New Production Innovation: Uncovering the Consumption Drivers and Barriers of the Emerging 'NoLo' Drinks Category - A Qualitative Study in French-Speaking Belgium

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ABSTRACT

Esta tese analisa a indústria de bebidas não alcoólicas (NoLo) na Bélgica francófona. Inicia com uma análise do setor, seguida pela questão: quais fatores influenciam a escolha dos consumidores por NoLo e quais são os obstáculos? Duas questões de pesquisa fundamentais são exploradas: as motivações para escolher bebidas que imitam o álcool e os desafios ao consumo de NoLo. Após uma revisão detalhada da literatura e formulação de hipóteses, 22 entrevistas aprofundadas investigaram diferenças geracionais, motivações de saúde, influências sociais e laços culturais no consumo de NoLo.

A análise temática revela uma divisão geracional: jovens atraídos pelas NoLo por saúde, enquanto gerações mais velhas se mantêm às bebidas tradicionais por conexões culturais e históricas. O estudo identifica que a saúde impulsiona o consumo de NoLo entre os jovens, mas o orgulho cultural pode ser uma barreira à aceitação de NoLo.

Os resultados apontam para a necessidade de mais pesquisas para entender a complexidade do consumo de NoLo, levando em conta fatores geracionais, de saúde e culturais. Eles realçam a importância de estratégias de marketing adaptadas para os stakeholders da indústria frente aos padrões de consumo em evolução.

This thesis presents a comprehensive analysis of the no and low alcoholic (NoLo) beverage industry within the French-speaking regions of Belgium. It first establishes a foundation with an industry analysis before articulating the problem statement: ***What drives consumer choice for NoLo beverages, and what are the barriers***? Guided by this, two pivotal research questions are posed: one explores the motivations for choosing alcohol-free drinks that mimic alcohol and the other delves into the obstacles to NoLo's consumption. Based on a detailed literature review, hypotheses were formulated to guide the investigation. Subsequent to this groundwork, qualitative research was held, where the study employed 22 in-depth interviews to probe generational differences, health motivations, social influences, and cultural ties, particularly focusing on how these factors shape the acceptance and consumption of NoLo beverages.

The thematic analysis reveals a generational divide: younger consumers are increasingly drawn to NoLo options for health reasons, while older generations remain attached to traditional alcoholic beverages due to strong cultural and historical connections. This study finds that health and wellness drive NoLo consumption among the youth, but cultural pride in Belgium's brewing heritage may act as a barrier to NoLo acceptance for some.

The findings suggest a need for further research to fully understand the intricate dynamics of NoLo consumption, considering generational, health, and cultural factors. They contribute to the broader discourse on NoLo market dynamics, emphasizing the need for industry stakeholders to develop nuanced marketing strategies in response to these evolving consumer patterns.

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Key words*: Non-alcoholic beverages, Consumer behavior, NoLo market dynamics, Health motivations, Sober curiosity, Dry January, Alcohol-free, Non-alcoholic Spirits, No/low alcohol, Social influences, Cultural ties, Generational differences, Beverage industry analysis, Belgium, Consumption patterns, Traditional alcoholic beverages, Market strategy, Qualitative research, Thematic analysis*

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- *Live Free Spirit*

Nastasya

1. INTRODUCTION

In recent years, global drinking trends have notably shifted, with a growing emphasis on health and mindfulness shaping consumption habits (IWSR, 2023). This trend shows the expanding market for alternatives to traditional alcoholic beverages, as consumers seek products that align with a more health-conscious, intentional lifestyle (Bartram et al., 2018). Despite the growing consumer interest, the academic exploration into No and Low alcohol products is surprisingly limited. Anderson et al. (2021) highlighted this research gap, identifying a significant lack of literature, particularly concerning the production, consumption and political environmental impacts of these beverages. This deficiency in scholarly attention suggests a critical area awaiting in-depth investigation to inform policy and consumption guidelines.

Motivated by this gap, this paper explores the rise of the No and Low Alcoholic sector, inspired by insights gathered during an internship at a leading beverage company. A recurring inquiry seemed to be evident among industry professionals: "**What drives consumer choice regarding non-alcoholic beverages such as beers, wines and spirits, and what are the barriers ?**" Especially in regions like French-speaking Belgium where such new innovative category seems to grow in popularity. However, No and Low alcoholic alternatives are not "new", noting the first dedicated non-alcoholic beer brand saw the day in the 1970s, with Clausthaler in Germany and Ambar in Spain pioneering this trend (Jones, 2023). But the industry's experienced a real evolution since 2015, when Seedlip introduced the first non-alcoholic Spirit, catalyzing growth in the non-alcoholic category (Distill Ventures, 2023).

This paper seeks to unravel the complexities behind this sector's growth, hypothesizing that health trends, societal, cultural, and economic elements play a role in the motivations and barriers to consume such new types of drinks. For industry stakeholders, grasping these nuances is vital for market navigation and futureproofing in a constantly evolving landscape.

This research intends to bridge this knowledge gap, offering an exhaustive analysis of the driving forces, obstacles, and prospects within this niche market. The goal is to furnish readers with a thorough understanding of a market segment poised for substantial growth, underscoring its relevance to a host of industry and public health stakeholders.

2. THEORETICAL DISCUSSION

2.1. Industry Analysis

2.1.1. General Information

In recent years, a significant evolution has been observed in global drinking habits (IWSR, 2023). With a heightened focus on well-being, there is a growing trend of individuals adopting more mindful and responsible alcohol consumption practices (Bartram et al., 2018).

Numerous studies have reported both immediate and long-term harmful effects of alcohol consumption. As a result, awareness about the health risks associated with alcohol has grown and there has been a greater emphasis on beverages that promote health preservation and improvement (Okaru and Lachenmeier, 2022). Observing the variety of beverages currently available reveals an increasing presence of alternative options to traditional alcoholic drinks (Riols-Huste, 2023). This might also be due to the fact that wider shifts in drinking rates have been noticed and especially a decline among the youth drinking these last 20 years (Pape et al. 2018). Customers are actively welcoming alcohol-free versions, including beers, spirits, and ready-to-drink beverages (RTD), desiring more diversity, new experiences, and products aligning with their dynamic ways of life (Distill Ventures, 2023). This is possibly explained by this rising health awareness, wellness desires of customers and deliberate drinking choices of consumers becoming prioritized (Nicholls, 2022).

2.1.2. Terminology, innovation, and legal considerations

Given the constraints of the length of this thesis and the specific focus on Belgium and therefore European Union legal framework, this research will primarily explore the context and regulatory environment of the EU. This delimitation is necessary to maintain a manageable scope and ensure a thorough analysis within the defined parameters of the thesis.

2.1.2.1. Terminology

There has been a noticeable increase in the demand for low-alcohol and alcohol-free beverages such as beer, wine, spirits, and cocktails recently (Hagemann et al. 2017). "The NoLo Category" came into existence and became a growing market, expanding fast. But what is behind this terminology "No Lo" ? Deriving from 'No alcohol' and 'Low alcohol', 'alcohol-free' is as well used. People might be misconducted and think it is all about soft drinks like Coca-Cola, aromatized waters, or fruit juices. There is a whole misconception about what it is and it might appear unclear (Nicholls, 2022).

To precisely delineate the scope of this paper, it is important to define "NoLo drinks," and underscore their distinction from carbonated drinks. NoLo's are types of "alcoholic beverages" and belong to the broaden alcohol category (IWSR, 2023) ; it encompasses a variety of drinks, including beer, spirits, wine, and cocktails, that traditionally include ethanol but are crafted to either eliminate or substantially lower the ethanol content (Okaru and Lachenmeier, 2022). Within the industry, there is a wide variety of terms used to describe these products, with the most frequently encountered labels being "non-alcoholic," "alcohol-free," "zero alcohol," "low-alcohol," "light," and "reduced alcohol" (Okaru and Lachenmeier, 2022). It specifically excludes other types of beverages with little or no alcohol content, such as coffees, teas, fruit juices, and soft drinks (Corfe, 2020).

Several major entities within the alcohol industry have expanded their product lines to include low or no-alcohol variants, often presented with branding that closely resembles their traditional alcoholic counterparts and are increasingly targeted in unique marketing campaigns and promotional efforts (Nicholls, 2022). Extending product lines to include non-alcoholic alternatives is a strategic response to evolving consumer preferences. Heineken, a renowned beer brand, exemplifies this trend by introducing a non-alcoholic beer in 2018 designed to replicate the taste of its original counterpart (Davey, 2022). Similarly, in the spirits sector, gin brands such as Gordon's and Tanqueray have ventured into the market with their alcohol-free versions, maintaining the essence of their signature gins (Gordon's and Tanqueray, 2023). Finally, in the realm of wine, Freixenet has expanded its product offerings with a 0.0% alcohol sparkling wine (Freixenet, 2023), aligning with the broader industry trend of diversifying into non-alcoholic alternatives.

It is important to clarify that when using the terms "NoLo's" or "NoLo beverages" within the context of this thesis, the specific focus is on those categories, distinct from soft drinks, kombucha, or other alcohol alternative beverages.

Heineken beer and its 0.0% alcohol version, Gordon's gin and 0.0% version, Tanqueray gin and 0.0% version, Freixenet sparkling wine and 0.0% version

2.1.2.2. Innovation

This burgeoning category is a perfect example of the dynamic interplay between **innovation** and **tradition** in the beverage industry. Thanks to today's cutting-edge technologies, these enable the creation of astonishing beverages that accurately mimic the characteristics of alcoholic drinks without containing alcohol (IWSR, 2022).

The methods of producing these new category products vary. Most commonly, they are crafted by diluting a category-defined distillate to 1.2% ABV or less. Alternatively, they are produced entirely without alcohol, intended for consumption at moments typically associated with spirit drinking, and are marketed as such (Spirits Europe, 2023).

Nevertheless, a prime example of innovation is the use of reverse osmosis filtration technology, which separates alcohol and water while preserving essential aromas, colors, and turbidity. Additionally, the collaboration between small and large breweries for alcohol extraction, along with the development by yeast producers of strains that produce low amounts of ethanol, represent significant strides in NoLo beer production. These innovations, coupled with the introduction of stimulants that provide the sensory pleasure of alcohol without intoxication, underscore the revolutionary nature of this rapidly evolving category (Amplyfi, 2023). But it is not only about beers, the recent surge in product launches within Europe's spirit drinks sector demonstrates its capacity for innovation and its responsiveness to evolving consumer demands, broadening the network of product choices (Spirits Europe, 2023). (see appendix 1.)

2.1.2.3. *Legal requirements*

The terms "alcoholic beverage," "low-alcoholic beverage" (LAB), and "non-alcoholic beverage" (NAB) are defined differently across countries due to diverse regulatory standards (WHO, 2023). However, the EU tried to harmonize it under its 1169/2011 Regulation, which addresses the communication of food information to consumers; a drink is ***designated*** [1] as an "alcoholic beverage" if it has an "alcoholic strength by volume" of over 1.2% vol. However, within the European Union, there is no clear regulation that *specifically categorizes beverages* with an alcohol content below this threshold (Davey, 2023 ; Okaru and Lachenmeier, 2022) (For more information see appendix 2). Therefore, presently, there is no specific definition for "alcoholic beverage" within EU legislation nor a formal legal definition for "low/no alcohol" beverages, (WHO, 2023). Specifically for its internal regulatory needs, the Union Customs Code identifies a "non-alcoholic beverage" as one with an "alcoholic strength by volume" (ABV) of no more than 0.5%. In contrast, a beverage is ***considered*** [2] "alcoholic" if its ABV exceeds 0.5% (Gentile et al., 2022).

This limit might stem from the permissible alcohol content in other fermented products like fruit juices, bread, vinegar, or kefir, reflecting the tolerance for alcohol levels in these foods. Additionally, the choice of this limit could be linked to the technological capabilities of the 1970s when the initial versions of alcohol-free beer, typically containing around 0.4% vol., were created. Hence, setting the threshold at 0.5% vol. may have been a practical decision. Another possible reason for this limit is related to toxicological or biochemical factors; it is argued that an alcohol volume below 0.5% is unlikely to induce psychoactive effects or raise blood alcohol concentrations to levels that would impair one's ability to drive, even after considerable consumption. Consequently, such a low alcohol concentration is regarded as a de facto safe amount (Okaru and Lachenmeier, 2022).

Turning our focus to the topic of labeling, it is important to understand its nuances in the context of NoLo beverages. The existing regulatory framework, with its lack of clarity, poses difficulties for everyone involved - from brewers and retailers to consumers. These challenges and their implications in the industry will now be elaborated (Corfe et al. 2020).

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[1] "**Designated**" refers to something being officially named or classified in a certain way based on specific criteria or standards. It implies a formal and deliberate act of labeling or categorizing; marketing purposes (formal legal definition under EU regulation).

[2] "**Considered**" suggests a more informal or subjective assessment. It means that something is regarded or viewed in a particular way, often based on perception, opinion, or prevailing norms, rather than strict formal classification (informal or practical classification used for internal regulatory purposes).

2.1.2.4. Labeling

In the context of the EU legal framework, it is crucial to acknowledge the restrictions that can be found particularly in Regulation (EU) 2019/787, on labeling non-alcoholic beverages that mimic traditional alcoholic beverages. These marketing concerns are especially for non-alcoholic Spirits (Gentile et al., 2022). To illustrate why certain designations are not permitted on labels, the example of gin will be used. Terms like "Non-alcoholic Gin" on labels are not permissible within the EU for various reasons[3] :

- Minimum Alcohol Content: "Gin" as a legal category must have a minimum alcoholic strength. Since non-alcoholic versions do not meet this criterion, they cannot legally use the term "gin" in their labeling.

- Product Category Definitions: Each spirit drink, including gin, has a specific definition that includes production methods, ingredients, and other characteristics that non-alcoholic versions do not fulfill.

- Geographical Indications (GI) and Category Protection: For spirits that have a GI, the protection is even stricter, specific regulations might be tied to that GI and how it has to be labeled.

- Consumer Protection : The aim is to prevent confusion or misleading consumers. The term "non-alcoholic gin" could imply that the product is gin that has had the alcohol removed, which is not the case.

- Integrity of the Spirit Category : Using traditional names for products that do not meet the established criteria could dilute the quality and tradition that these names imply.

Therefore, producers of non-alcoholic versions of spirits must find alternative ways to describe and market their products that do not involve using protected terms such as "Gin, Whisky, Rum, Vodka." (Gentile et al., 2023). They might use terms like "gin-flavoured drink" or "non-alcoholic distilled spirit" provided these do not infringe on the legal definitions or mislead consumers (Riols-Huste, 2023).

[3] Source : Regulation (EU) 2019/787.

2.2. Market dynamics

2.2.1. Demographic and consumption patterns

Industry reports indicate that the growth of the category is influenced by a younger demographic of consumers who express a preference for lower-calories and non-alcoholic alternatives (WHO, 2023).

IWSR (2022), the International Wine & Spirit Research, considered as the leading source of data and analysis on the global beverage alcohol market, released an executive summary of a strategic study (focused on 10 countries which represent more than 75% of the global NoLo consumption) about the No/Low-Alcohol industry that highlighted the dynamic landscape of consumer preferences. It came out that 78% of NoLo consumers also engage in traditional alcohol consumption. Substituters, who alternate between alcoholic and NoLo beverages depending on the occasion, represent the largest segment, being twice the size of other groups. Notably, Millennials constitute the largest age group within this consumer base, reflecting a generational shift in drinking habits. Riols-Huste (2023) confirmed that individuals who have recently transitioned to non-alcoholic beverages tend to consume them more regularly as a lifestyle choice rather than out of necessity.

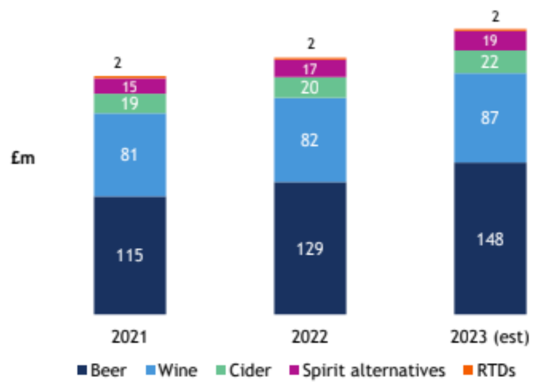
Indeed, this sector is undergoing significant changes, largely influenced by **Millennials**[4] and **Gen Z**[5]. These younger demographics, particularly Millennials, are becoming key consumers in major markets like Australia and the U.S. Their unique consumption pattern, characterized by *blending* traditional alcoholic drinks and NoLo options, demonstrates a versatile and evolving approach to beverage consumption. The appended graphs (see appendix 3.) indicate that older demographics, specifically, **Gen X**[6] and **Boomers**[7] in Japan, increasingly embrace NoLo beverages, contradicting typical age-related preferences. In contrast, France's well-established no-alcohol market shows fewer new trial users, suggesting a consumer base already familiar with and preferring these alternatives (IWSR 2022). This data points to a generational shift in the global NoLo industry, with a broadening of preferences and a rising interest among older consumers, signalling ongoing growth and change in the market.

[4] Born between 1981 and 1996.
[5] Born from 1997 to 2012.
[6] Common range used is from around 1965 to 1980.
[7] Born between 1946 and 1964, following World War II.

The study also analyzed the emergence of distinct segments (see appendix 4.). **Abstainers** completely avoiding alcohol, **Substituters**, the largest group, are flexible, choosing NoLo beverages for specific occasions and traditional alcoholic drinks for others. **Blenders**, seamlessly switching between both types of consumption during the same occasion. Lastly, **Trialers**, primarily consumers of full-strength alcoholic beverages, occasionally exploring the realm of NoLo options. These diverse consumer categories contribute to the intricate landscape of preferences within the NoLo market (IWSR, 2022) .

In addition, a quantitative study across 12 markets surveyed 1,000 consumers per market, focusing on the entire non-alcoholic spectrum (spirits, aperitifs, RTDs, champagne, wine) was also done by Pernod Ricard revealed Riols-Huste (2023). The findings showed a significant opportunity to tap into all generational segments, though millennials are currently the primary consumers, driving the trend. They seek wellness and the being able to fulfil responsibilities the next day. Riols-Huste shared interesting data, explaining that despite the popularity of NoLo drinks among those who also consume alcohol (40%), the absence of non-alcoholic options would lead 42% of these consumers to opt for beverages like Coca-Cola or Pepsi, 33% for water, and 32% for alcoholic drinks. The data indicates minimal cannibalization and suggests incremental volume growth.

Suzie Goldspink (2022), Head of NoLo IWSR Drinks Market Analysis, stated that No-alcohol products are predominant over Low-alcohol alternatives in various markets. This might be attributed to enhanced taste, advanced production methods, and a broader range of consumption occasions. Leading NoLo markets globally included Germany, Japan, Spain, the US, and the UK (see appendix 5 and 6). The growth being different and influenced by the varying stages of market maturity (Westwick-Farrow Media, 2023 ; IWSR, 2022). In IWSR January press release (2022), the following pieces of information were detailed; beer and cider dominate, comprising 75% of the NoLo market. For the period from 2021 to 2025, non-alcoholic beer is expected to grow at over +11% CAGR (Compounded Annual Growth rate). Meanwhile, alcohol-free RTDs and Spirits are projected to grow at around +14% CAGR. In contrast, low-alcohol wine, preferred for its taste, is anticipated to see a nearly +20% CAGR, outpacing the +9% CAGR for non-alcoholic wine.



Source: Based on Circana/Mintel

Furthermore, Non-alcoholic Spirits have been considered as the most dynamic category in "Spirits" and developing through Premiumisation (IWSR, 2023). Riols-Huste (2023) stated that the Non-alc Spirits market is still a tiny part of the industry and remains small, accounting for **0,08% of** in value. This explains why any growth seems substantial in this category and encouraging. However, she recalls it is essential to maintain perspective considering the current scale. The excitement comes from its potential but has to be seen if the robust growth continues over time.

VALUE

	Retail Value 2021	Retail Value 2022	%Chg Value 2021 to 2022	Market Share Val 2022
No-Alcohol Beer	*6 064 259,76 €*	*7 056 278,84 €*	*16,4%*	*1,7% of beer*
No-Alcohol Wine	*592 274,86 €*	*663 818,74 €*	*12,1%*	*0,4% of wine*
No-Alcohol Spirits	*266 653,33 €*	*353 269,06 €*	*32,5%*	*0,08% of spirits*

VOLUME

	Volume 2021	Volume 2022	%Chg Volumes 2021 to 2022	Market Share Vol 2022
No-Alcohol Beer	*2 843 854,0*	*3 068 041,0*	*7,9%*	*1,7% of beer*
No-Alcohol Wine	*82 761,7*	*90 098,6*	*8,4%*	*0,4% of wine*
No-Alcohol Spirits	*12 279,5*	*15 053,0*	*22,6%*	*0,07% of spirits*

Source: IWSR, 2023 industry datas

2.2.2. Origins and opportunity for growth

As said before, these recent years, there has been a noticeable growth in the popularity of NoLo beverages, new to the world drink category (Corfe et al. 2020). In 2021, NoLo's saw a remarkable 6% volume growth in key global markets (Australia, Brazil, Canada, France, Germany, Japan, South Africa, Spain, the United Kingdom, and the United States), capturing a 3.5% share of the global alcohol market (IWSR, 2022).

Moreover, in 2022, the market value of NoLo alcohol products exceeded $11 billion, marking a significant increase from $8 billion in 2018 (Westwick-Farrow Media, 2023). This reflects and confirms once again a shift in consumer behaviour, with a growing preference for healthier lifestyle choices and an expanding range of non-alcoholic options (IWSR, 2023). Projections suggest that NoLo's volume share is set to grow by 8% from 2021 to 2025, in contrast to a 0.7%

growth expected for regular alcoholic products during the same period (IWSR, 2022; Feilden, 2022).

Cécile Riols-Huste (2023) (appendix 7.) , Consumer Insights Manager at Pernod Ricard for the NoLo department observed the trend starting small with non-alcoholic beers and has been accelerating over recent years. In her opinion, there is an increasing consumer enthusiasm partly because the taste profiles have significantly improved across this new alternative drink category. When looking at the industry dynamism, it seems the category of non-alcoholic beers is still expanding, attracting more consumers, Riols-Huste thinks it makes sense because technologically, non-alcoholic beers, had a head start. Indeed, innovation in brewing techniques has significantly improved the taste and variety of non-alcoholic beers. Notable brewers such as Anheuser-Busch and Molson Coors have been instrumental in this development, introducing products like the fruit-flavoured non-alcoholic Hoegaarden and the low-calorie, low-carbohydrate Coors Edge, respectively (IWSR, 2023). However, when looking at non-alcoholic Spirits, it is quite nascent and Riols-Huste (2023) is convinced that it still has to evolve. The recent tastings she has been part of, indicate that there is much work to be done industry-wide, not just by Pernod Ricard. The process is complex and time-consuming. Actually, it is more precisely due to non-alcoholic Spirits that this new category started burgeoning and witnessed a meteoric rise (Distill Ventures, 2023). The free alcoholic Spirits saw the day in 2015 with Seedlip pioneering the initial wave (Seedlip, 2023).

2.3. Problem Statement and Research questions

During an internship in the NoLo department of a famous worldwide beverage firm, a question seemed to come back constantly among the experts of the firms: “**What are the main motivations and barriers regarding the consumption of NoLo beverages?”.** This was also raised by Anderson et al. (2021) where in his paper he concluded that other research had to be conducted; among those, focus on Perceptions and Preferences at the individual level, what drives the purchase and consumption of NoLo products, including drinking occasion, location, taste, health, and well-being concerns.

Therefore, this paper seeks to **delve deeper into the driving forces and obstacles of NoLo consumption**, following the exploration of the diverse consumer behaviour in the no/low-alcohol (NoLo) market. While understanding the distinct preferences of Abstainers, Substituters, Blenders, and Trialers lays the groundwork, this inquiry goes further to **examine whether the surge in NoLo consumption is solely a reflection of the global health-conscious trend or if the consumption is also deeply influenced by underlying societal, cultural, and economic factors**.

This analysis is not just crucial for comprehending market dynamics; it is pivotal for stakeholders who aim to not only penetrate but also stay ahead in an industry undergoing rapid transformation. The paper will explore these aspects through research questions and hypotheses, aiming to unravel the complex interplay of factors shaping this market. Beyond producers and distributors, this shift impacts bars, restaurants, advertisers, and even social event planners. It has ramifications for public health campaigns and speaks to broader cultural changes in how leisure and relaxation are perceived in contemporary society. While much is known about the alcohol industry's general trends, the NoLo segment, particularly in specific regions like French-speaking Belgium, remains less explored. This thesis dives into this subject, shedding light on the factors fueling its growth, the challenges it faces, and the potential it holds.

Before focusing on a further exploration of the French-speaking Belgian market, **Research Question 1** probes into the **driving forces** behind consumers' preference for alcohol-free drinks over traditional alcoholic beverages. Conversely, **Research Question 2** delves into the primary **barriers** or **concerns** that consumers may encounter when considering NoLo's. These questions lay the groundwork for a comprehensive understanding of the dynamics governing the consumption of the NoLo category.

Intrinsically these two research questions are broadened by **how external factors**, contribute to shaping both **motivations and barriers** in the context of NoLo consumption. By scrutinizing these aspects, the aim is to provide nuanced insights into the intricate interplay between consumer choices, external influences, and the evolving landscape of these beverage preferences.

2.4. Literature

In the investigation of these innovative products, literature dedicated to their nuances remains relatively scarce, especially when it comes to NoLo Spirits. However, the dynamics of marketing strategies and consumer perceptions have been prominently addressed in studies conducted by Vasiljevic et al. (2018) and Corfe et al. (2020). Vasiljevic et al. (2018) laid the baseline for understanding the positioning of NoLo drinks within the beverage market. Their research emphasizes that these products are not typically marketed as direct substitutes for alcoholic beverages, but they occupy a distinct space, seen as an additional choice within the broader drinking culture.

In 2016, Rehm et al. was highlighting the lack of information about the NoLo market, especially the consequences of its expansion and the implications for public health. Still in 2021, research to date is limited. Anderson et al. (2021), a researcher who decided to undertake a scoping review with systematic searches of publications between 2010 and 2021 covering production, consumption, and policy drivers related to NoLo products, concluded that the existing literature on such products is notably sparse. This makes it challenging to draw definitive conclusions about its consumption.

This gap in scholarly research underscores an area that remains largely uncharted and misunderstood, calling for more rigorous studies to shed light on the nuances of these alternative beverages. The scarcity of data and comparative studies contribute to a fragmented understanding, impeding the ability to make informed policies or consumption recommendations. While some previous studies, data and information were found for non-alcoholic beers and wines, no proper research was found on alcohol-free or low-alcohol spirits (Anderson et al., 2021). This was confirmed by Shaw et al. (2023), asserting that, despite the expansion of the NoLo category, scholarly investigations into NoLo perceptions, encompassing both barriers and triggers for consumption, lack a solid theoretical foundation in academic literature. Current research has primarily centered on the factors leading to the consumption of wines with lower alcohol content, rather than delving into the dynamics of completely non-alcoholic options. Nicholls (2022) also affirmed that additional studies are necessary to examine the methods of marketing and consumption patterns of NoLo products across various international landscapes.

2.4.1. The Rise of NoLo Alternatives and Mindful Drinking

A broader societal shift toward conscious and considered choices in alcohol consumption has been noted through the analysis of literature and is reflected in the growing recognition of NoLo alternatives within diverse consumer groups. Even individuals who regularly consume alcohol have shown a keen interest in NoLo drinks as a strategy for moderating their alcohol intake or adopting a more "mindful" drinking approach (Tolvi, 2017). This comes in line with the emergence of new communities that actively celebrate abstinence and endorse mindful drinking as a positive lifestyle choice, as noted by Davey (2021).

In her 2023 article, Nicholls addresses the pivotal role played by NoLo products in shaping the construction of a future-oriented, responsible, and enterprising consumer self. The analysis reveals that both drinkers and non-drinkers of alcohol use NoLo’s for health-related motivations, aligning with the broader objective of constructing identities that emphasize future focus and productivity. The adoption of NoLo products for health reasons is intricately linked to more expansive processes of self-development. Individuals articulate that incorporating NoLos into their lifestyle contributes to 'being a better version of oneself'.

Furthermore, NoLo’s consumption is perceived to offer enduring benefits, particularly in terms of both physical and mental health, especially when integrated into a more 'moderate' overall relationship with alcohol. This nuanced approach reflects a strategic consideration of health and well-being, where the adoption of NoLo products is viewed as a conscious choice aligned with a broader pursuit of personal growth and holistic health (Nicholls, 2023).

A subgroup of consumers engaging with NoLo products are individuals with a keen interest in sports, as they actively seek alternatives that are low in calories and sugar (Davey, 2022). This finding aligns with the observations made by Corfe et al. (2020), who note that NoLo products are often consumed in situations where alcohol may be deemed inappropriate, such as before exercising or when pursuing productivity. Also, other individuals who regularly consume alcohol also turn to NoLo products, perceiving them as healthier alternatives, particularly when explicitly informed about their lower sugar content, as emphasized by both Davey (2022) and Nicholls (2022).

This nuanced perspective underscores the multifaceted appeal of NoLo products, catering to diverse consumer preferences ranging from health-conscious athletes seeking low-calorie options to individuals desiring a healthier alternative within the context of alcohol consumption.

Transitioning from the discussion of health-conscious considerations within NoLo consumption, it is notable that while some participants emphasize exclusive NoLo use for securing health advantages, particularly acknowledging heightened awareness of health issues linked to alcohol consumption, others adopt a more flexible approach. Nicholls (2022) underscores this perspective, pointing out that individuals, especially as they age, increasingly prioritize physical health. In the course of her qualitative study, conducted through interviews, she reveals a prevalent adoption of a hybrid model by many individuals for health reasons. This approach strategically enables individuals to establish boundaries around their alcohol consumption. Several participants described a pattern of alternating between traditional alcoholic beverages and NoLo options throughout a typical week. Notably, strategies include consuming alcohol during the weekend while opting for NoLo's on weeknights or choosing alcoholic beverages in pubs but NoLo's at home. This nuanced approach allows individuals to effectively tailor their overall weekly alcohol intake to specific contexts, showcasing a diversified and intentional approach to alcohol consumption.

Conversely, this trend could also lead to heightened consumption due to individual self-empowerment. People might actively choose to enjoy lower-strength beverages more, motivated by the perception that they are adopting a healthier lifestyle (Shemilt, et al., 2017).

2.4.2. Temporary Abstinence Initiatives

A sober curious movement has grown over the last decade and recently gained prominence through social media influencers, promoting moderate or non-drinking as a desirable lifestyle. Mostly led by women and young adults, it advocates for 'mindful drinking' and challenges the norm of alcohol being central to social settings. Sober curiosity explores enjoying social situations without alcohol, offering an alternative to the traditional drinking culture (Lunnay et al., 2022). The practice of 'moderate' drinking may be complemented by engagement in **Temporary Abstinence Initiatives**, such as 'dry months' (Bartram et al., 2018) where people are challenged to give up alcohol for one month (de Visser and Nicholls, 2020). Indeed, these are becoming more popular and well-kown nowadays (de Visser et al., (2017).

In these initiatives, participants are encouraged to introspect on their relationship with alcohol and demonstrate their capacity to abstain. January appears to be a pivotal period when individuals embark on 'Dry January' (Davey, 2022). Considered as an effective form of health promotion campaign like other initiatives; Febfast, Sober October or Ocsober, those encourage participants to commit to a temporary period of abstinence from alcohol and reduce their consumption (Bartram et al., 2018).

Nicoholls (2023) concluded through marketing posts promoting NoLo beverages that they are observed as being a valuable tool to assist consumers in navigating short-term periods of abstinence, Dry January included. The promotional content underscores the temporary nature of NoLo consumption, explicitly positioning these beverages as aids to make the 'challenge' of these specific abstinent periods.

In the course of her insightful study at Club Soda's temporary 'alcohol-free off-licence,' Davey (2022) delved into the nuanced dynamics of consumer behaviour surrounding non-alcoholic and low-alcohol beverages. As the exploration unfolded, Davey's keen ethnographic lens uncovered a fascinating pattern of specific driving times significantly influencing the consumption patterns of non-alcoholic Spirits. The revelation emerged as Davey observed distinct temporal tendencies, wherein individuals exhibited a notable inclination towards non-alcoholic alternatives during certain driving times.

Furthermore, Cécile Riols-Huste, (2023), underscores the significance of Dry January as a pivotal moment. She emphasizes the implementation of special activations during this period, highlighting the spotlight on alcohol-free spirits at various alcohol retailers. The compelling figures during this time unmistakably affirm a substantial surge in sales of Non-Alcoholic Spirits. Moreover, she notes that during such months, individuals actively seek alternatives to continue enjoying social moments with peers who are consuming alcoholic beverages.

January is seen as a “key month”. Besides the Dry January movement, there are also New Year resolutions. Davey's research (2022) discerned that this month serves as an opportune juncture for people to forge new routines and instigate enduring behavioural modifications. Notably, several female customers expressed a deliberate choice to abstain from alcohol during this time, with a subset indicating an inclination toward making this abstention a more enduring decision, particularly if they found enjoyment in alcohol-free alternatives. This observation unveils the transformative potential inherent in January as a catalyst for sustained shifts in individuals' attitudes toward alcohol consumption. Actually, in various studies, it has been revealed that heightened confidence resulting from engagement in initiatives like Dry January is associated with reduced alcohol consumption six months later (de Visser et al., 2016).

Pregnancy is also recognized as a critical and driving moment that influences drinking habits, marking a shift toward healthier choices like NoLo beverages. This change, often extending beyond the pregnancy period, represents a significant, sometimes long-term adjustment in a woman's relationship with alcohol and turns into a hybdrid model of consumption. These are findings Nicholls' (2022) discovered through the interviews she carried. Further supporting this observation, Vasiljevic et al. (2019) and Corfe et al. (2020) identified pregnant women as a key demographic for NoLo products.

On another perspective, for many, the consumption of NoLo beverages was portrayed as a temporary measure, with an underlying assumption that 'real' alcohol could be reintroduced shortly. This perspective also entails the preservation of traditional drinking spaces and contexts exclusively for alcohol consumption as exemplified earlier Nicholls (2022).

2.4.3. Pricing and Market Trends of NoLo's

It is noteworthy that there is limited existing literature specifically addressing the issue of the price, indicating the need for further research knowing that the pricing of NoLo beverages presents a compelling divergence of perspectives. By examining on-the-ground feedbacks, particularly within the bar industry, Joshua James, (2023) owner of Ocean Beach Cafe in San Francisco, has provided insightful perspectives. He emphasized positive receptions from consumers towards similar pricing for non-alcoholic cocktails and alcoholic beverages reflecting a favourable dynamic; "*the demographic is entirely inclined to accept a comparable price point. They are genuinely delighted to discover options on the menu, and their inclusion is a source of genuine enthusiasm*."

On the other hand, a report from IWSR (2023) laid down that the pricing dynamics indicate that consumers are reluctant to pay a premium for non-alcoholic or low-alcohol products in comparison to their full-strength counterparts. This underscores the importance of aligning prices with those of traditional alcoholic beverages. This is further nuanced by recent data from Gov.uk (2023), which underscores the price sensitivity in the market. NoLo drinks appear to be highly responsive to price changes, with higher volume purchases occurring when these products are on price promotion. In addition, it confirmed IWSR 2022 report : consumers in the UK, especially heavy drinkers, may perceive the price of alcohol-free drinks as a barrier to consumption, particularly in on-trade venues like bars and restaurants.

This is further supported by the observations made by Riols-Huste (2023) from Pernod Ricard's quantitative research, which suggests that the non-ubiquitous nature of non-alcoholic spirits consumption could be partly due to their perceived high cost. Riols-Huste hypothesizes that as NoLo beverages become more mainstream, their prices might adjust downward, becoming more palatable to the average consumer.

2.4.4. Consumer Perceptions and Experiences

Even though, there is a growing market for NoLo drinks (Corfe et al., 2020). Beyond health motivations, the interest of NoLo beverage consumers extends to the products' fidelity to the taste profile of their alcoholic analogues, the quality and variety offered, as well as the creativity and innovation evident in the current market (Gentile et al., 2023). Indeed, these beverages replicate the taste, appearance, and branding of alcoholic drinks, with numerous prominent alcohol brands now offering NoLo alternatives. While the increased variety in these products is generally welcomed, it also serves as a strategy for the industry to promote new consumption patterns through 'addition marketing'. This involves the promotion of NoLo drinks being consumed alongside alcohol, often in unconventional settings (Miller et al., 2022). Furthermore, this approach allows the industry to enhance its overall brand by leveraging the fact that NoLo products are subject to fewer marketing restrictions compared to their alcoholic counterparts, as pointed out by Purves and Critchlow (2021).

During her research in London, Davey (2022) closely observed consumer tastings and identified a common tendency among customers to directly compare non-alcoholic beverages with their alcoholic counterparts. The perceived lack of strength and warmth, typically associated with ethanol, became a point of contention for some individuals in this demographic. Importantly, the experience of this specific customer segment with NoLo drinks was significantly shaped by how staff introduced these products. The study emphasized the importance of strategic guidance during tastings, highlighting the need to prepare customers for unconventional offerings. Introducing these products without proper guidance often resulted in immediate dismissal if customers sensed a significant deviation from their expectations. Besides, Corsy et al. (2022)

identified a specific challenge with non-alcoholic wines. Consumers often expected these wines to mimic the taste and characteristics of traditional wines, leading to disappointment during tastings when these expectations were not met.

Contrastingly, not all customers of alcohol-free products sought drinks that mimic the taste, smell or appearance of alcohol, this might depend as well if they already have a knowledge of alcohol, culture and religion might play a role (Davey 2022). This was confirmed by Nicholls (2023), some while still embracing alcohol-free options, favored beverages that intentionally avoided replicating the taste, smell, or flavors of alcohol. Those are not seeking the effect alcohol can procure. This preference suggests that the selection of specific products may play a pivotal role in shaping individuals' experiences with NoLo drinks, particularly for those in recovery, where careful consideration of product attributes may help minimize potential relapse triggers.

Riols-Huste, drawing from her practical experience, validated what the literature had suggested. In an interview, Riols-Huste (2023) acknowledged that the majority of NoLo brands attempt to replicate alcoholic spirits in a non-alcoholic version. However, she highlighted that many consumers seek alcohol for the specific effects it provides. As anticipated, non-alcoholic alternatives do not yield the same effects as ethanol, which is intrinsic to traditional alcoholic beverages. They encompass only the social dimension without replicating the intoxicating effects.

2.4.5. Social Dynamics and the Stigma of Alcohol Consumption

The literature points to a societal shift towards embracing non-alcoholic options and reducing the traditional barriers associated with not drinking alcohol. This shift not only alleviates traditional consumption barriers but also positions NoLo beverages as means to counteract the prevailing **pressure associated with alcohol consumption**. (Riols-Huste, 2023). Numerous studies suggest that individuals are likely to consume more alcohol when in the presence of others who are drinking (Quigley and Collins, 1999). Popova et al. (2022) research shed light on the social dynamics surrounding alcohol consumption, it has traditionally been an integral part of festive occasions, with a societal expectation to partake in drinking during such events. They revealed that in diverse cultures and countries, societal norms and acceptability of drinking alcohol can lead to direct pressure from one's social circle or an internalized sense of obligation to consume alcohol, even during pregnancy.

Research on bipartite interactions indicates that individuals exposed to a heavy-drinking peer tend to consume more alcohol than those exposed to non or light-drinking peers. Larsen et al. (2010) held a study on such interactions and the results suggest that the drinking behaviour of two individuals may synchronize through peer imitation, with one person's drinking contingent on the other's behaviour. This tendency for imitation becomes more pronounced during alcohol consumption, influenced by the social significance attributed to drinking.

Indeed, in Nicholls' (2022) research, a minority of participants acknowledged that engaging in NoLo consumption could provide them with the ability to blend in as drinkers or discreetly maintain their non-drinking status, thus keeping it 'unnoticed' or 'on the down-low.' Notably, one participant from the study even shared a strategy of holding a NoLo bottle in a specific way to 'hide' the label in social settings, creating the illusion of alcohol consumption. Consequently, the author concluded that it is not unexpected for some NoLo consumers to experience a certain level of pressure to conform or 'pass' as drinkers in social situations. Importantly, this behaviour may inadvertently reinforce the prevailing 'cultural myth that an alcohol-type beverage is required for social conformity,' rather than challenging. It is a common pattern to observe peer pressure to consume some alcohol (Studer, 2014).

NoLo drinks might play a significant role in dismantling the social stigma associated with not drinking, offering individuals a more seamless and socially acceptable way to reduce their alcohol intake without drawing attention. This shift is particularly valuable in social settings where abstaining from alcohol might traditionally be perceived as standing out or deviating from the norm (Corfe et al., 2020).

As elucidated by Nicholls (2022) and Riols-Huste (2023), the social acceptability of non-alcoholic alternatives has witnessed an evolution, shifting away from its previous status as a societal taboo. Contemporary social scenarios reflect this shift, exemplified by instances where individuals express a preference for non-alcoholic beverages in social gatherings without encountering the inquisitive scrutiny that was prevalent in preceding years. The IWSR (2023) further underscores this changing norm by emphasizing the diminishing taboo associated with consuming alternatives to alcohol, particularly among the younger demographic. Indeed, there is a notable and uncontested trend in recent times in the reduction in alcohol consumption among younger generations (Keyes et al., 2019). Various indicators corroborate this trend, including delayed initiation of alcohol use, decreased frequency of drinking, a decline in binge drinking, and a substantial proportion choosing to drink minimally or abstain entirely (Burgess et al., 2022).

Therefore, growing social acceptance of non-alcoholic beverages is diminishing traditional consumption barriers, encouraging individuals to freely choose non-alcoholic options in social settings without experiencing stigma or pressure.

2.5. Hypotheses

2.5.1. Research Question 1 Hypotheses

Research Question 1 probes into the **driving forces** behind consumers' preferences for NoLo drinks over traditional alcoholic beverages. However, there is a limited understanding of the factors influencing the demand for NoLo products. Although market research points to increased health consciousness as a notable influence, especially in the rising interest in non-alcoholic beer (Kokole et al., 2022), further qualitative investigations revealed a broader range of influences. These include health and well-being considerations, pricing differences, brand recognition, enhanced taste of products, and a diminishing social stigma attached to the consumption of alcohol-free beverages (Anderson et al., 2022).

- *Hypothesis 1:* **Health concerns** are considered real drivers for consuming NoLo Beverages.
- *Hypothesis 2:* For **productivity reasons,** consumers rather have NoLo beverages than traditional alcoholic drinks.
- *Hypothesis 3:* **Sports enthusiasts** may show a tendency to prefer NoLo beverages over alcoholic ones, as means to **maintain their health and fitness goal**s.
- *Hypothesis 4:* Certain **driving times such as Dry January** significantly increase the consumption of non-alcoholic spirits and shed light on this new beverage category.
- *Hypothesis 5:* **Pregnancy** serves as a **pivotal time** in a woman's life for heightened consumption of NoLo products.

2.5.2. Research Question 2 hypotheses

Research Question 2 constitutes a critical exploration into the **central barriers and concerns** confronting consumers as they contemplate the adoption of NoLo's. A comprehensive review of the existing literature has revealed multifaceted challenges. One prominent obstacle identified is the **economic dimension**, *with price* emerging as a significant factor influencing consumer decisions. Moreover, an intriguing pattern has emerged, shedding light on the psychological aspect of consumer behaviour in this context. It appears that **individuals, seeking a unique experiential element associated with alcohol**, may be hesitant to embrace NoLo alternatives.

- *Hypothesis 6:* **Price** impacts the consumption of NoLo beverages.
- *Hypothesis 7 :* Individuals may **prioritize the effects of alcohol** ; non-alcoholic alternatives partially fulfil this, potentially leading to dissatisfaction due to their emphasis on the social aspect without replicating intoxicating effects.

Building on earlier research questions, the study expanded to examine **how external factors** shape the motives and hurdles associated with NoLo product consumption.

- *Hypothesis 8 :* Drinking a non-alcoholic Spirit / Beer / Wine helps to **fight the social pressure** of drinking alcohol.

3. EMPERICAL APPROACH

In this chapter, we delve into the evolving landscape of NoLo beverages, with a particular focus on French-speaking Belgium. This research employs a qualitative method to dissect the complexities behind consumer preferences and barriers in this lesser-explored market. Rooted in the global trend towards healthier and more mindful drinking choices, this study seeks to uncover the societal, cultural, and economic factors that shape consumer decisions in this rapidly growing segment.

3.1. Methodology

3.1.1. Research Design

3.1.1.1. Research Method

A qualitative approach was used, primarily through **in-depth interviews** and **thematic analysis** was chosen afterwards. This method is pivotal for extracting nuanced insights into consumer motivations and barriers, offering a comprehensive understanding of this dynamic market.

Antwi and Hamza (2015) suggest that when existing literature is insufficient, a qualitative research approach is most suitable. This offers a more accessible form of data gathering compared to quantitative methods (Park and Park, 2016).

Furthermore, this approach can deeply explore subjective experiences and perceptions, which are vital in understanding the complex factors that influence consumer choices (Kohn, 2021). Indeed, "the goal of qualitative research is the development of concepts which help us to understand social phenomena in natural (rather than experimental) settings, giving due emphasis to the meanings, experiences, and views of all the participants." (Mays and Pope, 1995). The nuanced and largely unexplored nature of this market segment lends itself well to a qualitative method, as it allows for the discovery of fresh insights and perspectives not constricted by the predefined frameworks typical of quantitative methods. Additionally, this type of study is suitable for examining social phenomena connected to health (Huston, 1998) and facilitates more effective communication with interviewees.

An essential recognition in qualitative research is the varying capacity of individuals to offer insights. Unlike the random selection of respondents, qualitative methods often involve purposively choosing participants who can provide rich, contextually deep information (Marshall, 1996). This is especially important in this context where participants may not fully understand the NoLo category and could confuse it with other non-alcoholic beverages like soft drinks and juices. By engaging closely with participants, this research aims to gather data and provide clarification and education about the NoLo beverage category, ensuring that responses are informed and relevant to the study's focus.

3.1.1.2. Sampling Method and Data Collection Techniques

The method for collecting data in this research was through in-depth interviews lasting on average one hour, in person or online. In qualitative research, the methodology for selecting participants diverges significantly from the random sampling techniques characteristic of quantitative studies. This divergence is rooted in the intrinsic objectives of qualitative inquiry, which prioritize an in-depth understanding of complex human behaviours and attitudes over general findings. Due to the exploratory nature of such studies, samples tend to be smaller, not to minimize sampling error for representativeness, but to enable a thorough exploration of the phenomena under study (Marshall, 1996).

Herewith, 22 individuals were interviewed, encompassing participants from various age groups, backgrounds, and lifestyles within the French-speaking region of Belgium. To ensure a diverse and representative sample, participants were selected through various Facebook groups across different regions of Belgium. This approach was chosen specifically to avoid limiting the sample to acquaintances or individuals from a narrow geographic area, thereby enhancing the breadth and diversity of the perspectives gathered. In addition, the selection intentionally included individuals with varying levels of exposure to NoLo beverages, aiming to capture a nuanced understanding of preferences, motivations, and barriers across different generations and life stages; ensuring representation from Generation Z, Millennials, Generation X, and Boomers. This strategic diversity in age allows an examination of how attitudes towards NoLo beverages may evolve across generations. To further enrich the qualitative insights, participants were drawn from diverse backgrounds; including professionals, students, and individuals from different cultural and socio-economic contexts. This deliberate variation aims to uncover how diverse lifestyles and backgrounds influence perceptions and attitudes.

The research methodology for this study employed a structured approach to interviews, as detailed in the interview guide (included in the appendix 8.) The survey started with sociodemographic questions, encompassing age, gender, and regional information, before progressing to more targeted questions regarding NoLo beverages. These inquiries spanned topics such as awareness of NoLo products, past consumption experiences, current consumption habits, and preferences for future consumption. The interview guide was meticulously crafted to facilitate interviews lasting between 45 minutes and an hour, thereby enabling comprehensive and in-depth exploration of the subjects at hand.

Finally, the research design incorporates measures to address ethical considerations, including informed consent, confidentiality, and the respectful treatment of participants' data. Additionally, all data collected have been anonymized to ensure the privacy and protection of the participants' identities, further aligning the study with ethical research practices.

3.1.2. Procedure

3.1.2.1. Research Objectives

This study aligns with the broader research objectives, validating or refuting the hypotheses outlined in the preceding section. The ultimate goal is to gain insights into the intricate dynamics of NoLo's consumption in French-speaking Belgium, contributing valuable data to the evolving landscape of this emerging market. Through the interviews data, recurring themes will be uncovered and will allow to confirm or refute the hypotheses.

This **thematic analysis** entails recognising recurrent patterns, which researchers describe as broad statements or themes (Lochmiller, 2021). Braun and Clarke (2006) provide an exceptionally clear definition in the methodological literature, describing that **analysis** as "a method for identifying, analyzing, and reporting patterns (themes) within data". They pointed out that this method of analysis is fundamental to various types of qualitative research and is generally understood as an iterative process.

3.1.2.2. Data Collection

The methodology directly ties to earlier research questions, which led to a thorough literature review and the formulation of eight distinct hypotheses. To address these hypotheses, a structured interview guide with predetermined codes related to each hypothesis was developed. Therefore, the analytical process at hand involves a systematic application of analyses of the interview transcripts, where relevant segments of text are tagged with predefined codes. These codes, in the form of keywords or tags, are pivotal for tracking relevant responses and themes, this initial step is about categorizing and organizing the data.

The gathered insights from participants were compiled into a concise table with the last column displaying the principal predetermined codes identified for each participant, organizing them in a manner that reflects the key themes and observations emerging from each conversation. This approach was adopted to efficiently condense the information, as including the full transcripts of all interviews would be excessively space-consuming.

This process involves the coding of data and the subsequent grouping of these codes[8] into broader themes that reflect the underlying narratives and perspectives shared by participants. This will allow to develop a broad understanding of the data through repeated application of codes and the patterns these codes reveal. While thematic analysis takes into account the frequency of codes in theme development, it must not be viewed as a pure quantitative process. The analyst delves deeper than mere frequencies to grasp the significance and meaning of the data (Braun and Clarke, 2006).

[8] In qualitative research, a code is a construct created by the researcher to attribute interpreted meaning to data for analysis, such as pattern detection, categorization, and theory building. Just like a title summarizes the essence of a book or film, a code in qualitative research encapsulates the core meaning of a piece of data (Saldaña, 2021).

NAME AND AGE	AGE GROUP	NO LO FAMILIARITY	CODES	CONSUMER CATEGORY
Julien, 26	Millenials	Moderately	Social settings, drinking culture	Trialers
Sophie, 34	Millenials	Quite Familiar	Health motivations, wellness and lifestyle	Substituters
Marc, 48	Gen X	Familiar	Customer trends, business adaptation	Substituters
Amélie, 22	Gen Z	Moderately	health motivations, social gatherings	Blenders
Luc, 54	Baby Boomers	Aware	Traditional preferences, intoxication desire	Abstainers
Elena, 28	Millenials	Fairly Familiar	Wellness and lifestyle, social acceptance	Blenders
Maxime, 23	Gen Z	Somewhat new	Tech influence, mental clarity and productivity	Trialers
Clara, 25	Millenials	Impressed	Professional image, health benefits	Substituters
Liam, 27	Millenials	Surprised	Party lifestyle, social lubrication	Trialers
Michèle, 67	Baby Boomers	Recentrly introduced	Health Awareness, community invovlement	Substituters
Bruno, 52	Gen X	Limited	Traditional preferences, skepticism	Trialers
Nadia, 30	Millenials	Increasingly Familiar	Fitness focus, health benefits	Blenders
Emilie, 29	Millenials	Well- acquainted	Health motivations, wellness and lifestyle	Substituters
François, 41	Gen X	Limited	Traditional Lifestyle, Intoxication desire	Trialers
Sabrina, 36	Millenials	Increasingly	Family-focused, Health motivations	Substituters
Benoît, 38	Millenials	Limited	Traditional Lifestyle, Rural Preferences	Trialers
Martine, 50	Gen X	Increasingly Familiar	Business adaptation, Community focus	Substituters

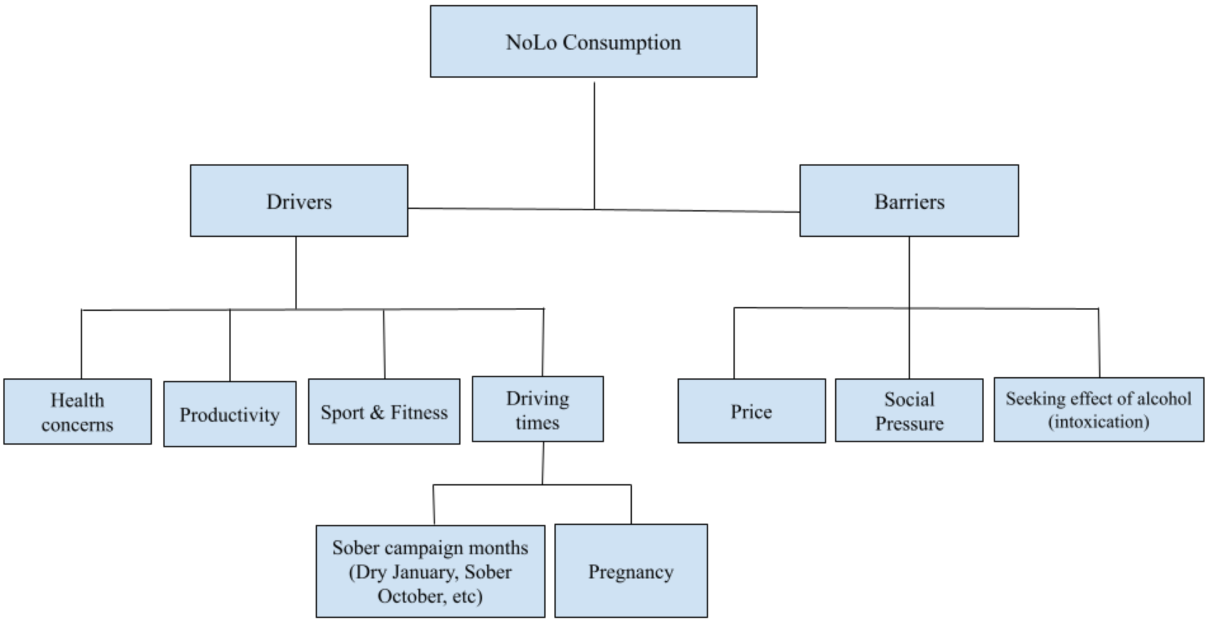
Pierre, 50	Baby Boomers	Very limited	Rural traditions, curiosity	Trialers
Amir, 33	Millenials	Well-acquainted	Religious beliefs, Professional settings	Abstainers
Marion, 25	Millenials	Recently Familiar	Pregnancy, Health motivations	Substituters
Sophie, 25	Millenials	Regularly consuming	Ecological beliefs, pregnancy	Substituters
Lucas, 20	Gen Z	Very limited	Rural traditions, Openness to New experiences	Blenders

In this case, the thematic analysis was conducted as a discreet analytical method, however, it undoubtedly possesses the potential to guide readers towards more advanced analytical techniques (Lochmiller, 2021). It was significant for distilling the nuanced and varied experiences and perceptions of consumers regarding NoLo beverages.

3.1.2.3. Data treatment

This systematic approach adheres to **deductive content analysis**, employed when the analytical structure is based on pre-existing knowledge and is aimed at testing theoretical concepts, as outlined by Elo and Kyngäs (2008). It increases the precision and relevance of data analysis, fostering a coherent and insightful interpretation of the findings.

After the collection of data, a second critical step has to be taken: the comparison and contrast of the data obtained. This involves examining patterns and discrepancies in the participants' discussions of each theme. Such an analysis is pivotal in uncovering the depth and complexity inherent within each theme. When utilizing deductive content analysis, a crucial step can involve the creation of a categorization matrix to systematically code the data. This analysis can either use a structured or more flexible matrix format (see below), tailored to the study's objectives (Elo and Kyngäs, 2008).



3.2. Results and Discussion

In this section, the outcomes from the interviews are examined in light of the pre-established hypotheses. This involves a thorough integration of the findings with the broader existing literature and theoretical frameworks. Such contextualization is key to determining whether the new data supports, expands upon, or contradicts the established body of research.

A critical aspect of this analysis is the interpretation of the data with the research questions, exploring how the themes identified, and their variations, align with or diverge from the initial hypotheses.

3.2.1. Introductory information

In the process of analyzing the collected data from the structured interviews, a pattern of varied responses emerged, highlighting the intricate landscape of NoLo beverage consumption. No less than 64% of the participants were receptive and actually likely to consume NoLo's regularly… Suggesting a significant portion of the sample, either alternating between NoLo and traditional alcoholic beverages or opting for NoLo beverages in certain situations.

The thematic analysis of the 22 in-depth interviews, meticulously coded and aligned with predefined themes, reveals a compelling narrative about the consumption of NoLo beverages, intricately tied to the initial hypotheses. Predominantly, **health concerns**, as hypothesized, emerge as significant drivers for choosing NoLo options, especially among younger demographics. This observation is underscored by frequent references to 'Health Motivations' and 'Wellness and Lifestyle', aligning closely with Hypothesis 1. While **'Productivity'** was less observable as a standalone theme, its undercurrents were evident in discussions about professional settings and mental clarity, partially affirming Hypothesis 2. The alignment with Hypothesis 3 was apparent among fitness enthusiasts, who frequently cited **health and fitness goals** as reasons for not consuming alcohol and preferring NoLo beverages if those were more diverse and present on the market.

In terms of social dynamics, the 'Social Settings' and 'Drinking Culture' codes vividly illustrate the **influence of social environments** on beverage choice, particularly among younger participants, thus supporting Hypothesis 8. The concept of '**Social Acceptance**' of NoLo beverages also aligns with the **increased visibility of NoLo options during specific times**. Interestingly, the theme of **'Pregnancy'** as a pivotal time for heightened NoLo consumption (Hypothesis 5) was distinctly corroborated, notably in narratives from participants like Marion. The data, however, offered less clarity on the impact of **'Price'** (Hypothesis 6), suggesting the need for further exploration in this area. Furthermore, a nuanced perspective emerged regarding the '**Effects of Alcohol**, with some participants indicating a preference for the psychoactive effects of alcohol, lending partial support to Hypothesis 7.

Overall, the interplay between these themes, codes, and hypotheses paints a rich and diverse picture of NoLo beverage consumption. It highlights a clear generational shift towards health-conscious choices, the importance of social factors, and the nuanced preferences of different consumer segments in the evolving landscape of beverage consumption. These findings provide nuanced insights into the motivations and attitudes governing NoLo beverage consumption, reflecting the multifaceted nature of consumer behaviour in this market segment. The analysis also further highlighted the diversity within consumer categories, with ‘Substituters’, ‘Blenders’ and ‘Abstainers’ being more prevalent among younger consumers, participants with a religious background and also pregnant women. This suggests a flexible approach to alcohol consumption. In contrast, ‘Trialers’ were more common among participants with traditional backgrounds, or in specific circumstances.

3.2.2. Discussion and Hypotheses

In the forthcoming section, a scholarly evaluation of the pre-defined hypotheses was done, juxtaposing them with the empirical data acquired from the research interviews. This analytical discourse is aimed at elucidating the congruence between theoretical assumptions and observed realities. Significant themes were revealed through the thematic analysis, 3 themes emerged distinctively; **health and wellness**, **social influence**, and **traditional preferences**.

3.2.2.1. Hypothesis 1

The thematic analysis of the interviews supports the hypothesis that **health concerns are pivotal drivers** in the consumption of NoLo beverages. This aligns with the broader societal trend observed in the literature, where conscious choices in alcohol consumption are increasingly prevalent (Davey, 2021). The interviews particularly underscore this theme among younger demographics, who frequently cite health motivations, including dietary restrictions and a general pursuit of wellness, as key factors influencing their preference for NoLo options. Millennials and Generation Z participants displayed a pronounced inclination towards health motivations and wellness lifestyles in their beverage selections. This, underscores a generational shift in consumer behaviour and reflects a paradigm shift. Amélie, 22, remarks, "*While I appreciate our brewing traditions, today my focus is more on beverages that align with my health and fitness goals*." The interviews also reveal a pattern of flexible consumption, supporting Nicholls' (2022) findings. Participants describe a hybrid model of alternating between traditional alcoholic beverages and NoLo options, tailored to specific contexts such as weekdays versus weekends or public versus home settings. Amir, a 33-year-old IT consultant said that " *incorporating NoLo beverages into my lifestyle is part of a larger shift towards more mindful consumption. It's not about abstinence during the week; it's about making informed, health-positive choices, having a balance life where I have the power on my consumption*."

The analysis also touches upon the broader implications of this shift towards NoLo beverages. As suggested by Shemilt et al. (2017), the trend towards health-conscious drinking might paradoxically lead to an increase in overall beverage consumption, as individuals feel empowered by their healthier choices. This aspect was less directly addressed in the interviews but presents an interesting avenue for further exploration, particularly in understanding the long-term consumption patterns and lifestyle impacts of adopting NoLo beverages.

3.2.2.2. Hypothesis 2

The data analysis has brought to the surface productivity, it emerges as a **factor influencing the preference** for NoLo beverages over traditional alcoholic drinks while not seen as a standalone theme, because it intricately intertwines with health concerns. This aspect aligns with the feedbacks of Nadia, 30, who articulates a clear connection between NoLo consumption and maintaining a balanced lifestyle conducive to productivity, especially on the following day. Her perspective underscores a broader trend observed among participants: the strategic choice of NoLo beverages during weekdays to ensure alertness and effectiveness at work. This preference for NoLo options as means to avoid the counterproductive effects of alcohol consumption, such as hangovers and reduced efficiency the next day. This resonates with a growing consciousness among consumers about the immediate and next-day impacts of their drinking choices.

This interplay is also confirmed when juxtaposed with the findings of Nicholls (2023) . The author posits that the consumption of NoLo beverages is part of a broader narrative of constructing a responsible and enterprising self, where productivity is a key component. The choice of NoLo options, as per Nicholls, aligns with the pursuit of personal growth and effectiveness, suggesting that the avoidance of alcohol is not merely about health but also about maintaining a state conducive to productivity.

Many participants expressed regret over instances of excessive alcohol consumption, highlighting the subsequent negative impact on their daily productivity and overall well-being. Such experiences have led to a shift towards more mindful drinking habits, with a preference for NoLo beverages during the week, reserving alcoholic drinks for weekends or special occasions. This pattern aligns with the behavior of 'Blenders' and 'Substituters', who navigate their social and professional lives by alternating between NoLo and alcoholic beverages based on context and desired outcomes. However, participants (Clara, Luca, Maxime, Elena) also voiced a desire for a broader availability of appealing NoLo options in social settings. The limited choice in Belgium, often resulting in settling for less enjoyable alternatives like soda, highlights a gap in the market. This lack of options not only affects their drinking experience but also impacts their social inclusion, as they seek to balance enjoyment with health and productivity goals. This will be assess in the discussion about Hypothesis 8.

3.2.2.3. Hypothesis 3

Sports enthusiasts may show a tendency to prefer NoLo beverages over alcoholic ones, as a means to **maintain their health and fitness goal**s.

Consistent with the literature, the interviews highlight a subgroup of consumers, particularly sports enthusiasts, who show a marked preference for NoLo beverages (Davey, 2022). This preference is attributed to the low-calorie and low-sugar content of these beverages, aligning with their fitness and health goals. The interviews corroborate the notion that NoLo beverages offer a practical alternative in scenarios where traditional alcoholic beverages might be inappropriate, such as pre-exercise or in pursuit of productivity. Hypothesis 3 was reinforced by the responses of several participants who actively engage in sports or prioritize fitness: Nadia, fitness enthusiast said that she always has been mindful about what she consumes, especially since she started focusing more on my fitness. Elena, marketing specialist with an active lifestyle that she does not want to ruin her “morning runs” by consuming the night before some alcoholic drinks and she’s used to have some Virgin Mojito’s when going out and “don't undo her efforts in staying fit."

Sports enthusiasts and those committed to fitness routines are particularly drawn to NoLo beverages, seeing them as complementary to their health-focused lifestyle. This choice is not merely about avoiding alcohol's negative effects but also about endorsing a lifestyle that prioritizes physical well-being and fitness.

3.2.2.4. Hypothesis 4

While the dataset and interviews do not provide sufficient information to conclusively support or refute Hypothesis 4, which proposes that **specific periods like Dry January** significantly increase the consumption of non-alcoholic spirits, a nuanced analysis still yields insightful observations. The sober curious movement, highlighted in the literature by Lunnay et al. (2022), and the popularity of Temporary Abstinence Initiatives as noted by Bartram et al. (2018) and de Visser and Nicholls (2020), are seen as new and growing trends worldwide. However, the interviews conducted, particularly with older Belgian demographics, reveal a lack of awareness or engagement with “sober initiatives”, pointing towards a disparity in the adoption of these trends across different consumer segments.

Interestingly, among the younger participants, while there is familiarity with the concept of 'dry' months, their actual participation in such initiatives appears limited. The challenge of abstaining from alcohol for an entire month is often cited as a deterrent, considered as too long. In Belgium, the 'Tournée Minérale' initiative in February proper to the french-speaking regions of Belgium, promotes abstinence from alcohol th whole month and does not seem to correspond with an increased focus on NoLo beverages, but rather on water and soft drinks, as per the interview findings. This contrasts with the literature's suggestion, particularly Nicholls' (2023) observation of NoLo beverages being put “on the front stage” during such months and used as tools to aid in short-term abstinence periods.

Therefore, while the literature indicates a potential link between temporary abstinence initiatives and increased NoLo beverage consumption, the interviews indicate that this trend may not be uniformly experienced across all demographics. The understanding and engagement with initiatives like Dry January, and the corresponding role of NoLo beverages, vary, and don’t seem to be uniformed in every country.

3.2.2.5. Hypothesis 5

The literature and interviews collectively affirm Hypothesis 5, recognizing **pregnancy** as a **significant period** in a woman's life that often **leads to increased consumption of NoLo** beverages. This shift is primarily driven by health and safety considerations coupled with a woman’s desire to maintain social and lifestyle engagements.

Vasiljevic et al. (2019) and Corfe et al. (2020) highlight pregnant women as a primary demographic for NoLo products, a sentiment echoed in the interviews. For instance, Marion, a 25-year-old expectant mother, expressed her appreciation for NoLo beverages, saying, '*These options let me stay part of social gatherings without compromising my baby’s health*.' This sentiment was shared by another interviewee, who was particularly pleased with the growing availability of alcohol-free gin options in Belgium, like Botaniets and Nona. She noted, '*During pregnancy, it gets tedious always drinking the same non-alcoholic drinks. Finding these gin alternatives was a game-changer. They're so close to the real taste that it made my pregnancy more enjoyable*.'

Moreover, this shift towards NoLo beverages often extends beyond pregnancy. The same interviewee shared that her partner, in a gesture of support, also began consuming NoLo beverages and they have continued this habit post-pregnancy, keeping a bottle at home regularly. This narrative underlines the transformative impact of pregnancy on consumption habits, as observed by Nicholls (2022), where temporary adjustments may evolve into long-term lifestyle changes. The interviews thus reveal a layered picture: pregnancy not only necessitates a shift towards healthier beverage options but also fosters a sustained preference for NoLo products, catalyzing a broader reassessment of alcohol consumption habits among expectant mothers and their families

3.2.2.6. Hypothesis 6

While exploring various factors influencing the consumption of NoLo beverages, the interviews and thematic analysis provided insights into health motivations, social influences, and lifestyle choices. However, one aspect that remained less explored in the dataset is the impact of price on the consumption of NoLo beverages. Hypothesis 6 posits that **price is a significant factor** in consumer decisions regarding NoLo beverages. In the course of the interviews, however, discussions around pricing, cost comparisons between NoLo and alcoholic beverages, or the economic considerations in choosing NoLo options were not prominently featured.

It is important to note that this gap in data primarily applies to those participants who consume NoLo beverages. For those who do not consume them, there was an evident lack of opinion or knowledge regarding the price. Many of these participants were not only unaware of the cost of NoLo beverages but also expressed limited interest in the concept itself. This lack of engagement with NoLo beverages may contribute to their minimal awareness of the pricing dynamics in this market segment. Moreover, This gap doesn't necessarily indicate that price is not an important factor; rather, it may suggest that for the specific sample of interviewees, other factors such as health, social settings, and lifestyle preferences were predominant in their decision-making processes. It is also possible that the price of NoLo beverages falls within an acceptable range for the participants, making it a less critical factor in their consumption choices.

Given this lack of data, we are unable to provide a thorough assessment of Hypothesis 6. This presents an opportunity for future research to specifically explore the role of price in the consumption of NoLo beverages. Such research could offer valuable insights into the economic considerations of consumers and how pricing strategies might impact the market dynamics of NoLo beverages

3.2.2.7. Hypothesis 7

Hypothesis 7 proposes that individuals may **prioritize the effects of alcohol**, NoLo alternatives only partially fulfilling this due to their lack of intoxicating effects. This Hypothesis 7 is partially supported by both the literature and the interviews. While there is a clear market trend and consumer interest in NoLo beverages that mimic alcoholic drinks, the inability of these alternatives to replicate the intoxicating effects of alcohol can lead to a gap in satisfaction for some consumers. This underscores the complexity of consumer expectations and experiences with NoLo beverages, where the desire for a similar sensory experience is balanced against the lack of ethanol's effects.

The literature, including works by Corfe et al. (2020) and Gentile et al. (2023), points consumer interest for the fidelity of these beverages to their alcoholic counterparts. The emphasis is on taste, quality, and innovation. Miller et al. (2022) discuss 'addition marketing', where NoLo beverages are promoted alongside alcoholic drinks, often in unconventional settings. This strategy suggests an industry response to consumers' desire for variety in NoLo options that mirror traditional alcoholic beverages. Davey's (2022) research in London revealed a tendency among consumers to compare non-alcoholic beverages with their alcoholic equivalents and the interviews confirm these findings. Riols-Huste (2023), drawing from her practical experience, noted that while many NoLo brands strive to replicate the taste of alcoholic spirits, they cannot replicate the specific effects of alcohol. This often results in these beverages fulfilling only the social aspect of drinking without the intoxicating effects.

It appears from the qualitative research that approximately 13.6% of the participants expressed a preference for traditional alcoholic effects over NoLo beverages. This group highlighted that they don't see the point in consuming beverages that mimic alcohol but lack its intoxicating effects. Based on the thematic analysis and the predefined codes, Luc 54 years old, with codes indicating 'Traditional Preferences' and 'Intoxication Desire,' said that for him, the essence of enjoying a drink lies in its effects. Non-alcoholic versions just don't provide the same experience. He rather have a juice or a soda if he's not drinking alcohol. This was echoed by Bruno, 52, through codes such as 'Traditional Preferences' and 'Skepticism' ; "*I don't really understand the appeal of a drink that tastes like alcohol but doesn't give you the feel of it. If I'm not having a real beer, I might as well just stick to water*."

This relatively small percentage of the sample suggests that while there is an older segment of consumers that might prioritize the effects of alcohol (feeling relaxed, a bit tipsy) and do not find NoLo beverages appealing, the majority of participants either did not share this view or prioritized other factors. It would be interesting in further research to investigate this on a higher number of participants and see if it turns in a real barrier.

3.2.2.8. Hypothesis 8

Drinking a non-alcoholic Spirit / Beer / Wine helps to **fight the social pressure** of drinking alcohol. This seems to be supported by both the thematic analysis with predefined codes such as 'Social Acceptance', 'Peer Pressure', 'Social Settings', and 'Drinking Culture', and the relevant literature. The influence of social environments could be seen as a dominant factor in beverage choice, particularly among younger demographics.

For instance, Amélie, a Gen Z participant, articulated a shift in attitudes towards alcohol consumption compared to older generations. She observed a diminishing peer pressure to drink alcohol, emphasizing a growing normalization of not consuming alcohol in her social circle. Amélie shared, ‘i*n my group of friends, choosing NoLo drinks at our get-togethers has become quite the norm. It's more about enjoying the time together than what's in our glasses. I feel NoLo options give us that freedom without the side effects of alcohol, it’s been years that I brought Hoegaarden 0.0% when meeting people, especially when I know I am gonna drive afterwards*.’ This perspective underscores a significant cultural shift among younger generations, where the choice of NoLo beverages is increasingly seen as a normal and respected option in social gatherings. Clara, a 25-year-old Millennial graphic designer, even expressed a desire for more NoLo options in social venues in Belgium. Her statement, "I really wish there were more NoLo options on the market when I go out. It's either alcohol or plain soda, even in bars, and this doesn't feel very exciting. More variety would definitely enhance the experience," reflects a common sentiment among consumers who seek variety in their NoLo choices.

These insights align with findings from the literature. Studies by Corfe et al. (2020), Nicholls (2022), and the IWSR (2023) highlight the increasing social acceptability of NoLo beverages and the diminishing stigma associated with abstaining from alcohol, particularly in younger demographics. The strategic positioning of NoLo drinks as socially acceptable alternatives, as noted by Miller et al. (2022), further reinforces this trend.

However, it has to be underlined, in assessing the results from the interviews only 4.5% of participants, which translates to just one individual out of 22, reported feeling a sense of obligation or significant social pressure to consume alcohol. This proportion seems surprisingly low, particularly when set against wider societal norms for alcohol consumption. Several underlying factors may contribute to this apparent imbalance.

The selection of participants could inherently influence these findings. If the group predominantly comprises individuals who already have an inclination toward NoLo beverages or those less influenced by traditional social drinking norms, it might result in an underrepresentation of the pressure typically associated with alcohol consumption. This factor is crucial when considering the generalizability of the results to a broader population. Another aspect to consider is the level of honesty and comfort among participants in disclosing their feelings about social pressure. Discussing personal susceptibilities to societal norms, especially in the context of alcohol consumption, can be sensitive. Therefore, some participants might have been reluctant to openly admit to feeling pressured to drink, leading to potential underreporting.

Furthermore, the interviews might be capturing a snapshot of a changing social landscape, where the traditional culture of drinking is being redefined. If this is the case, the findings might indicate a trend where consuming alcohol is becoming less of an expected norm in social settings.

Given these nuances, it's imperative to approach the interpretation of this results with a degree of caution. The low percentage of participants feeling social pressure to drink might be more indicative of the specific characteristics of our sample group and the changing societal attitudes towards alcohol, rather than a definitive, widespread trend. To gain a more holistic understanding, future research endeavors could benefit from expanding the diversity of the sample, including a wider range of demographic groups, and incorporating more focused inquiries into the social dynamics of alcohol consumption.

3.3. Limitations

In reflecting upon the methodologies and findings of this study, which spanned a range of interviews, thematic analyses, literature reviews, and hypothesis testing, it is essential to acknowledge certain limitations that may influence the interpretation and generalizability of the results. The study's reliance on a relatively small sample of 22 individuals, primarily from the French-speaking region of Belgium, poses limitations in terms of representativeness and diversity. Such a sample size and geographic focus might not fully capture the varied attitudes and behaviors towards NoLo beverages across different cultures and demographics.

Besides, the qualitative nature of the study introduces an element of subjectivity in the thematic analysis, where the interpretation of data could be influenced by the researcher's perspectives. Additionally, the use of a deductive approach in coding and analysis, while efficient in addressing predefined areas of interest, brings with it the risk of confirmation bias. This bias might arise from focusing excessively on proving predefined hypotheses, potentially leading to the oversight of other significant themes that do not align with the initial expectations.

A notable gap in the study was the depth of exploration on certain aspects, such as the price impact on NoLo beverage consumption, indicating a need for more targeted questioning in future research. The reliance on existing literature, while foundational, may not encompass the latest market trends or emerging consumer attitudes, particularly in a rapidly evolving sector like NoLo beverages. Moreover, the confirmation of certain hypotheses was not fully achievable through the interviews, underscoring the necessity for broader and more diverse data collection. Participant responses could also be subject to social desirability bias, potentially skewing the findings. Lastly, as the study captures a specific moment in time, it is important to consider the dynamic nature of social norms and trends, which can rapidly evolve and thus affect the relevance of the findings over time. Recognizing these limitations is crucial not only for contextualizing the study's conclusions but also for guiding future research directions in the field of NoLo beverage consumption.

3.3.1. Further Observations

A significant observation emerging from the guided interviews, which appears to be less explored in existing literature, is the profound cultural attachment to traditional beverages, particularly in Belgium with its rich beer heritage. This observation points to a gap in research regarding the cultural and historical significance of traditional alcoholic beverages in comparison to the emerging NoLo beverage category.

Participants from older generations, such as Generation X and Baby Boomers, demonstrated a strong preference for traditional alcoholic beverages, reflecting a deep-rooted cultural and historical connection. For example, Marc, 48, from Brussels, articulated this sentiment:

'*Belgian beer is more than just a drink; it's a symbol of our culture and history. There's a sense of pride in our brewing heritage that's hard to replicate with newer, NoLo options, there is no point to have a 0% beer*'. Luc, 54, joined this perspective, emphasizing the importance of beer in Belgian social and cultural identity: *'Beer is a staple in our social gatherings. It's not just about drinking; it's about celebrating our Belgian identity. Enjoying a Belgian beer is almost a rite of passage, a celebration of history, craftsmanship, and shared experiences that you don't find in alcohol-free drink*s.'

The limited research on the cultural and historical significance of traditional beverages versus NoLo options presents a gap, especially in regions like Belgium with rich brewing traditions. Future research could deepen this comprehension. It has to be noted that such cultural factors in countries with a rich alcohol heritage may also be considered as potential barriers to the acceptance and consumption of NoLo beverages.

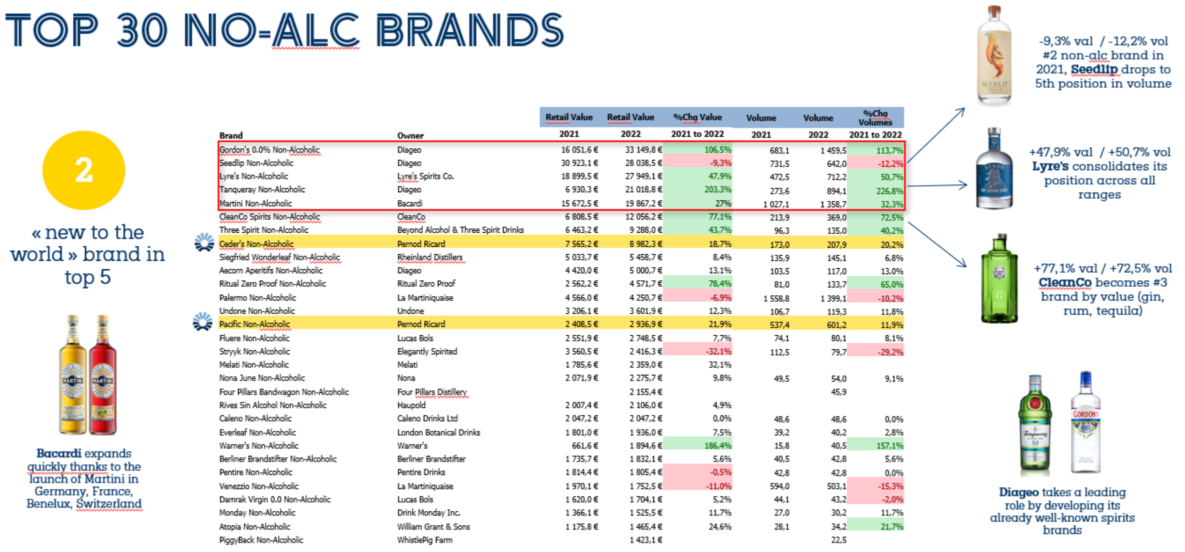
4. CONCLUSION

In conclusion, this thesis has illuminated the multifaceted landscape of no and low alcoholic beverage consumption in the French-speaking region of Belgium. It has explored and validated multiple hypotheses: Hypotheses 1 and 3 were confirmed, with health concerns and fitness goals identified as significant motivators for choosing NoLo beverages, especially among younger demographics and sports enthusiasts. Hypothesis 5 was also validated, highlighting pregnancy as a key period for increased NoLo consumption. Hypothesis 4, related to the impact of abstinence initiatives like Dry January, could not be fully substantiated due to mixed responses and regional variations in the familiarity with such campaigns. Turning to Hypothesis 6 the impact of price remains inconclusive due to insufficient data. On the other hand, the exploration of Hypothesis 7 uncovered that while some consumers may miss the psychoactive effects of alcohol, a growing acceptance of NoLo alternatives for their social benefits was noted.

The insights from this thesis signal a paradigm shift in beverage consumption, with health and social considerations increasingly guiding consumer preferences. The findings advocate for industry stakeholders to adopt differentiated marketing strategies that align with these emerging trends. As consumer preferences evolve, future research should continue to dissect the complex interplay of motivations and barriers, ensuring a nuanced understanding of the NoLo market and its trajectory. Nonetheless the thesis has contributed valuable insights into the evolving consumer behaviors and market dynamics. It underscores the need for more extensive research to navigate the complex interplay of generational, productivity, and cultural factors that influence NoLo beverage preferences.

Appendices:

1. Non-alcoholic Spirits choices



TOP 30 NO-ALC BRANDS

Brand	Owner	Retail Value 2021	Retail Value 2022	%Chg Value 2021 to 2022	Volume 2021	Volume 2022	%Chg Volumes 2021 to 2022
Gordon's 0.0% Non-Alcoholic	Diageo	16 051,6 €	33 149,8 €	106,5%	683,1	1 459,5	113,7%
Seedlip Non-Alcoholic	Diageo	30 923,1 €	28 038,5 €	-9,3%	731,5	642,0	-12,2%
Lyre's Non-Alcoholic	Lyre's Spirits Co.	18 899,5 €	27 949,1 €	47,9%	472,5	712,2	50,7%
Tanqueray Non-Alcoholic	Diageo	6 930,3 €	21 018,8 €	203,3%	273,6	894,1	226,8%
Martini Non-Alcoholic	Bacardi	15 672,5 €	19 867,2 €	27%	1 027,1	1 358,7	32,3%
CleanCo Spirits Non-Alcoholic	CleanCo	6 808,5 €	12 056,2 €	77,1%	213,9	369,0	72,5%
Three Spirit Non-Alcoholic	Beyond Alcohol & Three Spirit Drinks	6 463,2 €	9 288,0 €	43,7%	96,3	135,0	40,2%
Ceder's Non-Alcoholic	Pernod Ricard	7 565,2 €	8 982,3 €	18,7%	173,0	207,9	20,2%
Siegfried Wonderleaf Non-Alcoholic	Rheinland Distillers	5 033,7 €	5 458,7 €	8,4%	135,9	145,1	6,8%
Aecorn Aperitifs Non-Alcoholic	Diageo	4 420,0 €	5 000,7 €	13,1%	103,5	117,0	13,0%
Ritual Zero Proof Non-Alcoholic	Ritual Zero Proof	2 562,2 €	4 571,7 €	78,4%	81,0	133,7	65,0%
Palermo Non-Alcoholic	La Martiniquaise	4 566,0 €	4 250,7 €	-6,9%	1 558,8	1 399,1	-10,2%
Undone Non-Alcoholic	Undone	3 206,1 €	3 601,9 €	12,3%	106,7	119,3	11,8%
Pacific Non-Alcoholic	Pernod Ricard	2 408,5 €	2 936,9 €	21,9%	537,4	601,2	11,9%
Fluere Non-Alcoholic	Lucas Bols	2 551,9 €	2 748,5 €	7,7%	74,1	80,1	8,1%
Stryyk Non-Alcoholic	Elegantly Spirited	3 560,5 €	2 416,3 €	-32,1%	112,5	79,7	-29,2%
Melati Non-Alcoholic	Melati	1 785,6 €	2 359,0 €	32,1%			
Nona June Non-Alcoholic	Nona	2 071,9 €	2 275,7 €	9,8%	49,5	54,0	9,1%
Four Pillars Bandwagon Non-Alcoholic	Four Pillars Distillery		2 155,4 €			45,9	
Rives Sin Alcohol Non-Alcoholic	Haupold	2 007,4 €	2 106,0 €	4,9%			
Caleno Non-Alcoholic	Caleno Drinks Ltd	2 047,2 €	2 047,2 €	0,0%	48,6	48,6	0,0%
Everleaf Non-Alcoholic	London Botanical Drinks	1 801,0 €	1 936,0 €	7,5%	39,2	40,2	2,8%
Warner's Non-Alcoholic	Warner's	661,6 €	1 894,6 €	186,4%	15,8	40,5	157,1%
Berliner Brandstifter Non-Alcoholic	Berliner Brandstifter	1 735,7 €	1 832,1 €	5,6%	40,5	42,8	5,6%
Pentire Non-Alcoholic	Pentire Drinks	1 814,4 €	1 805,4 €	-0,5%	42,8	42,8	0,0%
Venezzio Non-Alcoholic	La Martiniquaise	1 970,1 €	1 752,5 €	-11,0%	594,0	503,1	-15,3%
Damrak Virgin 0.0 Non-Alcoholic	Lucas Bols	1 620,0 €	1 704,1 €	5,2%	44,1	43,2	-2,0%
Monday Non-Alcoholic	Drink Monday Inc.	1 366,1 €	1 525,5 €	11,7%	27,0	30,2	11,7%
Atopia Non-Alcoholic	William Grant & Sons	1 175,8 €	1 465,4 €	24,6%	28,1	34,2	21,7%
PiggyBack Non-Alcoholic	WhistlePig Farm		1 423,1 €			22,5	

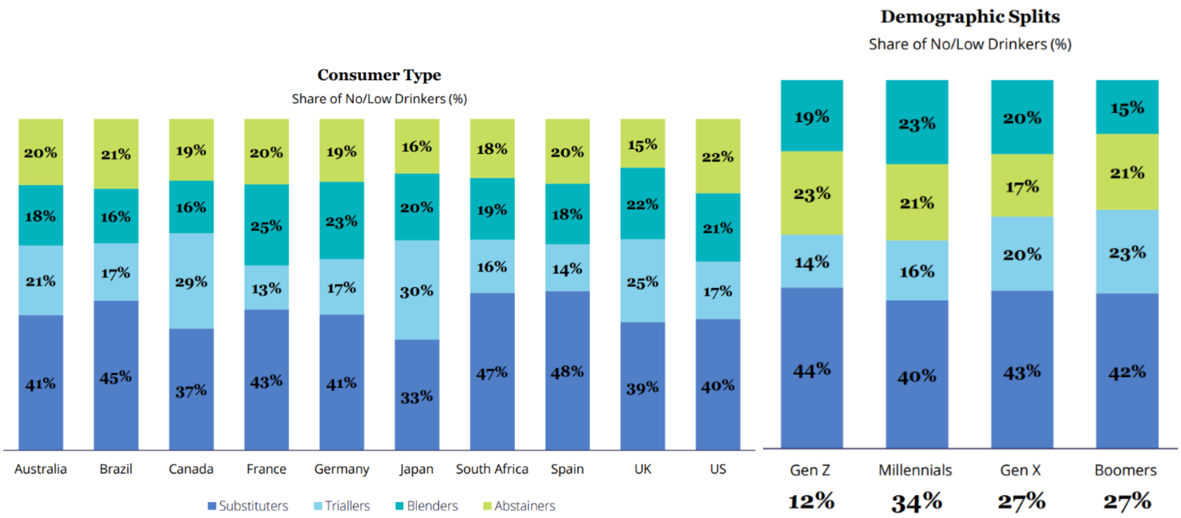
2. Additional information - Alcohol-free level in other countries

Globally, the criteria for defining "non-alcoholic" or "low-alcohol" beverages vary widely.

- In **Germany**, the threshold for a beverage to be labeled as alcohol-free is an ABV of less than 0.5%.
- **Spain**, however, allows "no-alcohol" products to contain up to 1% ABV.
- **France** goes slightly higher, with non-alcoholic beers allowed to have as much as 1.2% ABV.
- **The United Kingdom** sets a far stricter standard, with alcohol-free drinks having an ABV limit of 0.05%, which is significantly lower than the usual 0.5% ABV benchmark in the EU.
- The **United States** aligns with the EU's higher limit, permitting up to 0.5% ABV for non-alcoholic beverages.
- **In Asia, China and Japan** have set their non-alcoholic limits at 0.5% ABV and 1% ABV, respectively.

These are legal definitions of NoLo alcohol products across various regions, considering the alcoholic strength and also shedding light on the quality control measures pertinent to these products.

3. Demographic graphs



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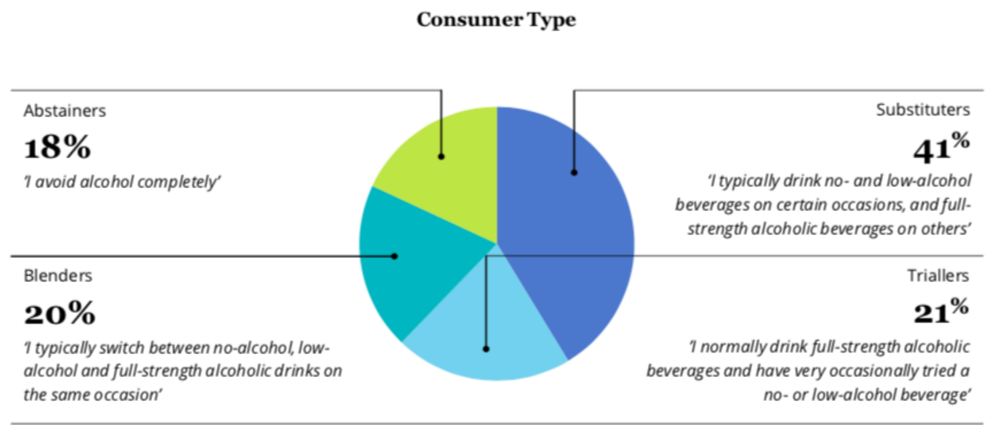
4. Emergence of distinctive segments



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5. Leading markets

No alcohol: volumes by country

Beer/Cider

Rank	Country	Vol 2022
1	Germany	54,602.8
2	Japan	41,174.0
3	Spain	33,072.2
4	US	22,189.8
5	Brazil	16,729.5
6	France	10,878.0
7	UK	7,955.5
8	Australia	4,105.7
9	Canada	2,362.0
10	South Africa	1,472.2
		194,542

RTDs

Rank	Country	Vol 2022
1	Japan	5,070.0
2	Spain	3,319.0
3	US	746.8
4	France	417.0
5	South Africa	197.2
6	Australia	155.6
7	Germany	148.0
8	UK	113.0
9	Canada	27.3
10	Brazil	-
		10,194

Wine

Rank	Country	Vol 2022
1	Germany	3,023.5
2	UK	1,591.0
3	France	1,377.7
4	US	1,199.7
5	Australia	495.3
6	Spain	154.3
7	South Africa	144.9
8	Japan	111.5
9	Brazil	101.5
10	Canada	78.0
		8,277

Spirits

Rank	Country	Vol 2022
1	UK	515.8
2	France	253.8
3	US	199.7
4	Germany	148.3
5	Spain	87.3
6	Australia	53.0
7	Canada	28.8
8	Japan	10.0
9	South Africa	8.9
10	Brazil	-
		1,305

Volume (000s 9-litre Cases)

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Low alcohol: volumes by country

Beer/Cider

Rank	Country	Vol 2022
1	Germany	53,761.1
2	Spain	19,905.6
3	UK	8,433.3
4	France	8,122.0
5	Australia	5,736.1
6	US	2,764.5
7	South Africa	1,141.7
8	Japan	666.7
9	Canada	486.2
10	Brazil	-
		101,017

Wine

Rank	Country	Vol 2022
1	US	7,979.9
2	UK	1,630.8
3	Germany	1,012.5
4	Spain	597.0
5	Canada	330.5
6	Japan	231.0
7	Australia	199.8
8	France	133.0
9	South Africa	6.5
10	Brazil	-
		12,121

Spirits

Rank	Country	Vol 2022
1	Spain	1,180.0
2	US	544.9
3	Germany	336.0
4	Canada	231.2
5	Brazil	55.3
6	UK	28.2
7	France	16.8
8	Australia	4.6
9	Japan	-
10	South Africa	-
		2,397

RTDs

Rank	Country	Vol 2022
1	Germany	93.0
2	US	15.5
3	UK	13.0
4	Canada	7.5
5	Spain	-
6	South Africa	-
7	France	-
8	Brazil	-
9	Australia	-
10	Japan	-
		129

Volume (000s 9-litre Cases)

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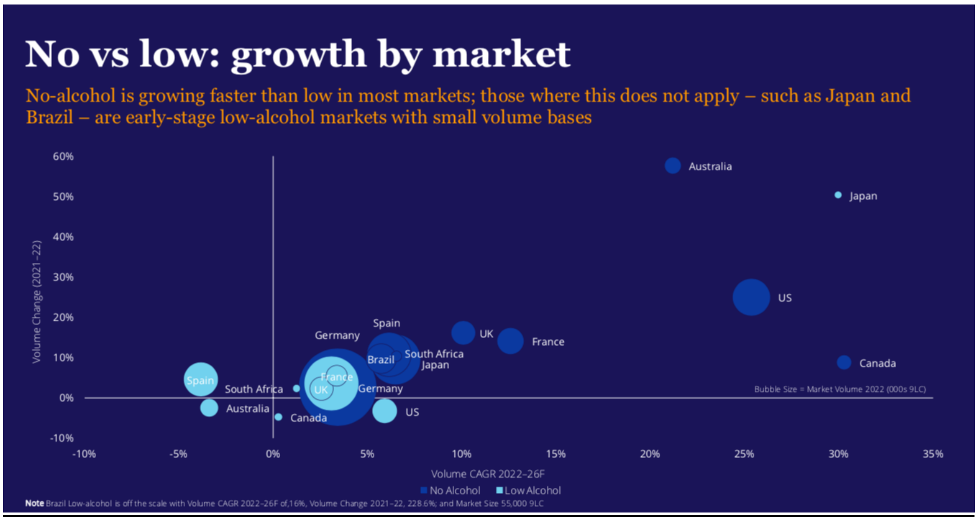
6. Growth by market



IWSR No/Low Strategic Study December 2022 - Executive Summary

7. Interview Expert:

Interview of Cécile Riols-Huste, Consumer Insights Manager at Pernod Ricard.

Nastasya: Cecile, thank you so much for agreeing to this interview and taking the time out of your busy schedule.

Cecile: It's my pleasure, Nastasya.

Nastasya: Could you briefly remind me of your exact role? What is your position within the company?

Cecile: Of course! I'm the Consumer Insight Manager for The Nolo Company, for Pernod Ricard France. I primarily work on no and low alcohol categories and brands, focusing particularly on 'Lillet' and 'Ceder's drinks,' as well as upcoming extensions in the same field.

Nastasya: Fantastic, thank you. So, you are quite familiar with the non-alcoholic sector and its industry dynamics, correct?

Cecile: Absolutely. I've been in Pernod Ricard for a bit more than a year, focusing specifically on this subject. From what I've observed, the trend started small with non-alcoholic beers and has been accelerating over recent years. There's increasing consumer enthusiasm, partly because the taste profiles have significantly improved across non-alcoholic wines, beers, and spirits. Also, societal changes have reduced the taboo surrounding choosing not to drink alcohol when socializing with friends or family.

Nastasya: So, social pressure plays a substantial role in alcohol consumption, doesn't it?

Cecile: Indeed, it does. What we're noticing, particularly through comprehensive studies conducted by Pernod Ricard's French team, involving psychologists, sociologists, and journalists, as well as consumer surveys, there is a shift in conviviality. Alcohol is no longer a central facilitator in social gatherings, especially among younger people. They're increasingly opting for non-alcoholic options or alternatives like CBD products. This change is driven by heightened awareness of the health implications—both physical and mental—of their food and beverage choices, which is more pronounced compared to previous generations.

Nastasya: That's intriguing. Given that your department mainly focuses on non alcoholic spirits, what would you say is the fastest-growing segment in this industry? Between beers, wines, or spirits, which has the best prospects?

Cecile: It seems like non-alcoholic beer is still expanding, attracting more consumers. Technologically, non-alcoholic beer has a head start. However, when you look at non-alcoholic spirits, it's quite nascent. Our recent tastings indicate that there's much work to be done industry-wide, not just by Pernod Ricard. The process is complex and time-consuming.

Nastasya: So, you believe all categories are poised for growth, with taste quality being the key to success, especially since non-alcoholic spirits are priced similarly to their alcoholic counterparts, thereby setting certain consumer expectations?

Cecile: Exactly, Nastasya. The price isn't necessarily a deterrent, but the value for money in terms of quality is crucial. Consumers won't spend, say, 30 or 40 euros on a non-alcoholic spirit that tastes like flavored water. The industry needs to ensure these products provide a fulfilling sensory experience, given the health-conscious tilt in consumer preferences.

Nastasya: Speaking of dynamics, I read on IWSR that non-alcoholic spirits are considered the most dynamic category in the sector. Could you expand on that?

Cecile: Yes, the category is burgeoning, so any growth seems substantial. However, it's essential to maintain perspective considering its current scale—it's still a tiny part of the industry. The excitement comes from its potential, seeing if the robust growth continues over time.

Nastasya: OK, great. I was about to say, well, this is a question that is very broad. So, it's quite vast, and I would understand if it's not possible to answer it fully. What are the main drivers of growth in the non-alcoholic industry?

Cécile: What I was saying earlier, you know, there's the social aspect where, essentially, it's less of a taboo. For instance, when there's a party, and you say, "No, I'm not drinking alcohol tonight, I'd prefer, I don't know, maybe just to drink a soda or something." So, it's less taboo to be seen consuming something other than alcohol.

Continuing, you have more and more retailers, e-tailers, and bars, restaurants, hotels, etc., that offer non-alcoholic spirits. So, there's greater exposure. Consumers are more exposed, so they learn more about what it is, how to see it, how to consume it, how to prepare it, etc.

Actually, it's a whole new category, so there's a big part of education explaining what a non-alcoholic spirit is, how it's produced. And by the way, that was a point when we met "Boisson" last year. Do you know what "Boisson" is?

Nastasya : Yes, Boisson sip, a famous distributor and retailer in the US ?

Cécile: They have changed CEOs, but the founder was saying they planned, especially in their physical stores in the US, to visually explain all the ingredients that go into making a non-alcoholic spirit. This way, people understand what justifies the price. So, there's a significant aspect regarding education, even though this is all quite new.

Cécile: People need to understand how these products are made, especially in Muslim countries. They need reassurance that these spirits indeed contain 0.0% alcohol. They're keen to understand the production process.

Nastasya: Yes, understood. So, which countries do you consider as key markets for non-alcoholic spirits?

Cecile: Our research on twelve markets shows that, in terms of adoption and consumer base, the U.S., Germany, and the UK are leading. But also, the Benelux countries are interested, though they're more or less average considering the market size.

Nastasya: Including Benelux?

Cecile: Yes, Benelux as well. However, it's a smaller market. Then, we have another study indicating consumer interest in Muslim countries like Saudi Arabia, the UAE, Malaysia, Indonesia. But these markets are at various levels. I wouldn't even call it maturity because it's still very nascent, but there's no reason for certain countries not to be interested in non-alcoholic spirits. This 'sober curious' movement is gaining traction globally.

Nastasya: I see. Given the need to educate people and the sober curious movement you mentioned, are there specific peak times that highlight this non-alcoholic category?

Cecile: Definitely. We have Dry January, and we're looking into Sober October, which seems to be picking up speed, especially in New York. But it's catching on elsewhere, too.

Nastasya: Understood.

Cecile: In Belgium, for instance, there's 'Tournée Minérale' in February. And in Canada, it's 'Dry February,' I believe. These peak times do exist, but I think they'll spread throughout the year. For example, if you look at non-alcoholic beer, in some markets, it accounts for about a quarter or a fifth of the total beer volume. This shows that people indeed consume these products beyond these specific times.

Cécile: What we also see is that people who drink non-alcoholic spirits, they are early adopters, so they are into, you know, discovery—new brands, new tastes, new experiences. And there's also what I was saying earlier, one of the reasons people drink non-alcoholic, well, non-alcoholic spirits, is when they don't want to drink alcohol, they want to drink something other than a soft drink.

For example, we've seen this particularly in the Middle East, where when people are at a party or an event with many people, they want to be seen with something that looks more adult if they're not drinking alcohol. So the fact that it resembles alcohol, that it seems a bit more sophisticated than a soft drink, that's what interests them.

Nastasya: So, those are more the motivations. I understand, but apart from the taste, which seems to be a decisive factor and could be considered a barrier to consumption, price doesn't seem to be the case when it's related to education. Are there barriers that become apparent because these are barriers I'm thinking of, but I haven't dug deep enough.

Cécile: One moment, I remember that from our study. Wait a second... There are people who, but I think it's related to taste, prefer, you know, to drink fruit juice or a soft drink. And there's also the fact that they don't find in non-alcoholic drinks what they like in alcoholic ones, the aspect of, how do you say it in French, getting high in my mouth?

Nastasya: Hmm, that's more of a chemical thing, actually, the sensations alcohol may procure.

Cécile: Yes, about behavior. And then there's the fact that, you know, you want to relax, you're maybe at a party, you don't know many people, you're a bit shy, and drinking a bit of alcohol relaxes you, makes you more open, I don't know how else to say it.

Nastasya: No, I see. But that, unfortunately, is unique to alcohol; it's impossible to replicate that effect with a non-alcoholic drink, right? One that doesn't contain ethanol.

Cécile: Well, except for the one I was talking about the other day.

Nastasya: Oh?

Cécile: Yes, the one that includes, um, what's it called, oh, I can't remember the names.

Nastasya : CBD? but there are adaptogens for people.

Cécile: I can't remember the terms, but...

Nastasya: No, no, I see what you mean. It's the first time I've heard it, even if, on the one hand, once you say it, it makes sense that some people consume alcohol specifically for its effects and not just the taste.

Cecile: SO to sum up : the societal aspect is significant; it's less taboo now to opt for non-alcoholic options at social events. Plus, there's increased availability and exposure from retailers, e-tailers, and hospitality venues offering non-alcoholic spirits, contributing to consumer education about these products—how to consume them, prepare them, etc. Additionally, companies like 'Boisson Sips,' for example, emphasize visual representation of the ingredients, enhancing consumer understanding and appreciation of non-alcoholic spirits. It's all about informing the public about production methods, ingredients, and the value proposition.

Nastasya: I'm going to ask you, what are the factors that influence 'a shift' of alcohol consumers for non-alcoholic drinks? I know we've already talked about it, so it's everything related to a healthier lifestyle. But if I had to push further and repeating other points such like consciousness? Less social pressure? The fact of not having a foggy mind the next day, I don't know if there's another factor you're thinking of since the price seems to be a significant barrier?

Cécile: Well...

Nastasya: What about the taste? Taste is important, so, the taste.

Cécile: Yes, the cost. And also, what we see is that people who drink non-alcoholic spirits are early adopters, so they are into, you know, discovery. I would add new brands, new tastes, new experiences? And there's also, it's a bit like what I said earlier, one of the reasons why people drink non-alcoholic, well, non-alcoholic spirits, is the fact that when they don't want to drink alcohol, they want to drink something other than a soft drink.

Nastasya: That's more for the motivations.

I understand, but other than the taste, which seems to be a bit decisive and can be considered a barrier, in the end, consumption and price don't seem to be the case when it's related to education and the fact that non alc don't give the same feeling as alcohol (high, feeling comfortable, more joyful…) ?

Cécile: Well, in our study... I have the U.S. results here, and it's the third barrier mentioned by non-consumers.

Nastasya: So, this would apply to all types of non-alcoholic products, right? It's all-inclusive. These people wouldn't necessarily be interested in non alc. wine or beer either.

Cécile: Yes, yes, that's correct. It's all non-alcoholic products.

Nastasya: Okay, but then it's kind of about the perception.

Cécile: Another barrier is indeed the lack of awareness and availability and a lack of visibility. Non-alcoholic products and beverages are not available everywhere, whether on trade or off-trade. I don't know how it is in Belgium, but in France, if you're a little informed, if you don't somewhat know what you're looking for...

Cécile: It's very complicated. In a supermarket, to find, you see?

Nastasya: Ah, I had this debate with my mother-in-law a few days ago because, well, she's Belgian?

Nastasya: Anyway, so I discovered at the same time that she was a consumer of non-alcoholic beverages. And a few days ago, she said to me, "I'm sure we should launch a non-alcoholic cellar in Brussels, it would work really well," because she was telling me that she really struggled to buy or have a section in front of her with lots of different beverages.

Nastasya: For non-alcoholic options, the choice is quite limited, and finding it is very complicated, and I say, "Well no, look online, you can find it in 2 seconds."

Nastasya: She told me, "I swear it's not, it's much more complicated."

Cécile: Yes, it's complicated.
Cécile : Indeed, it is complicated. The key is also increasing awareness. There's definitely a market for this, but if you recall, non-alcoholic beer had the same issues. In France, we had 'Tourtel,' and that was basically it. But now, the options have significantly expanded.

Nastasya: So, it takes time for these products to gain traction in the market?

Cécile: Absolutely, it will come eventually for spirits, wine, and other categories, but it does take time.

Nastasya: Considering our discussion, I don't think there's much to add. But I was curious about how the profile of a non-alcoholic beverage consumer differs from regular alcohol consumers. What are the main differences?

Cécile: As we discussed the other day, over 70% of non-alcoholic beverage consumers do consume alcohol. The non-alcoholic consumers are typically younger, with 58% being millennials. They are 'early adopters,' often more open to trying new experiences and brands. They are less price-sensitive and are more exploratory in their consumption patterns. The gender distribution is fairly balanced, though I don't have more specific attitudinal insights at the moment.

Cécile: Yes, that sounds good. These consumers are definitely trendsetters, and we'll likely see more growth and interest in this market segment in the coming years.

Nastasya: Are there any strategies to adopt about Marketing, especially regarding non-alcoholic products?

Cécile: Well, there's this whole educational aspect we were discussing earlier. It's about explaining the basics. How is it made, for instance?

Nastasya: But here, we're talking about the product itself because, often, isn't it a strategy, really? In my experience and from what I've understood in the office, we tend to emphasize the fact that it's non-alcoholic. However, the more it resembles alcohol, the better it is, isn't it? Because it seems we want to set ourselves apart from alcohol since that's the idea. It cannot be identified as alcohol, but at the same time, we try to make it as similar as possible.

Cécile: Yes, uh, I understand. But then, I'm not sure. I think there are different strategies. Some brands are genuinely trying to replicate the alcoholic experience in terms of packaging, choice of sets, communication, consumption rituals, and the organoleptic experience. For instance, a non-alcoholic whisky, let's not call it whisky, let's say a non-alcoholic 'gin', it should resemble a gin with alcohol, it should smell like gin with alcohol, etc. But I'm not sure if that's what consumers are necessarily looking for.

Nastasya: OK, so it's an open question; we don't really know then.

Cécile: Yes, I'm not quite certain about that. It's just me. The complicated thing is, you cannot use the same terminology from the alcoholic lexicon. You can't use terms like 'gin' or 'rum,' etc. It makes things very complicated. I don't know if you've followed the focus groups in Saudi Arabia, especially among women. They were Saudi women who have never consumed alcohol.

Cécile: They have no reference point, no prior association with alcohol, etc. So when you mention terms like 'London Dry' or 'Smoky' or any such references, it doesn't resonate with them at all, you know?

Nastasya: Yes, I understand.

Cécile: They don't have any association, so I don't know. For some consumers who have never had alcohol, and this is a niche market, but still, I'm not sure people are necessarily looking to replicate the exact taste of alcohol since these are different products. They're looking for something new, primarily replacing a soda or a fruit juice, etc.

Nastasya: So, that would also be specific, then. Actually, in the country—well, in the market, I mean. Because what I was about to say is, we're talking about Muslim countries, so obviously, that changes quite a lot.

Cécile: I don't know if you saw this, but there was—it was before you arrived—we had a brainstorming day with an agency, well, "The Agency" that worked on new designs, etc. And they had... studied, in fact, the different communication strategies of various brands.

Cécile: It was interesting because we discussed whether it was better to focus on, how should I say, functional, uh... product characteristics, or if we should position ourselves more on the emotional side. You see? In terms of benefits, and consequently, you have strategies that are a bit different depending on the brands.

Nastasya: OK, and that's for reflecting it through the packaging?

Nastasya: And the product story, yeah.

Cécile: Packaging but also communication. You see, in the marketing campaigns, etc. And that, I found it interesting.

Nastasya: But I want to go back to what you said because you were talking about this experience, especially in Saudi Arabia, and when we worked on the slide concerning the global "Forget Consumer" of Ceder's, something we insisted on was that people needed to have the codes of spirits.

Cécile: Yes.

Nastasya: Well, it was more about that being part of our strategy, so I'm just wondering if it makes sense to offer alcohol tastings—well, non-alcoholic products that try to resemble alcohol—to people who are not familiar with it and who, therefore, would not tend to buy it on their own, for example, in a supermarket, or to order it.

Cécile: Well, there, I'm talking about Saudi women, but besides that, we also did groups with Saudi men who, you see, had already consumed alcohol. They had seen non-alcoholic beer or even tasted non-alcoholic beer or wine.

Cécile: So, I think that, uh, the Saudi women are not necessarily who we are trying to...

Nastasya: Target?

Cécile: Target

Nastasya: Challenges are indeed part of the barriers. Are there misconceptions or stereotypes? For instance, regarding non-alcoholic spirits, I'm tired of hearing they're just for pregnant women.

Cecile : Absolutely, I encountered the same perception. It's either that or people believe non-alcoholic options are only for those who've never consumed alcohol or former alcoholics. But if we want to truly understand, we need broader research, which is why we based our last study on a large sample to avoid bias and not miss any potential market segments. Surprisingly, we found that three-quarters of non-alcoholic beverage consumers also continue to drink alcohol.

Nastasya: Okay, that's quite enlightening. As we're short on time, I'll conclude soon. But before that, could we touch on distribution?

Cecile : Sure.

Nastasya: How does distribution impact the sector? Would non-alcoholic products sell better in supermarkets, or should they break into the market via bars, restaurants, and hotels?

Cecile: From what I've seen, it's beneficial to start with or leverage on-trade channels to educate and introduce consumers to non-alcoholic options. Then, expansion into off-trade can follow. On-trade channels are essentially the entry point in this strategy.

Nastasya: I see. I suspected as much. Regarding pushing people towards wellness options and their willingness to pay, is that still unclear due to insufficient feedback?

Cecile: Well, our study addressed that. We discovered that three-quarters of non-alcoholic beverage consumers are ready to pay as much or even more than they do for alcoholic versions. However, I believe this trend will evolve as non-alcoholic options become a regular part of people's consumption habits, more players enter the market, and the range of offerings expands. Ultimately, pricing will likely depend on the product's quality, especially in terms of taste.

Nastasya: Excellent, that's clear. I have no further questions for you. This insight has been invaluable, Cecile. Thank you for your time and for sharing your expertise with us.

Cecile: It was my pleasure, Nastasya. Thank you for having me.

8. Interview guide & Codes

1. **Introduction**

- Researcher's Introduction:

I am Nastasya from Belgium, presently engaged in an internship at Pernod Ricard in Paris. I am assisting the global brand manager of Ceder's drinks, a non-alcoholic spirit (gin-like) which might be familiar to you given Belgium's significant market for the brand. In parallel of my internship, I am undertaking research for my thesis, focusing on the non-alcoholic beverage category, which encompasses alcohol-free beers, wines, and spirits, distinctly separate from juices and sodas soft drinks like Coca-Cola or Sprite. As this is an emerging category, numerous questions remain unanswered, and my research aims to delve into the factors that drive consumer interest in these beverages, as well as the obstacles that may deter consumption.

+ Confirm that the participant understands the purpose of the interview and what are " NoLo beverages" and agrees to participate.
+ Confidentiality Assurance: Assure the participant that their responses will be confidential and used solely for research purposes.

2. Demographic questions

- Where are you from?
- How old are you?
- What is your highest level of education?
- What's your occupation?
- How would you describe your lifestyle? (e.g., active, sedentary, social)
- Do you believe in a religion, if yes which one if you are willing to share?
- Is there any cultural background you want to share with me?

3. General Consumption Habits

- Do you have any health considerations that influence your diet and beverage choices?
- Can you describe your typical beverage choices in a typical week?
- What factors generally influence your choice of beverages?
- Do you drink any alcohol? If yes what type?
- If you drink any alcohol ; what's the frequency? week / months etc.

4. Exposure to and Perceptions of NoLo Beverages

- How familiar are you with non-alcoholic beverages?
    - Have you ever heard about non alcoholic beers / wine / spirits?
    - Have you ever tried some, if yes which one?
    - What were the conditions for you to try ?
- What were/are your initial thoughts or perceptions about NoLo beverages?

5. Main Questions Aligned with Hypotheses

- What would be/ are the main reasons for you to drink a NoLo drink ?

Health considerations significantly influence the choice of NoLo beverages.

Codes : Health Motivations, Dietary Restrictions, Wellness and Lifestyle, Health Benefits, Medical Recommendations, Sport, wellness, fitness

- How important are health considerations in your choice of beverages?
- Are there any specific health reasons that have led you to choose NoLo beverages?
    - Are you doing any sport?
    - Would sport push you to have a different consumption?

Social factors and peer influence play a role in the consumption of NoLo beverages.

Codes : Social Acceptance, Peer Pressure, Group Norms, Social Settings, Drinking Culture, Influence of Friends, Social Gatherings, Community Beliefs, Family Influence, Social Image and Identity, Religion, Culture, Cultural beliefs

- Do social settings influence your choice of beverages? Can you provide an example?
- Have your friends or family members influenced your decision to try or regularly consume NoLo beverages?
- Do you feel pressured sometimes to have an alcoholic drink ?

- Do NoLo beverages help you manage social pressures around drinking? Provided a comfortable alternative for you in social situations where alcohol is present? Can you provide an example?

Certain driving times significantly increase the consumption of non-alcoholic spirits.

Codes : Seasonal Trends (Dry January, Sober October, Tournée minérale), Weekday vs. Weekend Consumption, Special occasions, Pregnancy

- Have you observed any particular times or events when you're more likely to choose a non-alcoholic spirit?
  - Pregnancy, Dry Jan, Sober October, Dry July, Tournée minérale
  - What impact do campaigns such as Dry January have on your beverage choices?
  - Can you speak to any reasons why pregnant women might choose NoLo beverages more frequently?

Productivity is a driving factor to consume NoLo.

Codes: Mental Clarity and Productivity, Performance

- Do you have any instances where choosing a NoLo drink was motivated by a need for focus or productivity?

Price impacts the consumption of NoLo.

Codes: Cost Sensitivity, Economic Value, Pricing Comparison (NoLo vs. Alcoholic Beverages), Affordability, Perceived Value, Budget Constraints, Promotion Response

- How does the price of non-alcoholic beverages compare to their alcoholic counterparts for you?
- Does the price of a non-alcoholic cocktail (14 Euro) would affect your consumption choice?
  - Would a change in the price of NoLo beverages affect your consumption habits?"

Individuals may prioritize the effects of alcohol (ethanol) and are looking for some intoxication.

Codes: Intoxication Desire, Psychoactive Effects, Relaxation Seeking, Social Lubrication, Alcohol's Pleasurable Effects, Experience of Alcohol, Stress Relief, Habitual Preferences

- Do you think the lack of intoxicating effects in NoLo beverages leads to any dissatisfaction?
- How important are the social effects of drinking alcohol compared to the enjoyment of the beverage itself?

6. Closing Questions

- Is there anything else you would like to share about your experience or opinion regarding NoLo beverages?
- Do you have any final thoughts or comments you would like to add that we haven't covered?

7. Conclusion

Thank the participant for their time and contribution to the study.

9. Systematic Coding: A Step-by-Step Guide

Applying systematic coding to qualitative data

SOURCES :

- Coding manual for qualitative researchers by Saldaña (2021)
- Qualitative Inquiry and Research Design: Choosing Among Five Approaches by Creswell and Poth (2018)
- Using deductive coding to identify themes in qualitative research data by Nowell et al. (2017)

1. Starting with a Clear Focus:
- Reminding research questions and objectives. It helps to keep the coding focused on extracting data relevant to the research study.

2. Identifying Significant Features:
- By reading through interview transcripts, need to look for statements or phrases that stand out because they are interesting, surprising, or particularly illustrative of the themes explored.
- These features could be specific words, phrases, sentences, or even whole paragraphs.

3. Creating Initial Codes:
- Following the hypotheses, identifying significant features and creating a code accordingly (**= a code is a label or tag that succinctly describes the essence of what is being said**)
- For example, if a participant talks about "enjoying non-alcoholic beverages due to health benefits," this will be coded as "Health Motivation."

Using predetermined codes based on literature and hypotheses. The aim is to test these against the data collected from the interviews. This method is often referred to as a 'top-down' approach or theory-driven coding.

- **Categorize codes with coding frames**

To assess qualitative data, a structured approach is implemented using hierarchical coding frames for categorizing codes. This framework organizes the themes within the research with a hierarchical structure. The hierarchical coding system involves a top-level code that identifies the overarching topic, such as 'consuming NoLo's.' The mid-level code differentiates the sentiment as positive (drivers) or negative (barriers). The third level specifies the particular attribute or theme linked to the topic. This multi-tiered coding strategy ensures a thorough and nuanced analysis, capturing not only the general subject but also the sentiment and specific aspects associated with it, thus providing comprehensive insights into the qualitative data.

4. Deductive Approach
- Deductive coding involves beginning with a predetermined set of codes and then applying these codes to new qualitative data. These codes may originate from past studies, or derive from specific themes. This approach to coding is also known as concept-driven coding.

5. Keeping Codes Manageable:
- Creating codes that are distinct and not too broad. If a code becomes too crowded, consider splitting it into more specific sub-codes.

6. Coding either with a Software or manually

- Employing **qualitative data analysis software** like Taguette or QDA Miner Lite. These tools allow to assign codes to segments of text easily and retrieve all text segments assigned to a particular code later.
- Coding **manually**

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