



COVID-19 ON PREMISE IMPACT REPORT – DELTA VARIANT BONUS SLIDES

CGA, SEPTEMBER 2021





DEEPDIVE INTO THE IMPACT OF THE DELTA VARIANT

Throughout the COVID-19 pandemic, the whole team at CGA have strived to provide you with the most up-to-date, relevant, insights in what has been a dramatic and fast changing 18 months for our beloved On Premise.

The journey from an incredibly challenging lock-down in March 2020 where we pivoted to delivery/take away insights, through to the incredible bounce back and 2019-beating sales figures we report today...it's been a crazy 18 months!

Although the channel is still completely open today, there has quite rightly been a lot of debate about the impact of the Delta variant upon On Premise visitation and spend.

We always want to try and add well-considered research to the big questions being asked by our clients and partners and with this in mind, we have carried out some exclusive, consumer research into this topic in which the results can be found on the following pages.

To add to this report, we will also be hosting a webinar on Sep 15 which will delve into this dataset in more detail, providing much richer insights by demographics, geography and much more. These consumer insights will be combined with sales data from our industry leading BeverageTrak service.

Please see Slide 19 for more detail and we hope to see you there.



SUMMARY: COVID-19 RESTRICTIONS

- Over the past 2 weeks visitation to the On Premise has been in line with that over the past few months. Nearly 4 in 5 are visiting bars and restaurants more or the same amount as normal.
- 1 in 5 are visiting less often than pre-COVID-19 and for the majority of these (67%) it is impacted by concern over the rising Delta variants. Such concern has more significantly impacted those in California than other states
- Overall, just 15% of consumers say they are visiting the On Premise less and that it is due to Delta variants of COVID, showing the majority aren't significantly changing On Premise visitation.
- Choosing to stay at home rather than visit the On Premise is led by cost and comfort, with COVID a factor for 1 in 3. This is driven by older consumers, with the biggest concern coming from the over 55s. With these differences, the potential impact on bars, restaurants and sales of certain drink categories will depend on the relevant consumer profiles.
- COVID-19 is a bigger factor for staying at home in certain states, with Californian's the most likely to state it, while it doesn't appear in the top 5 factors for Floridian's. This highlights the need to understand sales and behavior on a state level.
- Positively, there are still high levels of comfort in the On Premise with 2 in 3 comfortable visiting bars and restaurants.
- If Delta variant cases continue to rise, social distancing and mask mandates are the leading sources of comfort for consumers to visit bars and restaurants and those vaccinated are more likely to feel comfortable with extra levels of COVID measures.
- The majority of consumers are still comfortable with visiting bars and restaurants over the next few weeks and happy to interact with staff/visit the bar to be served.

OVER THE PAST 2 WEEKS, NEARLY 4 IN 5 ARE VISITING BARS AND RESTAURANTS MORE OR THE SAME AMOUNT AS NORMAL, WITH JUST 1 IN 5 VISITING LESS OFTEN



22% Visiting less than normal



23% Visiting more than normal

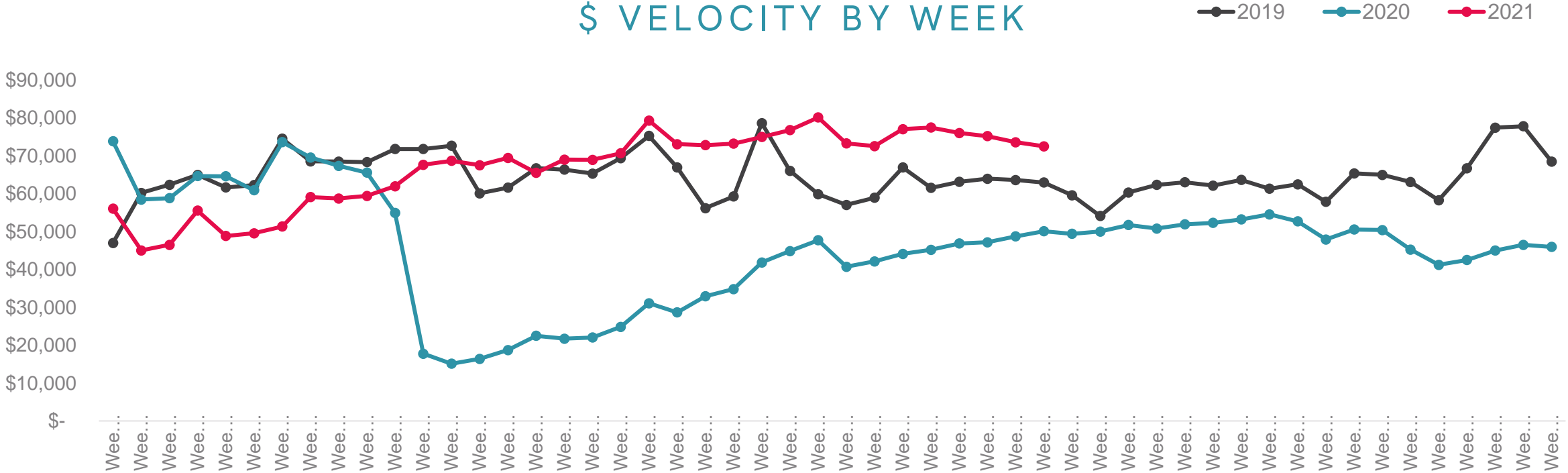


55% Visiting the same as normal

TOTAL US MARKET SALES: RECAP

In the week to August 21, On Premise velocity in outlets currently trading is +45% higher than 2020 and +15% higher than 2019 . While average outlet \$ sales (velocity) have slightly declined over the last few weeks traffic has remained steady. Average check value, while still above 2019, has driven this softening of trends as post-covid celebrations tail off and on-premise spending habits return to normal.

\$ VELOCITY BY WEEK



★ Exact dates can be found in the appendix



OF THE 22% VISITING LESS OFTEN THAN USUAL, THE MAIN REASON IS CONCERN ABOUT THE DELTA VARIANT

Which, if any, of the following are factors influencing your decision to visit bars and restaurants less often than usual in the last 2 weeks?

I am concerned about the rise of Delta variant COVID cases

67%

I have less disposable income

24%

My friends and/or family are more reluctant to go out

23%

I haven't been meeting in social groups as often

22%

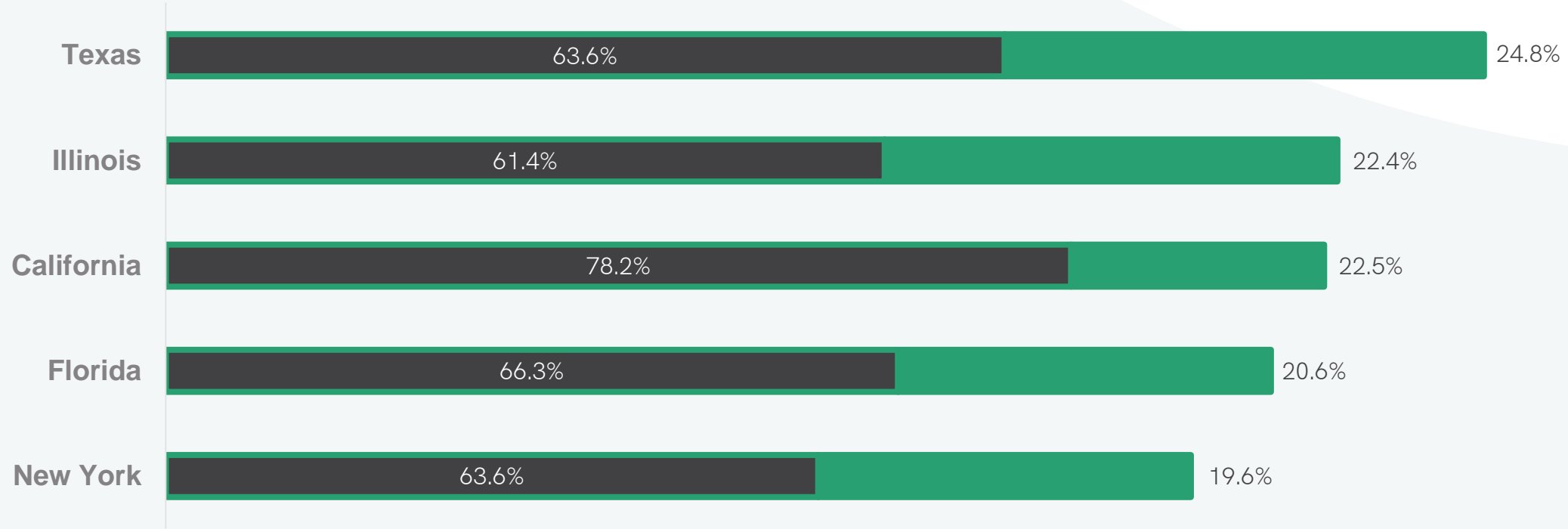
Restrictions (e.g. mandatory masks, social distancing) in venues put me off

15%

Those visiting less in California are more likely to be driven by the increase in the Delta variant, with nearly 8 in 10 concerned.

Proportion of those visiting less often due to concern about the rise of the Delta variant COVID cases

■ % of those visiting less: due to concern about the rise of the Delta variant COVID cases ■ Total % visiting less than normal



Of all On Premise
visitors,

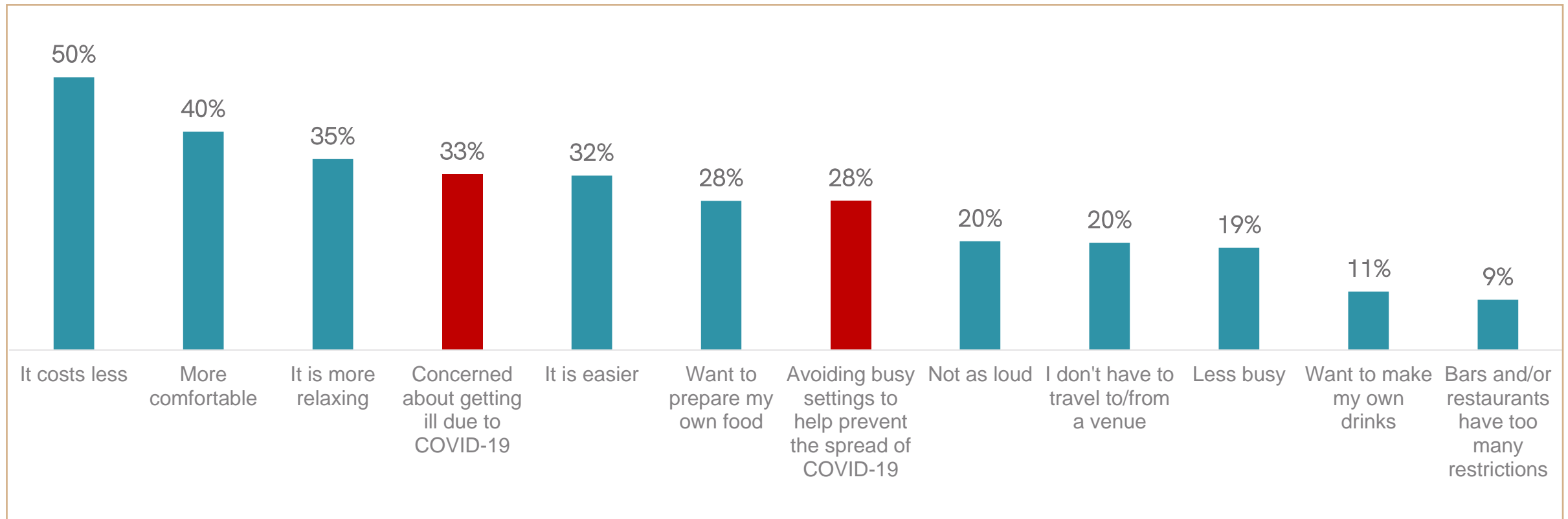
just **15%**

said they were visiting
less and this was due
to concern about the
rising Delta variant
COVID cases.



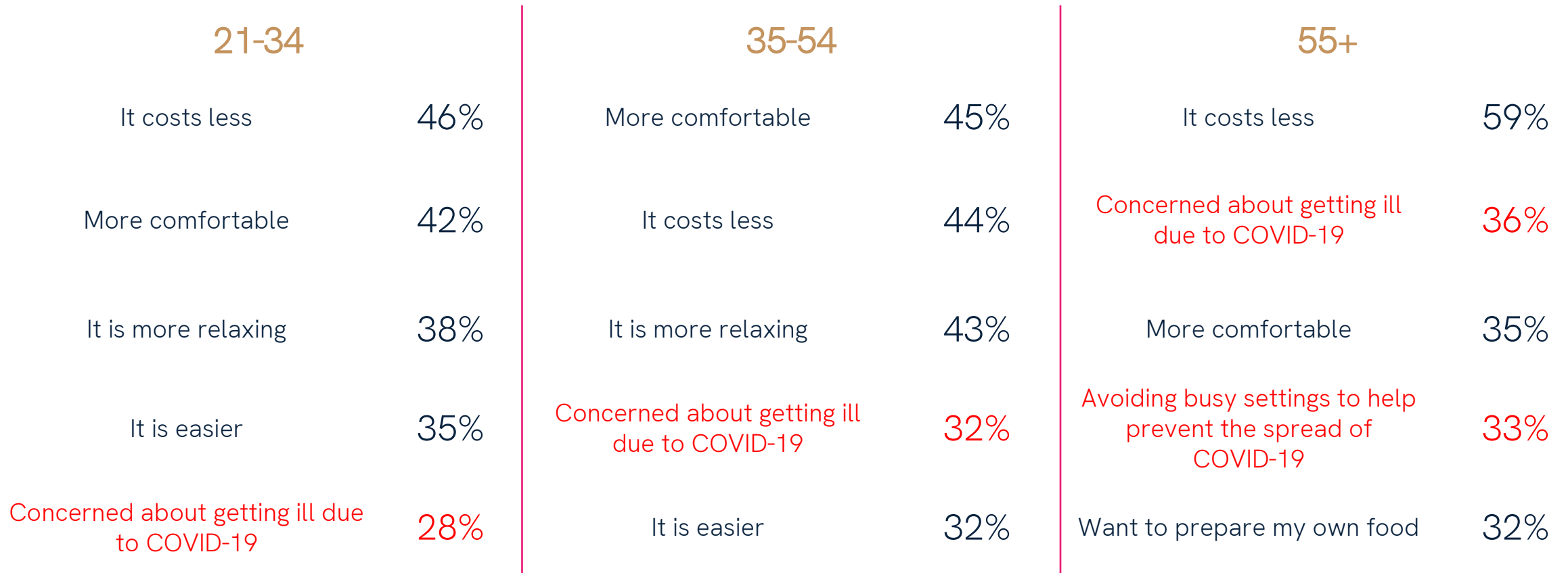
THE MAIN DRIVERS TO CHOOSE TO STAY AT HOME RATHER THAN VISIT BARS/RESTAURANTS ARE COST AND COMFORT. CONCERN AROUND COVID IS A FACTOR FOR 1 IN 3, WITH CHOICE OF A HOME OCCASION IMPACTED BY CONCERN AROUND CATCHING AND SPREADING COVID

Which of the following are reasons you typically decide to stay at home compared to visiting bars and/or restaurants?



HOWEVER, THE REASONS FOR STAYING AT HOME, RATHER THAN VISITING THE ON PREMISE, VARIES BY AGE - WITH COVID CONCERNS BEING MORE DOMINANT FOR OLDER PEOPLE

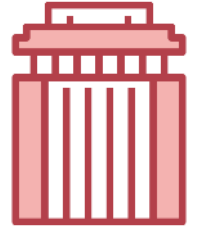
Which of the following are reasons you typically decide to stay at home compared to visiting bars and/or restaurants?



THERE IS ALSO CONSIDERABLE DIFFERENCES STATE TO STATE, WITH COVID CONCERNS MUCH HIGHER IN STATES SUCH AS CA COMPARED TO FL



Which of the following are reasons you typically decide to stay at home compared to visiting bars and/or restaurants?



California

Florida

It costs less	45%
Concerned about getting ill due to COVID-19	39%
More comfortable	39%
It is more relaxing	35%
Avoiding busy settings to help prevent the spread of COVID-19 is the right thing to do	33%

It costs less	54%
More comfortable	42%
It is more relaxing	37%
It is easier	33%
Want to prepare my own food	31%



OVERALL HOWEVER, THERE IS STILL A HIGH
DEGREE OF COMFORT VISITING
BARS/RESTAURANTS

% strongly agree/agree with
statements

I am comfortable visiting bars and
restaurants

65%

I am currently visiting bars and restaurants
as normal but keeping an eye on the
COVID-19 infection rates

59%





SOCIAL DISTANCING AND MASK MANDATES ARE THE LEADING SOURCES OF COMFORT FOR PEOPLE TO CONTINUE VISITING THE CHANNEL SHOULD CASES KEEP INCREASING

Factors that would make you feel more comfortable about visiting bars and restaurants even if Delta variant cases of COVID-19 continue to rise?

Asked to everyone

Social distancing	47%
Mandatory masks	38%
Proof of vaccine required to access venues	35%
Screens between tables/booths	27%
Negative COVID test required to access venues	19%

VACCINATED GUESTS ARE FAR MORE INFLUENCED BY COVID-RELATED SAFETY MEASURES THAN UNVACCINATED GUESTS. OPERATORS STILL NEED TO BE OVERTLY MANAGING HEALTH AND SAFETY MESSAGES EVEN AS VACCINATION RATES INCREASE AND/OR IF THEIR CUSTOMER TYPE IS LIKELY TO BE VACCINATED

Which factors would make you feel more comfortable about visiting bars and restaurants even if delta variant cases of covid-19 continues to rise

Vaccinated consumers

Social distancing	51%
Proof of vaccine required to access venues	43%
Mandatory masks	42%
Screens between tables/booths	30%
Negative COVID test required to access venues	21%

Non vaccinated consumers

Social distancing	34%
Mandatory masks	28%
Screens between tables/booths	20%
Table service only	14%
Negative COVID test required to access venues	10%

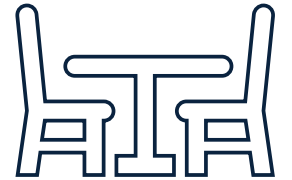


WITH SOCIAL DISTANCING BEING A SIGNIFICANT INFLUENCER TO THE 'PERCEPTION OF SAFETY', OUTDOOR SPACE STILL HAS A BIG ROLE TO PLAY



78%

OF CONSUMERS ARE COMFORTABLE VISITING VENUES WITH OUTDOOR SEATING



66%

OF CONSUMERS ARE COMFORTABLE VISITING VENUES WITH INDOOR SEATING ONLY

TOO EARLY TO PANIC? - THERE IS STILL A HIGH COMFORT LEVEL FOR TRADITIONAL ON PREMISE VISITS OVER THE NEXT FEW WEEKS

How comfortable would you feel doing the following in the next few weeks?

% Completely/Quite comfortable in the next few weeks...



Visiting bars and restaurants

65%



Visiting experience led outlets

44%



Travelling interstate for work

43%



Attending face to face business meeting

42%



Attending a large-scale festival

36%

STAFF INTERACTION IN-OUTLET DOESN'T CAUSE A PROBLEM FOR THE MAJORITY OF PEOPLE, HOWEVER HALF AREN'T COMFORTABLE WITH GUESTS NOT HAVING TO WEAR A MASK AWAY FROM THEIR SEAT/TABLE

Currently, how comfortable are you visiting bars and/or restaurants based on each of the following?

% Completely/Quite comfortable...

Interacting with waiting/ bar staff in the same way as pre COVID-19

59%

Having to go to the bar to be served

51%

Guests not having to wear a mask while away from their seat/ table

50%



OBJECTIVE PROOF OF BEING 'LOW RISK' HAS A STARKLY DIFFERENT IMPACT ON INTENDED BEHAVIOR DEPENDING ON OPINIONS AROUND VACCINATION, WITH THOSE VACCINATED FEELING MORE COMFORTABLE WITH PROOF REQUIRED

Impact of needing to show proof of a negative COVID-19 test or prove you are fully vaccinated on likelihood to visiting bars and/or restaurant

27%

OF NON-VACCINATED CONSUMERS ARE MUCH/SLIGHTLY MORE LIKELY TO VISIT THE ON PREMISE

65%

OF VACCINATED CONSUMERS ARE MUCH/SLIGHTLY MORE LIKELY TO VISIT THE ON PREMISE

SIGN UP FOR THE ON PREMISE DELTA-VARIANT IMPACT WEBINAR

When: September 15

Where:

<https://register.gotowebinar.com/register/7062423087377599246>

In this comprehensive webinar we will be delving into these insights in more detail - looking at opinions by state, by age, and other groups, as well as quantifying the impact of public opinion on this potential threat with unique analytics only available via CGA's proprietary datasets



HOW CAN WE HELP?



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