THE STATE OF VODKA

THE VODKA MARKET TODAY

STATESIDE STATS

2022 VODKA SALES

$7.2 BILLION

- In 2022, vodka sales in the U.S. totaled $7.2 billion, but were flat year-over-year.
- The second-highest grossing category of distilled spirits was tequila and mezcal, coming in at $886 million. Source: Distilled Spirits Council of the United States (DISCUS)

INTERNATIONAL PRODUCTION

$1.4 BILLION

VODKA IMPORTED INTO U.S.

- Approximately half of all vodka consumed in the U.S. is made in the U.S. Source: IWSR Drinks Market Analysis (IWSR)
- There are 547 vodka distilleries in the U.S., an increase of 9.7 percent from 2022. Source: Ibis World

SPRITS SALES VOLUME

- Vodka has become the backbone of the spirits industry, accounting for 27 percent of total spirits volume.
- Flavored vodkas account for 21 percent of all vodkas sold.

INTERNATIONAL PRODUCTION

- Roughly $1.4 billion of vodka was imported into the U.S. in 2021. France is the biggest supplier of imported vodka, followed by the Netherlands, Sweden, Latvia, and Poland.

Partner

SKYY

Packaged in a refreshed but still iconic blue bottle, SKYY Vodka is made with water enriched by Pacific minerals. This innovation results in a smoother vodka and soda, brightening any citrus element added to the cocktail.

30% OF GLOBAL PRODUCTION

- Russia is the largest vodka producer in the world, with over 30 percent of global production; however, 90 percent of it is consumed domestically. In spring 2022, both the U.S. and EU banned imports of Russian-made vodka as a response to the country’s invasion of Ukraine.

CHANGING VODKA DEFINITIONS

The Alcohol and Tobacco Tax and Trade Bureau (TTB) long required that vodka be “without distinctive character, aroma, taste, or color.” In 2020, the TTB removed this stipulation, defining vodka as a neutral spirit that may contain a small amount of sugar and citric acid, but must not be aged or stored in wood barrels. This essentially creates room for vodkas to carry individuality.
A Martini renaissance has come about since 2021, bringing vodka back into the craft cocktail conversation. Even sweet takes on the Martini—most notably the Espresso Martini—are coming back in vogue.

The earliest record of distilling vodka in Eastern Europe (especially Russia and Poland) was in the 12th or 13th century, but it most likely dates further back than that.

Ivan the Great nationalized all distilleries in 1474; Ivan the Terrible nationalized the bars where vodka was served in 1553.

“Vodka” may be a Russian diminutive of the Polish phrase “woda życia,” which means “water of life,” a reference to the fact that this purified liquid was far safer than the communal water available at the time. However, the term wasn’t used until the late 18th century.

Some European bars, particularly those in Paris, stocked vodka in the late 19th and early 20th centuries, but at that time American bars barely knew what it was.

In 1941, John Martin (owner of Smirnoff Vodka), Jack Morgan (who had an oversupply of ginger beer at his Cock ‘n’ Bull bar), and Sophie Berezinski (who designed copper mugs) created the Moscow Mule as a way to sell their respective products. With a creative marketing campaign, the drink’s popularity took off, and so did the American vodka market.

Created in 1988, the Cosmo became the iconic cocktail of the ’90s, buoyed by the hit Sex and the City—though it later got a bad rap.

In the aughts, vodka fell out of fashion, particularly among the ranks of craft cocktail bars to debut this decade. Death & Company famously did not even carry vodka.

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Among newly released, spirits-based ready-to-drink (RTD) cocktails, vodka is the most common base, according to IWSR Drinks Market Analysis. Vodka-based RTDs really took off in 2019 with the introduction of High Noon, marketed as a vodka-based hard seltzer. Now, malt-based hard seltzer producers are getting in on the vodka game, with both White Claw and Truly launching vodka and soda RTD cocktails, and White Claw launching unflavored and flavored vodkas.

Partner

NEFT
Crafted in Austria, NEFT Vodka lets the quality of its ingredients shine: mineral-rich Alpine spring water and non-GMO rye, triple distilled for a smooth finish, perfect for sipping neat or building exquisite cocktails.

NEW AMSTARDAM
Distilled five times and filtered three, New Amsterdam crafts an exceptionally smooth vodka. As an official partner of the NHL and UFC, New Amsterdam is a proponent of celebrating your wins, both big and small.
**The latest addition to the Absolut flavor range,** Absolut Wild Berri combines the flavors of freshly picked blueberries, blackberries, and wild strawberries. Its refreshingly sweet versatility makes Absolut Wild Berri easy to mix, serve, and enjoy classics with a twist.

**SMOKE SAFFRON**
India’s award-winning SMOKE LAB Vodka produces the special-release SMOKE LAB Saffron Vodka. The vodka, distilled from locally sourced basmati rice, is made with the rare Kashmiri saffron, yielding subtle earthy flavors.

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**CLASSIC VODKA COCKTAILS**

**VODKA MARTINI**  Vodka and dry vermouth; stirred with ice; served up in a Martini glass; garnished with a lemon peel or olive.

**COSMOPOLITAN**  Vodka, Cointreau, cranberry juice, and lime juice; shaken with ice; served up in a cocktail glass; garnished with a lemon peel.

**BLOODY MARY**  Vodka, tomato juice, Worcestershire sauce, celery salt, horseradish, Tabasco sauce, and black pepper; built in a pint glass over ice; garnished with some combination of citrus wedge, olive, celery stalk, and other savory items.

**SCREWDRIVER**  Vodka and orange juice; mixed in a highball or double highball glass over ice.

**ESPRESSO MARTINI**  Vodka, coffee liqueur, freshly-brewed espresso, and simple syrup; shaken over ice; served up in a Martini glass; garnished with a few whole coffee beans.

**WHITE RUSSIAN**  Vodka, Kahlua, and heavy cream; built in a rocks glass over ice and stirred to combine.

**MOSCOW MULE**  Vodka, ginger beer, and lime juice; built in a copper mug over ice; garnished with a lime wheel.

**VODKA & TONIC**  Vodka and tonic water; served over ice in a highball glass; garnished with a lime wedge. Vodka soda is a popular variation today, a drink scoffed at by some as it is meant to taste like nothing.

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**THE MANY FLAVORS OF VODKA**

The tradition of flavored vodka in Russia and Eastern Europe dates back a long time, with natural infusions like blackberries, ginger, horseradish, dill, and coriander. In the U.S., the flavored vodka landscape has changed over time.

**CITRUS:** First gaining popularity in the 1980s with the introduction of SKUs like Absolut Citron, citrus-flavored vodkas remain popular today. Lemon dominates, but many brands produce grapefruit, lime, orange, and more.

**FRUIT:** Peach, berry, melon, pineapple, and many more fruits can be found in the flavored vodka landscape today—some of which are combined, like strawberry lemonade or honey melon.

**SPICE:** Spicy vodka flavors are not especially popular, but they persist—and notably, the first widely marketed flavored vodka, Absolut Peppar, falls under this category.

**DESSERT:** A fad of the 2010s, flavored vodkas entered the market with confected flavors that ranged from whipped cream, caramel, and chocolate to Swedish Fish and peanut butter and jelly.

**BOTANICAL:** After the launch of Ketel One Botanical in 2018, more brands have shifted to infusing vodka with natural ingredients like cucumber, mint, rose, and chamomile (and often distilling it to a lower proof).