origin may continue to be sold in the UK while the UK is subject to EU rules. It is merely suggested that suppliers exporting to the UK could voluntarily provide labelling on their products in line with the DHSC guidance. As we discuss in this report, other markets differ from the UK in their definitions and use of terms such as “alcohol free”. Once the Brexit transition period ends on 31 December 2020, mutual recognition requirements might differ from those seen at present.

CHAPTER TWO - THE MARKET FOR NOLO

This chapter explores the market for alcohol-free and low-alcohol variants of traditionally alcoholic drinks such as beers, wines and spirits (which we henceforth describe largely as "NoLo" drinks for the sake of brevity). In this report, "NoLo" does *not* refer to other kinds of drinks with no or a trace amount of alcohol – such as coffees, teas, fruit juices and soft drinks.

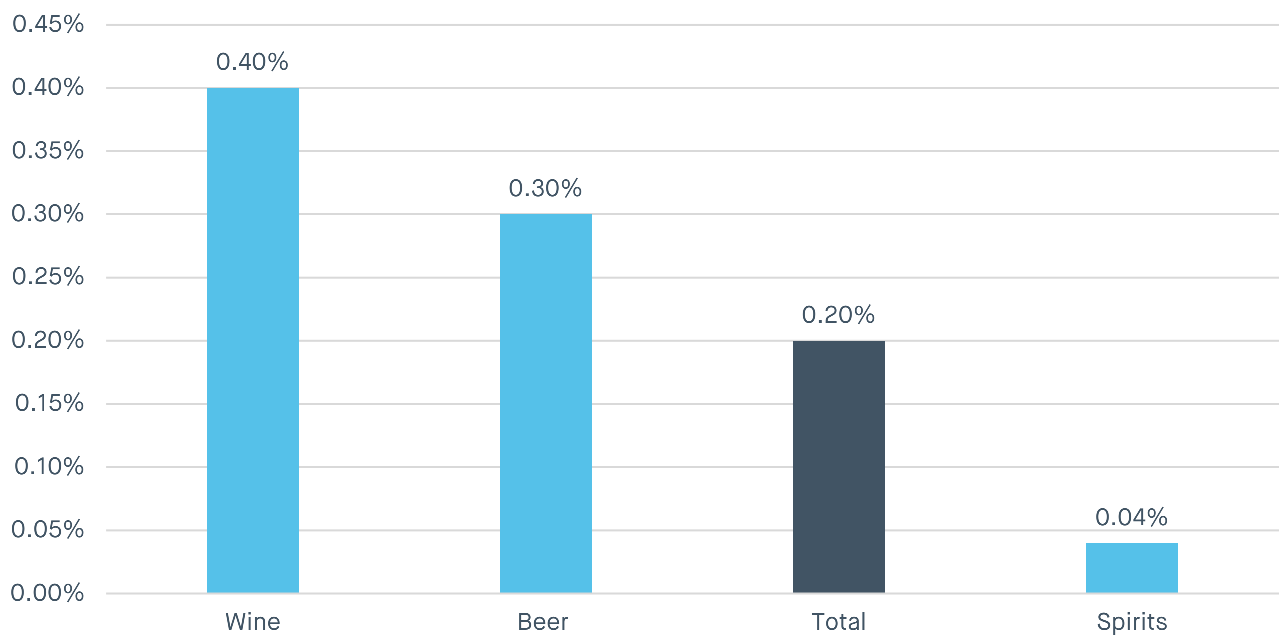
Understanding the size of the NoLo drinks market and the types of products on offer can provide crucial insights into their likely impact on the level of alcohol-related harms in the UK. If market size is small, society-wide health benefits are likely to be limited, even if NoLo consumptions leads to significant health improvements for individuals. The types of products on offer will in part determine the demographic groups that consume NoLo drinks – with associated implications for health outcomes.

Market size and market share

As discussed in the introduction, much attention has been given recently to the strong growth in the NoLo drinks category. Data from Nielsen for the 2018/19 fiscal year suggest that total sales of NoLo drinks stood at about £110 million. Of this £57 million consisted of NoLo beers, £48 million consisted of NoLo wines and just £5 million consisted of NoLo spirits.[9]

While much of the media framing of NoLo drinks has focused on strong growth in this drinks segment, it is important to put this into context. We estimate that the total value of alcoholic drinks sales in Great Britain were about £45 billion in 2018. This would suggest that the market share of NoLo drinks is very low – just 0.2% of the total drinks market, by value of sales, in the 2018/19 fiscal year. **That is to say, while the NoLo drinks market is seeing significant growth in the UK, this is from a low base in terms of market share.**

Figure 1: Estimated market share for NoLo drinks in overall alcoholic drinks market (by value), Great Britain, 2018/19

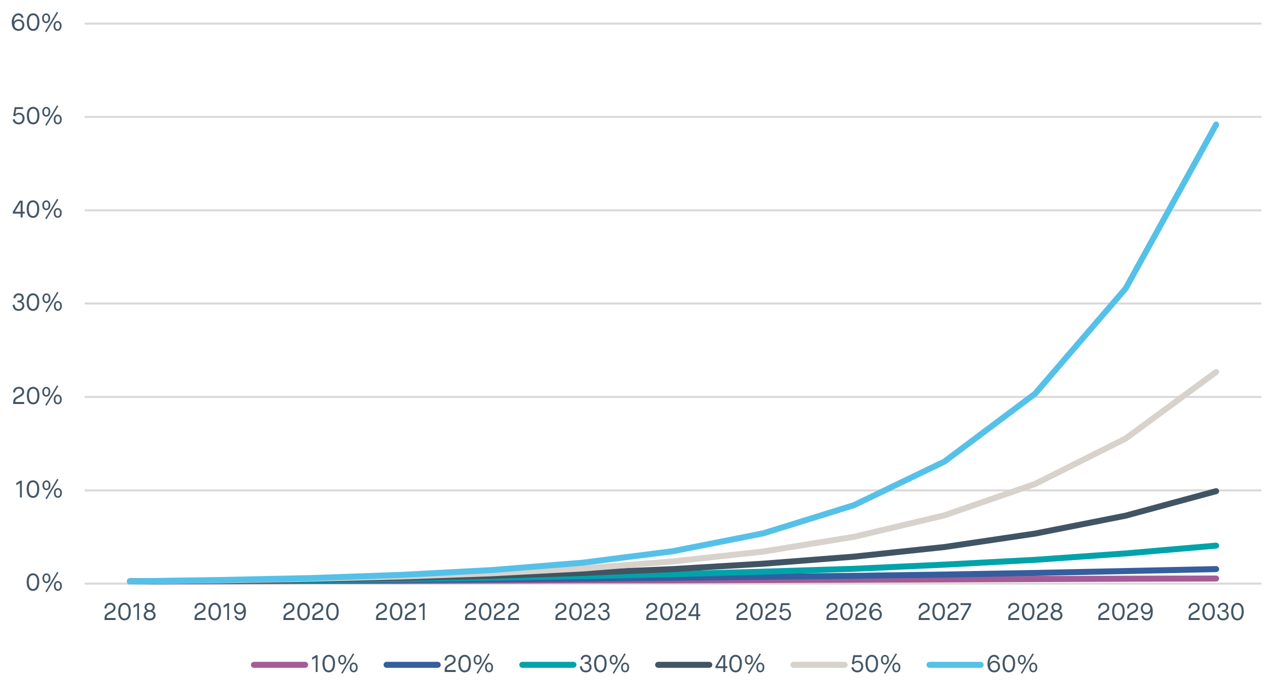


Source: SMF analysis of Nielsen data (quoted in the Evening Standard) and Public Health Scotland's "MESAS" dataset (which also includes data on England & Wales)

The market share of NoLo drinks varies by product category. We estimate that, in 2018/19, NoLo accounted for 0.3% of beer and 0.4% of wine sales in Great Britain. In contrast, NoLo sales accounted for just 0.04% of the spirits market, reflecting the more nascent nature of the NoLo spirits segment. Seedlip, for example, which claims to be the world's first distilled non-alcohol spirit was launched in 2016.[10] NoLo beers and wines have been sold for longer – for example, Kaliber, an alcohol-free beer produced by Guinness brewery, was launched in 1986.

Even with strong growth over the coming years, the market share of NoLo drinks is likely to remain modest. The chart below illustrates projections for market share of NoLo drinks based on different scenarios for sales growth. Under these calculations, annual sales growth of NoLo drinks would have to exceed over 40% per annum for market share to stand above 10% by 2030. That is to say, a sustained period of very strong sales growth would be required for these drinks to account for a substantial share of the adult drinks market.

Figure 2: Market share of NoLo drinks, under different scenarios of per annum sales growth



Source: SMF analysis. This assumes annual sales value growth in the overall drinks market of 2.9% - in line with the average growth seen over the five years 2015 to 2019 inclusive.

Notably, the market share of NoLo drinks is lower in the UK than some other markets. For example, it has been claimed that 14% of all beers consumed in Spain are now alcohol-free.[11] Spain and Germany are thought to account for over 60% of NoLo drinks sales collectively, by volume, in Europe.[12]

Based on the available evidence, it is not particularly clear why these markets have a higher NoLo market share than the UK. One individual working in the brewing industry, that we interviewed as part of this study, thought that Spain's high market share for NoLo might be a reflection of the warmer weather in the country, with NoLo drinks being less dehydrating. This individual also thought that cultural factors might play a role – individuals "enjoying a drink with some tapas" for taste rather than the effects of alcohol. A Spanish article we identified, also suggested that the popularity of NoLo beer in Spain might reflect a preference in the country for consuming beer very cold. The low serving temperature of Spanish beers, compared with say many British beers, might make NoLo drinks less distinguishable from stronger variants. The article also notes that from the outset in Spain, NoLo drinks were associated with motoring campaigns discouraging drink driving, which also encouraged their consumption.[13] [14]

But this seems an incomplete answer, given the lower consumption of NoLo drinks in other Mediterranean countries. Health experts that we interviewed also felt it was unclear whether variations in NoLo market share by country might reflect different approaches to policymaking – for example with respect to alcohol duty and advertising restrictions.

We have been unable to identify research from other markets examining the impact of NoLo drinks consumption on health outcomes and levels of alcohol-related harms. This includes evidence from Spain and Germany where the NoLo drinks market is relatively larger than in the UK.

Participants in the market

The number of industry participants in the NoLo drinks market is growing and diversifying. As mentioned, some NoLo drinks brands such as Kaliber have been around for decades. Yet, we have identified four significant developments in recent years that have changed the nature of the market and the types of products on offer dramatically.

1. Major brands launching NoLo versions of existing brands

Recent years have seen several major brands launching alcohol-free and low-strength versions of existing alcoholic products. This includes:

- Guinness Zero, launched in Indonesia in 2014.[15]
- Heineken 0.0, an alcohol-free version of Heineken, launched in 2017.[16]
- Black Tower launching a 0.5% ABV wine in 2018.[17]
- Gordon’s launching an “ultra-low-alcohol” gin & tonic range in 2018.[18]
- Carlsberg 0.0, launched in 2019.[19]
- The launch of alcohol-free versions of Budweiser and Stella Artois in 2020.[20]

These products tend to be branded in a similar way to the parent “full strength” products on which they are based – as highlighted in the examples shown in Figure 3. As we discuss later in this report, this raises questions around the extent to which NoLo variants of existing alcoholic products might present “alibi marketing” opportunities – whereby drinks manufactures can advertise their brand in contexts where marketing of stronger alcoholic products might not be permitted.

Figure 3: Branding on alcohol drinks and their NoLo variants

2. Major brands launching NoLo products branded in a distinct manner to alcoholic products

Another development in the NoLo products space is major drinks brands financing or directly creating NoLo products – albeit branded in a distinct way to their alcoholic drinks offerings.

One example of this is Distill Ventures, which provides investment and support for spirits startups, including NoLo spirits startups. Notably, while Distill Ventures is an independent business, its sole investor is Diageo[21] - one of the world's largest producers of spirits and beers. In June 2016, Seedlip announced a minority investment from Distill Ventures. In 2019, Diageo announced that it had acquired a significant majority shareholding in Seedlip.[22]

This suggests large drinks producers are entering/expanding in the NoLo drinks space in different ways. While some are launching alcohol-free/low-strength versions of existing brands, others such as Diageo (via Distill Ventures) are also involved in the creation and growth of distinct NoLo product brands. One observation from some stakeholders we spoke to as part of this research was a greater tendency of beers to have joined branding with conventional alcoholic drinks, with NoLo "spirits" more likely to have distinct branding.

3. Craft NoLo drinks – including specialist NoLo producers

One of the major developments in the alcoholic drinks space in general in recent years has been the rise of smaller craft producers – particularly with respect to beer.

Craft producers, too, are also entering the space for NoLo drinks. For example, Brew Dog, one of the most popular craft beer brands in the UK, produces three 0.5% ABV beers; Nanny State, Punk AF and Hazy AF.[23]

Some craft producers are even going down the route of specialising in NoLo products. Big Drop Brewing Company is one of a number of breweries that produce *only* alcohol-free craft beer. Big Drop has won a number of international taste awards for these products.[24]

A common theme in the depth interviews that we undertook as part of this research has been the potential role of the craft and quality drinks movement in driving demand for NoLo drinks. A number of interviewees felt that until recently the NoLo drinks market has been held back by the relatively poor quality of the products on offer, and a general view that these products were "a compromise" – not just in the sense of having reduced alcohol content, but also in the sense of being inferior to conventional alcohol products in terms of taste. The rising quality of NoLo drinks – as shown by the tasting awards achieved by brands such as Big Drop – could be playing a key role in increased uptake of these products.

4. The (NoLo) CBD drinks market

Another development in the drinks space is the emergence of Cannabidiol (CBD)-infused beers, wines and spirits – some of which are low in alcohol or alcohol-free. CBD oil is a product that is derived from cannabis. It is a type of cannabinoid, which are the chemicals naturally found in marijuana plants. Even though it comes from marijuana plants, CBD does not create a "high" effect or any form of intoxication. In marijuana such effects are caused by another cannabinoid, known as THC. However, CBD is claimed to have impacts in terms of providing anxiety and pain relief.[25]

Conceivably such products are marketed to and appeal to a different demographic of drinker than other NoLo drinks. Despite the lack of psychoactive effects from CBD, some NoLo CBD drinks are marketed as a way to "unwind" without experiencing a hangover.[26]

Why are businesses entering the NoLo space?

A common theme in our discussions with industry was the role of consumer demand in driving growth in the NoLo drinks segment. A number of drinks manufacturers that we spoke to pointed to the decline in per capita alcohol consumption seen in recent years, and growing interest in healthy living – particularly among younger generations. It was stated that NoLo drinks held appeal among this health-conscious demographic of consumers.

Another frequently stated observation within our interviews with industry stakeholders was a trend towards "premiumisation" in the drinks market. Some felt that consumers were increasingly drinking for reasons of taste and quality, rather than "to get drunk" – something which might drive demand for high-quality beers, wines and spirits with no or low-alcohol content.

An observation made by some of the stakeholders we spoke to – in industry and the space of public health – was the potential for NoLo drinks to be more profitable. With some NoLo drinks on the market priced as premium products (for example, Seedlip alcohol-free "spirits" retail on Waitrose for £26.50 for a 70cl bottle[27]), and such products being exempt from alcohol duty, profit margins might be sizeable. If per-capita alcohol consumption falls over the coming years, industry might benefit from a shift towards more profitable NoLo drinks.

Some of the health experts we spoke to cited potentially more concerning motives for industry entering the NoLo products space. As we mentioned briefly earlier, alibi marketing opportunities might be a consideration in producing NoLo drinks branded in a similar way to conventional alcoholic beverages. Some health experts also expressed concern about such drinks being used as a way of entrenching "drinking culture" and normalising the consumption of (NoLo) beers, wines and spirits in contexts in which such products have traditionally been taboo – such as morning drinking, consumption at work and in coffee shops.

Another observation made by some health experts was the potential for these drinks to ultimately take market share from soft drinks rather than stronger alcoholic drinks – possibly creating a scenario where alcohol consumption is little changed or even higher from increased use of NoLo. One individual noted recent rhetoric from Heineken with respect to this. Heineken has suggested that it is targeting the coffeeshop sector to roll out its "Blade" draught system which offers the zero-alcohol beer Heineken 0.0.[28] David Forde, the Director of Heineken UK, has said, "we believe [Heineken] can go on the offensive and go after Coke, go after Fanta, go after spring water, go after tea, go after coffee".[29]

Summary

While the market for NoLo drinks has seen significant growth in recent years, it is important to note that is from a low base. We estimate a market share, by sales values, of just 0.2% for NoLo drinks in Britain in 2018/19. Even with substantial sales growth over the coming years, the market share of NoLo drinks is likely to remain modest. The market would have to grow by over 40% per annum to reach a market share of over 10% by 2030 and have comparable levels of NoLo beer consumption to Spain (where NoLo accounts for 14% of the beer market)

Insofar as such drinks might generate health benefits, this needs to be considered in the likely context of such drinks having a relatively modest overall market share – at least over the next decade.

CHAPTER THREE - CONSUMERS OF NOLO

While data presented earlier, from the likes of Neilsen and CGA, provides insights into the overall size of the NoLo drinks market, and recent growth trends, it is also important to consider more granular data on how consumers are engaging with the NoLo market. Understanding *who* is consuming NoLo drinks will play a key role in assessing the likely impacts of their use on alcohol-related harms, and where any benefits from their consumption are likely to lie. Understanding the demographics of NoLo consumption is also important for assessing their likely impact on health inequalities in the UK.

Here, we present findings from an Opinium survey commissioned as part of this study, which seeks to understand how different types of consumers are using NoLo drinks and the reasons why they are using them. The Opinium survey consisted of a nationally representative sample of 2,000 individuals. A booster sample was also commissioned to give us a sample of 1,000 individuals that have previously consumed a NoLo drink – allowing us to segment this group of individuals and still have robust sample sizes. More information about the survey can be found in the appendix of this report.

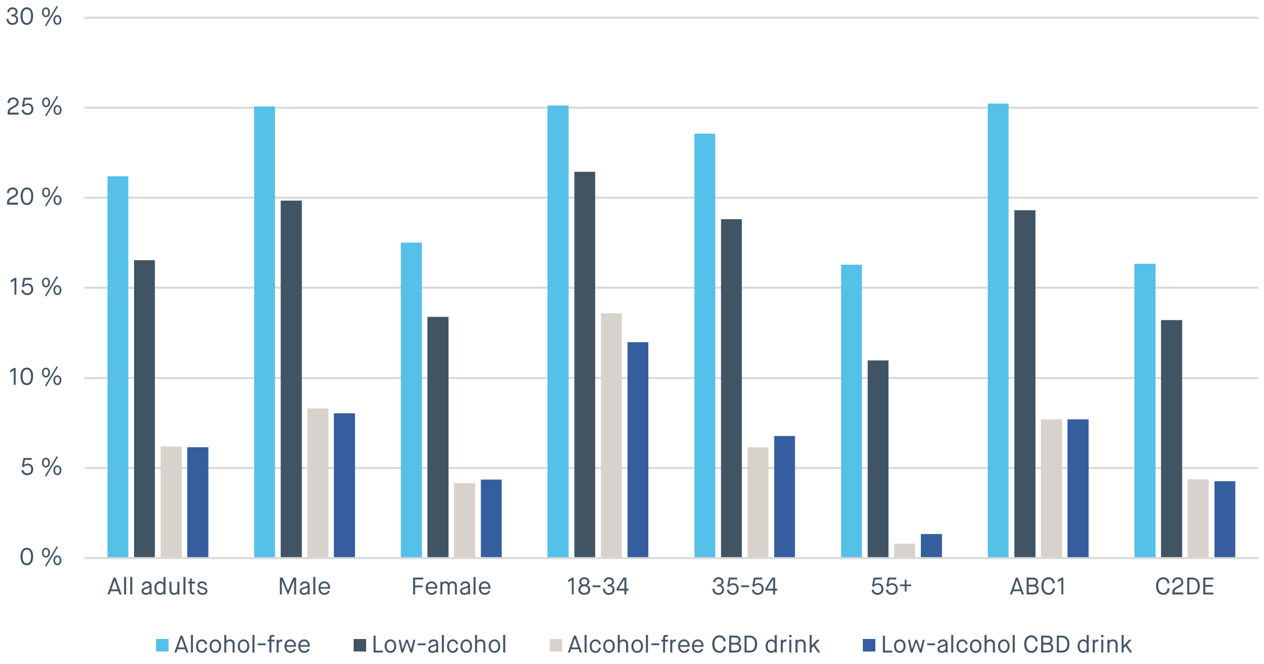
Who drinks NoLo?

Across the nationally representative sample of individuals surveyed by Opinium, just over a fifth (21%) of individuals had consumed an alcohol-free drink the past 12 months. A further 21% had consumed an alcohol-free drink, but more than 12 months ago. Similar proportions had consumed a low-alcohol drink in the last 12 months (17%) and more than 12 months ago (21%).

There are significant differences in consumption of NoLo drinks across demographic groups, as highlighted in the charts below. Notably:

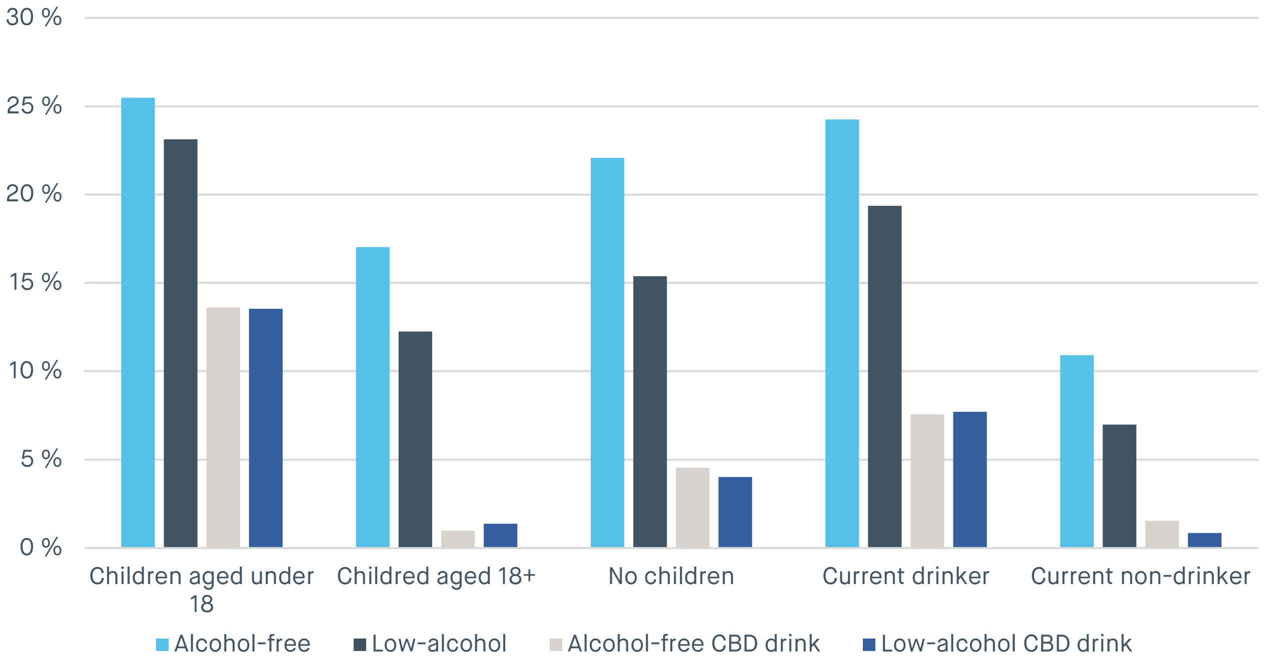
- Females are less likely than males to have consumed a NoLo drink.
- Those aged 18-34 are more likely to have consumed a NoLo drink, than those aged 35-54 and 55 and above.
- Those in the higher income socioeconomic groups are more likely to have consumed a NoLo drink.
- Those with children under 18 in the household are more likely to have consumed a NoLo drink.
- Drinkers are more likely than non-drinkers to have consumed an alcohol-free drink. 11% of non-drinkers reported having an alcohol-free drink in the past 12 months.
- Consumption of NoLo drinks containing CBD is more skewed towards younger drinkers.

Figure 4: % of individuals that have consumed a NoLo drink in the past 12 months, by sex, age and socioeconomic group



Source: Opinium nationally representative survey. Alcohol-free defined as 0.5% ABV or less. Low-alcohol defined as 0.6% to 1.2% ABV.

Figure 5: % of individuals that have consumed a NoLo drink in the past 12 months, by whether has children and current drinking status



Source: Opinium nationally representative survey. Alcohol-free defined as 0.5% ABV or less. Low-alcohol defined as 0.6% to 1.2% ABV.

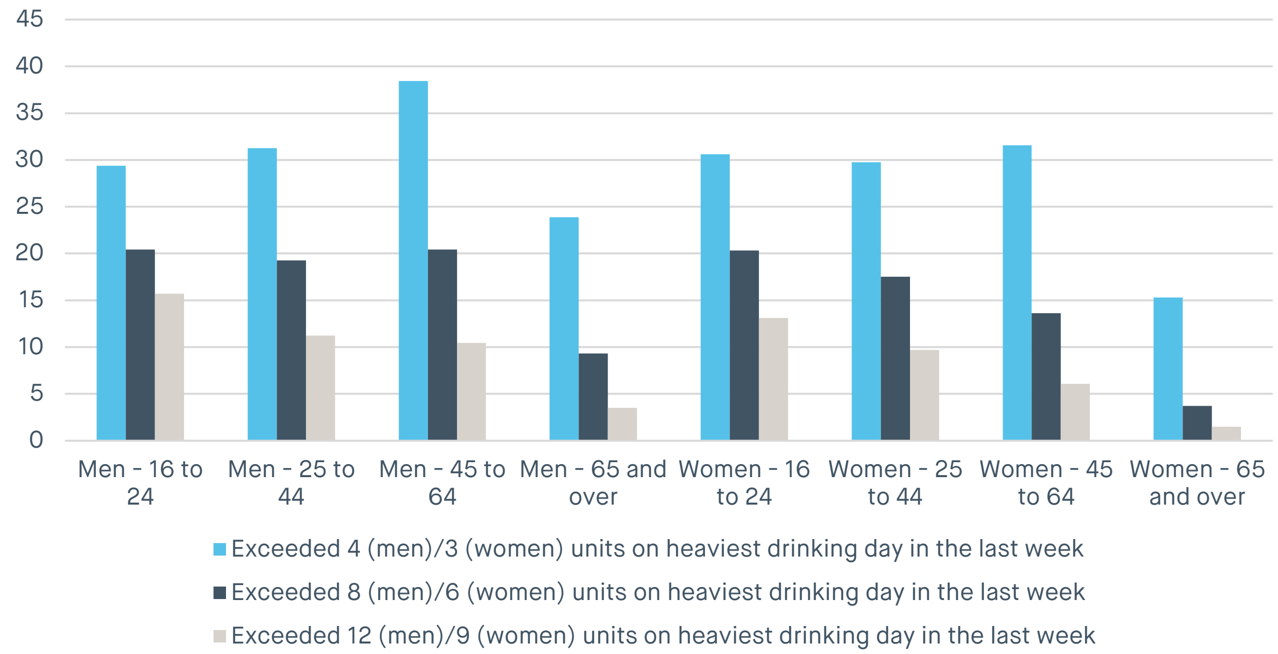
We note that men are both more likely to consume NoLo drinks than women, and that men are also more likely than women to drink alcohol heavily (see Figure 6). Similarly we note that those in higher income socioeconomic groups are both more likely to consume NoLo and drink more alcohol on average than those on lower incomes (see Figure 7). In this sense, NoLo drinks consumption is arguably focused on groups for whom policymakers might wish to target their use as a means of curbing overall levels of alcohol consumption. Having said that, as we discuss later in this report, the links between NoLo consumption and alcohol harms are complex.

Further, with respect to alcohol harms and income groups, the "Alcohol Harm Paradox" complicates the picture. The Alcohol Harm Paradox refers to the fact that although higher income individuals drink more on average, alcohol harms are concentrated in lower income groups.[30] Alcohol-specific death rates among men in the most deprived quintile of the population (as measured by the Index of Multiple Deprivation), are 4.3 times higher than for men in the least deprived quintile. For women, age-standardised death rates are 3.4 times higher.

As the SMF has discussed in previous research, the causes of the Alcohol Harm Paradox are likely to be complex, and reflect interactions with other factors (e.g. smoking and diet), access to treatment, support networks and very heavy drinking (the tail end of the consumption distribution) being concentrated in lower income groups.[31]

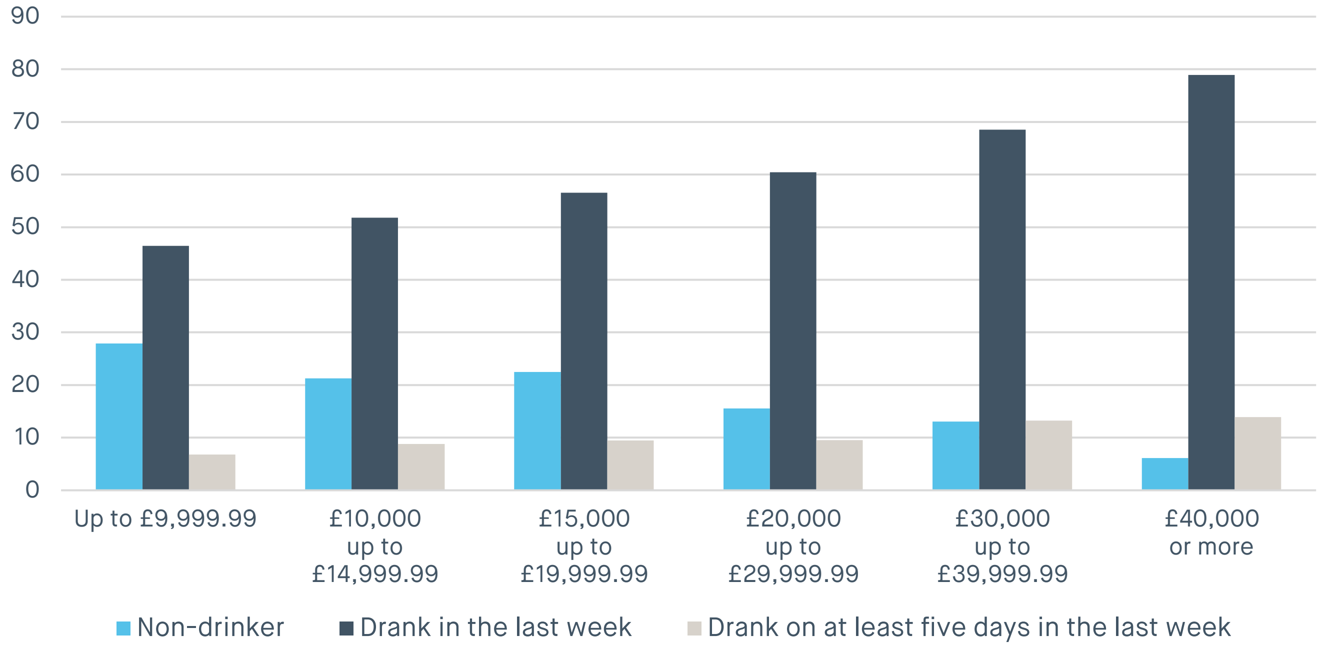
Given the Alcohol Harm Paradox, the lower use of NoLo drinks by those in lower income socioeconomic groups might limit the potential for these drinks to reduce alcohol-related harms.

Figure 6: Proportion of the population who drank the stated amounts of alcohol on their heaviest drinking day in the week, by sex and age, Great Britain, 2017



Source: ONS Opinions and Lifestyle Survey

Figure 7: Drinking patterns, by gross annual personal income, proportion of population, 2017, %



Source: ONS Opinions and Lifestyle Survey

How often and in what contexts are individuals drinking NoLo? Why do some consumers never drink NoLo, or stop drinking it?

A majority of those that had previously had a NoLo drink (60%), reported that they had consumed these drinks in their own home. Just over a quarter (27%) said they had consumed NoLo in someone else's home, 23% said they had consumed these products in a restaurant or cafe, and 36% said they had consumed these products in a pub or bar. As such off-trade consumption – drinking at home – appears to be the key environment in which NoLo drinks are consumed.

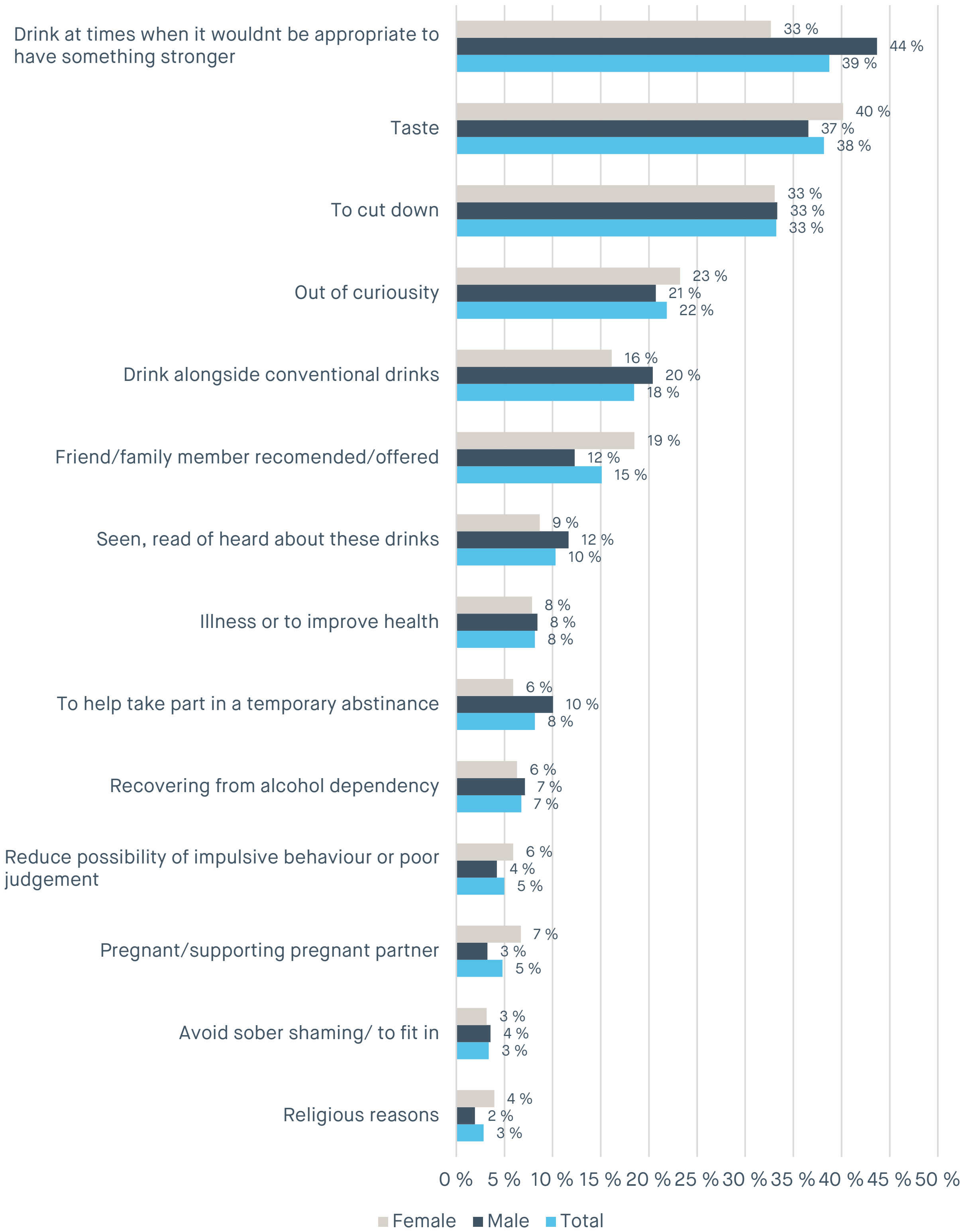
Among individuals that had consumed a NoLo drink in the past 12 months, the most commonly cited main reason for doing so was to drink at times when it would not have been more appropriate to have something stronger (39%) – for example, when driving later on. A similar proportion (38%) of individuals said that they had consumed such drinks for the taste while a third (33%) said they consumed such products to cut down on their alcohol intake. 7% said they consumed NoLo because they were recovering from alcohol dependency.

One notable finding from the survey is that very few – just 3% - said that they consumed NoLo drinks to fit in and avoid "sober shaming". As such, peer pressure to be seen to be drinking seems to be a minor driver of consumption patterns – at least if the survey results are taken at face value.

Reasons for drinking NoLo varied across demographic groups, as highlighted in the charts below. While the same proportion of men and women (33%) said they consumed NoLo to cut down on alcohol, men were more likely to say they consumed NoLo on specific occasions where something stronger would not be appropriate (44% versus 33%)

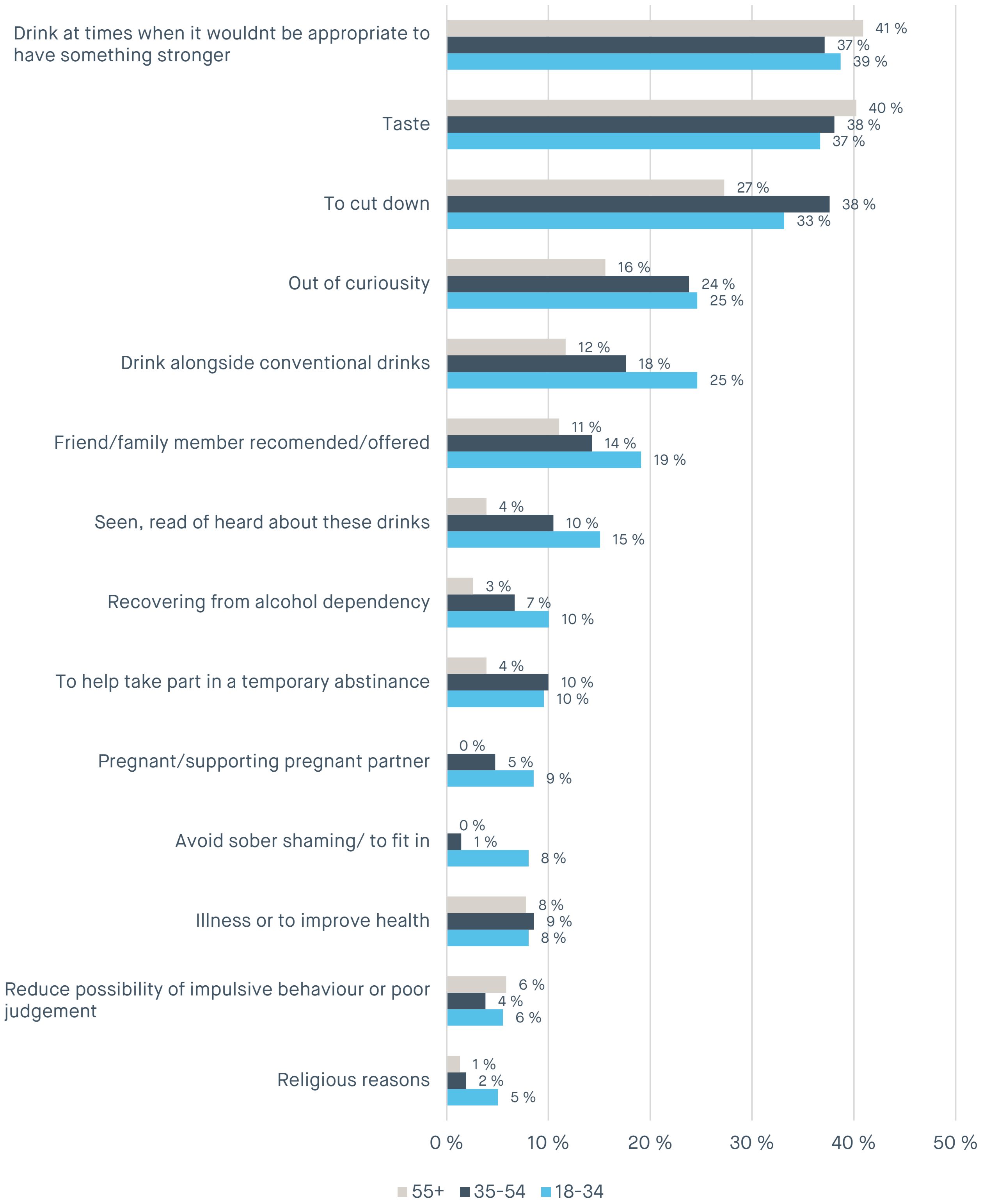
By age group, those aged 35-54 were more likely to report consuming NoLo to cut down on alcohol (38%) compared with those aged 18-34 (33%) and 55+ (27%).

Figure 8: You mentioned that you have consumed low alcohol and/or alcohol-free drinks in the past 12 months. What were/are your main reasons for doing so?



Source: Opinium booster sample of past and present drinkers. Alcohol-free defined as 0.5% ABV or less. Low-alcohol defined as 0.6% to 1.2% ABV.

Figure 9: You mentioned that you have consumed low alcohol and/or alcohol-free drinks in the past 12 months. What were/are your main reasons for doing so? Results by age group.

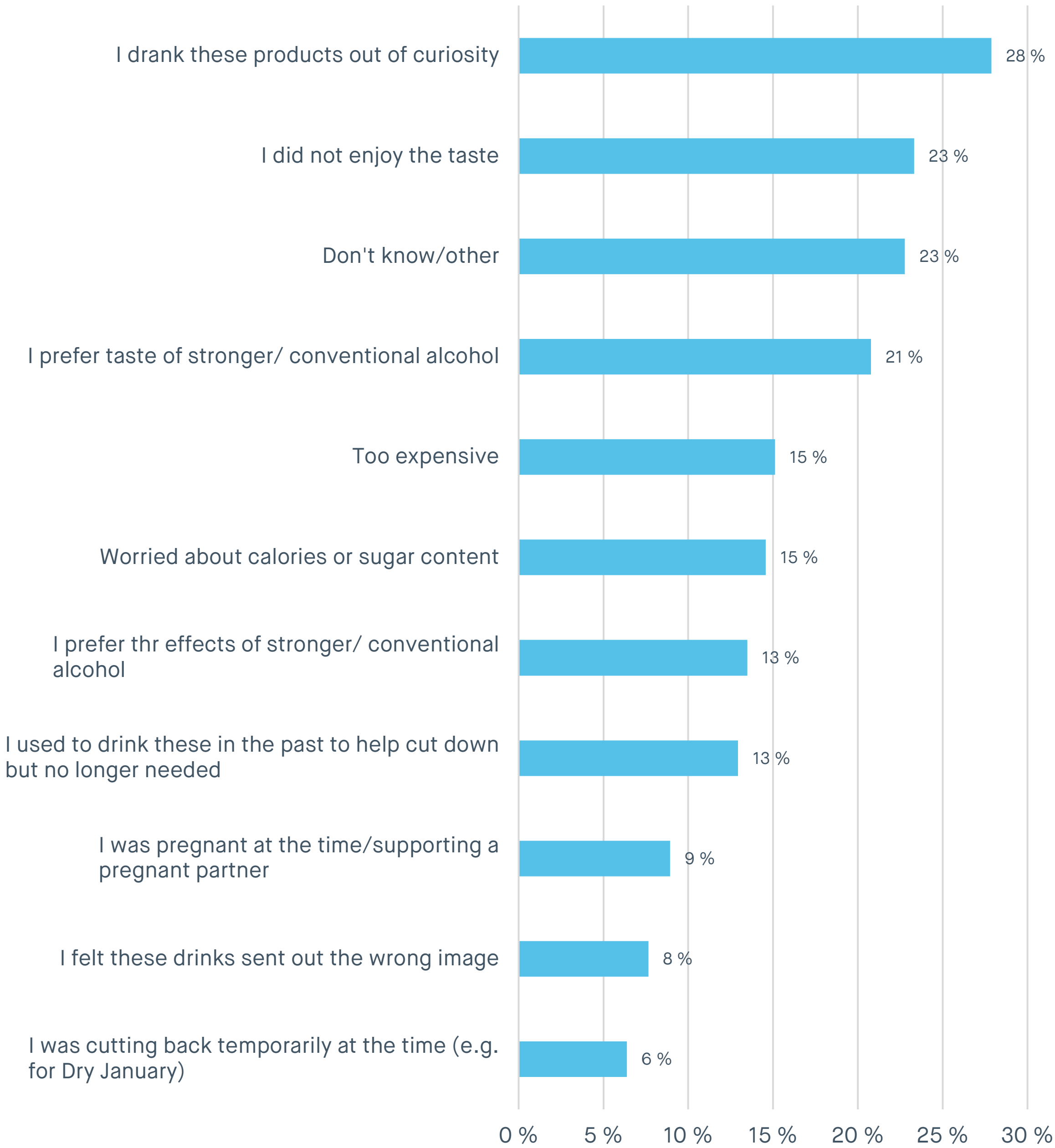


Source: Opinium booster sample of past and present drinkers. Alcohol-free defined as 0.5% ABV or less. Low-alcohol defined as 0.6% to 1.2% ABV.

Survey respondents who had consumed NoLo drinks more than 12 months ago but not recently were asked why this was the case. The most widely cited response was that they had just tried these drinks "out of curiosity" (28%) followed by not enjoying the taste (23%).

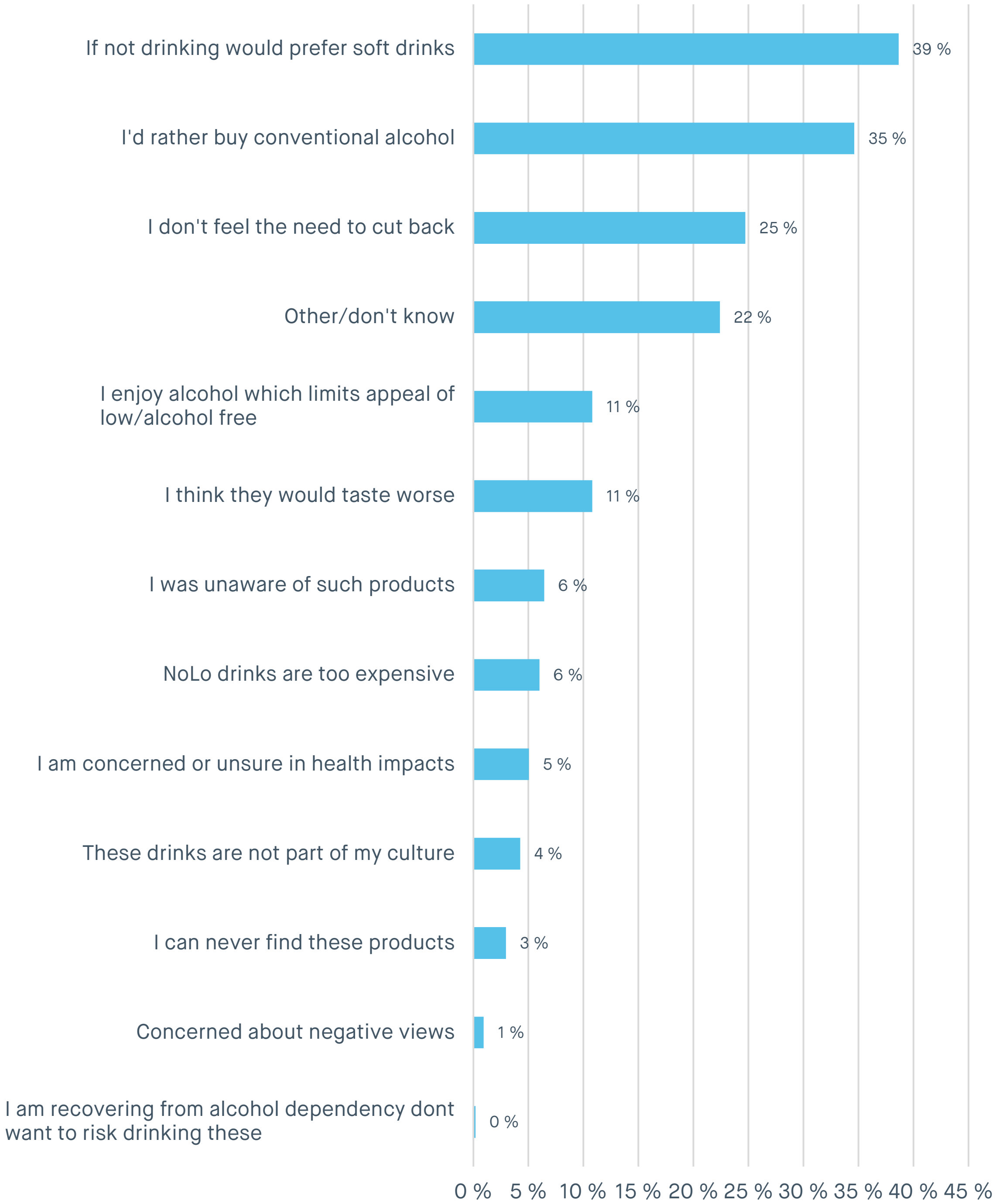
Among those that have *never* consumed NoLo drinks, the most commonly cited reasons were that individuals would prefer to drink a soft drink if not drinking alcohol (39%) and that individuals would rather consume a conventional alcoholic drink (35%). A quarter (25%) said they did not drink these products because they did not feel the need to cut back. Lack of awareness (6%), cost (6%) or concerns about health impacts (5%) were not widely cited reasons among those that have never consumed NoLo drinks.

Figure 10: You mentioned that you have consumed low alcohol or alcohol-free drinks before, but not in the past 12 months. Which if any of the following are reasons for this?



Source: Opinium booster sample of past and present drinkers. Alcohol-free defined as 0.5% ABV or less. Low-alcohol defined as 0.6% to 1.2% ABV.

Figure 11: You mentioned that you have not consumed low alcohol and/or alcohol-free drinks before. Which if any of the following are reasons for this?



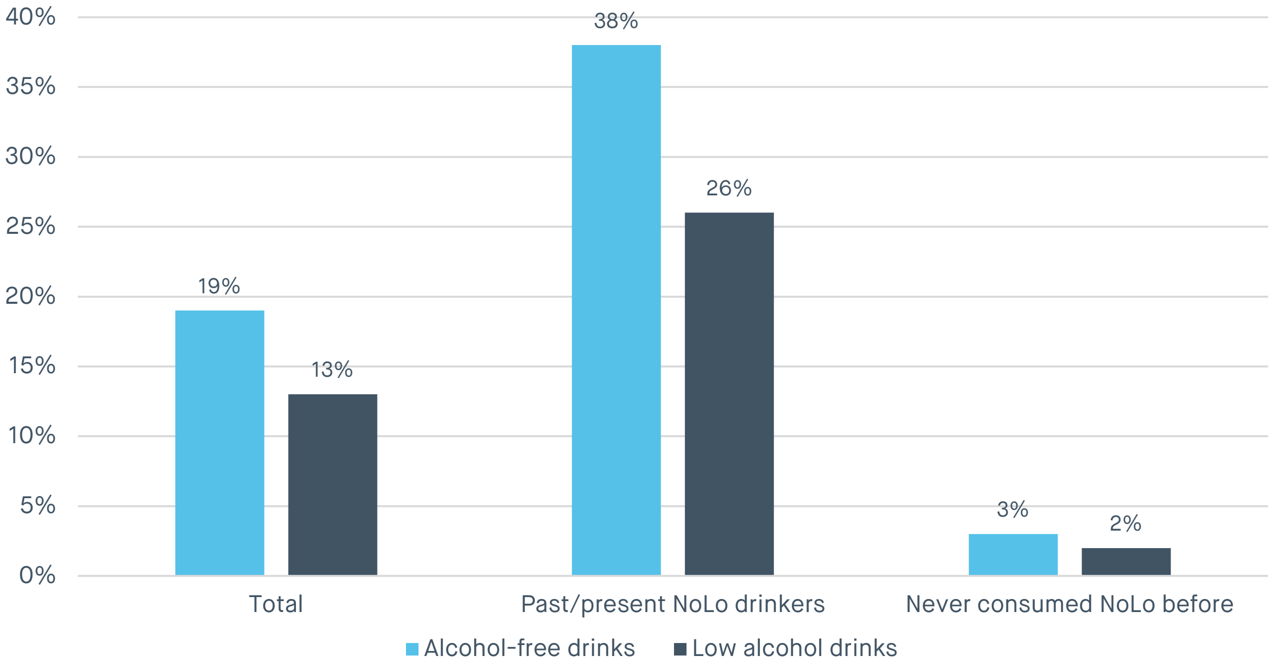
Source: Opinium nationally representative survey. Alcohol-free defined as 0.5% ABV or less. Low-alcohol defined as 0.6% to 1.2% ABV.

Future NoLo drinkers

In the nationally representative Opinium survey, while two-fifths (38%) of individuals that had previously had a NoLo drink thought they would be likely to consume an alcohol-free drink over the next 12 months, just 3% of those that had never had a NoLo drink said they would be likely to have one. This raises questions around the extent to which current non-users of NoLo can be persuaded to consume these products, though marketing and further innovation in terms of the types of products on offer could conceivably shift consumers in favour of these drinks.

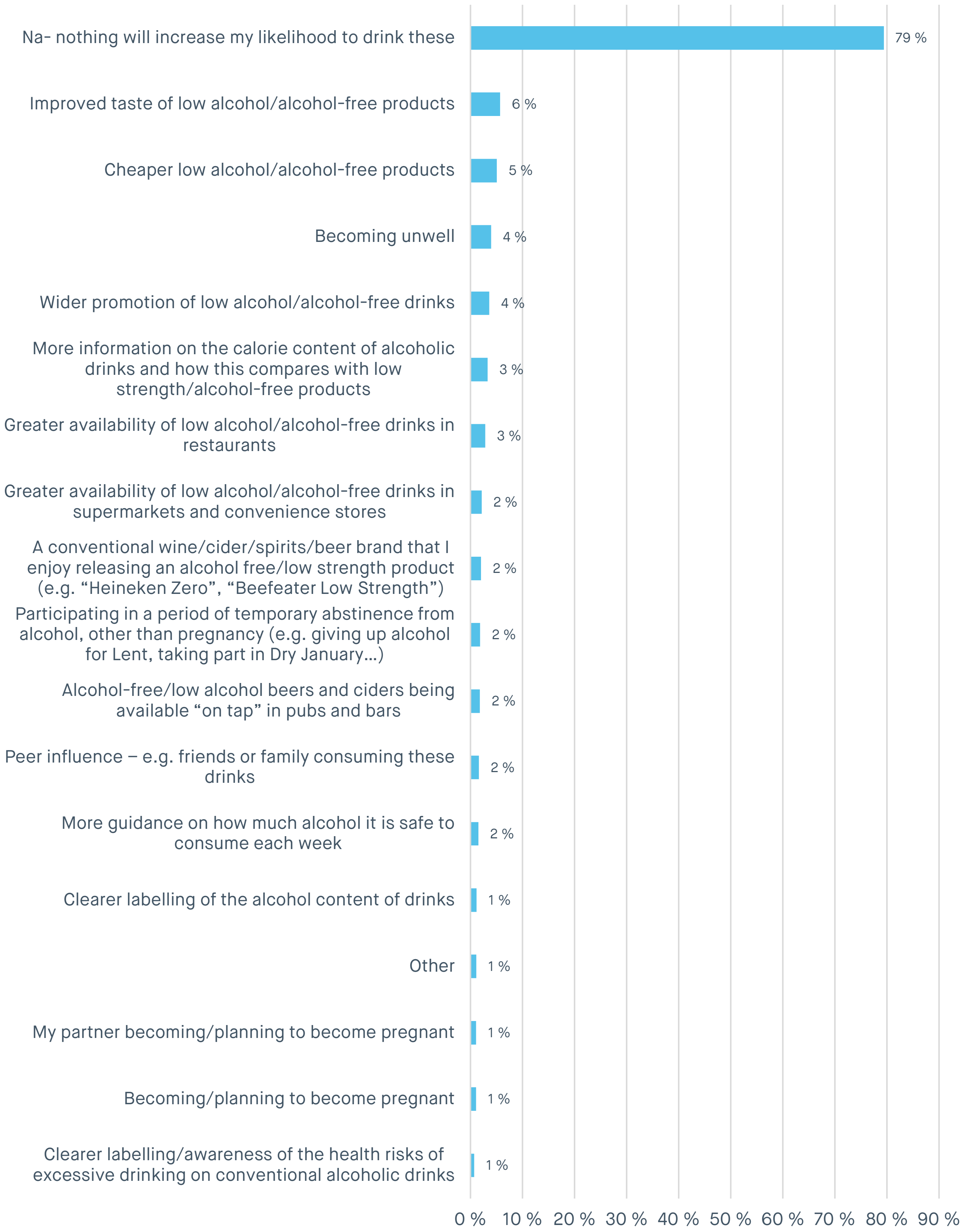
When non-users of NoLo were asked what would increase their likelihood of consuming a NoLo drink over the next 12 months, 79% said that nothing would. 6% said that improved taste of NoLo products would increase their likelihood of consuming a NoLo drink and 5% said cheaper NoLo products would increase the likelihood.

Figure 12: Thinking about the next 12 months, are you likely to consume any of the following products?



Source: Opinium nationally representative survey. Alcohol-free defined as 0.5% ABV or less. Low-alcohol defined as 0.6% to 1.2% ABV.

Figure 13: Would any of the following increase your likelihood of consuming low alcohol/alcohol-free drinks over the next 12 months? Responses for those that have never consumed a NoLo drink.



Source: Opinium nationally representative survey

Summary

Consumption of NoLo drinks varies across demographic groups. NoLo consumers are more likely to be men, aged 18-34 and in higher income socioeconomic groups. This differential rate of consumption could have implications for future health inequalities.

While a third of those that had consumed NoLo drinks in the last 12 months cited cutting back on alcohol as a key reason for drinking these products, a more widely-cited reason was drinking these products on specific occasions where it would not be appropriate to drink a stronger product – such as when driving. The occasional, rather than regular, use of NoLo drinks by a significant portion of survey respondents might explain why, despite 21% of adults having an alcohol-free drink in the past year, the market share of such drinks is less than 1% of the alcohol market.

Chapter 6 of this report explores what some of these drinking trends might mean for health outcomes, drawing on further data from the Opinium survey as well as desk research and discussions with key stakeholders in the field of public health.

Before discussing the health implications of NoLo drinks in more detail, we first discuss the regulatory landscape surrounding NoLo drinks (Chapter 4) and the media discourse surrounding these products (Chapter 5). Both of these factors could have a significant bearing on the current and future health implications of NoLo drinks consumption.

CHAPTER FOUR - THE REGULATORY LANDSCAPE FOR NOLO

This chapter explores the regulatory landscape surrounding NoLo drinks – examining how regulation affects the way NoLo drinks are defined, labelled, marketed and enforced. We also examine how the regulatory regime in the UK differs from other markets – and the extent to which other countries might provide examples of best practice.

A common theme in our discussions with health experts was the need to get the regulation of NoLo drinks right. Although such drinks contain limited alcohol, or just trace amounts of alcohol, potential risks related to alibi marketing, consumption by minors and negative health impacts were cited as reasons for avoiding a *laissez-faire* approach to regulation. The goal of regulation should be to ensure that the NoLo drinks market evolves in a way that is beneficial to, rather than injurious to, public health.

The 2012 Alcohol Strategy and its role in focus on product strength

In 2018 the Government announced that it was looking to develop a new alcohol strategy,[32] ostensibly underscoring a commitment to tackling alcohol-related harm in the UK. However, in January 2020, Baroness Williams of Trafford, then Minister of State at the Home Office, revealed that it is in fact not looking to develop a stand-alone strategy, and claimed that there is no need to do so.[33] This means that there has not been a distinct alcohol strategy since 2012, at which time policy was focused heavily on "attacking" binge drinking by way of "coming down hard" on cheap alcohol and introducing powers to restrict the sale of alcohol to "drunks".[34] The strategy was initially applauded for its pledge to introduce a "minimum unit price" for alcohol – though it later received heavy criticism after government controversially decided to U-turn on that pledge.

At this time, Government had also aimed to promote a wider choice of lower strength and alcohol-free drinks in order to curb the number of units entering the market. Through its Public Health Responsibility Deal,[35] companies voluntarily agreed to encouraging customers to switch to lower unit drinks while bodies such as the Advertising Standards Authority looked at rules and incentives that may have inhibited the promotion of reduced strength alcohol. The collective pledge to alcohol reduction was intended to be delivered through altering alcohol production methods, improving the availability of reduced strength or "lighter" products, and promoting reduced strength alcohol products in store and on-trade.

Between 2011 and 2013, 1.3 billion units of alcohol were removed from the market, and this was probably seen by some to be a key victory for the Responsibility Deal and advocates of voluntary regulation over statutory legislation.[36] In 2011, over 52 billion units were in circulation, and reaching a target of removing 1 billion units was estimated to result in a 2% drop in consumption which "should have significant public health benefits". Due to the improvement of consumer choice and a "commitment to foster a culture of responsible drinking", the Government claimed to have reduced, through the Responsibility Deal, the average strength of alcohol across all products categories by 2.9%, with a 3.7% change in the actual number of units. According to data provided by the Department of Health, it is unclear whether drinks below 1.2% ABV (i.e. NoLo drinks) contributed to this reduction or not.[37]

According to an interim evaluation conducted by the Department of Health, the Responsibility Deal ensured its pledge of removing 1 billion units from the alcohol market in 2013 – two years ahead of schedule. They claimed that the reduction in units, and therefore in the average ABV of alcohol products, was mainly achieved by reductions in the average strength of beer, which accounted for 1.2 billion of the 1.3 billion total reduction. It was found that average ABV decreased in all product categories, apart from in spirits, and overall the average ABV fell from 7.49% to 7.28%.

However, analysis in the British Medical Journal into the ‘billion units pledge’ found flaws in this evaluation. This is because of the assumption that the pledge will lead people to drink the same amount of alcohol (the number of drinks consumed) but at a lower strength, which is not always the case. For example, people may have chosen to drink a lower strength product where they previously would have opted for a non-alcoholic drink – the Government’s analysis did not account for this. The Journal does not suggest that the pledge was necessarily detrimental to public health, but that the success of the pledge may be overstated.[38] Further, academic research has suggested that the Responsibility Deal is unlikely to have significantly affected health outcomes, and that it was even set up to obstruct more effective policies such as minimum unit pricing (MUP).[39]

Table 1: Changes to the volume of alcoholic products released for consumption, average ABV and total volume of pure alcohol, 2011 - 2013

	2011 (baseline year)	2012 (1st year of Responsibility Deal pledge A8(a))	2013 (2nd year of Responsibility Deal pledge A8(a))	Change 2011 to 2013
Total volume of alcohol products (hl)	69,566,474	69,412,827	69,001,158	-0.8%
Average ABV (%)	7.49	7.33	7.28	-2.9%
Total Volume of pure alcohol (hl)	5,213,875	5,089,077	5,020,239	-3.7%
Total number of units (bn)	52.1	50.9	50.2	-3.7%

Source: Department of Health, Second Interim Report on monitoring the units of alcohol sold

Alcohol Policy UK has pointed out that even though the lower strength drinks market had grown between 2011 and 2013, the reduction of units consumed is likely to have been due to drinkers unaware of the small reduction of alcohol strength in popular beers and ciders, and there is little information on the impact (or presence) of drinks below 1.2% ABV.[40]

This raises questions around the extent to which consumer behaviour would be replicated if government were to focus more on promoting NoLo drinks rather than more modest reductions in the strength of conventional beers, wines and spirits. Conceivably, while a typical beer drinker might consume a 3.5% ABV beer without distinguishing it from a 4% ABV version of the same product, they might find more significant differences in taste and effect with respect to NoLo variants. Consumption of NoLo drinks is likely to be largely an active choice, whereas consumption of slightly weaker, reformulated conventional drinks is more likely to be "accidental" – with consumers unaware of the product having a lower alcohol content.

The effectiveness of industry self-regulation – a key part of the 2012 Alcohol Strategy - and the extent to which government should partner with business interests in order to improve public health has been subject to ongoing debate, as non-binding pledges driven by businesses have often proven resistant to fundamental change and to evidence-based policies backed by academic or health experts.[41] [42] [43]

Beyond the 2012 Alcohol Strategy - does NoLo have a place in current policymaking?

The All Party Parliamentary Group (APPG) on Alcohol Harm, which exists to promote the discussion of alcohol-related issues and to bring those issues forward to policy makers and to government, published an Alcohol Charter in 2018,[44] written in co-production with the Cross-Parliamentary Group on Drugs, Alcohol and Justice. The Charter set out the key policies that should be included within a new government Alcohol Strategy. Recommendations in the Charter are focused on tackling excessively cheap alcohol and on reviewing alcohol duties so that they better reflect alcohol strength. There is also a call to improve alcohol labelling, helping consumers to make informed choices around their drinking, and to improve alcohol marketing regulation. There is little mention of NoLo drinks within the Charter, other than to say alcohol-free drinks need to provide more nutritional information.[45]

In contrast, NoLo drinks have been identified as an area of interest for Government in its Prevention Green Paper (2019). In looking to "galvanise a shift of focus from cure to prevention" in public health,[46] and chiming with the tenets of the 2011 Public Health Responsibility Deal, it is proposed that by making alcohol-free and low-strength products more readily available, drinkers can be nudged towards lower strength alternatives. Notably, in the Green Paper, accelerating the availability of these products and supporting innovation in the sector are outlined as the only approaches to reducing alcohol harm.

The Green Paper set out an ambition of government to "work with industry to deliver a significant increase in the availability of alcohol-free and low-alcohol products by 2025". It also said that, "in order to support further innovation in the sector and encourage people to move towards alcohol-free products, we will review the evidence to consider increasing the alcohol-free descriptor threshold from 0.05% ABV up to 0.5% ABV, in line with some other countries in Europe". There is thus interest in adjusting the regulatory environment surrounding these drinks.[47]

Alcohol health groups such as Alcohol Change UK, Alcohol Policy UK, and the Alcohol Health Alliance have questioned the level of salience given to alcohol-free and low-alcohol products in the Green Paper. They say that such products should not be understood as a single solution to alcohol harm and must instead exist within a far broader and comprehensive alcohol strategy. Relaxing the rules of what alcohol-free *is* by way of amending descriptors may only serve the market interests of the alcohol industry, establishing a more level playing field with European competitors.[48] [49] [50]

From the perspective of public health experts, there has been consistent support for MUP as a key policy for reducing alcohol-related harms.[51] At the same time, there is little evidence that increasing the number and availability of lower-strength products effectively limit harm. A key aim of this report is to shed more light on what the health and harm impacts of these products might be, given the existing limited evidence base.

The lack of existing evidence on NoLo drinks and alcohol-related harms raises questions around the focus on these drinks within the Prevention Green Paper. Despite the Government's wish to introduce new lower strength products to the alcohol market as part of its Alcohol Strategy almost a decade ago, and despite there being a rise in the consumption of NoLo products[52] there remains a large policy gap when it comes to understanding the actual impact of substituting low and no-strength product with regular alcohol – if indeed such substitution actually takes place. We discuss potential substitution effects from NoLo in more detail in Chapter 6.

The NoLo drinks market and who regulates it

Who regulates?

Licensing for the sale or supply of alcohol is regulated by the 2003 Licensing Act and overseen by the Home Office, restricting where alcoholic drinks can be traded.[53] The production of alcohol is broadly regulated by the Alcohol Liquor Duties Act 1979,[54] with specific controls for the production, duty, and strength of beer by the Beer Regulations,[55] and spirits manufacture by Spirits Regulations.[56] None of these Government mechanisms contain rules on low-strength and alcohol-free drinks explicitly.

With respect to the marketing, labelling, and promotion of alcoholic drinks, regulation is currently overseen by Ofcom, the Advertising Standards Authority (ASA), and the Portman Group – an industry body made up of, and sponsored by, alcohol producers. Ofcom is the regulator and competition authority for UK communications, covering standards in programmes, sponsorship, product placement, fairness, and privacy, working with the Department for Digital, Culture, Media & Sport.[57] Although the duty to maintain standards in broadcast advertising lies with Ofcom statutorily, its responsibility is shared with the ASA. Here, the ASA regulates the content of TV and radio advertisements under contract from Ofcom, under a "self-regulation system within a co-regulatory framework",[58] as well as well as administering non-broadcast standards. Within the context of alcohol marketing, the ASA is the established means for regulation, ensuring advertisements are not in any way irresponsible.[59]

The Portman Group regulates alcohol marketing that has not been reviewed by the ASA or Ofcom. This includes the naming, packaging, sponsorship, and merchandising of products.[60] Set up to promote the responsible use of alcohol via a commitment to social responsibility by its members, its primary role within the alcohol market is the self-regulation of promotion and packaging of products. It played a key role in the Public Health Responsibility Deal, reviews complaints made on the marketing of alcoholic drinks unrelated to the media, and voluntarily promotes alcohol responsibility "without impinging on the creative freedoms of the industry".[61] According to the Group's website, it is currently funded by eleven member-companies, many of which are recognised as leaders of the global drinks market.

One criticism of co-regulation by a mixture of self-regulatory bodies and trade groups is that it is not properly equipped to consider alcohol marketing holistically. As it stands, packaging is overseen by the Portman Group, advertising is by the ASA, and the sponsorship of TV shows is by Ofcom: there is not one regulator sufficiently positioned to moderate marketing as a whole.

In terms of enforcing labelling standards, Local Trading Standards Departments are responsible for ensuring that products are compliant with law – further complicating understandings of ownership of responsibility in the regulatory landscape.[62]

In an increasingly complex landscape made up of social media exposure as well as more traditional forms of marketing,[63] it is argued that the current regulatory system does not adequately address the multifaceted nature of today's digital economy, in which advertising and other marketing reaches consumers through a wide range of channels. Because of this, there have been calls to introduce reform to the alcohol market, as co-regulation might lack transparency, scrutiny, and accountability.[64]

Marketing and advertising

The core principles behind ASA's regulation of alcohol marketing and advertising – both within broadcast and non-broadcast – is that alcoholic drinks should not in any way encourage irresponsible drinking and they should not be targeted at people under the age of 18. Its corresponding 'alcohol rules' exist to ensure sensible alcohol promotion by advertisers and brands; but exceptions are made for low-alcohol drinks. For example, claims about health or nutrition cannot be made when talking about alcohol apart from if that claim is simply 'low alcohol'. Similarly, alcohol content cannot be used to promote stronger or more intoxicating drinks, unless it is low-alcohol drinks that are being presented as preferable for their low-strength.

Alcoholic drinks are defined as containing at least 0.5% alcohol, and low-strength drinks are defined as drinks containing between 0.5% and 1.2% alcohol. [65] [66] It appears that drinks below 0.5% ABV are not included within the ASA's regulation of the UK alcohol advertising space, and that those products are left unrestricted by marketing standards.

Guidance is produced by the Portman Group to help producers comply with its Code of Practice, which exists to ensure that alcohol is marketed responsibly. In terms of lower strength alcohol, it is stated that a product may only be emphasised if it is done so proportionately (if the product's strength is low relative to the category average), and that comparisons of strength are only permitted if made with a higher strength product of a similar drink. There must also be no implied health benefits of lower strength products and they must not be marketed as something which can be consumed in situations deemed dangerous, such as driving. [67]

Little is said about drinks which fall below that 0.5% ABV limit explicitly, those that are categorised as 'de-alcoholised' or 'alcohol-free' by the Department of Health and Social Care guidelines.[68] The Portman Group's Code does not appear to apply to these products and it therefore seems admissible, within the rules of the Code, for 'alcohol-free' beverages to be promoted in a different manner. One rule does apply in the Code, however, and it is concerned with the harm of children specifically: if a drink is less than 0.5% ABV and shares the same branding as a drink with 0.5% or more ABV, then the Code will be applied in order to protect under 18's from irresponsible marketing.[69] As such, products such as Heineken 0.0 appear to be subject to the rules of the Code. Given the prevalence of parallel branding between NoLo products and "parent" regular products, as discussed in the main chapter, many NoLo drinks may fall within the Code of Practice.

The International Alliance for Responsible Drinking, a not-for-profit organisation supported by the world's largest beer, wine, and spirits producers, has announced its commitment to safeguarding of minors in the digital realm. As well as introducing age-restriction symbols or messaging on all if its products and promising to not market alcohol-free extensions of alcohol brands to minors, it states that it wishes to screen against children on 95% of all of its online alcohol marketing by 2024.[70]

As one of its five high-impact alcohol control strategies created in 2018, the World Health Organization (WHO) has identified bans and comprehensive restrictions on alcohol marketing, including advertising, sponsorship, and promotion, as being an important factor in reducing alcohol harm. Due to the changing nature of marketing and due to the increasing sophistication of alcohol marketing specifically, such as associating alcohol brands with sporting events and social media techniques, it is said that the digital sphere needs to be included within such restrictions. The spread of marketing messages across national borders and across media channels is discerned as being a cause for serious concern, whereas the sponsorship of sporting and cultural events poses a hidden danger to children and adolescents, and marketing regulation ought to be enforced with the corresponding amount of oversight.[71] This should apply to NoLo drinks too – particularly those sharing a brand identity with a stronger “conventional” alcoholic product.

Descriptors and labelling

In 1996, the Food Labelling Regulations (FLR) were introduced to protect and inform consumers and provide clarity to the alcohol industry on the labelling of low alcohol drinks. These rules have since expired, as regulations pertaining to low-strength alcohol within the FLR were revoked in 2018. Now measures to impose conditions for the use of terms are achieved through guidance rather than legislation, as the Department of Health and Social Care believed this will result in a “more flexible and less burdensome approach”. The new guidance derived from the FLR by using the same descriptors:[72]

- Low alcohol: no more than 1.2% ABV.
- Non-alcoholic: cannot be used in conjunction with a name associated with an alcohol drink apart from communion or sacramental wine.
- Alcohol free: 0.05% ABV or below.
- De-alcoholised: 0.5% ABV or lower.

It was intended that, by guidance developing naturally from the FLR, then continuity would maintain clarity to the public and industry. But there were immediate concerns that the absence of legislation would result in a regulatory gap, with the alcohol industry merely having to follow guidance by way of a voluntary code.[73]

The descriptors guidance contains elements of ambiguity. For example, while the guidance states that “use of the descriptors is voluntary”, it also states that “a breach of the descriptor rules could lead to enforcement action against the Food Business Operator if it means that the labelling is misleading, inaccurate or unclear” and “Local Trading Standards Departments are responsible for ensuring that labelling is compliant with the law and will have regard to this guidance to help determine compliance”. It is unclear how descriptors and labelling can be enforced by Trading Standards if, as the guidance says, they are voluntary.

Use of descriptors in the UK is further confused by EU mutual recognition rules. Under these rules, products from elsewhere in the EU that are below 1.2% ABV and are labelled in accordance with rules in their country of origin may continue to be sold in the UK while the UK is subject to EU rules (such as in the current Brexit transition period). In the descriptors guidance, it is suggested that "suppliers exporting to the UK could voluntarily provide labelling on their products in line with this guidance".

Descriptors appear to account for a large proportion of debate around policy in the low- and alcohol-free drinks market. According to the APPG on Alcohol Harm, descriptions are unclear, can be used interchangeably and, are, therefore, interpreted with great ambiguity.[74] We note that a range of well-known beers containing 0.5% ABV – such as Brew Dog's Nanny State, Punk AF, and Hazy AF and beers produced by Big Drop Brewery – are marketed as "alcohol-free" as opposed to the "de-alcoholised" descriptor suggested in the government guidance. This raises questions around the extent to which current guidelines are "enforced" – if indeed they can be given the voluntary nature of the DHSC descriptors.

In terms of labelling requirements, DHSC has said that descriptors for low alcohol should be presented clearly on the front of the product. It has also said that if such drinks are to be sold on draught, such as in an on-site premises, then those descriptors should also be made clear to the customer – though it is not entirely clear how this could, or should, be communicated. Much like descriptors themselves, labelling is governed by guidelines, which themselves are derived from EU Food Information to Consumers and Food Information Regulations rules that have no power to override the governance of labelling of any country in the EU, across any kind of alcoholic beverage.[75] As is discussed above, products from countries in the EU that are below 1.2% ABV are free to be imported into the UK, even if their labelling is inconsistent.[76]

It is a requirement to provide nutritional information and a list of ingredients for alcoholic drinks below 1.2% ABV, as it is with all other kind of foodstuffs, with there being no obligation to show that same information on regular strength products.[77] [78] Drinks below 1.2% ABV are exempt from showing the actual alcoholic strength of a product.[79]

There is no official guidance on whether low-strength or alcohol-free drinks should include health warnings, such as those related to risks for pregnant individuals.

It seems illogical that alcoholic drinks, which are likely to have greater health risks than lower strength alternatives, are exempt from having to provide nutritional information - though the Government has expressed an intention to explore the case for calorie labels on alcoholic drinks as part of its Obesity Strategy. At the same time, despite having to declare nutritional content information, there is little clarity on the regulation of low-strength alcohol, and how strength or health warnings should be communicated.

Current regulations are unclear, posing difficulties for brewers, retailers, and the consumer. A poll conducted by Alcohol Change has found there is large uncertainty as to what 'no alcohol', 'low alcohol', and 'alcohol-free' mean, with many believing 'alcohol-free' to contain no alcohol whatsoever.[80] This mirrors findings from the survey commissioned as part of this research – discussed later in the report.

This may have an impact on the way people make informed decisions about alcohol consumption. According to the Food Standards Agency, nutrition and health claims for alcoholic drinks are very restrictive. Health claims are not allowed at all – a product cannot contain a label which says something like 'red wine helps to maintain a healthy heart' – and nutrition claims may only refer to energy or alcohol content. However, 'reduced alcohol' and 'light/lite' are not enforced by EU or UK legislation and so there are no specific conditions of their use,[81] effectively leaving them open to interpretation. It has been found that there is uncertainty surrounding the effects of labels denoting low alcohol without proper, explicit descriptions, and that exposure to that labelling can alter consumer perceptions of those products. It was concluded that the clear labelling of lower strength alcohol can reduce alcohol consumption by directing people away from higher strength drinks, but it may also lead to more consumption due to individual self-licensing – people actively allowing themselves to consume more lower strength drinks because of the perceived effect that they are behaving in a way that is more healthy.[82]

Research has shown that the misunderstanding of unclear labels leads to the 'clustering' of meanings and, therefore, inadvertent health harms.[83] Just as smokers might perceive cigarettes with 'light', 'lighter' or 'mild' labels to be associated with reduced risk or to facilitate quitting efforts,[84] ambiguous descriptors in lower strength alcohol – low, lower, light, lighter – may indicate characteristics that do not reflect actual alcohol content. It has been proposed that, should there be a change to current legislation, then descriptions of alcohol strength should be made as clear as possible.[85]

The WHO believes that alcohol product labelling could be considered an essential element of a broader public health strategy to reducing alcohol-related harm. Health labels help to raise awareness of the negative effects of alcohol, to gain a 'social understanding' of it.[86] But in the UK there is no mandatory regulation for putting health information on products – including alcohol-free and low-strength drinks where relevant.

The UK's Chief Medical Officers guidelines and advice for the public is to not regularly drink more than 14 units of alcohol per week,[87] but studies have shown that some drinks manufacturers are choosing to ignore advice to display that information on their products. Despite making the pledge to commit to labelling products with unit and health information in the 2011 Responsibility Deal, acknowledging that consumer awareness of alcohol content is crucial for people to make informed choices about what and how much they drink,[88] the Portland Group no longer recommends the 14-unit guidelines to its members, and only 47% of product labels have been shown to meet the Group's own code.[89] The Alcohol Health Alliance found that of 300 products surveyed fewer than 10% carried the CMOs' safe drink guidelines. More than 100 Diageo products were surveyed and not one included the current guidelines.[90]

Given the lack of appropriate labelling across alcoholic drinks as a whole, there is likely to be similar concern about lack of appropriate health information on NoLo drinks. While alcohol-free drinks, containing only a trace amount of alcohol, might have no significant health implications (research has even shown that drinks at or below 0.5% ABV have no physiological effect on the body, and they cannot get people drunk),[91] low-strength drinks up to 1.2% ABV might carry risks – for example, for pregnant individuals and those with underlying health conditions. Such health risks should be clear on labelling.

Other considerations

The Government introduced a levy on soft drinks in 2018 to help contribute to the plans to reduce childhood obesity by removing added sugar from soft drinks. Drinks with an ABV of up to 1.2% are included in this levy, although they can be made exempt if they are deemed to be an alcohol replacement drink.[92] [93] The soft drinks levy was designed to raise prices in order to encourage drinks manufacturers to bring sugar content below taxable thresholds.

Alcoholic drinks can contain significant amounts of sugar. A point cited in a number of our discussions with stakeholders is an increased blurring of the lines between soft drinks and alcoholic drinks – given the growth of NoLo beers, wines, spirits & cocktails, as well as the emergence of "hard seltzer" products such as alcoholic sparkling water. With the distinction between soft drinks and alcohol-replacement drinks becoming less clear, regulating these products might become more challenging. For example, drinks manufacturers could conceivably claim soft drinks are alcohol replacements, in an effort to avoid the Soft Drinks Industry Levy. Conceivably this could have health complications; beyond alcohol-related harms, another consideration of health policy is harms caused by excessive sugar consumption.

International definitions and approaches

Looking outside of the UK, we can see that governments respond differently to the problem of alcohol-related harms, regulating the production, sale, and consumption of alcohol in ways that vary. For example, whereas the UK depends heavily on industry self-regulation, in other countries, such as Finland,[94] Sweden,[95] Iceland,[96] and Norway,[97] the production and/or sale of certain alcohol beverages are under control of government monopolies. Just as there are differences in governmental approaches to controlling the impact of alcohol, there are also variations in how low-strength and alcohol-free products and regulated.

International definitions of 'low-strength' and 'alcohol free'

DHSC's guidance on low alcohol descriptors states that, within Europe, there are "certain categories of drinks that may only be described in accordance with EU laws".

Wine and spirits contain their own distinctions when it comes to lower strength alternatives. According to EU regulations, 'wine' can only refer to products that has an alcohol strength of at least 8%, with low alcohol versions amounting "wine-based drinks". Low alcohol descriptors cannot be used with spirit drinks as defined in EU directives.[98]

More broadly, however, there is an absence of firm EU regulation on NoLo drinks descriptors, and definitions vary across countries. Although the UK is leaving the EU, and the mutual recognition principles that allow EU member states to legally sell its products in another country may no longer be relevant, it continues to follow EU guidance – at least for the duration of the Brexit transition period which ends in December 2020.[99]

The table below compares definitions of 'alcohol-free' and, where possible, low-strength alcohol used in different countries. It shows there is reasonable variation between countries, that no standard definition exists even across EU member states, and that there are considerable differences between countries' predominant mode of market regulation. It also shows that the majority of countries identify alcohol-free as being below 0.5% ABV, and that the UK has relatively strict laws on what is deemed to be alcohol-free, which may have implications for trade and for consumer expectations of what really is 'alcohol free'.

Table 2: Definitions of alcohol-free and low alcohol by country

Country	Marketing system	Alcohol-free	Low but not "alcohol-free"
United Kingdom	Non-statutory	<= 0.05%	0.05% < 1.2%
Austria	Statutory and non-statutory	<= 0.5%	
Belgium	Statutory and non-statutory	<= 0.5%	
Croatia	Statutory and non-statutory	<= 0.5%	
Cyprus	Statutory and non-statutory	<= 0.5%	
Czech Republic	Statutory and non-statutory	<= 0.5%	
Denmark	Statutory	<= 0.5%	0.5% < 2.8%
Finland	State controlled	<= 1.2%	
France	Statutory	<= 1.2%	
Germany	Statutory and non-statutory	<= 0.3%	
Hungary	Statutory and non-statutory	<= 0.5%	
Iceland	State controlled	<= 2.25%	
Italy	Statutory and non-statutory	<= 1.2%	
Netherlands	Statutory and non-statutory	<= 0.1%	
Norway	State controlled	<= 0.7%	0.7% < 2.75%
Portugal	Statutory and non-statutory	<= 0.5%	
Slovenia	Statutory and non-statutory	<= 1.2%	
Spain	Statutory and non-statutory	<= 1.0%	1.0%-3.0%
Sweden	State controlled	<= 0.5%	0.5% < 3.5%
Australia	Non-statutory	<= 0.5%	0.5% < 2.7%
Canada	State controlled	<= 0.4%	0.4% < 4.0%
United States	Non-statutory	<= 0.5%	<-1.2%

Source: SMF analysis

Note: Please be aware that international definitions of what constitutes alcohol-free or low-alcohol beverages may vary within a country for tax, legal, or other purposes. Please exercise caution when making comparisons, as definitions may not consistently align across different contexts.

International approaches to marketing and advertising of NoLo drinks

The *Loi Évin* is a French alcohol policy law passed in 1991 to control the advertising of alcohol and tobacco. Advertising does not hinge upon self-regulation or voluntary codes of practice. Rather, it is controlled by law, and there are severe sanctions for the violation of those laws. It has banned broadcast advertising of any drink containing more than 1.2% alcohol, and the sponsorship of cultural or sports events was no longer permitted. The law is understood to have changed the nature of alcohol advertising language in France, having lost most of its seductive messaging, and it is famously stringent.[100]

For drinks below 1.2% ABV, those deemed non-alcoholic, *Loi Évin* arguably has little bearing on their production or sale of drinks. It has been suggested that, in France, Heineken 0.0 might be being used with the express aim to circumvent advertising restrictions – allowing Heineken to promote its brand within France's relatively stringent marketing rules. Sports fans are an important demographic for alcohol companies, and so they would benefit hugely from finding new ways to communicate their brand in any way that is lawful.[101] However, *Loi Évin* may ultimately limit such marketing, given the text of article L3323-3:

"Propaganda or advertising is propaganda or advertising in favour of an organisation, service, activity, product or article other than an alcoholic beverage which, by its design, use of a name, trademark, advertising emblem or other distinctive sign, recalls an alcoholic beverage."

Despite falling outside the classification of 'alcohol', the use of the Heineken brand in Heineken 0.0 would appear to be limited in terms of the extent to which it can be marketed in France. Nevertheless, there is evidence which suggests that companies are still able to find other ways to market their products. For example, Carlsberg were sponsors of the 2016 UEFA European Championship without ever explicitly advertising their beers or the brand itself. By using their 'Probably' or '…the best in the world' taglines as alibi marketing instead of their typical branding, they appear to have successfully bypassed the *Loi Évin.* This may be explained by alibi marketing not being specified in the *Loi Évin,* or it may mean that the law is simply not being upheld.[102]

Norway's 1989 Alcohol Act prohibits the advertising of all products carrying the same brand as beverages that contain more than 2.5% ABV altogether.[103] The identical branding of alcoholic and alcohol-free drinks is a concern among health experts given the risk of alibi marketing taking place. There is a worry that alcohol brands will become normalised as a 'go to' drink, and that it conflates both alcoholic and alcohol free as one broad category.[104] Under its comprehensive content restrictions, Norway bans the promotion of alcohol products in this way.

In summary, different types of restrictions on advertising, marketing and promotion can be found internationally, with countries imposing varying degrees of regulation upon what can and cannot be marketed. The approach of countries such as Norway and France differ significantly from the UK, which relies heavily on self-regulation. As we have argued, self-regulation may be relatively ineffective in terms of reducing alcohol-related harms and advertising to groups such as minors.

CHAPTER FIVE - THE PORTRAYAL OF NOLO IN THE MEDIA AND THE MARKETING OF NOLO

Undertaking a discourse analysis

In addition to the types of NoLo products on offer, and the regulatory framework that surrounds them, there are a range of factors which influence the status and success of the NoLo market. One of these is the interest levels in NoLo drinks among consumers, businesses and investors. The perceptions of these groups and in turn any subsequent actions they take (e.g. consuming NoLo drinks), are likely to be influenced to some degree by the public discourse around NoLo drinks.

An important contributor to constructing the public discourse on many issues and events is the media. This is no less true of the public discourse around the NoLo drinks market. This chapter explores the media coverage surrounding NoLo drinks, including how producers advertise and discuss the nature of these products.

Examining the media coverage

To explore what the media discourse is saying about NoLo drinks, this chapter presents an overview of the media narrative about the NoLo industry. The sample of media coverage on which this chapter is based contains:

- Articles from a variety of mainstream (online) press published over the years 2018 to 2020.
- Pieces in alcohol trade publications (on and off-trade).
- A small assortment of other written specialist media covering industries like tourism/ accommodation, retailing and health, from the period 2018 to 2020.

This chapter will raise questions about the predominant narrative that the media presents about trends in the NoLo market. This chapter observes that media stories tend to focus on several trends in the market, which it often implies are interlinked. These are the decline in alcohol consumption in the UK, growth in the consumption of NoLo drinks, their popularity among younger, urban middle-class consumers and generational differences in consumption behaviour, through the emergence of a “new sensibility” among younger consumers.

Our analysis suggests that the claims of a strong association between these factors in the media are somewhat overdone. It also highlights how the media’s coverage could influence consumers’ interest in NoLo drinks. Finally, the analysis points out that much of the mainstream media’s reporting on the NoLo market is somewhat narrow. For example, press coverage often focuses on the “trendier” end of the market, such as the ambitions and motives of smaller, niche producers of NoLo drinks and the expansion of NoLo into high-end restaurants and bars, rather than large alcohol producers that are starting to expand into the NoLo drinks market.

Marketing NoLo

As well as examining how the mainstream and trade media present stories about trends in the NoLo drinks market, this chapter looks at examples of the audio-visual marketing activities associated with several NoLo products. Doing so will help contribute to a better understanding of how consumers are being “sold” such products and enable the drawing of inferences about how producers in particular believe the NoLo market is shaping up, through their choices of who to target and how to target them. This exercise will also shed light on the extent to which the media narrative aligns with the “revealed perspectives” of NoLo producers and what any divergences between the two perspectives might mean. To that end, a number of audio-visual social media sources are included in the sample. These are primarily YouTube videos, produced and published on the platform in 2012, 2018, 2019 and 2020.

The positioning of NoLo drinks in the media coverage

Inevitably, the content of the sources analysed for this chapter does not reveal a single narrative about the industry or trends in the sector. However, in the media coverage there appears to be a predominant narrative. That narrative suggests on the demand-side that NoLo is a fast emerging and “exciting” new trend, primarily found among younger age cohorts, who are after alternatives to alcohol as they turn away from alcoholic drinks towards a healthier lifestyle with their leisure time increasingly based upon “experiences”. Further, the coverage suggests that this trend is gaining greater and greater traction among the “trendier” parts of metropolitan Britain. On the supply-side of the NoLo market, the dominating media perspective is one about the emergence and growth of niche or “craft” NoLo drinks manufacturers, with “sophisticated adult” drinks offerings. These producer ambitions, it is suggested implicitly and explicitly depending on the article, are to develop a self-sustaining NoLo sub-sector within the drinks industry.

The trade press sources in the sample tended to provide a more varied view - emphasising not just the preferences of the smaller “craft” producers who seem to want to develop an alternative NoLo drinking culture, but those of more established larger producers of alcoholic drinks who are moving into this sector and seem more inclined to market such drinks as additional beverages to consume at times when alcohol would otherwise not normally be drunk. However, the trade press did align more closely with the mainstream media by more often than not depicting the “core” NoLo consumer in a similar way i.e. young, urban, middle class with different attitudes and aspirations to previous generations of consumers.

One explanation for this difference in coverage is that the mainstream media caters to a general audience and is often trying to capture key audience demographics such as younger cohorts. As such, it may choose to cover stories perceived by newspaper editors to be of interest to younger people and present them in way that appeals to younger people. In contrast, the trade press necessarily has to reflect the variety of interests among a much smaller, and more knowledgeable, community – the alcohol producer and retail community. Therefore, the nature of the coverage is going to reflect those differences.

Media coverage of the decline in alcohol consumption and the “popularity” of NoLo drinks

Most of the articles in the sample of pieces upon which this chapter is based, broadly make the same points about trends in alcohol consumption – in particular, the growing popularity of NoLo drinks and how younger consumers are important factors in both. The two excerpts below are typical of the coverage across almost all the examples of written media examined:

> *"...one in three young adults have cut down on their alcohol consumption while a record 23% are now teetotal...there has been a 30% leap in sales of no or low-alcohol beers since 2016, with consumers increasingly expecting to have a wider range in pubs and bars. A separate study by Euromonitor has shown that the UK market for no and low-alcohol beer has doubled in four years, with sales of £63m estimated for 2020".*[105]

> *"Around one in five adults in the UK is now teetotal...Among 16- to 24-year-olds, the number is even higher at just over one in four - about 8 per cent more than 10 years ago. And many more adults of all ages are trying to cut down...4.5 million people took part in Dry January this year [2018]".*

While some of the media coverage appears to link the decline in alcohol consumption with the rise in the consumption of NoLo drinks, the evidence collected in this report suggests that – at best – any relationship between the two trends is tentative at this stage in these "early days" of the NoLo drinks market. The scale of abstinence from alcohol, for example, as reported in the media extracts above, is significantly greater than the quantum of people regularly consuming NoLo drinks. Therefore, It Is difficult to see the latter as a significant factor behind the reported declining trends in alcohol consumption.

A brief look at some of the data collected for this report reiterates the fragility of the kind of relationship implied by some of the media coverage. For example, the survey data set-out in this report found that around one in four 18-34 years old respondents consumed at least one no-alcohol drink in the preceding 12 months, while about one in five consumed a low-alcohol drink. Around a third of those 18-34 years old who consumed either a "no or low alcohol drink" cited "cutting down on their alcohol consumption" as a key motivation for their consumption of such drinks.

As well as highlighting the decline in alcohol consumption and its preponderance among younger people, some of the coverage emphasises how "fashionable" such behavioural changes are. This is manifested through an association with celebrity behaviour. For example, one piece in the sample notes that "*...Several celebrities have now gone teetotal, including Kate Moss, Naomi Campbell and Blake Lively*".[106] The framing of the statement in the article suggests that these members of the "social elite" have to some extent "shown the way" to those further down the socioeconomic and cultural scale. This is an example of an old idea in the sociology of consumption, often described as "trickle down". The term sums up the phenomenon whereby the behaviours and fashions of elites are emulated by lower classes[107] i.e. aspects of "elite" "cultural capital"[108] eventually cascade down through society and influence the attitudes and actions of at least part of the wider public.[109]

The young, urban, middle-class consumer

Central to much of the coverage in the sample of media coverage examined for this chapter is younger urban and middle class people and the idea that they are the dominant driving force behind the growth of interest in NoLo, and the decline in alcohol consumption. One article in the sample illustrated the claim in the following way:

> *"What is most notable, though, is the differing consumption habits of the younger demographic, with 46% of people under the age of 35 likely to order a mocktail (non-alcoholic cocktail), versus just 16% of over-35's".*

Several of the media (both mainstream and trade) pieces looked at for this chapter reiterate this perspective. One article described how young people's attitudes and aspirations towards consumption were different. A "new sensibility" had developed among young people. In particular, it was suggested that they:

- Desire to use their leisure time differently" to previous generations.
- Prefer "natural" products, with products such as traditional soft drinks, high in sugar and additives, seen as unattractive.
- Consume on the basis of "values" and these include wanted "craft" and "worthy causes" reflected in the brands that they associate themselves with.

Another article added to this list of "new sensibilities", identifying reasons why younger people have "turned away" from alcohol and towards NoLo beverages. These included:

- A preference for "healthier living".
- Population diversity, which for religious and other factors, means fewer people in the younger population are interested in drinking alcohol.
- A culture of "going out less" than preceding generations.
- Social activities less focused around alcohol, with nights out for example being more about the "broader experience" rather than "drinking".

Reinforcing the point was a drinks trade article which argued that, the reduction in the consumption of alcohol, especially among younger people is:[110]

> *"…motivated by a desire to improve…health. But more interestingly, and more commonly among younger generations, people are making lifestyle choices which include drinking less. People in general are becoming ever more aware of what they consume; they are seeking out healthier, natural products; veganism has become synonymous with healthy eating; people are doing more exercise; and drinking less is becoming a positive aspirational lifestyle choice".*

The media getting ahead of itself

Sometimes stated, sometimes implied in many of the sources that underpin this chapter is the suggestion that there is a "generational shift" in consumption behaviour taking place. The sources analysed promote the notion that some of those in the Millennial generation and Generation Z demonstrate somewhat different preferences in their approach to alcohol consumption, compared to previous generations and that these are helping lead them to choose NoLo drinks in ever greater quantities.

The psychological and sociological evidence suggests that consumption activity is heavily influenced by a range of factors, including culture, the social milieu, personal networks, attitudes and innate preferences. [111] If there is a "new sensibility" which has developed among a particular age cohort then these "influence factors" must have driven that emergence. Indeed, it is reasonable to surmise that the social milieu of younger people will, for example, largely be different to that of older people. Therefore, it is reasonable to expect that where some of these underlying factors manifest differently in different generations, that they will help create divergences in consumption attitudes and aspirations and choices. Consequently, it is reasonable to think that the media narrative is at least somewhat accurate.

However, the differences in consumption patterns between generations need to be kept in perspective. Economic factors such as income levels and price still remain important drivers of consumption decisions. Further, there have been shifts in consumer behaviour in recent years evident across all age cohorts, which go much wider than alcohol consumption. For example, taking into account the "environmental costs and benefits" of consumption choices is now widespread, with one survey finding that half of consumers are willing to buy more expensive products if the brand supports an important cause.[112] The rise in the value of sales of organic food might also be seen as evidence of this trend. Organic produce sales have recently hit £2.45 billion.[113] .[114] Both these phenomena suggest that "values" consumption is more widespread than just among the young.

In addition, the evidence from the survey data commissioned for this report shows that while there are differences between the proportion of younger people drinking NoLo drinks compared to those in older cohorts, the differences are not as clear cut as the media coverage might suggest. For example, In the preceding 12 months around one in four people aged 18-34 drank a no-alcohol drink and just over one in five drank a low alcohol drink. Among the 35-54 years olds (the middle aged) the proportions were 24% and 19% respectively - not very different. There is notable variation with the over 55s, where the proportions reporting consuming a no-alcohol or low alcohol drink in the past 12 months were 16% and 11% respectively.

The survey data in this report appears to only partially support the media narrative on who is consuming NoLo drinks. The young and middle-aged are more aligned than some of the media coverage often suggests. The picture is more complicated than the media implies and consequently it overstates the strength of the relationship between age, attitudes to consumption and consumption preferences driving differentiation in consumption of alcohol.

Given the media's overplaying of connections and trends, it is reasonable to wonder to what extent the media's "take" on the NoLo market might ultimately influence it? Media does influence people's perceptions about issues and trends. Perceptions in turn are part of the catalogue of factors that influence people's behaviour, including consumption behaviour. The endpoint of this chain of logic is that the media narrative may end up influencing the success of the NoLo market.[115] That increased interest may, however, come from the middle-aged and people in older age cohorts because younger people are less likely to consume mainstream news media compared to older people e.g. Ofcom data suggests that around 35% of people 16 to 24 years old use newspaper websites or read traditional newspapers. This compares to 49% across the UK population as a whole and 64% of the over 65s.[116]

The extent to which there might be a causal relationship between the trade press's coverage and the actions of producers & retailers and bars & restaurants is unknown. However, it seems likely that if media coverage "colours" the perceptions and behaviours of consumers, then it can also "colour" the perceptions of business leaders, especially smaller businesses (which many of the "craft" NoLo producers are). There is some evidence that negative media coverage can influence the actions of an individual business suffering such coverage.[117] It does not take a big leap in imagination to believe that media influence can go in the other direction, too. Therefore, the coverage by the trade press in particular, but perhaps the mainstream media too (especially coverage in their finance and business sections), might ultimately encourage more investment in start-ups in the NoLo sector or help attract more risk-capital into the industry from financiers. For NoLo businesses and investors, the "proof of the pudding" will, in the end, be seen in the balance sheets of producers. Industry revenues will determine the accuracy of the media's narrative about the buoyancy and potential of NoLo drinks and the future profitability of producing NoLo drinks.

The media perspective on the branding and marketing of NoLo drinks

A number of observations are made in the media articles in the sample on which this chapter focuses, about why drinks producers are branding, marketing and pricing NoLo drinks as they are. A number of the pieces suggest that, in order to appeal to the younger, urban middle class consumer, NoLo drinks are being branded, marketed and priced to appeal to their "sensibilities". To achieve this, producers need to ensure their products and their brands and associated marketing present the right "cues" to the target consumer group. In much of the media coverage, smaller and specialist producers in particular are portrayed as trying to establish "high end" craft brands that meet "sophisticated" and healthy consumption aspirations, by branding and marketing NoLo drinks as "status goods".

A "status good" and "status consumption"

The consumption of goods which purvey a status on the consumer are called "status consumption".[118] More formally, sociologists, psychologists and marketers describe status consumption as the "*…purchase of goods and services for the status or social prestige that they confer on…*"[119] the consumer. The higher the perceived "status" of the brand or product the more positively consumers feel about consuming it.[120] The perceived status of a product has been strongly positively correlated with market share.[121] In part, this is because the association with "status" confers loyalty to a brand, and a high degree of loyalty to that brand helps ensure a robust market share for such products.[122]

Therefore, pursuing a "status good"/ "status consumption" strategy with respect to NoLo drinks, arguably makes sense for producers. In a stakeholder interview, undertaken as part of this research, an investor in NoLo drinks stated that, for this drinks category to be a success, NoLo drinks must not be seen as "a compromise" – rather NoLo drinks must be aspirational goods which consumers can enjoy without being concerned about such drinks creating a negative impression.

One article in particular highlighted how many brands are looking to re-create, with NoLo, the success of the "craft beer" industry:

> *"What is noticeable is how the rise of non-alcoholic spirits mirrors the rise of craft beer, arguably the beverage trend of the last decade. With laser-targeting of a specific need from a specific demographic, there are clear similarities…both target younger-legal-drinking-age consumers, both target consumers who are either tired of, or have no interest in, the mainstream…Also, both use flashy, stylised, no-nonsense packaging to engage their audience".*[123]

The aspiration to "pull off" something similar to the "craft beer" industry, was reiterated in a different trade press article, which offered an explanation of how it might be done:

> *"…the growth of craft alcohol and consumers leaning towards premium products, producers are rolling out non-alcoholic versions of everything from beer to spirits…but with the elevated expectations around craft products…The manufactures that stand out*

> *will be those that can not only offer a healthier product, but one that maintains or even exceeds the standards craft consumers have come to expect".*[124]

The "craft" beer industry managed to pull-off the strategy of portraying their product as a "status good" for the young, urban, middle-class demographic:

> *"…[a}…major role [was] played by consumers' attitudes and self-identity…analysis indicate[d}…indirect effect from self-identity, subjective norms and the desire for unique consumer products on…behaviour…".*[125]

Reporting on NoLo as a "status good"

As noted above, a "status good" strategy can be highly profitable if successful. Several of the written media pieces that make up the sample that this chapter examines, offer their take on how to make NoLo a "status good". The ingredients many media stories identify, include:

- Creating the right aesthetic and flavour i.e. that of a drink which is "sophisticated" and for "adults".[126] It is important, according to a number of the articles examined for this report, that NoLo drinks can be drunk by people who are with people who are drinking alcohol.[127] In other words, producers are keen to promote a sense of parity NoLo drinks and higher strength products, avoiding any segregation between the different types of drink and thus the drinkers themselves. As it was put in one article "*…non-alcoholic*…[drinks]…*aim to engage consumers who want to feel part of the party, but don't want a sore head in the morning*".[128]
- Being healthy. A key aspect of the "new sensibility" is health and wellbeing, with consumers "*…more conscious of their physical and mental health…especially among young people*". Therefore "*…drinking less is becoming a positive aspirational lifestyle choice*".[129] Consequently, it was reported in a number of the pieces that no-alcohol and low-alcohol producers are innovating along those lines, with brands positioning "*…themselves as 'healthy' alternatives to their alcoholic counterparts*…[developing]….*products that curtail their carbohydrate, calorie, artificial ingredients and/ or sugar content. Gluten-free and vegan alternatives are likely to drive further category interest*".[130] A good example of this approach is "*…Drygate Brewing*…[which has]… *introduced a citrus alcohol-free beer, created to 'boost battered immune systems across the UK'*".[131]

The media coverage reinforces the idea that NoLo is a "status good" (and consuming it is an act of "status consumption") through their choices over which developments in the NoLo market they write about. In particular, they choose to speak to and quote "high status" people who are producing and selling NoLo drinks. For example, they emphasise how many of those that have entered the NoLo industry are from the "cultural" sector (e.g. design, music, etc) where many of what the media consider to be the target audience for NoLo products are either likely or aspire to work:

> *"The non-alcohol spirit market was launched in 2015 with Seedlip, brainchild of former London graphic designer Ben Branson, who has taught model Moss how to make non-alcoholic cocktails. He also has non-alcohol aperitifs…Funkin' Cocktails founder Alex Carlton and ex-London music exec Jack Horner have launched Stryyk's Not Gin, Not Rum and Not Vodka, sold by Ocado and Amazon".*[132]

Such references may help promote the idea in a reader's minds that selling and consuming NoLo beverages is associated with "high-flying" people from "culturally important" (and attitudinally "cosmopolitan") industries. Consequently, such products are given an air of being at the "cutting edge" of fashionable society. This technique of associating a product with "desirable people" and "success", utilising their "cultural capital" to influence others, In the words of Pierre Bourdieu, Is a tried and tested branding technique.

The media take this further. Their narrative also associated NoLo drinks with "desirable" and "successful" (i.e. "high status") places as well as people. For example, it is mentioned in one article that no-alcohol spirits produced by one NoLo company are "*…now listed by over 100 Michelin star restaurants, plus top bars around the world*".[133] Similarly, another article notes that:

> *"Sager + Wilde (which also has a wine bar on Hackney Road) will open its restaurant, Fare, this summer in the Barbican. One of the big attractions on the drinks side will be a list of home-made, low-sugar sodas that riff on sophisticated flavours including pine, sandalwood and coffee. At the Michelin-starred Clove Club in Shoreditch, guests who don't want their eight-course tasting menu paired with wine can now choose from two different non-alcoholic "flights" based around teas, juices and infusions".*[134]

Reflections on the media discourse around NoLo

The media coverage of the NoLo market is likely to be, in part at least, driven by target market (e.g. readership or specific consumer cohorts) considerations. For example, as has been described earlier, the mainstream media sources tended to combine into a narrative a series of phenomena: the decline in drinking among younger age groups, the emergence of a "new sensibility" (which emphasises health, wellbeing and "values-led" consumption) changing consumption patterns among younger age cohorts and growth (from a low-base) of demand for NoLo drinks. The depiction of NoLo drinks in much of the coverage suggests that NoLo drinks producers, in particular the smaller niche producers, are skilfully and innovatively pitching NoLo drinks as fulfilling these "consumption conditions". And that NoLo is, therefore, a product with "status". The picture of quality products in high demand is reinforced through the association in numerous articles of NoLo drinks with "high status" bars and restaurants and "trendy" metropolitan areas.

The potential implications of the narratives pushed by the mainstream coverage cannot be known for sure, as there is no direct research on its effects. However, it seems reasonable to assume, that the presentation of NoLo in the mainstream media in particular will shape perceptions of it among those among the public that are paying attention and, in turn, their subsequent reaction towards NoLo.[135] Those perceptions, where they are positive, alongside factors such as familiarity, may in time have an influence on the levels of interest in and thus the market for such drinks. It might also encourage more investment in NoLo producers, including independent "craft" producers, given the coverage in financial and business outlets such as the Financial Times. The "buzz" around the market may even encourage more people to try to set up an independent NoLo drinks company.

Whether the sector ultimately follows the implied trajectory in much of the media coverage is impossible to know. At the moment, as this report makes clear in other chapters, the NoLo market is in its early stages and has a long way to go before it matures. While growth in recent years has been substantial, in 2018/19 NoLo drinks had a 0.2% market share, measured as a proportion of total sales value. Consequently, it is difficult to be precise about the potential implications for the market on the way NoLo is presented and discussed in public, through mediums such as the mainstream media, trade press and advertising (including that marketing done through social media channels).

The marketing strategies of producers

It is possible to get a clear sense of a company's business strategy, and how a company understands its product offer, from examining their approach to marketing their products.

While an examination of some of the marketing materials reveals the existence of two broad strategies deployed by NoLo producers, the media coverage tends to focus on one kind over the other. The approach that the media tends to highlight is a "substitution" strategy. This is mostly used (with varying degrees of vigour) by "craft" producers, because they aim to develop a new self-sustaining sub-sector within the drinks industry. That sub-sector is based around NoLo as a "status" good and therefore the marketing undertaken by these firms is designed to achieve this. However, with their focus predominantly on the "trendier end" of the market it only tells part of the NoLo story. This suggests that the media narrative about producers is, like its coverage of the consumers of NoLo, not the whole story.

The NoLo marketing continuum

The sample of audio-visual marketing materials used for this section suggest that the strategies deployed by different NoLo producers towards those consumers who do consume alcohol sit on a continuum, with approaches encouraging the "substitution" of existing alcohol consumption with NoLo drinks at one end and approaches encouraging the consumption of NoLo in "addition" to existing alcohol consumption at the other. In-between these two extremes sit most producers. However, it is reasonable to say that among most producers' marketing activity, one approach predominates over the other. The one constant factor, common to almost all producers of NoLo drinks is that they promote NoLo drinks as a "status good", whether that be with the aim of promoting NoLo as a "substitute" for alcohol or as a drink for "additional" consumption.

The choice, by a producer, of which approach predominates in their marketing strategy appears to depend upon the characteristics of the business i.e. their size and market share, core business (i.e. whether they are traditionally a mass-market alcohol producer, a niche market alcohol producer or solely focussed on NoLo drinks) and their key consumer demographics (e.g. age, income and so on). For example:

- Established producers of mass market drinks tend to promote their NoLo products as drinks to be consumed in addition to an individuals' typical alcohol consumption. This is an aspect of the NoLo market less prominent in the media coverage discussed earlier.
- Smaller, often new entrant, niche producers tend to promote their NoLo products as a "substitute" for alcohol, working with the grain of the dominant narrative in the media coverage.
- Others, who sit between these categories, may take a more balanced approach - trying, more evenly, to appeal to and influence both potential groups of consumers.

There is another section of the consuming public, who do not appear to be a primary target for the marketing examples studied for this chapter. Although it should be noted they're not ignored entirely in some of the marketing. These are non-drinkers, whose ranks are growing according to the media coverage and who might be attracted by NoLo drinks. For such people, NoLo would be a “substitute” for soft drinks and hot beverages, rather than alcohol. However, the data collected for this report suggests a mixed picture among non-drinkers, in their attitudes and use of NoLo drinks. For example, just 1 In 10 non-drinkers had consumed a no-alcohol drink in the past 12 months. even less had consumed a low-alcohol drink.

The marketing sample

The marketing material sample used as the basis for this section is taken from YouTube. YouTube was chosen as the source of the marketing material because of the emerging evidence of the importance of the platform as a place (for good or ill) for advertising in general and alcohol-related products in particular.[136] [137]

The influence of marketing

Evidence suggests that advertising influences consumer behaviour, especially if the advertisements generate familiarity and are associated with entertainment.[138] It is argued that advertising is particularly potent (as highlighted earlier in this report) for younger people, if accessed intensively.

Marketing that is accessed through social media, which younger people utilise extensively, is particularly potent. One reason for this potency is because social networks operate somewhat like personal networks, which are a widely recognised influence on consumer behaviour. [139] They generate “social proof” about products and services, which will encourage those in the same network to purchase the same product or service. Social media platforms such as YouTube are significant enhancements to the power of the traditional network. There is evidence to suggest that social media-influenced consumption is common among Millennials.[140] Other research suggests that social media is particularly effective in influencing the consumption choices of those under 24 and those over 55.[141]

A recent addition to social media-based marketing has been the emergence of new marketing phenomena specifically on social media sites like YouTube and Instagram:

- The use of Instagram in helping build “brand communities” is becoming more important to businesses,[142] especially those targeting younger consumer cohorts i.e. those who use platforms such as Instagram. Social media allows individuals to “advertise” (or “share”) their consumption to those in their network. That “advertising” or “sharing” is part of the phenomenon of “experience-based” consumption that younger consumers are, the media suggest, more interested in. Therefore, producers and sellers (such as bars) make efforts to attract and encourage “drinkstagrammers” i.e. customers that share their experience of a bar or drink on social media.[143] The aim of businesses who try to benefit from “drinkstagrammers” and similar is to create a virtuous circle whereby social media advertises their products or venue and the reputation of the relevant product or venue will grow, in turn attracting more consumers after a similarly “shareable experience”.

- The growth of "influencers",[144] has helped provide another channel for utilising the power of social media for marketing purposes. "Influencers" should not be confused with celebrity endorsement. Social media "influencers" are a different category of "influencer" to that of celebrities. They are often considered more effective[145] [146] because they utilise the "community" factor associated with social media. It has been suggested that there is considerable similarity between "influence marketing" and word-of-mouth because of the high trust relationship between the "influencer" and their followers i.e. the "virtual community" that develops out of that relationship.[147] The "influencer" provides the "social proof" (described earlier) that personal networks and some social networks can provide about goods and services. Through an association with a social media "influencer" a brand can achieve credibility and reach an audience "of scale" because it operates through a global internet platform.

Both the use of "Instagram" and social media "Influencers" are prized by businesses wanting to market their products and services because the "community" which such people often reach **is outside the kind the customer base that traditional advertising might not normally reach.**[148] With "influencers", in particular, **"brand relationship" can be a formal one, where the producer or provider pays the "influencer" to endorse and use a product or service or the brand might sponsor a specific YouTube video or channel, or it can be that the "influencer" takes it upon themselves to highlight their preference for a particular product or service.**

However, some have suggested that YouTube "influencers" in particular are not as directly influential in increasing sales of particular products as is often assumed. Nevertheless, those who are sceptical acknowledge at least an indirect influence on cultural factors[149] which are key drivers of consumer behaviour. Therefore, it seems even where there might be a case for caution about some of the stronger claims about the importance of "influencers" in bringing about a direct improvement in the quantum of sales of a product, it is acknowledged by the more sceptical that "influencers" are likely to have some indirect influence that, in turn, will have potential positive sales consequences for a brand.

Marketing NoLo: smaller, niche producers

An example of a firm following (predominantly – although not exclusively) a "substitute" strategy by a smaller, NoLo-focused producer is Seedlip.[ii] In order to market Seedlip drinks, the company developed a number of different adverts aimed at different target groups, or "types" of potential

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[ii] In 2019, drinks giant Diageo, bought a majority shareholding in Seedlip, although it remains an independent company. Although Seedlip is relatively young, it has become one of the most prominent NoLo businesses in the market. Indeed, its profile was comparatively high before the Diageo investment. The direct Diageo investment came after previously receiving a minority investment from a Diageo-backed (but independently-run) accelerator programme: Distil Ventures. While the majority stake taken by Diageo shows that Diageo are moving towards a more balanced NoLo strategy, the investment has not altered Seedlip's fundamental strategy, as far as can currently be discerned. That strategy still appears to be to thrive as a NoLo-focussed business and help create and consolidate a thriving NoLo drinks sub-industry based upon their "pitch" to the consumer of an "adult" and "sophisticated" alternative to alcoholic spirits. Therefore, given Seedlip are continuing as a legally and operationally independent firm and they have and continue to play a "vanguard role" in the NoLo sector, with some early success, it still makes them a good source for developing an understanding of the marketing approaches of smaller, niche NoLo drinks producers and their strategies.

consumer (i.e. who may be interested in consuming no-alcohol spirits). These “types” include non-drinkers,[150] and those who like to “go out” but cannot afford to suffer hangovers the following day.[151] The marketing aims to encourage a wide range of people in different circumstances to drink Seedlip, with a particular focus on those who do not drink or who consider that they would benefit from cutting back on their consumption. The “status” good element of Seedlip is central to their marketing. In multiple ways, Seedlip emphasise the “adult” and “craft” nature of the product in their marketing, which utilises not just advertising but longer YouTube films about the product’s origins. Building familiarity and illustrating the “values” with which Seedlip was developed and is made are aimed at “building up” a loyal “user community”.

For example:

- The aesthetic in the Seedlip adverts is a “retro” one, with the “stylised” characters in the adverts purveying a sense of the late-1950s and early 60s Americana. Further, the dominating colour scheme is pastel, further emphasising the period look.
- Several Seedlip YouTube films highlight the “craft” element of their products and increase familiarity with the creator of Seedlip, which helps build trust in the expertise behind the brand and, it is no doubt hoped, ultimately encourage people to try it and “invest” in the “story” of Seedlip. One video highlights the origins (in the countryside) of the Seedlip brand, the length of time the creators have been involved with farming the land and they attempt to associate Seedlip with “ancient” apothecary recipes for distilling and infusions rooted “in the land”, “nature” and “traditional, tried and tested experience”.
- Health is also emphasised in some of the marketing outputs - a key part of the “new sensibility” of the young, urban middle-class consumers according to the media coverage discussed earlier. There is an emphasis on the absence of artificial flavourings in Seedlip and the use of natural ingredients often from the farm owned by the family of the creator.[152]

The extent to which the strategy of trying to create a sustainable sub-industry of NoLo drinkers will succeed is, as yet, unknown. Producers primarily following variations of the “substitution” strategy presumably believe that they can maximise their revenues this way.

However, as this report highlights elsewhere, the proportion of people drinking NoLo as part of a change in lifestyle, reducing their alcohol consumption, is a minority. Of those who have consumed a NoLo drink In the preceding 12 months around a third did so primarily to "cut down" their alcohol consumption levels and 8% reported doing so, mainly, for health reasons.

Further, such people will need to start consuming NoLo drinks on a sustained basis if it is to have a sizeable impact and NoLo is to grow to be a much more important part of the drinks industry e.g. on a scale similar to countries like Spain. As noted earlier in this report the industry would need to see annual growth of around 40% a year to 2030 to reach sales worth around 10% of the value of alcoholic drinks sales. The media coverage discussed in the earlier part of the chapter may help with this, because of the potential indirect influence sufficient media coverage can sometimes have on people’s perceptions, which can, in turn, filter through into influencing consumption behaviour.

A more balanced approach to NoLo

A more balanced approach to the "substitution" strategy is being taken by some existing brewers. Brew Dog, an established "craft beer" producer, has embraced NoLo. However, the evidence about Brew Dog's approach suggest that they are taking what might be deemed a "substitution plus" strategy. Their opening of a bespoke NoLo bar in fashionable Old Street in London and their launch of a range of NoLo "craft" beers, fruit beers and stouts suggest they see considerable potential in the NoLo market.

Brew Dog's advantage over NoLo-only producers is that they already have an existing "high status" brand based upon a well-respected reputation among the key younger, middle-class, urban demographic. Like the niche producers they appear to be looking to replicate something akin to the "craft" beer industry strategy. Brew Dog are in the enviable position of having succeeded before with such an approach. Their strategy manifests itself in the establishment and running of "trendy" NoLo bars and producing "craft" NoLo drinks with the same Brew Dog aesthetic that has proven so popular with "craft beer" drinkers. It is doubtful that the media narrative around NoLo, described earlier, will be of significant help to Brew Dog, given their established nature, especially with the people the media narrative suggests are the main drivers of interest of NoLo. However, the "buzz" about NoLo which the media is helping sustain and grow, may help increase overall levels of interest in NoLo, which could conceivably have a positive, albeit marginal, impact on Brew Dog sales.

However, at the same time, they continue to promote their main business of selling full strength "craft beers" through their other bars, directly online as well as retailers. The implication of their "dual" approach is that they have decided to try and maximise revenues across both the NoLo and full-strength "craft beer" markets and accept the risk that promoting NoLo may "gouge" some of their revenues from their existing business but that they can recoup those lost revenues by being the producer that sells the NoLo that some customers may switch to. And, overall, they no doubt expect to make net gains.

Brew Dog has embraced the power of social media "influencers" to promote their NoLo drinks and bars. The popular "The Craft Beer Channel" produced a video for YouTube about Brew Dog's new NoLo drinks range and NoLo bar in London. The film is primarily focussed on a comparison exercise between no-alcohol and low-alcohol "craft beers", fruit beers and stouts and NoLo "craft beers", fruit beers and stouts. The presenters are very positive about the bar and the NoLo drinks they tried and it acts as a 15 minute advert for Brew Dog's NoLo bar and NoLo drinks range, for the "craft" beer audience that watch "The Craft Beer Channel". The closing statement by one of the presenters is notable for how he considers NoLo drinks are most likely to prove popular to their audience. He says:

> *"These beers were different…but were not worse…they were still really complex…I was surprised by how much hop aroma they got into it…I'm delighted that on the road, where we spend so much of our time, we'll still be able to have some beers at some of the best pubs in the UK"*

The comments of the presenter are consistent with the most frequently cited reason as to why people who have drunk NoLo, did so i.e. it was not appropriate to drink an alcoholic drink at the time. This view is not aligned with the aspirations of many NoLo producers who want to develop a successful sub-industry of NoLo drinks. That stands on its "own two feet" and isn't merely "fall-back" drink for those who are driving or cannot afford a hangover the next day. However, for those following a "substitution plus" approach, the comments are not necessarily detrimental and indeed at least in part, helpful. Those taking the more balanced "substitution plus" approach to their business and marketing strategy, can benefit whatever the motivation to drink NoLo.

Marketing NoLo: an example of the approach of an incumbent mass market producer

Many of the existing mass market alcoholic drink producers moving into, or already present in, the NoLo market are not pursuing some variant of the "substitution" strategy. Instead they appear to be trying an approach which minimises the risk of "gouging" their existing revenues from existing alcohol sales. The main focus of those taking such an approach is findings ways to encourage people to consume NoLo drinks on those occasions when alcohol would not normally be consumed. In other words, they aim to encourage "additional" overall consumption of their products – for example by encouraging a shift away from soft drinks and hot beverages and towards NoLo alternatives.

This approach is aligned with the behaviour of much of the public. The survey conducted for this report found that among those who had recently consumed a NoLo drink, the most frequently cited main reason for doing so was because the respondent was "in a situation where it would not have been appropriate to have something stronger" (39% of those who had drunk NoLo in the preceding 12 months). The second most frequently stated reason was "the taste" (37%) as the primary motivating factor. Further, as noted above, a third drank a NoLo drink to "cut down on alcohol consumption" and around 8% for "health reasons". Consequently, on the face of it at least, the "additional consumption" approach appears to have as much chance of succeeding as the "substitution" approach, if perhaps not more so. However, the former is much less obvious from the mainstream media narrative around NoLo drinks.

The "additional consumption" approach is evident in the marketing materials of existing mass market alcohol producers such as Heineken. For example, one YouTube video of an advert for Heineken 0.0 promotes the notion of being able to drink a no-alcohol beverage while driving.[153] This is just one of a number of adverts promoting Heineken's no-alcohol drink:

> *"Heineken…launched the biggest ever campaign for an alcohol-free beer in the UK. The integrated 'Now You Can' campaign includes a £6 million-pound investment in TV commercials, cinema, digital and social activations, as well as on and off-trade promotions, leading the alcohol-free category…The campaign…is based around the inclusiveness of Heineken 0.0 to all moments and social occasions, which might call for a great tasting beer but not for the alcohol".*[154]

A notable aspect of the Heineken campaign is that the adverts appear to target a more mature audience i.e. existing mass market drinkers who already do or might be inclined to be attracted to a Heineken product,[155] and are less motivated by health reasons to consume NoLo drinks.

The mass market focus on an older, male demographic is evident in more recent adverts for Heineken 0.0. Heineken deploy the "iconic" image of James Bond, a famous "hard" drinker to advertise their leading NoLo offer. The advert aims to be effective through subverting audience expectations by having Bond uncharacteristically drink a no-alcohol beer.[156] The dialogue in the advert references the fact that Bond is "working" and that a non-alcoholic beer is therefore preferable to his more usual Vodka-Martini that is "shaken, not stirred". The strapline at the end of the advert is "Now you can…while working". The message the advert appears to be communicating is two-fold:

- A “sophisticated” drinker like James Bond can find satisfaction in no-alcohol beer, highlighting its parity with traditional alcoholic beer i.e. Heineken 0.0 is a “status” good, like full strength Heineken is promoted as.
- The lack of alcohol in the drink means it can be drunk during work hours - a time when drinking is generally not socially acceptable. i.e. It can and indeed perhaps should be drunk in addition to someone’s normal amounts of alcohol consumption.

For existing producers of alcoholic beverages who are moving into this space, such an approach arguably makes sense because it reduces the risk of eating into existing market share in alcoholic drinks and instead might create additional demand for a company’s products, overall boosting revenues and profits. If the media coverage suggesting that alcohol sales are under pressure is accurate, avoiding “gouging” existing sales and expanding sales elsewhere could be doubly important for company profitability. Yet, this approach gets much less attention in the media coverage, which is focused largely on suggesting links between falling consumption, the growth of NoLo and the importance of younger, middle-class, urban consumers to the industry’s success.

The implications of the different marketing strategies for the market for NoLo drinks

The media narrative

As this chapter has shown, the media coverage of the NoLo sector focuses on describing a rapidly growing market, with considerable potential, reaching a highly sought after portion of the consumer market – the young urban middle class – who have very different attitudes to alcohol consumption compared to previous generations. One way the media presents this “story” is by emphasising how the NoLo market is being serviced by a growing number of small, niche, “craft” producers who, by catering to the “new sensibilities” of Millennial and Generation Z consumers are, to some extent at least, trying to replicate the success of the “craft beer” industry.

Reasons for scepticism about the media narrative

There are reasons to be somewhat sceptical of this portrayal. That is not to suggest the media narrative is wholly wrong. Rather, it appears to paint an exaggerated and somewhat partial picture of the NoLo market. For example:

- The media narrative frequently fails to critically examine and take a more nuanced perspective towards the narrative it often articulates, in its pieces about the NoLo market, that the attitudes and approaches to consumption among the young are significantly different to those in middle-aged and older consumer cohorts.
- Most of the coverage does not cover the role of larger incumbent alcohol producers who have moved into the NoLo sector, to the same extent as it does niche, innovative producers pursuing the younger, urban, middle-class consumer. It gives second order coverage to producers that appear to be pitching NoLo drinks as products to be consumed in addition to, rather than instead of, existing consumption of stronger drinks.
- The media narrative does not make as prominent as it might the more complex picture of motivations that drive the consumption of NoLo drinks. While health reasons are important for a sizeable minority of those consuming NoLo beverages, they are not the most frequently-cited reason why NoLo is drunk.

An unlikely influence on the young, more so on the middle-aged and old

There are questions to be asked about the potential influence the media's coverage of the NoLo market might have on perceptions of NoLo drinks among the public, and in turn what the implications of that for the consumption of NoLo drinks might be. Certainly, the balance of evidence on media influence indicates that some influence can be expected to occur, probably indirectly through the media's effect on people's perceptions of NoLo, which in turn impact the variables which influence consumption such as someone's social milieu and personal networks. However, the effectiveness of the transmission mechanism is likely to be somewhat limited in the case of NoLo if the objective, whether intentional or unintentional, is to raise interest among younger, urban, middle classes. The cohort are not big consumers of mainstream media. This cohort that the media highlights most prominently in relation to the NoLo market are more likely to be influenced by social media than mainstream media.

The media coverage is perhaps more likely to raise awareness of NoLo drinks among older consumer cohorts, who consume mainstream media in greater numbers. Ultimately that may still mean consumption of NoLo drinks goes up. However, it should be noted that older groups who have consumed NoLo drinks are less likely to report that such consumption is part of an overall reduction in their alcohol consumption.

Possible implications for the "alcohol harm paradox"

If the current media narrative boosts interest in NoLo drinks, it could have an impact on the Alcohol Harm Paradox, depending on which groups see the greatest uptake of these drinks. As mentioned earlier, the Alcohol Harm Paradox refers to the fact that although higher income individuals drink more on average, alcohol harms are concentrated in lower income groups.

The survey conducted for this report by Opinium suggests that while a higher proportion of those in socioeconomic classes A, B and C1 have consumed a NoLo drink in the past compared to socioeconomic classes C2, D and E, the proportion in each category grouping saying that such consumption had not led to any reduction in their current weekly alcohol consumption is about 50%. Further, the proportions in each cluster of socio-economic classes reporting affirmatively that drinking NoLo has helped contribute to a reduction in their consumption is the same (33%). As such, this casts doubt on the notion that NoLo drinks could have a significant impact on eliminating the Alcohol Harm Paradox.

CHAPTER SIX - POTENTIAL IMPACTS OF NOLO ON HEALTH OUTCOMES

Alcohol-related harms to health are broad, with alcohol consumptions associated with increased risk of 200 conditions including cancer, heart disease, stroke, diabetes, liver disease and mental & behavioural disorders.[157]

The impact of NoLo drinks on such health outcomes is potentially complicated. While some of the discussion of these drinks in news articles and by government focuses on their potential to reduce levels of alcohol consumption – by helping individuals to cut back or give up on drinking – this is a somewhat simplified picture. As the discourse analysis revealed, some of the promotion of NoLo drinks focuses on their potential to be used on occasions when an alcoholic drink would not be appropriate (such as at work or when driving), rather than a specific tool for cutting down.

Further complicating the picture is the fact that there is limited existing evidence that clearly demonstrates the health impacts from the wider use of NoLo drinks. As we noted earlier, this includes evidence from markets where NoLo consumption is more prevalent – such as Spain and Germany. This makes is difficult to ascertain whether increased rates of NoLo consumption are socially desirable from the perspective of wanting to reduce alcohol-related harms.

Our discussions with health experts reveal a wide range of channels through which increased availability and consumption of NoLo drinks could impact health outcomes. Critically, there are hypothetical channels that present negative, neutral and positive impacts on health outcomes.

While much of the media discussion of NoLo drinks has homed in on the ability of these drinks to have positive health impacts – by encouraging substitution away from stronger products or even making not drinking alcohol "fashionable", a range of potentially neutral and negative health impacts were noted in our discussions with health experts.

In terms of neutral health impacts, a frequently-cited point was that alcohol-free drinks may be consumed on top of consumption of alcoholic drinks – for example, on occasions where an individual would otherwise not be drinking. If true, this would limit the potential for health gains. Other health experts felt that at least some producers of NoLo drinks are focused largely on eating into the soft drinks market – encouraging individuals to enjoy a NoLo beer, wine or spirit instead of say a Coca Cola, orange juice or coffee. As noted earlier in this report, Heineken representatives have explicitly stated an intention for Heineken 0.0 to take market share from soft drinks.

A range of potentially negative health impacts have also been cited in our discussions. This includes the potential for NoLo drinks to normalise drinking culture, including in scenarios where drinking is traditionally seen as taboo (such as in the workplace). Risks to specific groups were also cited; those working in the treatment space that we spoke to felt that there might be risks to those with alcohol dependency, given their potential to cause a relapse back into drinking (for example, by encouraging a return to detrimental routines such as frequently going to the pub).

With respect to low-strength drinks, which can contain up to 1.2% ABV under the DHSC guidelines, some health experts noted that there might be a lack of clarity around the safety of these drinks for those with liver conditions. There might also be a lack of clarity around how safe NoLo drinks are for pregnant individuals to consume.

Some of the health experts we spoke to were concerned about potentially negative motivations for some of the large drinks manufacturers stepping into the space of alcohol-free and low-strength drinks. Some thought that NoLo drinks might be used as a “gateway product” to attract a young generation that is, in recent years, consuming less alcohol than older generations when they were the same age. Having said that, no concrete examples of marketing to minors or those that presently do not drink alcohol were given.

The potential for “alibi marketing” to create negative health impacts was also cited in several of our discussions with health experts. There is potential for companies to use advertisements and placement of NoLo products to ultimately market the “conventional” alcoholic version of the brand. The fact that many NoLo drinks, particularly beers, have very similar branding to full-strength products, make such alibi marketing a distinct possibility. The potential for NoLo drinks to provide such alibi marketing opportunities has been noted as a future health risk.[158]

While some of the health experts that we spoke to felt that alibi marketing risks provided a strong rationale for creating branding restrictions on NoLo drinks – such as requiring them to be branded more distinctly to the full-strength “parent” product (where relevant) – this was not a uniform view across all of the experts we spoke to. One, for example, thought that parallel branding might play a key role in encouraging wider consumption of NoLo drinks and substitution away from stronger products, given that consumers might be more likely to substitute to a product which shares a brand that they have positive feelings towards.

One individual that we spoke to, who was recovering from alcohol dependency, used alcohol-free drinks to “fit in” on social occasions – for her, branding these products significantly differently to traditional brands would make her less likely to use these products. For the interviewee, they are part of her strategy for avoiding alcohol. However, another individual that we spoke to who was also recovering from alcohol dependency felt strongly that such products had no role in helping people “like him” avoid alcohol – given the risks of these drinks encouraging a relapse back into detrimental patterns of behaviour. A couple of psychiatrists that we spoke to working in the treatment space both felt that, in general, NoLo drinks carried significant risks to those grappling with alcohol dependency, though both had an example of an individual who had found NoLo drinks helpful in recovering from dependency.

Table 3: Potential links between NoLo drinks consumption and health outcomes

Potential positive health impacts	Potential neutral health impacts	Potential negative health impacts
• NoLo drinks encouraging substitution away from stronger products - at least on some occasions/days of the week. This leads to a reduction in overall alcohol consumed and alcohol-related harms.	• Alcohol-free products being consumed as an addition to stronger drinks - leaving overall levels of alcohol consumption (largely) unchanged.	• NoLo drinks normalising drinking culture - including in scenarios where drinking is often regarded as taboo (in the workplace, in the morning, in a coffee shop).
• NoLo drinks removing the taboo of not drinking - making it easier to cut back while not "standing out".	• Alcohol-free products largely eating into the soft drinks market (e.g. Coca Cola, orange juice) rather than the market for alcoholic drinks.	• NoLo drinks causing those with alcohol dependency to relapse (by encouraging a return to detrimental routines - e.g. spending more time at occasions where drinks are consumed).
• Reduced rates of drink driving as drivers opt for NoLo products over stronger products.		• Widening health inequalities if use of NoLo drinks are spread unevenly across the population.
• Effects on the rest of the drinks market - growth of NoLo might encourage reduction in strength of beers, wines and spirits.		• NoLo products being used as a form of alibi marketing for stronger products.
• Potential to “normalise” not drinking alcohol. Premium/”aspirational” NoLo products could make it a “fashionable” choice.		• NoLo products used as a gateway product to attract younger drinkers that drink less than previous generations.
		• Issues related to the calorie/sugar content of NoLo drinks.
		• Low-strength products being consumed by individuals for whom they are not safe (those with liver disease, pregnant women etc.)

Impact of NoLo on drinking patterns

We noted in Chapter 3 that a significant portion of NoLo drinkers cited using these products on specific occasions – such as when driving (39%), while a third (33%) stated using these drinks to cut down on alcohol consumption. This raises questions around the extent to which consumption of NoLo drinks might be:

1. Substitution away from stronger alcohol products – thus reducing rates of consumption
2. Complementing existing alcohol consumption – thus either having little/no impact on alcohol consumption (in the case of alcohol-free drinks) or increasing alcohol consumption (in the case of low-strength drinks).

There are limited existing studies around the impact of NoLo drinks on overall levels of alcohol consumption and, in turn, health outcomes. A recent study by Vasiljevic et al (2018) found that labelling drinks as lower in strength increases the amount of drink consumed[159]. This suggests that substitution benefits from NoLo consumption may be at least partially offset by individuals consuming more of these drinks – as they feel they can drink more of these products. This is particularly relevant to low-strength drinks, rather than alcohol-free drinks, which may contain up to 1.2% ABV.

Having said that, it is important to note the amount of low-strength drinks that would need to be consumed to match the alcohol strength of regular drinks. For example, three pints of 1.2% ABV beer would still contain less alcohol than one pint of 4% ABV beer.

As such, a shift away from regular strength to NoLo products is likely to lead to a reduction in alcohol consumption, even if the number of drinks consumed increases somewhat. The key issue is the extent to which such substitution tends to take place, or whether consumption of NoLo drinks is instead complementary to existing alcohol consumption.

Other studies suggest that reduced strength drinks can be both acceptable to drinkers and result in a reduction in alcohol consumed. Research by Segal and Stockwell (2009) concluded that "beer drinkers cannot readily distinguish low and regular strength beers and can enjoy socialising equally with either". Further, the study found that consumers of lower strength drinks consumed less alcohol overall during a drinking session.[160]

Others have argued that for reduced strength drinks to have a significant impact on public health outcomes, this should be complemented with other measures, such as policies which restrict the availability of stronger products[161], higher rates of taxation on stronger beverages, minimum unit pricing and measures to encourage reformulation of standard strength alcoholic drinks.

Österberg (2017) explored the impact of a 1968 change in Finland which allowed the sale of medium-strength beer in grocery stores but left the off-premises sales of stronger beverages to Alko's liquor stores (Alko is the national alcoholic beverage retailing monopoly in Finland). Österberg concluded that changes in alcohol consumption were additive after this measure was introduced, with no switch from stronger alcoholic beverages sold in Alko to lower strength products sold in grocery stores. While the study did not relate to alcohol-free and low-strength drinks of less than 1.2% ABV, it does highlight how increasing the availability of reduced strength products, in itself, might not lead to decreased alcohol consumption – indeed, if it leads to increased numbers of drinking occasions, it might lead to higher levels of overall consumption.

Findings from the Opinium survey

Within the booster sample of current and past drinkers of NoLo beverages, half (50%) reported that their *current* alcohol consumption was unchanged as a result of consuming these drinks – by far the most frequently given response to our survey question on how these products are impacting levels of alcohol consumption.

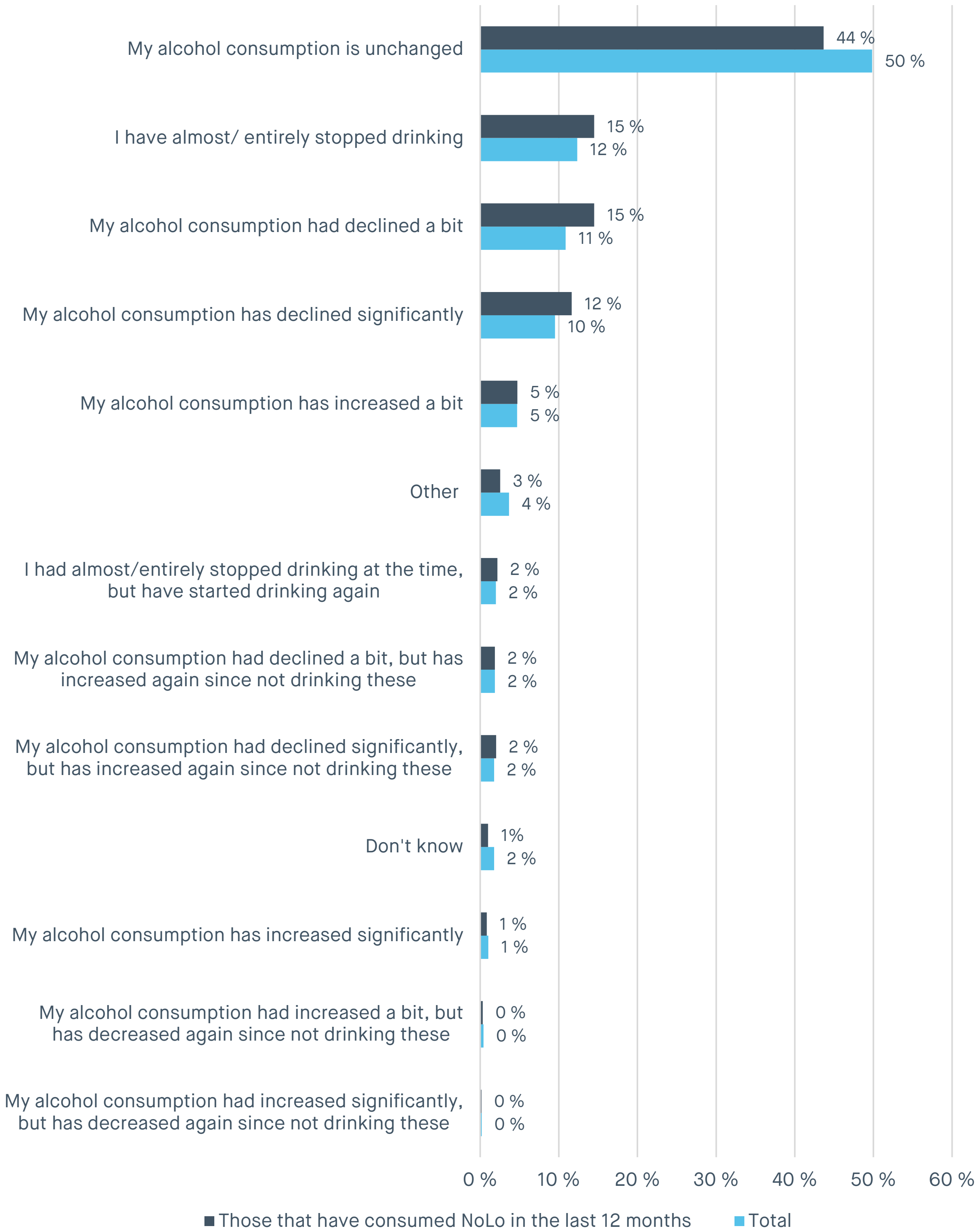
Among those reporting a change in alcohol consumption as a result of NoLo, it was more common to report reduced levels of alcohol consumption rather than increased levels. A third (33%) said that consumption of NoLo had led to them stopping drinking completely or almost entirely (12%), cutting back a bit (11%) or cutting back significantly (10%). In contrast, just 6% said that their alcohol consumption had increased a bit (5%) or significantly (1%).

Among those that have consumed a NoLo product recently – within the last 12 months – the survey findings were more encouraging – with 41% reporting cutting back or giving up completely, against 44% saying their alcohol consumption was unchanged. 6% reported increasing alcohol consumption.

We find little difference in impacts on current alcohol consumption between males and females, or between socioeconomic groups. Across age groups, those aged 18-34 were notably more likely than older ager groups to report consumption of NoLo drinks leading to a reduction in alcohol consumption or giving up drinking entirely.

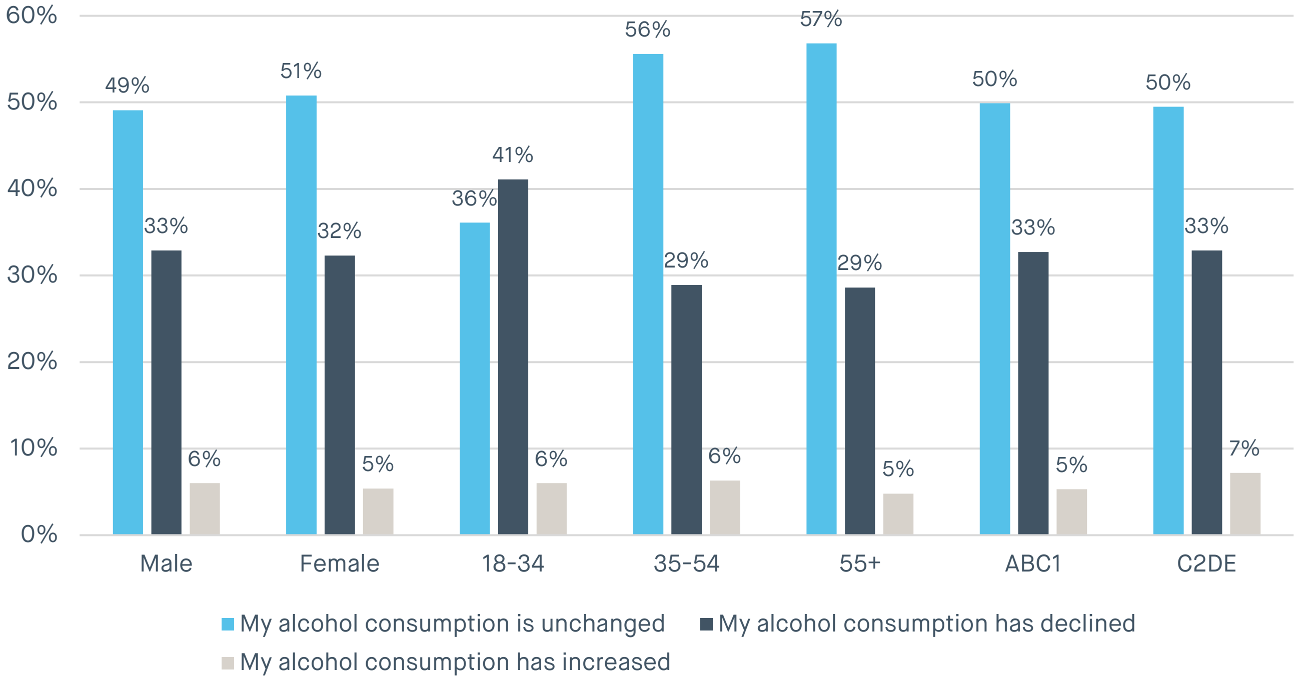
When examining the results by level of alcohol consumption, we observe that likelihood of reporting increased levels of alcohol consumption from use of NoLo increases with current level of alcohol consumption – though we note that for all of the groups charted below, more people reported decreased consumption rather than increased consumption from use of NoLo. Heavier drinkers were more likely to report that NoLo drinks had no impact on their overall level of alcohol consumption.

Figure 14: To what extent would you say that drinking low alcohol/alcohol-free drinks has changed your typical current weekly alcohol consumption?



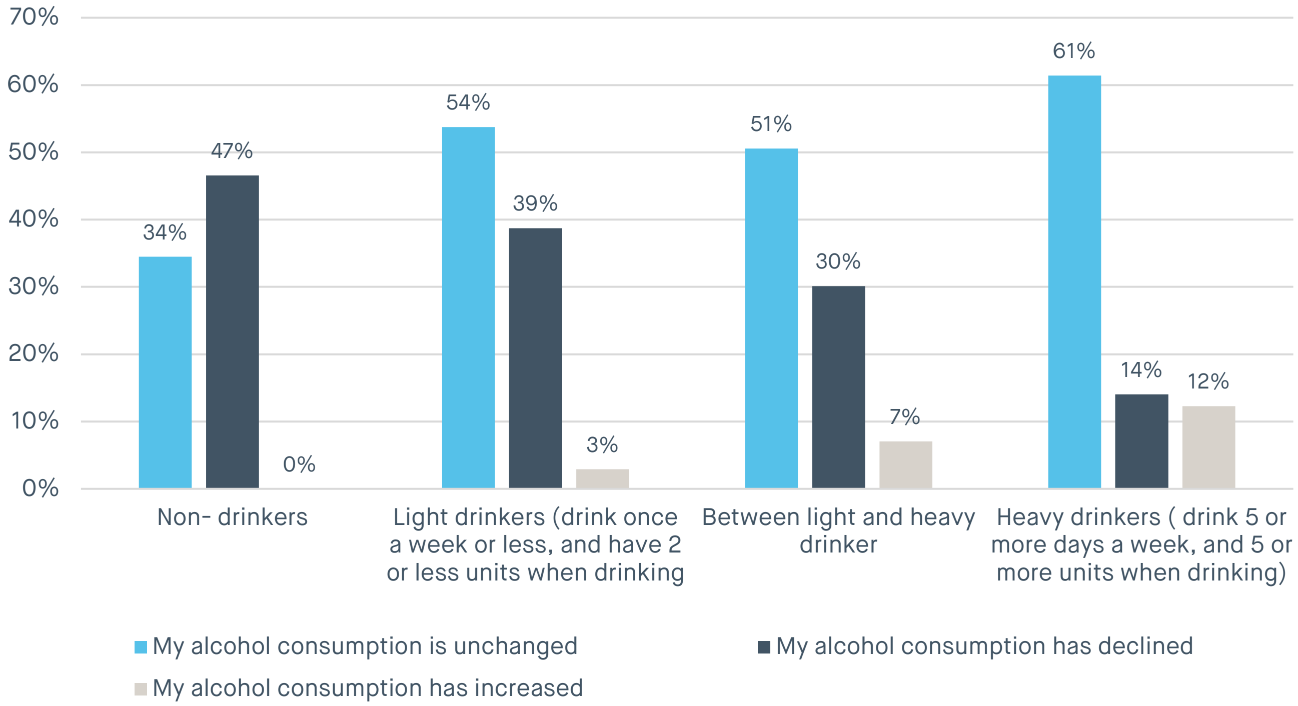
Source: Opinium booster sample of past and present NoLo drinkers.

Figure 15: To what extent would you say that drinking low alcohol/alcohol-free drinks has changed your typical current weekly alcohol consumption? By sex, age and socioeconomic group



Source: Opinium booster sample of past and present NoLo drinkers.

Figure 16: To what extent would you say that drinking low alcohol/alcohol-free drinks has changed your typical current weekly alcohol consumption? By level of alcohol consumption



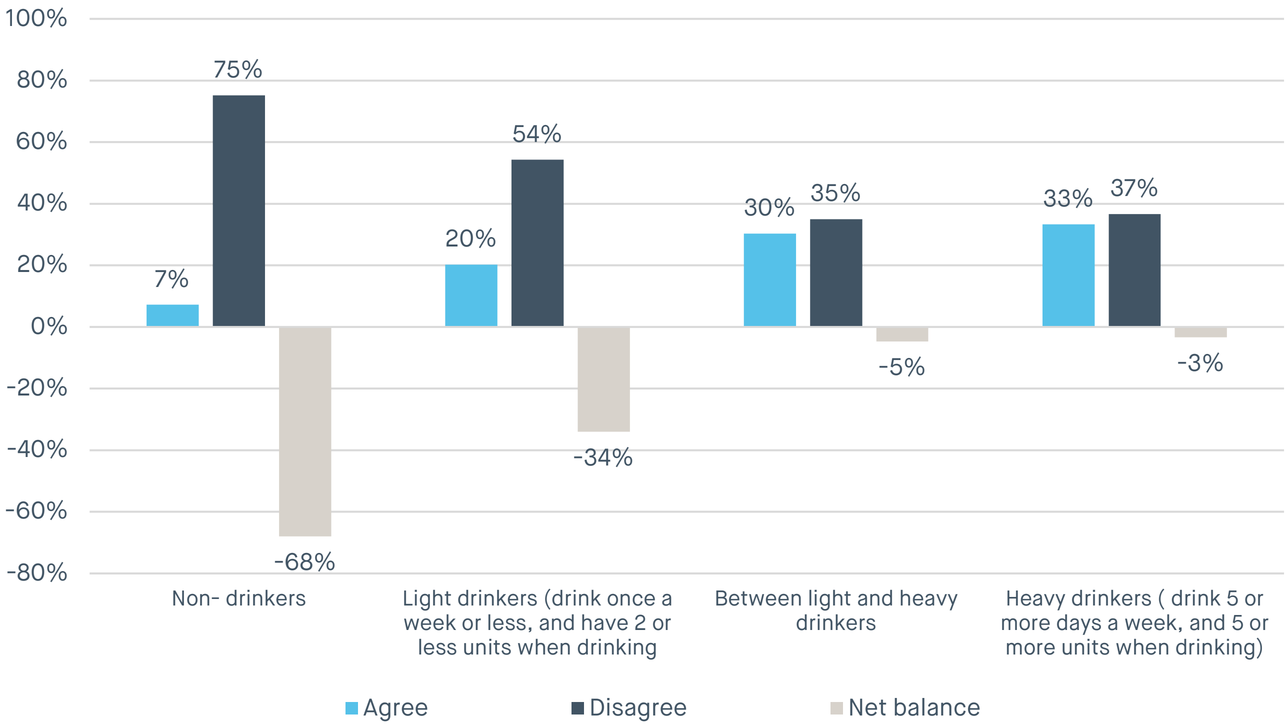
Source: Opinium booster sample of past and present NoLo drinkers.

In a sense, the findings by level of alcohol consumption might be expected, given that results are based on *current* levels of alcohol consumption. Conceivably past heavy drinkers are now light or non-drinkers as a result of consumption of NoLo beverages.

However, other survey questions suggest that this finding might also reflect differences in the ways some heavier drinkers engage with NoLo products. Current moderate and heavy drinkers were more likely to say they drink these products *in addition to* existing consumption of alcoholic beverages, rather than substituting away from conventional alcoholic drinks to NoLo products.

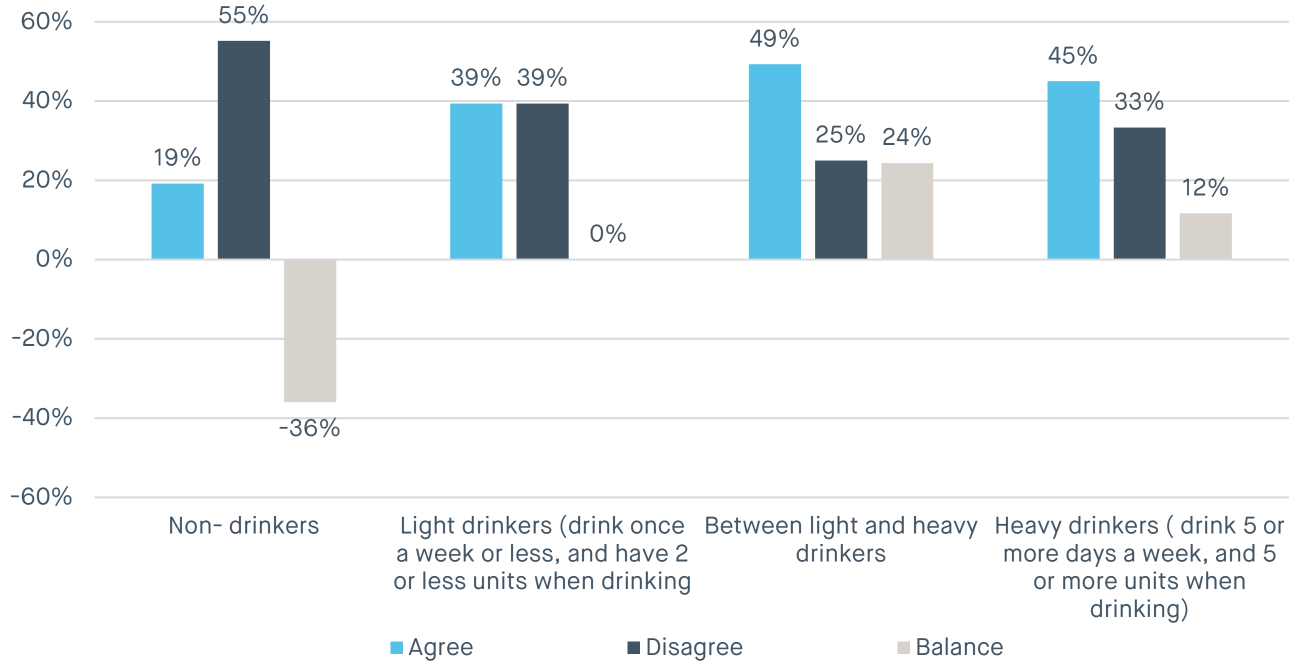
Moderate and heavy drinkers are also more likely to agree that they consume NoLo drinks on specific occasions than lighter drinkers. This might limit the potential health benefits that could be realised from increased use of NoLo products.

Figure 17: To what extent do you agree with the following statement with respect to your consumption of low alcohol/alcohol-free drinks? "I have not been using these products to cut back on my overall level of alcohol consumption. Instead, I drink these on top of my consumption of stronger drinks."



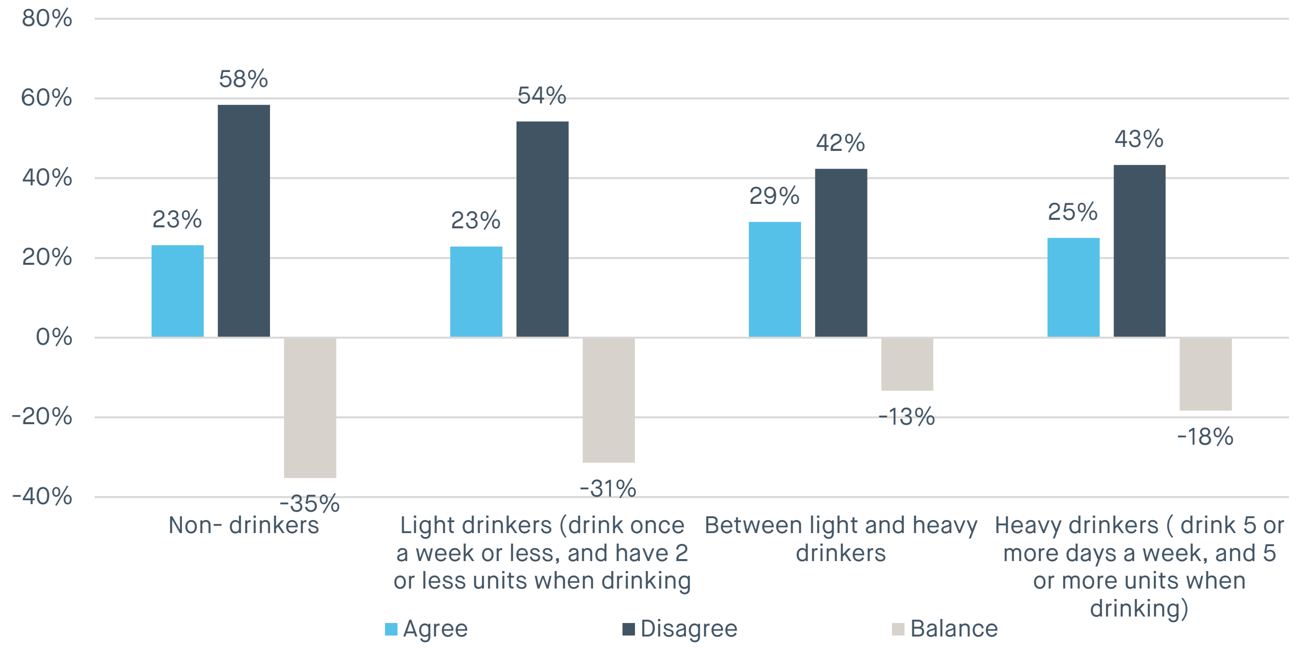
Source: Opinium booster sample of past and present NoLo drinkers.

Figure 18: To what extent do you agree with the following statement with respect to your consumption of low alcohol/alcohol-free drinks? "I use low-alcohol and alcohol-free drinks on specific occasions – for example, when I know I need to drive later on, or when I need to wake up early the following day."



Source: Opinium booster sample of past and present NoLo drinkers.

Figure 19: To what extent do you agree with the following statement with respect to your consumption of low alcohol/alcohol-free drinks? "I have switched from stronger alcoholic drinks to low-strength/alcohol-free alternatives to cut back on my alcohol consumption."



Source: Opinium booster sample of past and present NoLo drinkers.

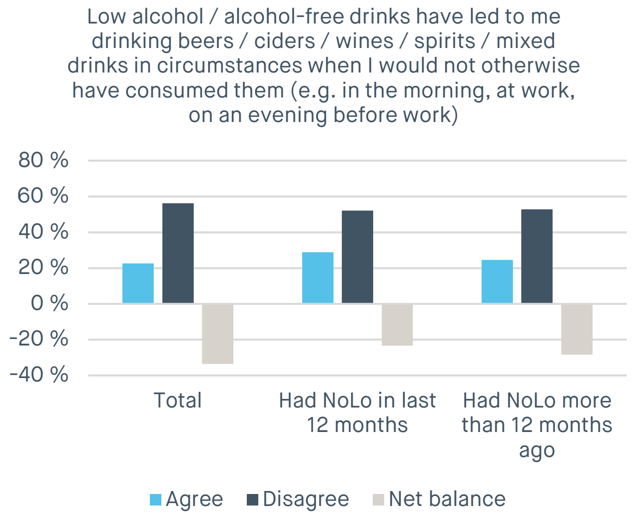
The charts overleaf explore responses to statements about use of NoLo drinks, segmented by whether someone has consumed these within the last 12 months or further ago. 38% of those that had consumed a NoLo drink in the last 12 months agreed that they switched to these products to cut back on their alcohol consumption, with 35% disagreeing with this statement and the remainder neither agreeing of disagreeing.

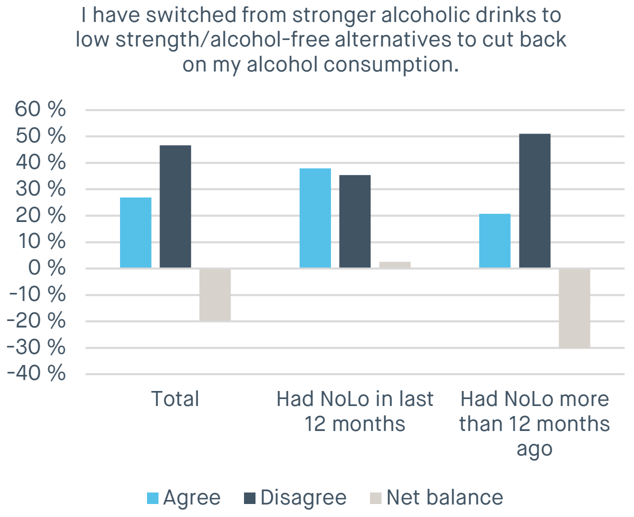
The majority of recent NoLo consumers – 57% - agreed with the statement that they used NoLo on specific occasions – such as when driving or waking up early the following day. Just 21% disagreed with this statement.

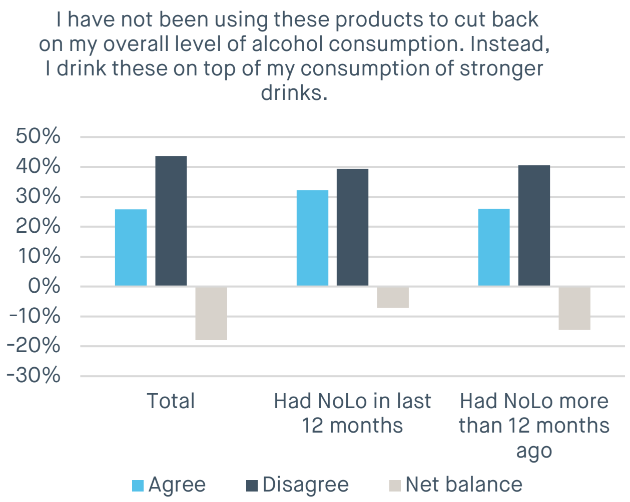
Among both recent and less recent NoLo consumers, most disagreed with the statement that "alcohol-free and low-strength drinks have led to me consuming more alcohol by getting me into more of a habit of drinking/going to the pub" and that "alcohol-free and low-strength drinks have led to me consuming more alcohol through giving me an acquired taste for beer/wine/spirits/cider."

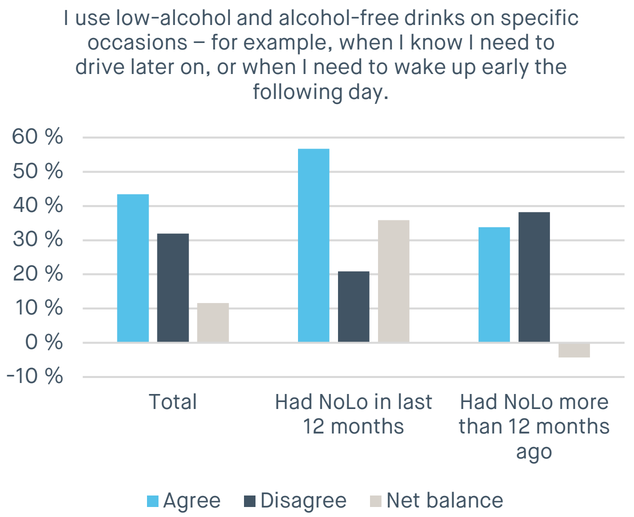
About a third (32%) of those that had had a NoLo drink in the last 12 months agreed that they had been using these products on top of, rather than instead of existing levels of alcohol consumption. Just under two fifths (39%) disagreed with this statement.

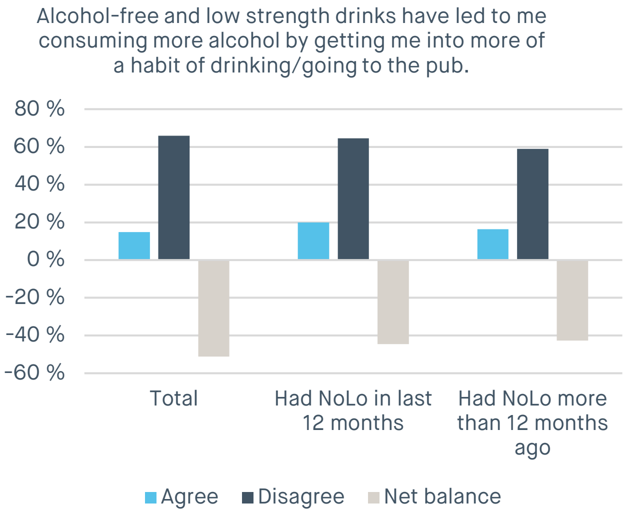
Figure 20: Agreement with statements

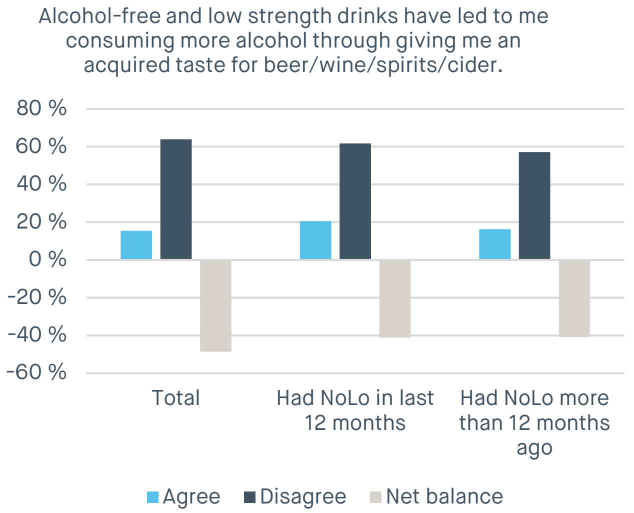












Source: Opinium booster sample of past and present NoLo drinkers.

Understanding of the health and safety implications of NoLo

Beyond impacts of NoLo drinks on consumption patterns, we note a number of other channels through which they might impact health outcomes.

One is through incorrect understanding of the health implications of NoLo drinks, particularly low-strength (rather than alcohol-free) drinks. 7% of females who had consumed a NoLo drink in the last 12 months said that they did so because they were pregnant or supporting a pregnant partner. Given the risks of alcohol to foetal development, it is crucial that pregnant women are aware of any risks associated with consuming a low-strength alcohol product. Similarly, those with liver and other health conditions need to be aware of any potential risks through consuming such products.

The Opinium survey suggests that there might be a significant lack of understanding in particular around the potential alcohol content of low-strength products. About two thirds (66%) of respondents to the nationally representative survey thought that a low alcohol drink was one that contained no more than 0.5% ABV. With the DHSC guidelines describing a low-strength product as up to 1.2% ABV, a significant portion of the public appears to underestimate the potential alcohol content of these drinks – raising the prospect of potential harms. This could be addressed through raised awareness of what terms such as "alcohol-free" and "low-strength" mean, and clearer guidance around their health implications. More effective and consistent labelling, through statutory requirements, could also help consumers understand the nature of NoLo drinks – including their likely health implications.

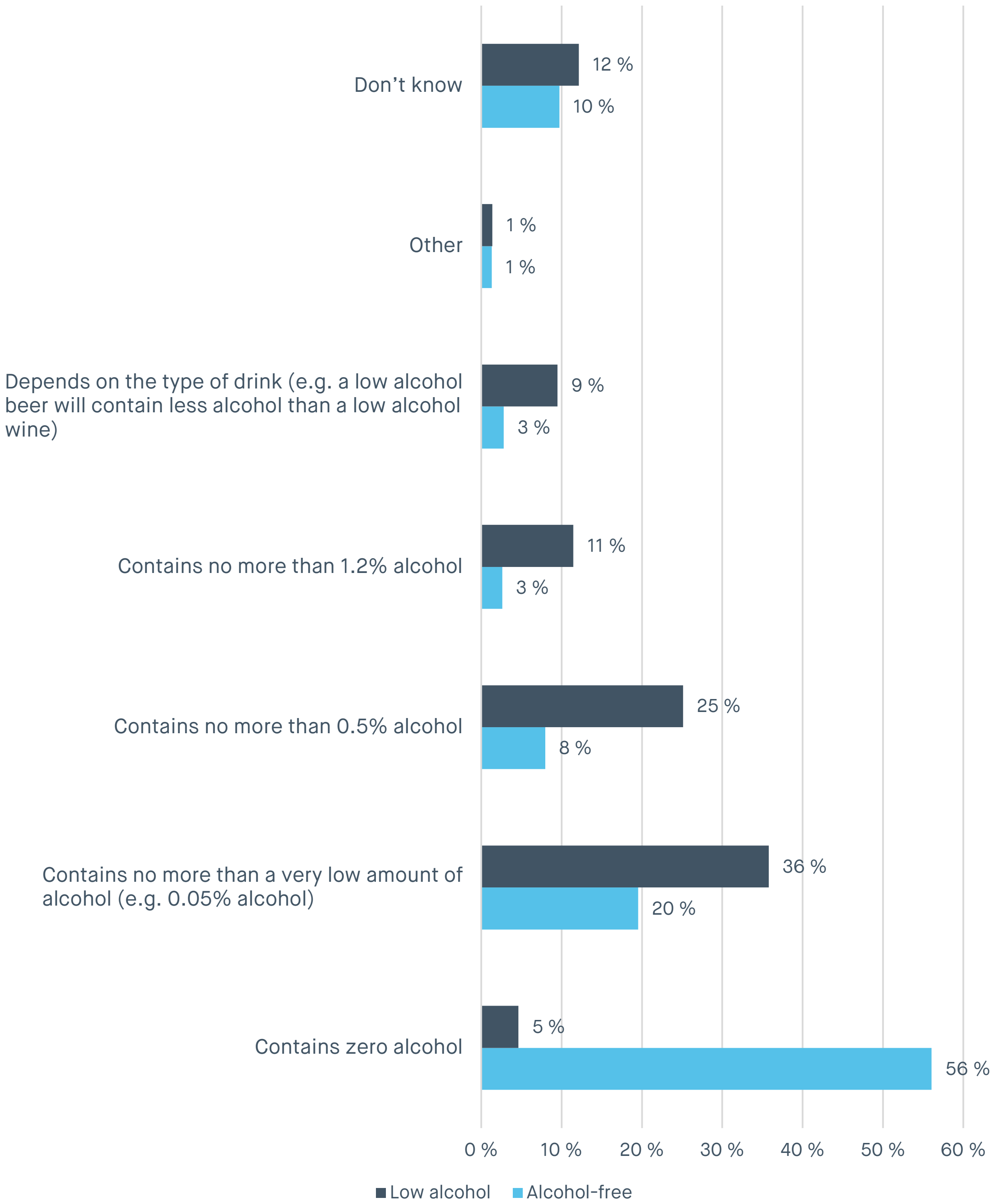
In addition to health implications, a couple of stakeholders we spoke to felt that lack of understanding over alcohol content of NoLo drinks might be problematic for other reasons. Some individuals might not want to consume alcohol for religious reasons, for example. Without clear understanding of descriptors, such individuals risk consuming alcohol despite not wishing to do so.

Lack of understanding of descriptors is further complicated by the potential for some products to contain higher levels of alcohol than guidelines might suggest. As noted earlier, some products containing 0.5% ABV are marketed as "alcohol-free" rather than "de-alcoholised", as DHSC descriptors would suggest. In addition, there is conceivably a risk of products containing greater levels of alcohol than displayed on packaging. A Canadian study, published in 2010, examined 45 beverages claiming to contain no or low alcohol content, and found that thirteen (29%) of the beverages containing alcohol levels higher than the declared concentration on the label. Six beverages claiming to contain no alcohol were found to contain greater than 1% ABV. The study concluded that "pregnant women seeking replacement to alcoholic beverages may be misled by these labels, unknowingly exposing themselves and their unborn babies to ethanol."[162]

We are not aware of a similar assessment of NoLo drink alcohol content in the UK, though this Canadian evidence base highlights potential health risks without thorough enforcement of the alcohol content of these drinks.

In our conversations with stakeholders, a frequent observation was that many products – such as fruit juice and burger buns – can contain trace amounts of alcohol. Yet these products do not need to be labelled as "alcohol-free" or prominently display the fact that they contain some alcohol. This could create further consumer confusion as to the health implications of drinking NoLo products with a very low amount of alcohol.

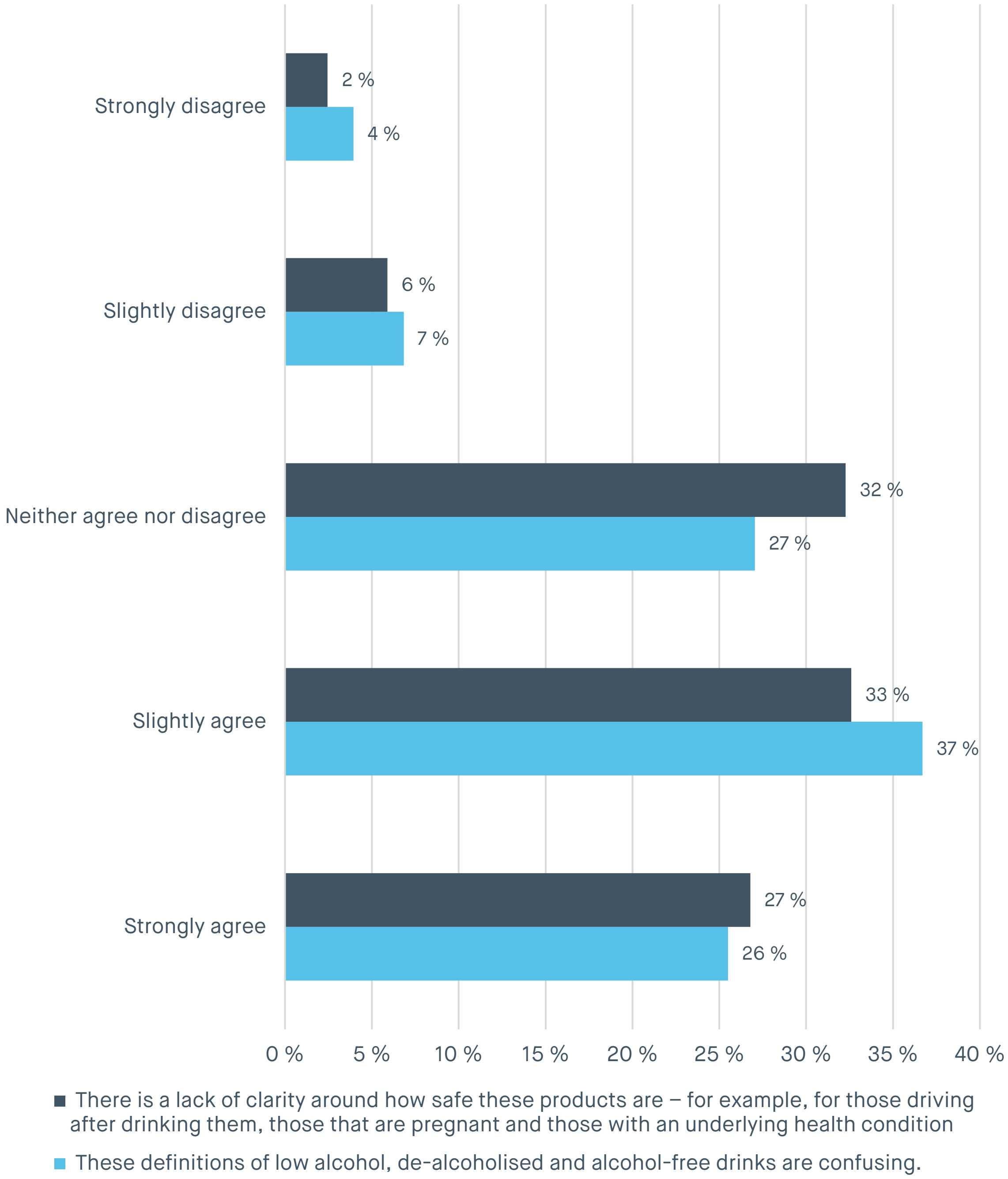
Figure 21: Thinking about alcohol such as, beers, wines, ciders, spirits and mixed drinks (e.g. gin & tonic, alcopops), what do you understand by the terms "low alcohol", and "alcohol-free" versions?



Source: Opinium nationally representative survey.

When presented with the DHSC NoLo drinks descriptors, 62% of respondents to the nationally representative survey agreed that the definitions of low alcohol, de-alcoholised and alcohol-free drinks are confusing, with just 11% disagreeing. 59% agreed that there is a lack of clarity around how safe these products are – for example, for those driving after drinking them or those that are pregnant. Only 8% disagreed.

Figure 22: The Department of Health & Social Care suggests the following descriptors be applied to drinks. • A low alcohol drink must be no more than 1.2% alcohol by volume (ABV) • A "de-alcoholised" drink must be no more than 0.5% ABV • An alcohol-free drink must contain no more than 0.05% ABV. To what extent do you agree or disagree with the following statements?



Source: Opinium nationally representative survey.

Minors

None of the public health stakeholders that we spoke to felt that NoLo drinks should be served to, or marketed towards, minors – given the risks of this entrenching drinking culture. Having said that a couple of stakeholders noted that the counterfactual to minors drinking a NoLo drink, say at home over a family lunch, might be them drinking a full-strength alcohol product. In such contexts, consumption of a NoLo drink by a minor might be more desirable compared with the likely alternative.

Notably none of the individuals we spoke to in the drinks industry, or trade groups representing the drinks industry, felt that NoLo products should be consumed by minors. All industry stakeholders stated that their NoLo product offers were geared towards an adult audience and existing drinkers of alcoholic beverages. A common theme throughout conversations with industry was on the drinks market become more focused on selling higher priced, premium products to a more mature audience – and NoLo drinks were also seen within that context. As noted earlier, under the Portman Group's marketing code, if a drink is less than 0.5% ABV and shares the same branding as a drink with 0.5% or more ABV, then the Code would apply in order to protect under 18's from irresponsible marketing.

One industry stakeholder suggested that a reason for focusing NoLo drinks on adults was the risk of destroying the market for these products if they became associated with youth drinking. This individual perceived that consumption by youths had a severe negative impact on the alcopops market in the UK, by damaging the reputation of these products. The stakeholder suggested that industry would not want to repeat these risks with NoLo beverages.

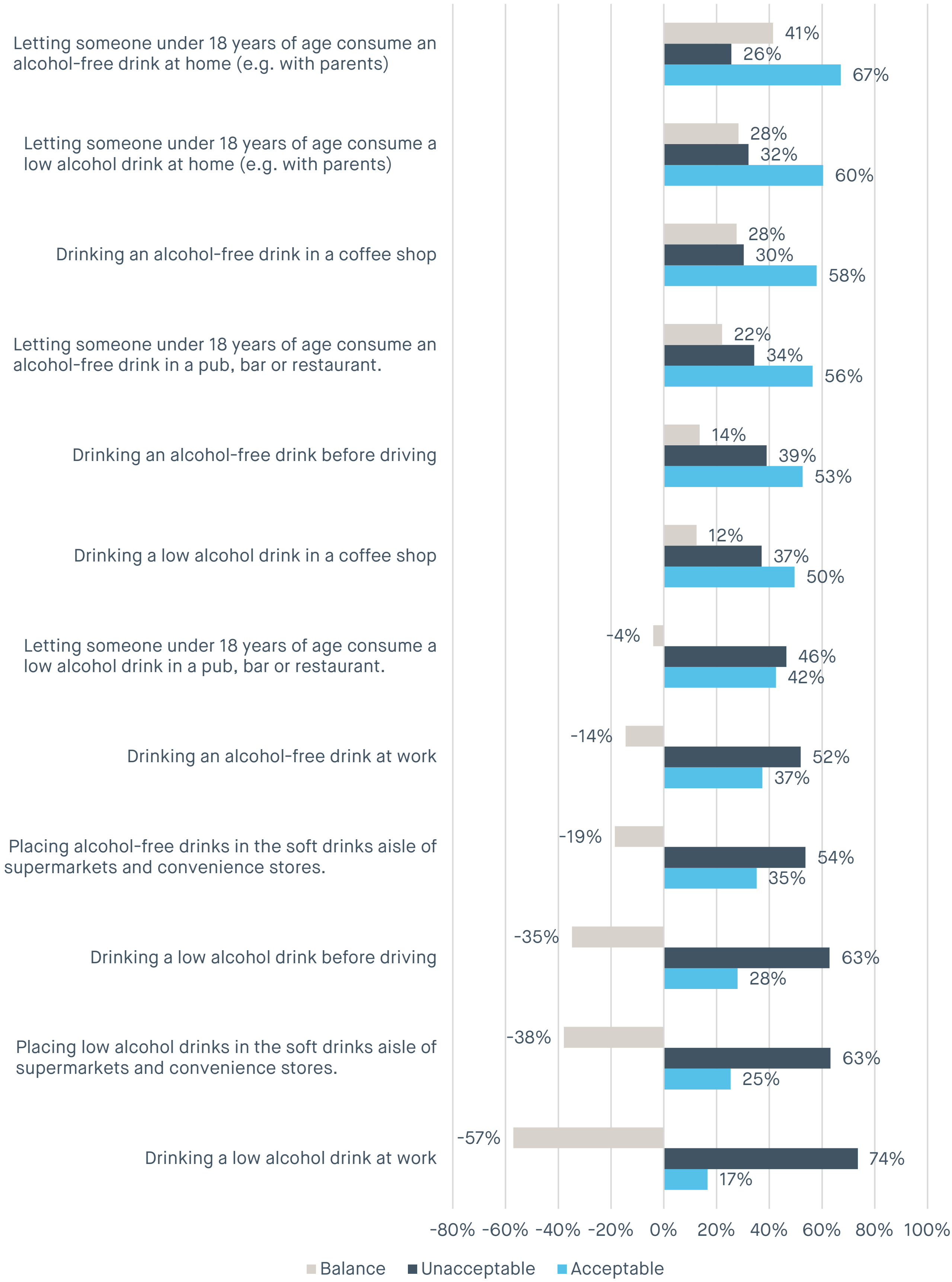
Although (some) NoLo products can be sold to minors under current legislation (The Licensing Act 2003 states alcohol means beers, wine, cider spirits or other liquor over 0.5% ABV in strength), the extent to which this takes place in practice is unclear. Wetherspoons, for example, does not allow alcohol-free drinks to be served to under 18s despite it being legal to do so - at least in part because it is difficult for staff to distinguish a poured alcoholic and non-alcoholic product.[163] This makes it more difficult to monitor consumption of alcohol by minors.

An individual from a trade group representing retailers, whom we spoke to as part of this research, cited similar reasons for why many retailers are likely to prevent sale of these products to minors – many will adopt a "belt and braces" approach to avoid the risk of selling an alcoholic drink to a minor. In addition, we have not uncovered evidence of NoLo drinks being placed in the soft drinks aisle of stores, alongside drinks that might be consumed and purchased by minors – a potential concern highlighted by some health experts. Insofar as we have been able to establish, these drinks appear to almost always be placed alongside alcoholic drinks. That said, there is no regulation in England to stop stores stocking both alcoholic and NoLo products anywhere within a store, although this is in place elsewhere in the UK.

One notable finding from the Opinium survey of adults, commissioned for this research, is that a high proportion believe it is acceptable for minors to consume NoLo drinks, especially at home. Two thirds (67%) believe it is acceptable for someone under 18 years of age to consume an alcohol-free drink at home, and 60% think is acceptable for them to consume a low alcohol drink at home.

Given potential concerns that such products might instil an early drinking culture in younger audiences, there might be a case for tightening regulation around who can purchase NoLo drinks, as well as ensuring that parents are aware of any potential risks associated with their consumption.

Figure 23: To what extent do you think the following are "acceptable" or "unacceptable"?



Source: Opinium nationally representative survey.

Health inequalities

Increased availability and consumption of NoLo drinks might have an impact on health inequalities in the UK. As we noted earlier, those in higher income socioeconomic groups are more likely to report using NoLo products. As we have shown in this chapter, the Opinium survey suggests that more NoLo consumers report that these products have led to a decrease in overall alcohol consumption, rather than an increase in consumption – though the most common response, even among recent consumers of NoLo drinks, was no change in alcohol consumption. This appears to be true for both the ABC1 and C2DE socioeconomic groups.

These facts could be used to argue that the disproportionate uptake of NoLo by households with higher incomes could lead to a widening of health inequalities (as more higher earners would be cutting back on alcohol consumption).

This argument is complicated by the existence of the Alcohol Harm Paradox - mentioned earlier - whereby lower income households suffer greater alcohol-related harms despite drinking less on average than higher-income households. This might reflect a wide range of factors including access to healthcare and the interaction of alcohol consumption with other lifestyle considerations such as diet and tobacco usage. It might also reflect the fact that although lower income households drink less on average, the heaviest drinkers in society (the tail end of the drinker distribution) are more likely to be on lower incomes. Given different levels of alcohol consumption across income groups, and the Alcohol Harm Paradox, any health improvements from increased consumption of NoLo may vary by household income.

We also noted earlier differential usage of NoLo products across age groups and by sex. Females are less likely to have consumed NoLo products; if the market remains skewed towards a male audience, any health gains will not be shared equally by sex, Having said that, as noted earlier, males are more likely than females to drink excessively. As such, greater consumption of NoLo drinks among males may be relatively desirable from a public health perspective, if such drinks lead to health gains in aggregate.

Similarly, with younger age groups being more likely to consume NoLo products, health gains across age groups will also not be distributed evenly.

Summary

More adults report that NoLo drinks have led to them cutting back on alcohol consumption rather than increasing consumption – pointing to potential public health gains. However, half of past and present NoLo consumers reported no change in current alcohol consumption – for many, such drinks are consumed on specific occasions (such as when driving) rather than as part of a regular plan to cut back on alcohol consumption. Furthermore, moderate and heavy drinkers, for whom the health gains from cutting back are greatest, were more likely to report consuming NoLo drinks on top of, rather than instead of, consumption of conventional alcoholic drinks.

This suggests that while health gains might be realised through increased use of NoLo drinks, these might be relatively limited – casting doubt on the focus on NoLo drinks in the Government's recent Prevention Green Paper. NoLo must sit aside other policies as part of a strategy to reduce alcohol-related harms in the UK.

We also identify potential risks around lack of understanding of terms such as “alcohol-free” and “low-strength”. Providing greater clarity around what these terms mean, and the safety of these drinks for pregnant individuals and those with underlying health conditions, should be addressed. This includes reviewing how these products are labelled.

While there is little evidence to suggest that NoLo drinks are being marketed or sold to minors, we note from our survey data that the public generally believes that such products are acceptable for minors to consume, especially in the home. This might indicate a lack of awareness around the appropriateness of NoLo products for children and teenagers.

CHHAPTER SEVEN - CONCLUDING REMARKS: WHAT NEXT FOR POLICY?

This report has shown that the linkages between NoLo drinks consumption and public health outcomes are likely to be complex and that increasing consumption of NoLo alone is not an adequate approach to reducing alcohol harm across the population.

While our survey analysis shows more individuals cutting back on alcohol consumption as a result of NoLo usage, than reported an increase in alcohol consumption, 44% of those that had consumed NoLo drinks over the past year thought these drinks had no impact on their overall consumption.

A key driver of this is likely to be the fact that such drinks are often used on specific occasions such as when driving or needing to wake up early the following day. It is notable that, as our discourse analysis shows, use of NoLo "on occasions", rather than regularly, is a key theme in drinks industry advertisements of such products. About a third (32%) of those that had consumed NoLo drinks in the last 12 months agreed that they used NoLo drinks on top of, rather than instead of, existing levels of alcohol consumption, and a majority (57%) agreed that they use NoLo drinks on specific occasions such as when driving.

This complex and nuanced picture for health outcomes has implications for policymaking with respect to NoLo beverages. The purpose of this report is not to set out specific recommendations for regulatory change – though below we discuss areas which we believe to be worthy of discussion and exploration, based on the preceding analysis.

Descriptors

Our survey findings suggest a lack of consumer awareness of terms such as "alcohol-free" and "low-strength". Consumers, for example, appear to believe that low-strength drinks contain just trace amounts of alcohol – whereas they can in fact contain up to 1.2% ABV under the DHSC descriptor guidelines.

In our view, the DHSC descriptor guidelines are ambiguous – making it even more difficult for consumers to navigate the market for NoLo drinks With the descriptor guidelines seemingly voluntary rather than mandatory, it is difficult to see how they can be enforced, or what enforcement of voluntary guidelines entails. Notably a number of UK manufacturers of 0.5% ABV drinks market these as "alcohol-free", despite this descriptor only applying to drinks of 0.05% ABV or less in the DHSC guidelines. EU mutual recognition rules also mean imported NoLo products can be described in a manner different to the DHSC guidelines.

Reducing the number of NoLo descriptors, increasing consumer awareness of these and making them mandatory could greatly improve clarity around the alcohol-content of NoLo drinks, and their potential health implications. Following the end of the Brexit transition period, the UK government should explore how it can create a level playing field in which imported NoLo drinks are described in a similar way to domestically-produced drinks.

We note that descriptor reform was a common area of interest among stakeholders we spoke to. Notably, no one we spoke to, even in the public health space, thought the descriptor alcohol thresholds should be reduced – for example reducing the "low-strength" descriptor from "up to 1.2% ABV" to say "up to 1.0% ABV". There was a common view that current descriptors were confusing for consumers – especially given that they are not being applied consistently.

A common position among individuals in industry that we spoke to, was to argue that the “alcohol-free” descriptor should cover drinks up to 0.5% ABV, rather than 0.05% ABV as at present. A common rationale for this is that this would be consistent with several other countries such as Germany and Belgium. Several individuals within industry said that increasing the threshold for alcohol-free drinks would allow more innovation in this space, with several noting that it is (much) more costly to produce a 0.0% or 0.05% ABV drink than a 0.5% ABV drink – given the need to purchase additional equipment to extract the alcohol. While this link between descriptors and product innovation seems plausible, we are aware that some public health experts believe that such calls from industry might largely be driven by a desire to increase profits (through reduced production costs) rather than to drive innovation and an improvement in public health outcomes.

Labelling

A number of health experts were concerned about a lack of clarity around the safety of NoLo drinks for specific individuals – such those who are pregnant and those with a liver condition. There is a compelling case for ensuring that any health risks of NoLo drinks are clearly labelled – something which is not the case at present.

The need for clearer labelling is even more important given the lack of consumer awareness over the distinctions between “alcohol-free” and “low-strength”.

Collectively, the DHSC low alcohol descriptors cover anything from 0.0% ABV to 1.2% ABV. Given that a 0.0% ABV product and a 1.2% ABV product have potentially very different health implications – particularly for specific groups such as pregnant women and those with liver conditions – labelling needs to be made clearer. With some individuals potentially opting for NoLo products precisely because of an underlying health condition or pregnancy, there is a risk of some making dangerous decisions without greater clarity.

Advertising

Among the health experts we interviewed as part of this research, a commonly-cited concern was the potential for NoLo drinks to create alibi marketing opportunities – with drinks manufacturers using such products to ultimately market regular strength variants. Notably a wide range of NoLo drinks – such as Heineken 0.0 and Budweiser Zero – share similar branding to regular strength versions of these drinks.

Alibi marketing, the indirect reference of branding to promote a product, has taken place in the context of alcohol advertising. As discussed earlier, alibi marketing was used by Carlsberg in the UEFA Euro 2016 finals in France as pitch-side advertising – with the alibis ‘probably’ and ‘…the best in the world’ used to circumvent French alcohol marketing restrictions under the *Loi Évin*. . In 796 min, 29 s of active play there were 746 alibi appearances, totalling 68 min 35 s duration and representing 8.6% of active playing time. The seven matches delivered up to 7.43 billion Carlsberg alibi impressions to UK adults and 163.3 million to children.[164]

Use of NoLo products for alibi marketing purposes clearly cannot be ruled out, particularly if policymakers across the globe restrict marketing of stronger products.

Several of the health experts we interviewed took the position that the UK should adopt a similar approach to Norway, and prohibit the advertising of all products carrying the same brand as higher strength “conventional” beverages – as a way of reducing alibi marketing opportunities. They felt that marketing and advertising restrictions should be linked to brand identity, rather than alcohol content of a given drink, with brands linked strongly to alcoholic drinks – including NoLo variants of these drinks - facing a restricted advertising environment.

As discussed in the previous chapter, one health expert though such an approach might reduce substitution from regular strength drinks to NoLo variants, given that consumers might be more likely to switch to a familiar brand. However, this does not appear to be borne out in the Opinium survey; just 6% of adults said they would be more likely to consume a NoLo drink if a brand that they like released a new NoLo variant.

Given the seemingly limited importance of brand in encouraging a shift towards NoLo, the case for advertising restrictions which limit the potential for alibi marketing becomes more compelling.

NoLo in the context of wider alcohol policy

While NoLo drinks can play a role in improving public health outcomes over the coming years, this needs to be put into perspective. Despite media rhetoric around strong growth in this drinks segment, its overall market share is very low (just 0.2% in terms of sales values in 2018/19). Even with rapid growth over the next decade, market share is likely to remain modest. The Opinium survey showed that for 79% of those that have never consumed a NoLo drink, nothing would increase their likelihood of drinking one over the next 12 months.

For a significant proportion of users, NoLo drinks appear to be consumed infrequently and on specific occasions. The fact that the market share of NoLo drinks is below 0.5% yet a quarter (28%) of adults have had a NoLo drink over the past 12 months[iii] suggests usage of these drinks must be very infrequent in general.

Given the picture of irregular usage, low market share and a high proportion of consumers reporting no change in overall alcohol consumption, it is unclear why the Government’s Prevention Green Paper has homed in on NoLo drinks as the way of reducing alcohol-related harms. Although some individuals could see sizeable health improvements through use of NoLo drinks, in isolation it seems unlikely that these products can drive the reductions in *aggregate* alcohol-related harms or economic costs that most health experts would desire. As we noted in Chapter 1, these harms are substantial both in monetary terms and in terms of the circa 7,500 alcohol-related deaths each year in the UK (a likely significant underestimate of alcohol-related deaths given that this figure excludes deaths from diseases such as cancer where alcohol can be a possible cause).

As such, it is crucial that the prevention agenda within government is broadened out to focus on other policy options – such as those that reduce that reduce the availability of low-cost high-strength drinks, minimum unit pricing (MUP) of alcohol, higher rates of taxation on stronger beverages and measures to encourage reformulation of standard strength alcoholic drinks. NoLo drinks need to be explored in parallel with other means of preventing harms – not going it alone.

[iii] According to the Opinium survey

Filling in evidence gaps

This report has identified a number of areas where evidence related to NoLo drinks is lacking. Policymakers should explore the extent to which further research and data collection could address these evidence gaps.

Particular evidence gaps of note include:

- The extent to which different NoLo descriptors and regulatory environments have a bearing on health outcomes and the types of products on offer in different countries.
- Similarly, an assessment of how changing UK NoLo descriptors would impact consumer behaviour and, in turn, health outcomes.
- An examination of the extent to which government measures to encourage NoLo drinks consumption are effective and generate health benefits.
- The extent to which NoLo products in the UK might contain more alcohol than stated on the label. We identified a study which identified this as a significant issue in Canada, but are unaware of similar evidence for the UK. Given the potential health risks from mislabelling of products, understanding the scale of this issue in the UK is important.

APPENDIX

Stakeholder engagement

The SMF is very grateful for the expert insights shared by a broad range of stakeholders as part of this research. Stakeholder engagement took the form of one-on-one interviews as well as a virtual roundtable chaired by the SMF on Zoom. Specifically, we engaged with small and large manufactures of NoLo products, industry and health experts, government officials, national and regional health charities, and trade bodies.

About the Opinium survey

To support this research, Opinium were commissioned to undertake an online survey. The aim of the survey was to better understand consumer use of and attitudes towards NoLo drinks,

The survey was in the field between the 29th May 2020 and the 4th June 2020. There were two survey samples:

1. A nationally representative sample of 2,003 adults.
2. A sample of 1,010 past and present drinkers of NoLo products.

In this report, survey data is regularly broken down by demographic characteristics such as age and gender. Below we provide sample sizes for these subgroups.

Sample sizes of sub-groups within Opinium survey

		Nationally representative survey	Sample of past/current NoLo drinkers
	Total	**2003**	**1010**
Gender	Male	978	550
	Female	1025	459
Age	18-34	562	321
	35-54	671	384
	55+	770	304
Social Grade	ABC1	1094	773
	C2DE	909	237
Child age	Children aged under 18	632	381
	Childred aged 18+	753	309
	No children	703	370
NoLo consumption	Drinkers of No/Lo alcohol alternatives (past and present)	924	1010
	Current drinkers of No/Lo alcohol alternatives (have drank these within last 12 months)	541	614
	Past drinkers of No/Lo alcohol alternatives (more than 12 months ago)	587	600
	Non-drinkers of No/Lo alcohol alternatives	1079	0
Level of alcohol consumption	Light drinkers (drink once a week or less, and have 2 or less units when drinking	383	188
	Heavy drinkers (drink 5 or more days a week, and 5 or more units when drinking)	102	60
	Net: Drinkers	1547	885
	Net: Non- drinkers	456	125

About the discourse analysis

Below are two tables that list the sources on which the discourse analysis in Chapter 4 of this report is based. The first lists the written materials used. The second lists the audio-visual materials used.

Publication	Title of the article	Year published
Mainstream Media		
BBC	"'Nolo beer' sales rocket thanks to young teetotallers" "The challenges facing the alcohol industry in catering for Generation Z"	2020 2019
Daily Mail	"Is low-alcohol beer now as good as the real thing?" "How to sink a skinful... and not get sozzled: Low-alcohol drinks are booming - but will the new vintage just leave you craving the real thing?"	2020 2019
Guardian	"Young drinkers' thirst for no and low-alcohol beer sets new trend" "UK brewers invest in low-alcohol drinks trend" "Diageo buys majority stake in non-alcoholic spirit Seedlip"	2020 2020 2019
Independent	"12 best low and alcohol-free drinks that are as good as the real thing"	2020
Evening Standard	"Health-conscious Britons boost alcohol-free drink sales to record high"	2019
FT	"There's money in moderation: the rise of alcohol-free drinks"	2018
Finance and marketing		
Marketing Week	"Seedlip on its mission to prove no-alcohol 'shouldn't be second best'"	2020
Forbes	"World's First 'Non-Alcoholic Spirit' Bought By Alcohol Giant, Diageo; A 'Game-Changing' Innovation?"	2019
Health		
Healthline	"What's the Deal with 'Zero Alcohol' Beer — Is It Sober-Friendly?"	2019
Trade		
Beverage Wholesaler	"Interview: Why Diageo Invested in No-ABV Alcohol"	2020
Decanter	"Rising trend: Low alcohol and alcohol free wine"	2020
Drinks Retailing News	"Low and no-alcohol beer predicted to grow 6% a year" "Low and no-alcohol looks to be a star category of the future"	2020 2020

Just-drinks Magazine	"Non-alcoholic spirits to more than double over the next five years in the UK – Global Data" "Curiously sober: the rise of the non-alcoholic drinks sector"	2020 2019
Light drinks	"How Much Is The Alcohol Free/Non Alcoholic Industry Worth?"	2020
The Spirits Business	"Diageo eyes 'real growth opportunity' in no-ABV sector" "The impact of low- and no-alcohol on spirits"	2020 2019
Morning Advertiser	"The boom of alcohol-free is a sticking trend"	2019
The Drinks Business	"5 low and no-alcohol drinks trends to watch in 2020"	2019
Harpers	"Diageo identifies low and no alcohol as number one trend for 2019"	2018
Other		
The Grocer	"Brits' alcohol intake almost cut in half despite in-store sales surge" "If anyone can make an alcohol-free bar work, BrewDog can" "Carlsberg adds new alcohol-free Carlsberg Nordic lager" "Hawkes claims London first with 0.5% abv cider launch" "Dalston's Soda launches pair of alcohol-free 'gin & tonic' RTDs"	2020 2020 2020 2020 2019
Luxury Bed & Breakfast Magazine	"Alcohol-free drinks herald new on-trade profit stream"	2019

Platform	Creator	Title	Year
Audio visual sources (Chapter 4)			
Daily Mail	Heineken	"James Bond does dry January for alcohol-free Heineken advert"	2020
YouTube	Seedlip Drinks	"Seedlip Social - Pearl - The Doesn't Drinker"	2020
YouTube	Seedlip Drinks	"Seedlip Social - Lloyd - The Can't Drinker"	2020
YouTube	Seedlip Drinks	"Seedlip Social - Miguel - The Balanced Drinker"	2020
YouTube	Seedlip Drinks	"The Story of Seedlip: Grove 42"	2020
YouTube	The Craft Beer Channel	"Can Brewdog's alcohol free beers pass our blind taste test?"	2020
YouTube	Carlton Zero	"Carlton Zero - Smart Drinking"	2019

YouTube	Financial Times	"Are non-alcoholic beers ready to challenge the real thing?"	2019
YouTube	Konsciously Kerri	"Alcohol free drinks review"	2019
YouTube	The Humble Bartender	"Most delicious non-alcoholic drink EVER?! Seedlip Review"	2019
YouTube	Heineken	"Heineken 0.0 - Now You Can - Parking"	2018
YouTube	Omnom Magazine	"Seedlip Drinks: Distilled from a green and pleasant land"	2018
YouTube	Ebiquity Global Insight	"Bavaria 0.0% - Charlie Sheen Advert"	2012

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