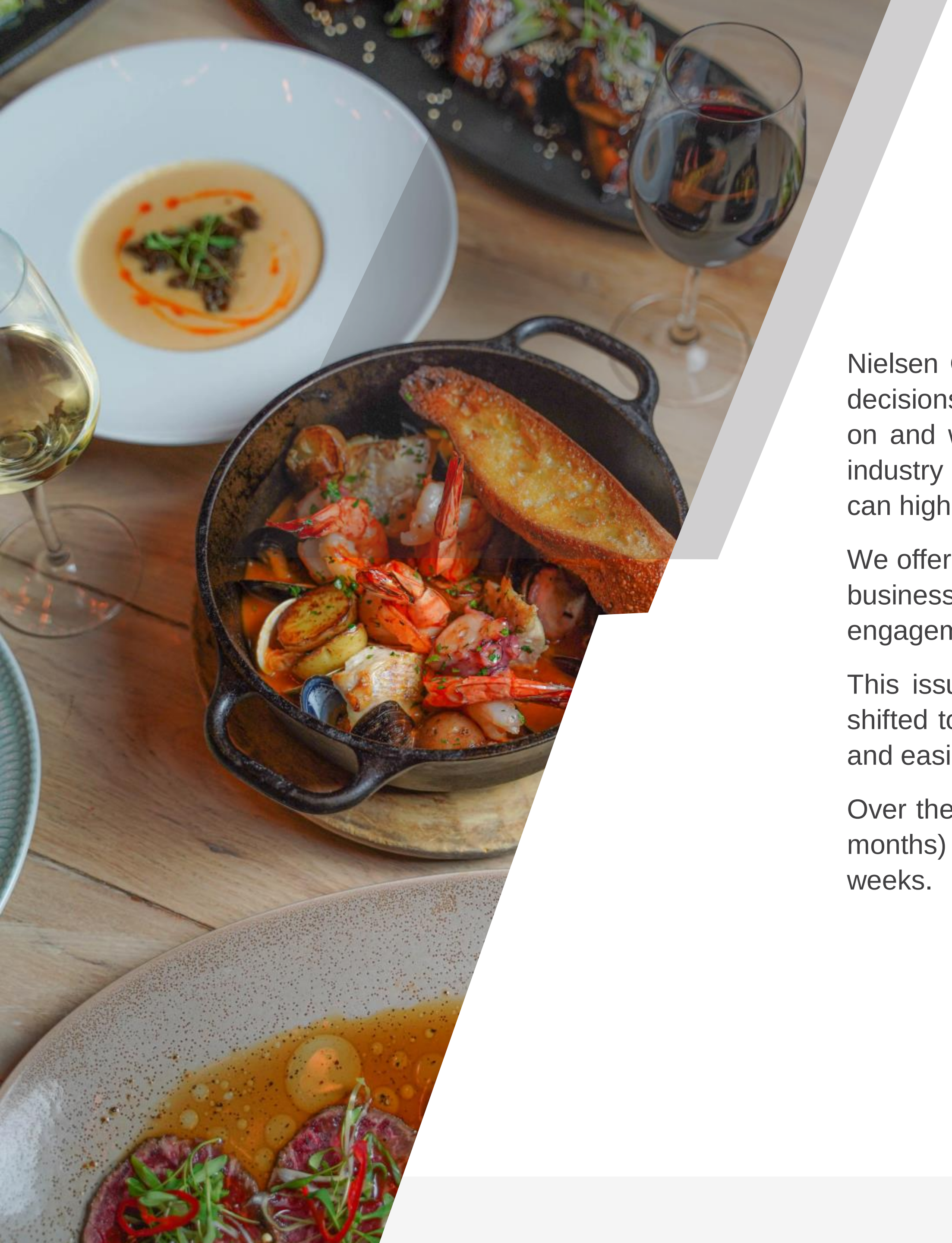
COVID-19 IMPACT REPORT

NIELSEN CGA, JAN 14 2020



INTRODUCTION

Nielsen CGA gathers consumer insights and continual statistics to support you in making informed decisions. What would be the greatest comfort to your consumers, what are they willing to take a risk on and what would encourage them to choose your venue or brands. Listening to feedback from industry experts and client questions, we shape our work to provide you with value added data that can highlight where the current opportunities lie and what consumers are planning for the future.

We offer a suite of products which can reach into different areas or research and if you have broader business questions please reach out to speak with us for support. We are thankful for your engagement and hope to continue bringing you studies which can help you to focus your efforts.

This issue we focused on the key states of **Texas, Florida, New York** and **California** and have shifted to a data tracker format in order to consistently visualise the changes in the current situation and easily highlight fluctuations.

Over the weekend (**Jan 8-10**) we surveyed **1,604** respondents (who have drunk alcohol in the last 3 months) from these states on their expectations, desires and how they plan to behave in the next two weeks.

PHENOMENAL DATA. EXPERT INSIGHT.

OPENING STAGES: BARS

% OF STATES IN STAGE

STAGE 1: Completely Open (Example: Florida) **24%**	STAGE 2: Open but with capacity measures in place (Example: Delaware) **48%**
STAGE 3: Outdoor Only Open (Example: District of Columbia) **16%**	STAGE 4: Closed – Delivery Only (Example: California) **12%**

**State breakdown included in appendix*

SOURCE: FODORS.COM

OPENING STAGES: RESTAURANTS

% OF STATES IN STAGE

STAGE 1: Completely Open (Example: Florida) **26%**	STAGE 2: Open but with capacity measures in place (Example: Delaware) **58%**
STAGE 3: Outdoor Only Open (Example: District of Columbia) **12%**	STAGE 4: Closed – Delivery Only (Example: California) **4%**

**State breakdown included in appendix*

SOURCE: FODORS.COM

SUMMARY

- 50% of consumers have gone out to the On Premise for an eating occasion since venues reopened, and 17% for a drink led occasion. This has stayed relatively even for several months now and it is positive over half of On Premise consumers have returned, however still highlights the challenge in assuring other consumers that it is safe and an understanding of what further action would be needed to encourage them
- Florida and Texas are still seeing increases in visitation and positively moving to over 3/5 of consumers retuning
- Age isn't the main factor limiting the numbers returning, while state regulations are clearly a much bigger influencer, with California remaining low with much stricter measures in place than Florida and Texas, where we have been able to see small increases.
- Sparkling Wine/Champagne was ordered +3pp higher than in the previous month, showing its strength in the December holiday season
- ¾ of On Premise users have missed visiting bars and restaurants with their family and friends, highlighting that when people are able to mix more freely with other households, there will be a call for On Premise occasions
- Of venue's consumers are most missing visiting; local/neighborhood restaurants came out highly (only beaten by casual dining restaurants). This shows the support is there in communities and people are missing unique venues which offer differing atmospheres and more regional offerings
- However, a host of venues which have struggled to open fully since March also have significant numbers missing them; supporting that they have not been forgotten and their absence is felt by consumers. This includes cinemas, festivals and airlines. The youngest consumers particularly miss experience based venues such as cinemas or festivals.
- The occasion consumers are most excited to visit bars and restaurants for are Valentine's day and Mother's day. These being two holidays which can be facilitated in small group numbers, making them significant opportunities to target for visitation, offers and reminding consumers what they were missing.

SOURCE: NCGA COVID-19 IMPACT CONSUMER RESEARCH

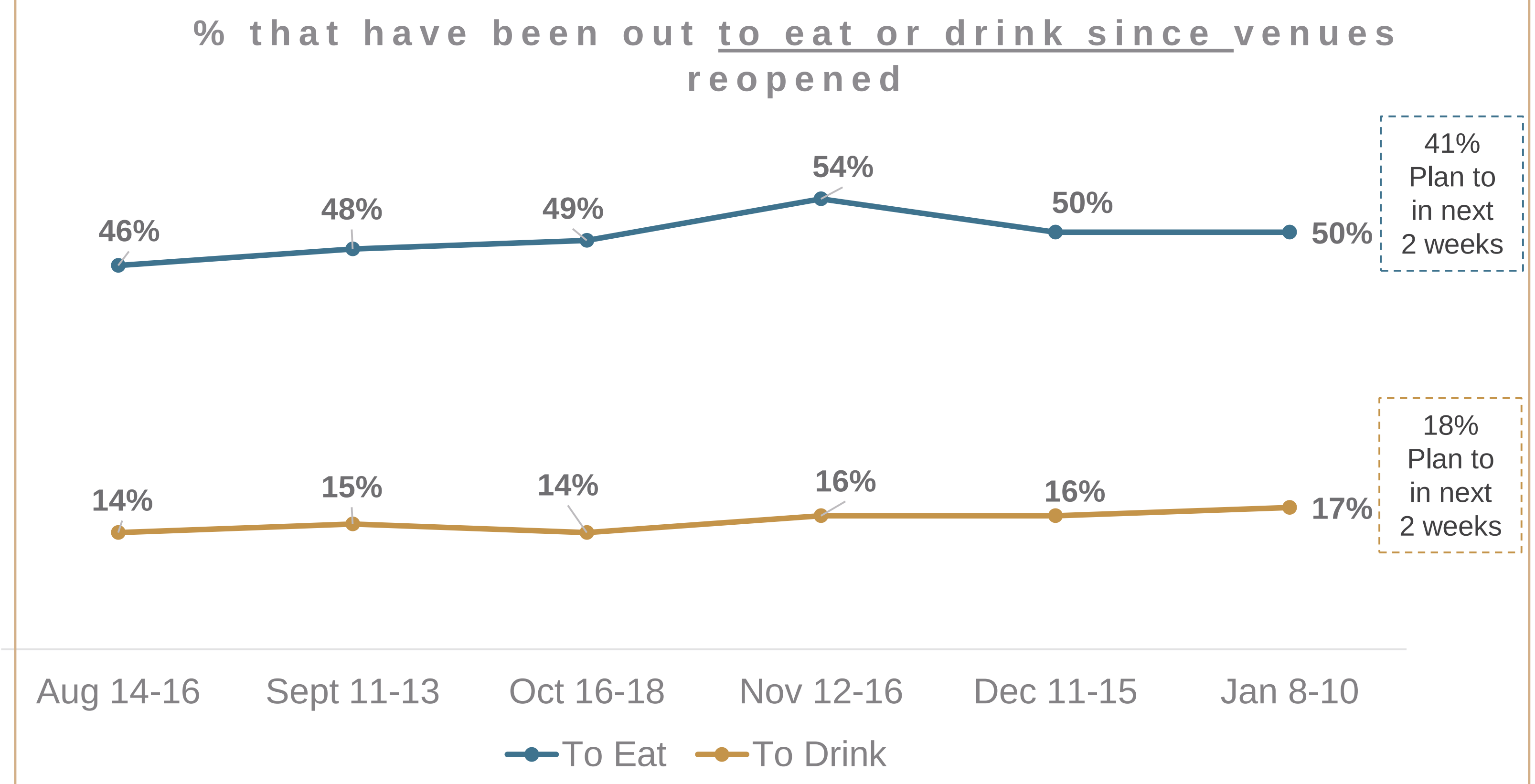
RETURNING TO VENUES

50%

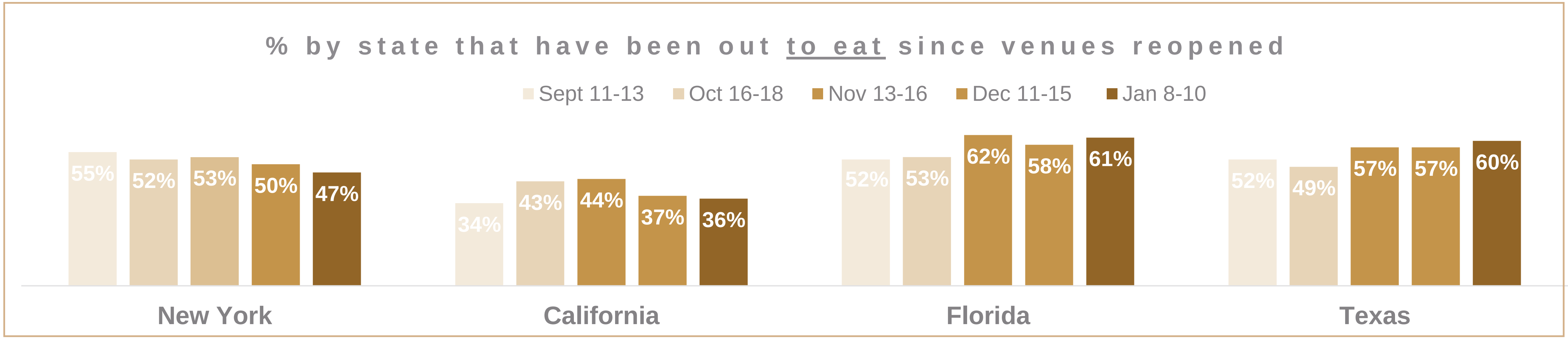
CONSUMERS HAVE BEEN OUT TO EAT

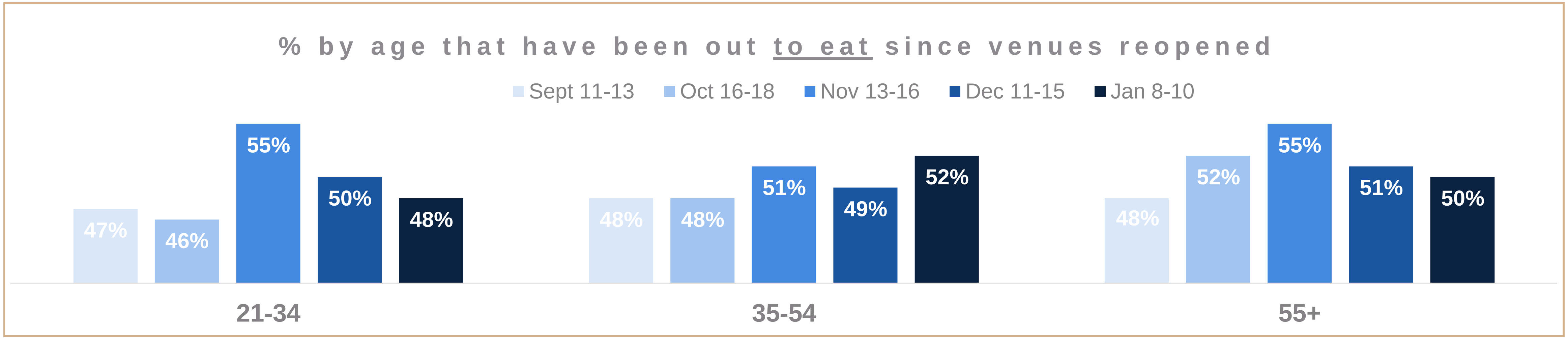
17%

CONSUMERS HAVE BEEN OUT TO DRINK

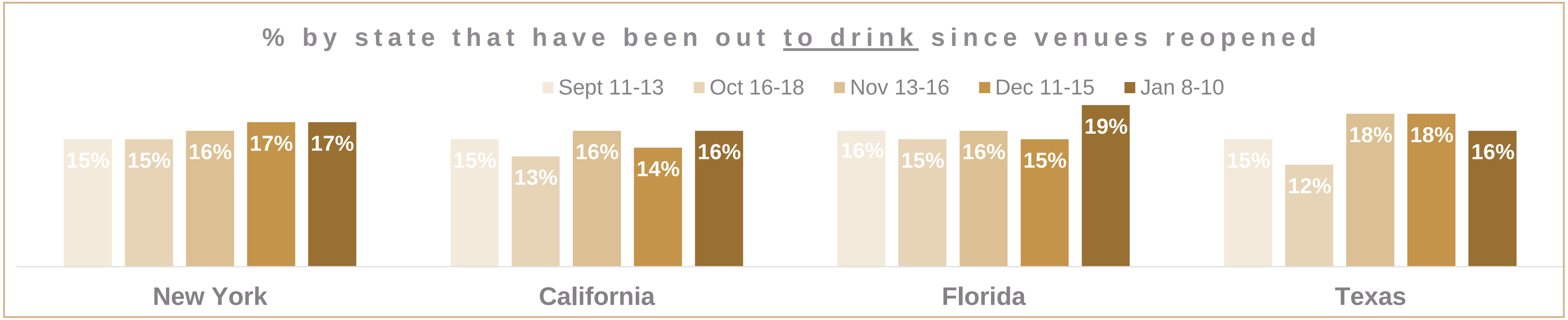


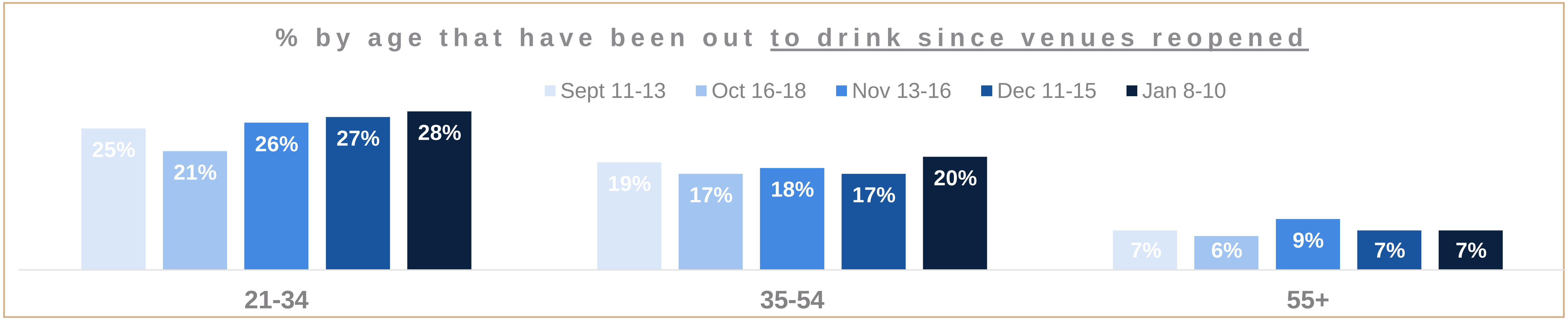
RETURNING TO VENUES - TO EAT DEMOS





RETURNING TO VENUES - TO DRINK DEMOS

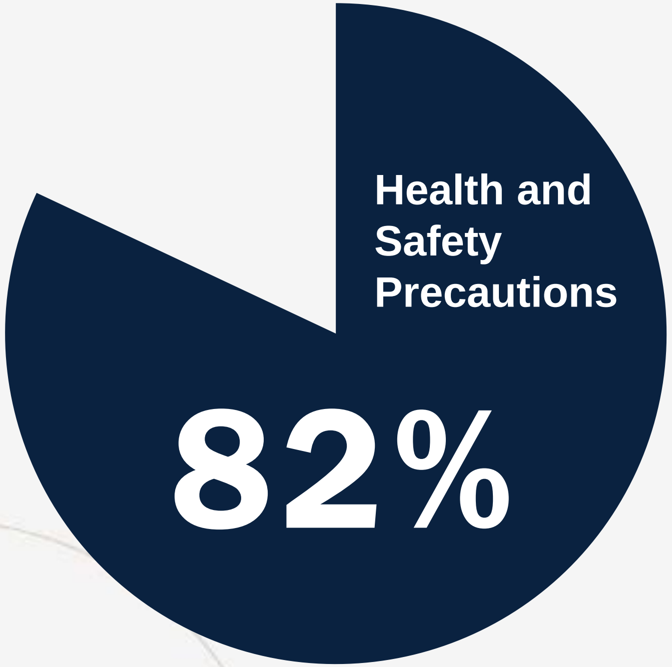




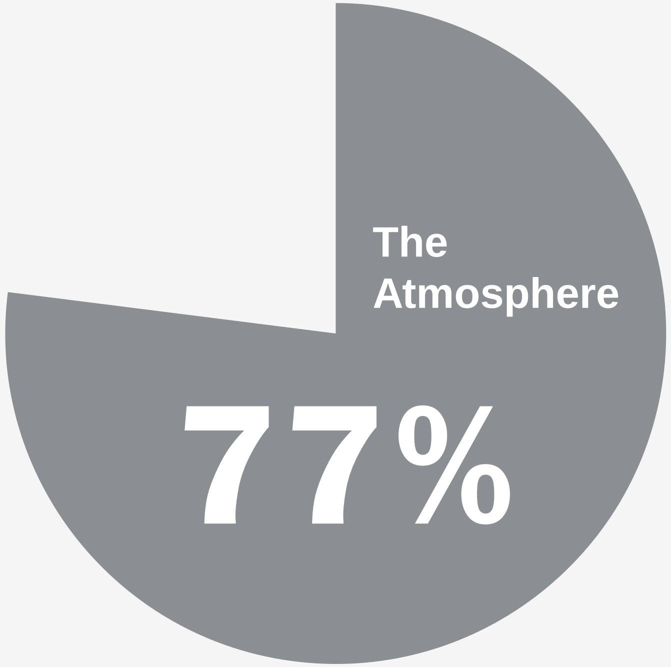
THE LEVELS OF SATISFACTION ARE EVEN BY FACTOR

Satisfaction with the following factors on visits to bars/restaurants in the last 2 weeks

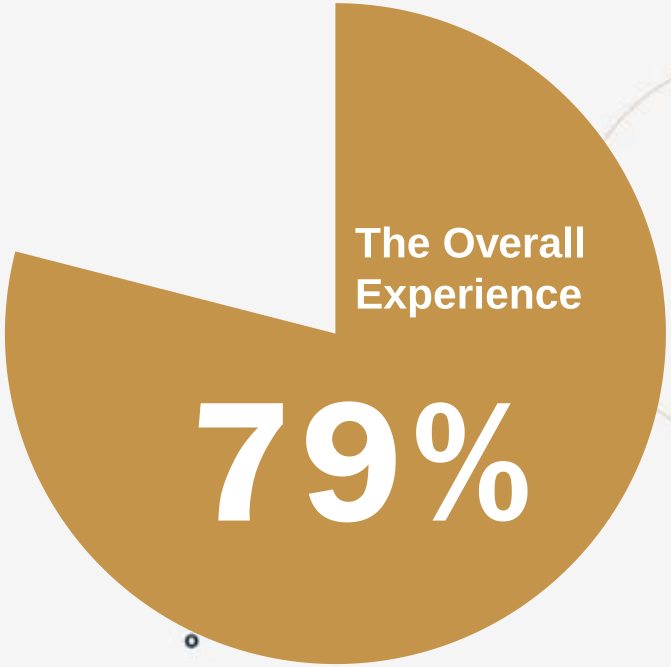
% satisfied



Vs 80% prior month



Vs 75% prior month



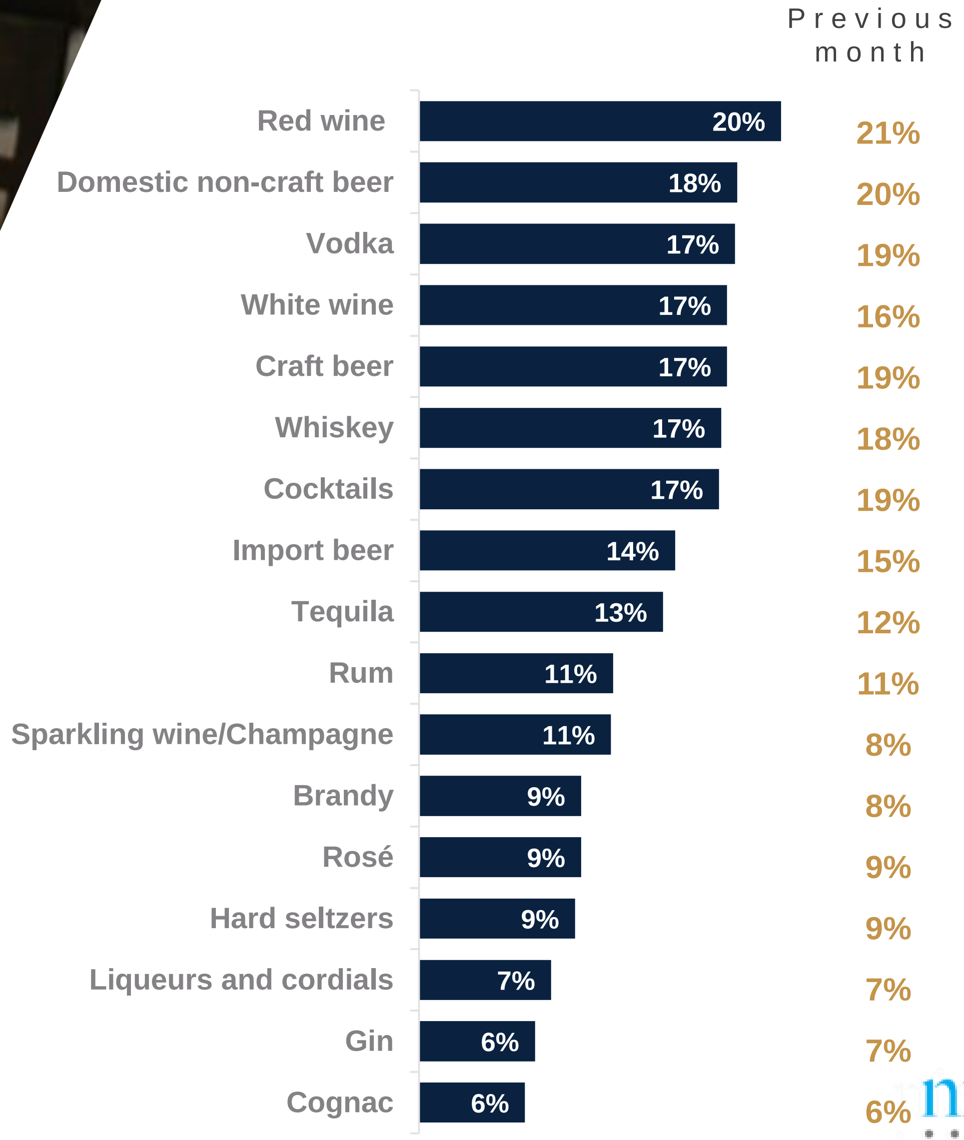
Vs 80% prior month

SOURCE: NCGA COVID-19 IMPACT CONSUMER RESEARCH

NCGA COVID-19 IMPACT SURVEY Jan 13, 2020, SAMPLE SIZE: 970

DRINKS WHEN RETURNING TO BARS AND RESTAURANTS

What did you drink when in bars and restaurants in past 2 weeks?



Sparkling wines also did better in December. This could be as a celebratory beverage over the holidays.

nielsen CGA PHENOMENAL DATA. EXPERT INSIGHT.

% VISITING VENUES

CASUAL DINING CHAINS	INDEPENDENT RESTAURANTS	SPORTS BARS	NEIGHBORHOOD BARS	FINE DINING
41%	**36%**	**19%**	**18%**	**18%**

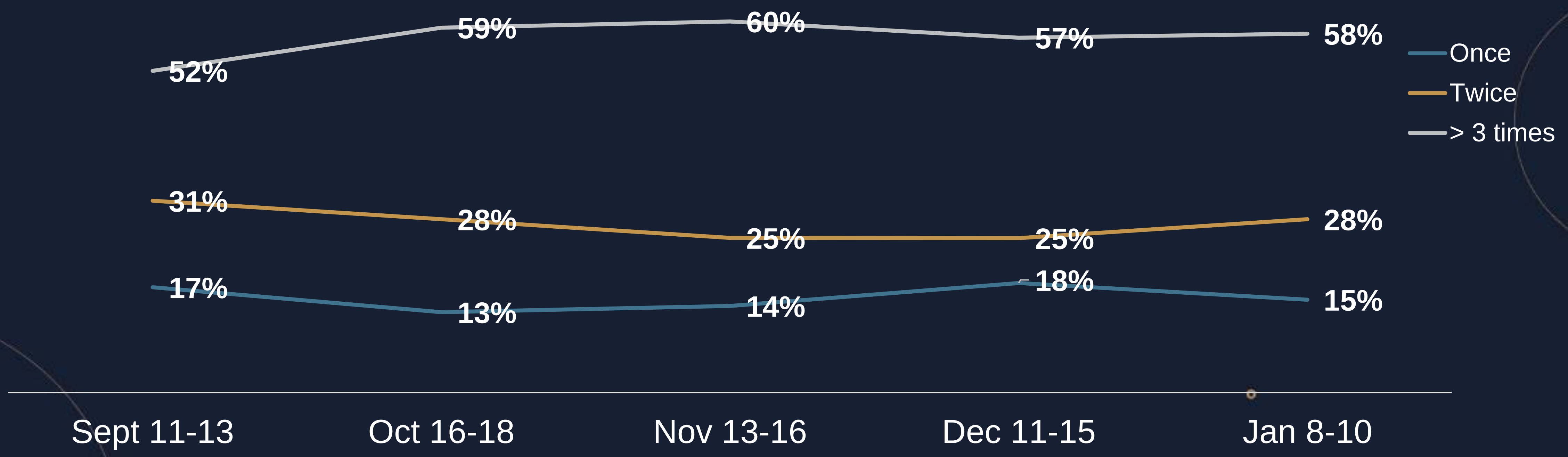
Average across prior 3 months

CASUAL DINING CHAINS	INDEPENDENT RESTAURANTS	SPORTS BARS	NEIGHBORHOOD BARS	FINE DINING
42%	**43%**	**18%**	**21%**	**19%**

SOURCE: NCGA COVID-19 IMPACT CONSUMER RESEARCH

NCGA COVID-19 IMPACT SURVEY Jan 13, 2020, SAMPLE SIZE: 970

FREQUENCY OF ON PREMISE VISITS BY THOSE WHO HAVE BEEN OUT



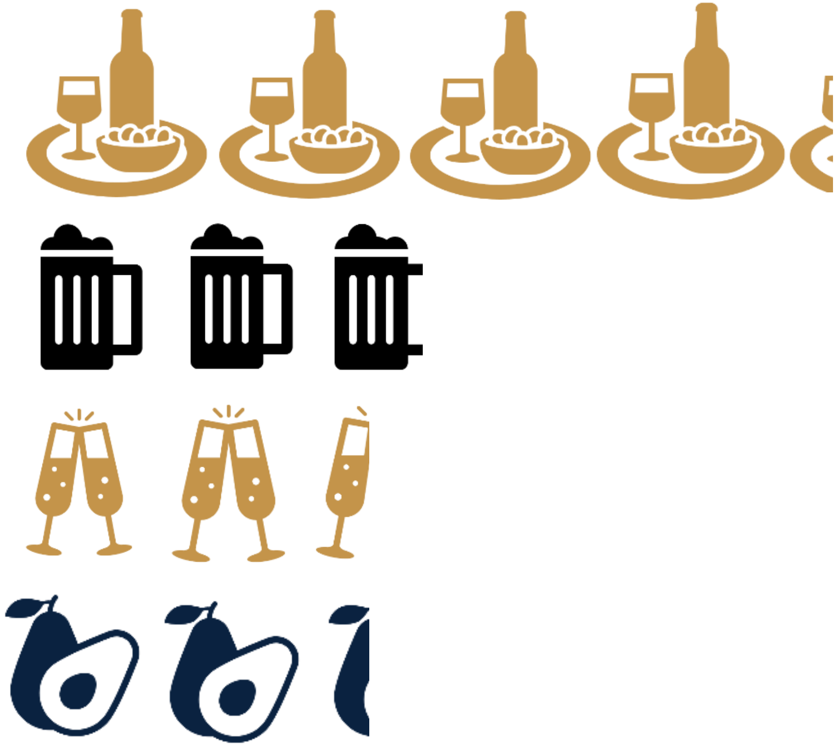
SOURCE: NCGA COVID-19 IMPACT CONSUMER RESEARCH

NCGA COVID-19 IMPACT SURVEY Jan 13, 2020, SAMPLE SIZE: 962

OCCASIONS FOR VISITATION

Which, if any, of the following occasions have you visited bars and restaurants for in the past 2 weeks?

Average from prior 3 months



		Average from prior 3 months
42%	Drinks with food	46%
30%	Relaxed/ quiet drinks	30%
26%	Special occasion	28%
22%	Brunch	20%

WHY HAVE YOU NOT RETURNED TO THE ON PREMISE?

ANXIETY		PRECAUTIONS		EXPERIENCE	
I don't feel safe going out at the moment	50%	I am self-isolating	20%	The atmosphere is/will not be the same as it was before COVID-19	20%
I don't feel safe being in close proximity to strangers in these places	50%	I am concerned about my financial situation and am trying to save money	17%	My experience when visiting a bar or restaurant will not be the same as it was before	12%
It will take me a while to feel comfortable visiting these places	36%	I don't feel comfortable with other people preparing my food/drinks	16%	I have realized I don't need these experiences as often	11%

WHEN WILL YOU VISIT THE ON PREMISE?

ONCE THE THREAT OF COVID-19 IS COMPLETELY GONE	40%
WHEN THERE IS A VACCINE / TREATMENT AVAILABLE	37%
WHEN THE NUMBER OF CASES FALL BELOW A CERTAIN NUMBER	25%
ONCE THE NUMBER OF COVID-19 CASES DOES	19%
UNSURE	18%
WHEN OUTLETS HAVE DEMONSTRATED SUCCESSFUL SOCIAL DISTANCING	12%

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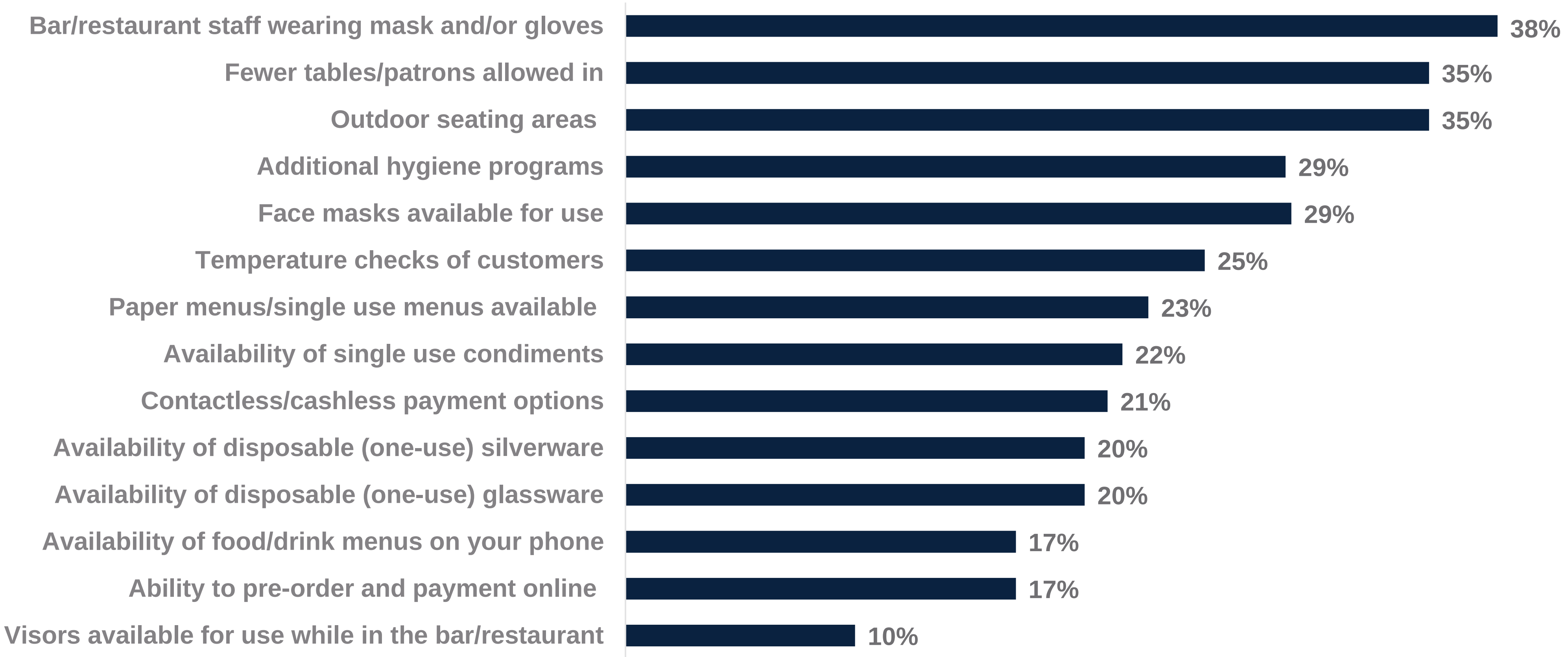
ENCOURAGING CONSUMERS TO VISIT

The top 3 factors that would encourage the average consumer to visit bars and restaurants are the same three factors as previous issues; Outdoor seating, PPE for staff and social distancing, however bar/restaurant staff wearing PPE has increased as an encouraging factor.

Which of the following would encourage you to visit bars or restaurants over the coming weeks?



HOW HAS ALCOHOL CONSUMPTION CHANGED DURING COVID-19?

54%

DRINKING THE SAME AMOUNT OF ALCOHOL

26% ← **24%** Dec 16

DRINKING MORE

21% ← **21%** Dec 16

DRINKING LESS

SOURCE: NCGA COVID-19 IMPACT CONSUMER RESEARCH

NCGA COVID-19 IMPACT SURVEY Jan 13, 2020, SAMPLE SIZE: 1,604

76%

Of On Premise Users agree that they have missed visiting bars and restaurants with family and friends

SOURCE: NCGA COVID-19 IMPACT CONSUMER RESEARCH

NCGA COVID-19 IMPACT SURVEY Jan 13, 2020, SAMPLE SIZE: 1,604

76%

Of On Premise Users agree that bars/restaurants are a place to treat yourself

73%

Of On Premise Users agree that bars/restaurants are a place I go to celebrate

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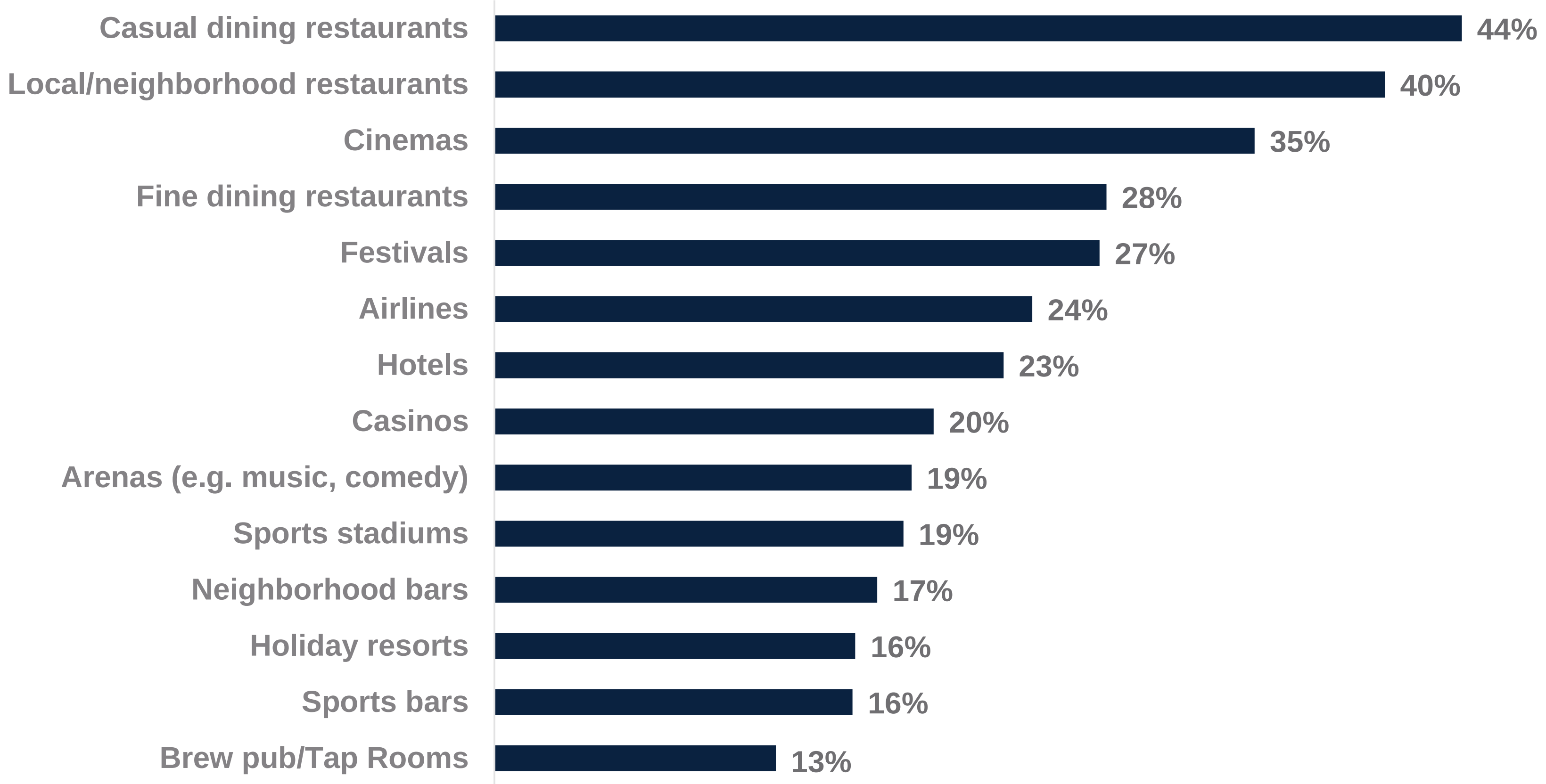
PHENOMENAL DATA. EXPERT INSIGHT.

SOURCE: NCGA COVID-19 IMPACT CONSUMER RESEARCH

NCGA COVID-19 IMPACT SURVEY Jan 13, 2020, SAMPLE SIZE: 1,604

VENUES MISSED

What have you most missed not being able to visit as usual, during the restrictions due to Covid-19?



PHENOMENAL DATA. EXPERT INSIGHT.

VENUES MISSED *Age Splits*

TOP 3 MOST MISSED VENUES BY AGE GROUPS

Venues such as cinemas and airlines which were harder to visit in the past few months do show in the most missed outlets. However casual dining chains, which overall are the most missed venue, seem to be much more significant with older age groups. Young consumers are missing experience based occasions more – perhaps showing they miss high tempo occasions more than older age groups.

21-34 yr olds

Venue	%
Cinemas	37%
Local/ Neighborhood Restaurants	30%
Festivals	29%

35-54 yr olds

Venue	%
Casual Dining Restaurants	40%
Cinemas	37%
Local/ Neighborhood Restaurants	35%

55+ yr olds

Venue	%
Casual Dining Restaurants	58%
Local/ Neighborhood Restaurants	52%
Airlines	35%

LOOKING FORWARD TO

Which of the upcoming events and occasions are you most looking forward to visiting bars and restaurants for?

Valentine's Day	**26%**
Mother's Day	18%
Superbowl	17%
Independence Day	15%
St Patrick's day	13%
Cinco De Mayo	12%

The closest holiday is the one people are most looking forward to. This is consistent by state and is top with all ages, except the over 55+'s who are looking forward to Mother's Day more.

SOURCE: NCGA COVID-19 IMPACT CONSUMER RESEARCH

NCGA COVID-19 IMPACT SURVEY Jan 13, 2020, SAMPLE SIZE: 1,604

TAKE OUT/DELIVERY

63%

HAVE ORDERED TAKE OUT/DELIVERY OF FOOD IN THE LAST 2 WEEKS

63% Plan to in the next 2 weeks

Vs 65% prior 2 weeks

12%

HAVE ORDERED TAKE OUT/DELIVERY WITH ALCOHOL IN THE LAST 2 WEEKS

15% Plan to in the next 2 weeks

Vs 10% prior 2 weeks

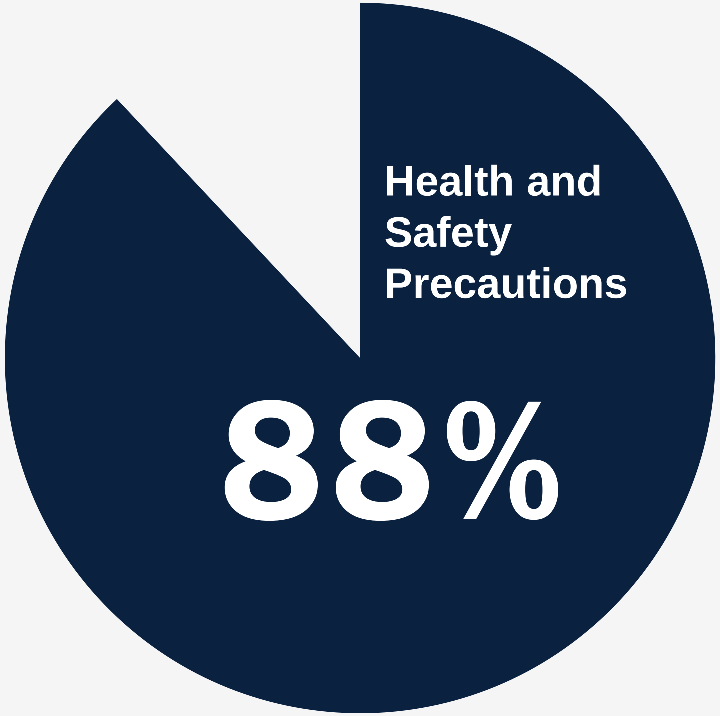
SOURCE: NCGA COVID-19 IMPACT CONSUMER RESEARCH

NCGA COVID-19 IMPACT SURVEY Jan 13, 2020, SAMPLE SIZE: 1,604

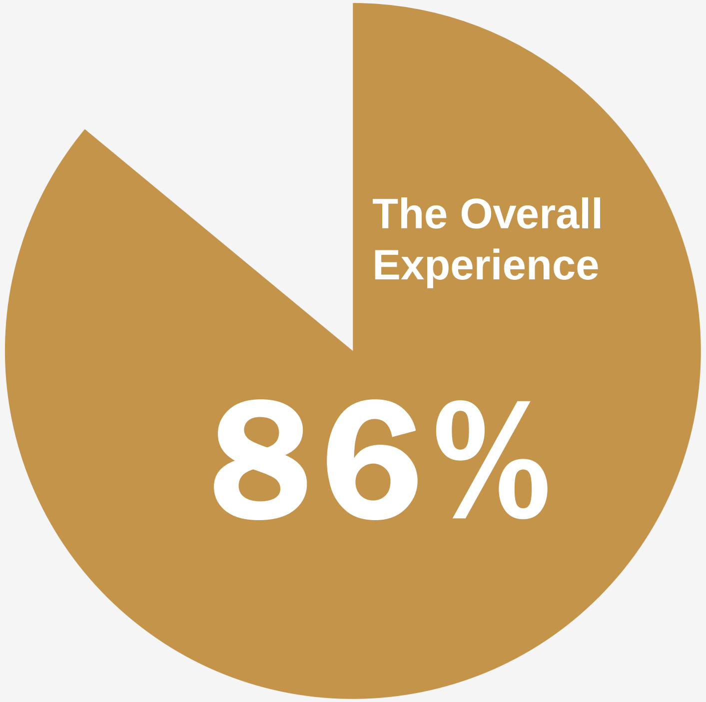
LEVELS OF SATISFACTION WITH TAKE OUT/DELIVERY ARE HIGH

Satisfaction with the following factors when ordering take out/delivery in the last 2 weeks

% satisfied



Vs 88% last month



Vs 88% last month

SOURCE: NCGA COVID-19 IMPACT CONSUMER RESEARCH

NCGA COVID-19 IMPACT SURVEY Jan 13 2020, SAMPLE SIZE: 1,157

TAKE OUT/DELIVERY

WHERE DO YOU ORDER ALCOHOL WITH DELIVERY FROM

Third party delivery apps

49%

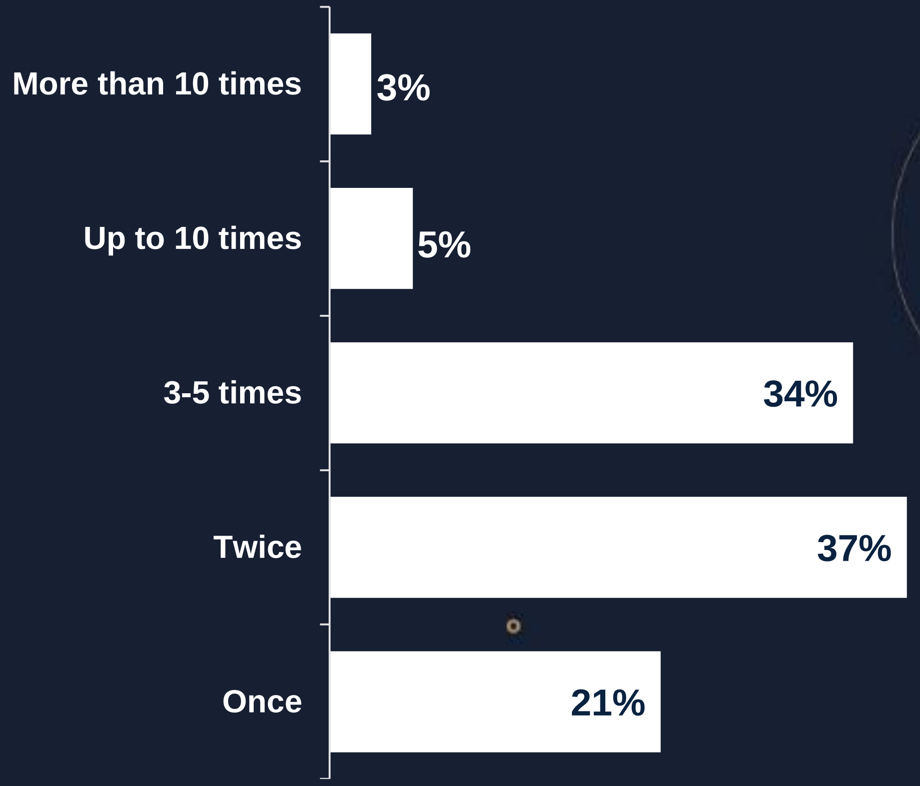
Direct from restaurants/bars

48%

Supermarket/grocery store/convenience/liquor store

35%

HOW OFTEN HAVE YOU ORDERED TAKE OUT IN THE LAST 2 WEEKS



SOURCE: NCGA COVID-19 IMPACT CONSUMER RESEARCH

NCGA COVID-19 IMPACT SURVEY Jan 13, 2020, SAMPLE SIZE: 201-1157

WHAT'S NEXT?

As per this report, we are focusing our approach for the COVID-19 On Premise Impact report towards a tracker of core metrics, both from a **consumer** and **sales** perspective. This is to allow us to see how the On Premise and consumers are behaving throughout changing restrictions for bars and restaurants. We are moving to a monthly deliverable as behaviors have begun to normalize more so we will continue to deliver these reports to you with key, actionable insights every 4 weeks. By moving towards a 4 weekly tracker we will also be able to continue to invest in our other services to ensure you have all the tools needed to support your brands in the On Premise.

If you wish to see this consumer data by more splits, such as by category drinkers, please get in touch for more information.

NCGA can support your On Premise recovery plans in many ways, over the past few months, we have created a whole set of new products which are now available to purchase, please see the next slide for more detail.

If you have any questions, please contact both matthew.crompton@nielsencga.com and amy.warren@nielsencga.com.

Look after yourselves and stay well.

The Nielsen CGA Team

GET IN TOUCH NOW TO DISCUSS YOUR 2021 PLANS

contact matthew.crompton@nielsencga.com and

amy.warren@nielsencga.com

NIELSEN CGA SERVICES

Essential tools to help you navigate the new On Premise reality

State Performance Tracker

Track the top line performance of 40 states for just $1k a month!

Channel Strategy

Channel Strategy is back for 2021 – how will you win in casinos, stadiums and other channels when the market fully re-opens?

International Expansion

Following the huge success of OPUS in the US and Canada – this service will now be available in Mexico and Brazil

BeverageTrak

Tracking & responding to low level, sub-market, sales performance is now crucial

PurchaseTrak

An On Premise tracking tool designed solely for regional sale teams

Retail Solutions

Did you know that NCGA has an entire retail division?

METHODOLOGY

CONSUMER RESEARCH

NCGA have surveyed 1,604 LDA On Premise consumers across four key states (Florida, Texas, New York & California)

An equal number of respondents were collected from each state, with each nationally representative on age and gender.

Fieldwork was 01/08/21 to 01/10/21

Numbers in deck refer to consumers who have had an alcoholic drink in the last 3 months.

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PHENOMENAL DATA. EXPERT INSIGHT.

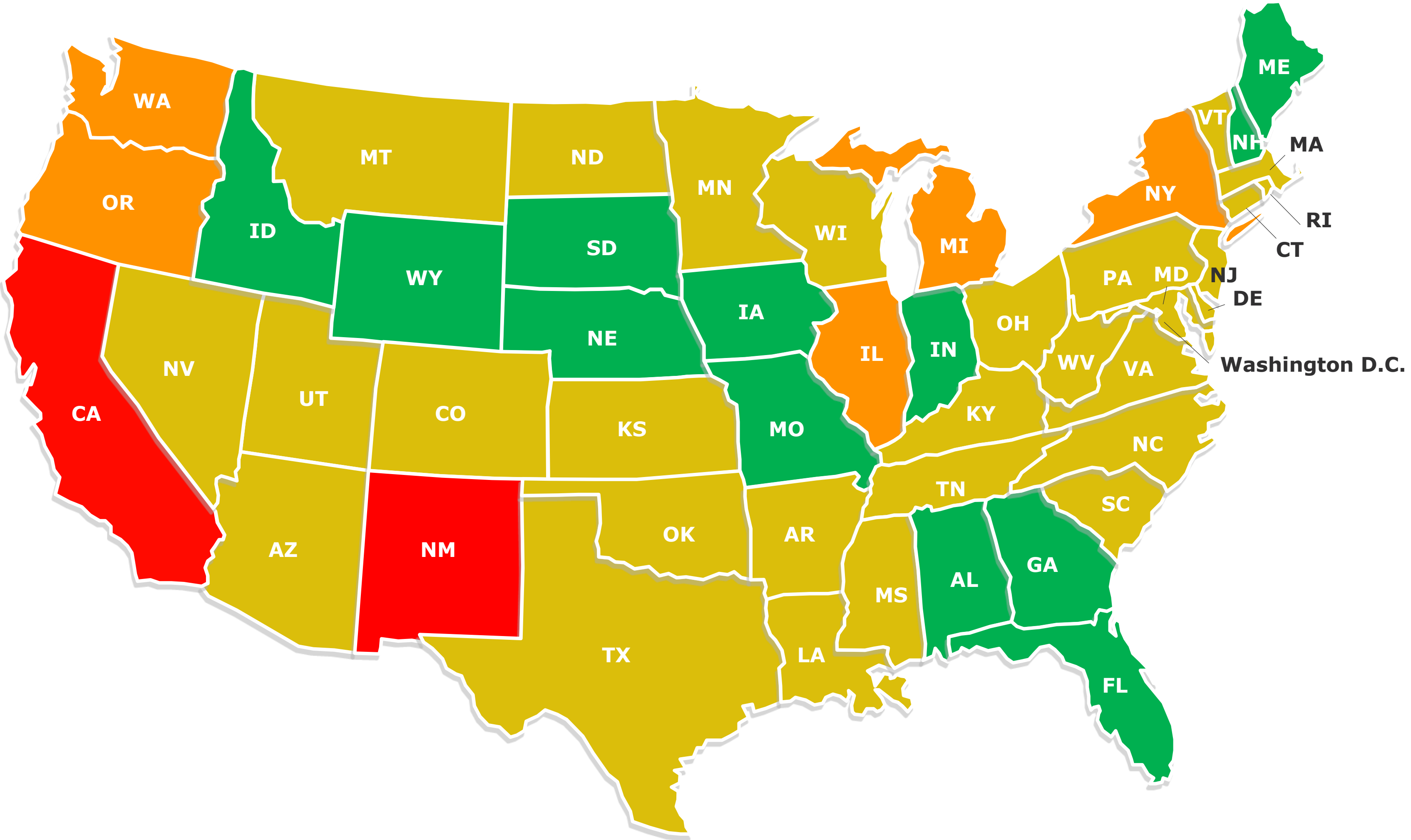
OPENING STAGES: RESTAURANTS

STAGE 1: Completely Open (eg Florida)

STAGE 2: Open but with capacity measures in place (eg Delaware)

STAGE 3: Outdoor Only Open (eg District of Columbia)

STAGE 4: Closed – Delivery Only (eg California)



OPENING STAGES: BARS

STAGE 1: Completely Open (eg Florida)

STAGE 2: Open but with capacity measures in place (eg Delaware)

STAGE 3: Outdoor Only Open (eg District of Columbia)

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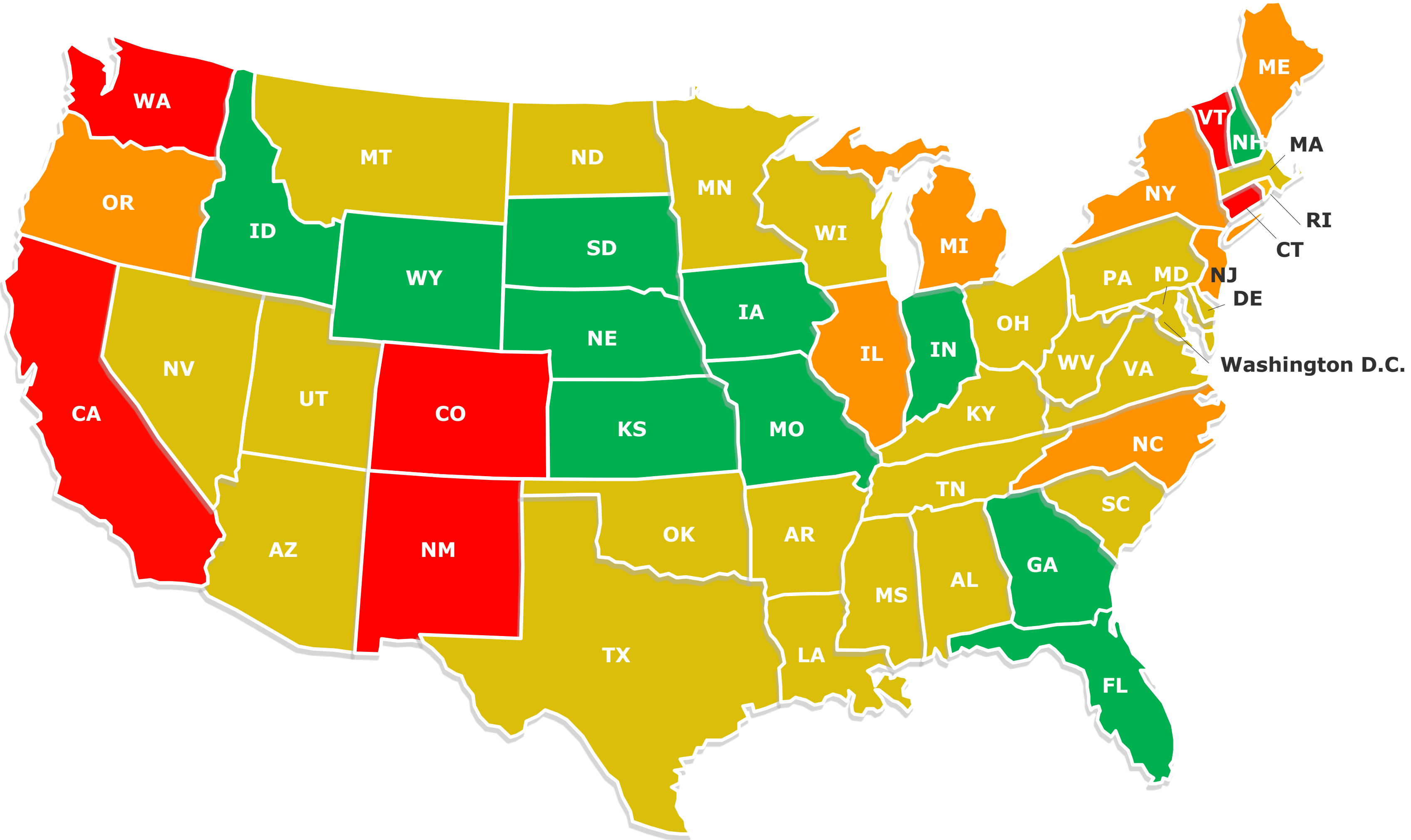

SOURCE: FODORS.COM