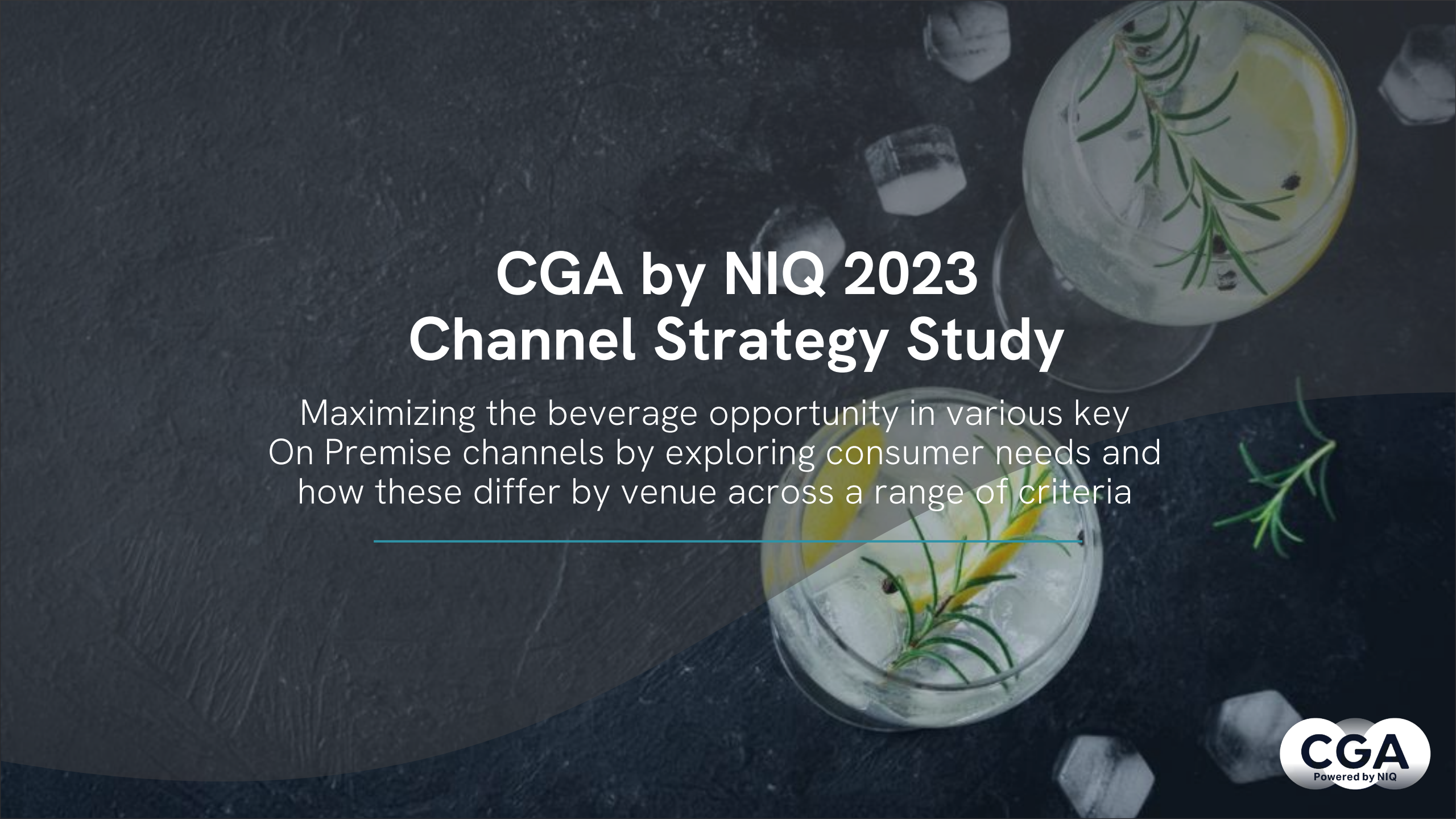


The background of the slide is a dark, textured surface, possibly slate or stone. In the upper right and lower center, there are two glasses filled with a light-colored beverage, likely lemonade. Each glass contains several ice cubes, a slice of lemon, and a sprig of fresh rosemary. A few more ice cubes and a small sprig of rosemary are scattered on the surface around the glasses. The overall aesthetic is clean and modern.

CGA by NIQ 2023 Channel Strategy Study

Maximizing the beverage opportunity in various key
On Premise channels by exploring consumer needs and
how these differ by venue across a range of criteria

Channel Strategy Study 2023

Following notable demand and feedback from clients, CGA by NIQ are launching the Channel Strategy Study for the US once again for 2023.

The study will build and enhance on the effective structure used in 2022, to provide insights and clarity for suppliers on where the opportunity for their brands/categories lie and how they need to tailor their strategy to win in specific channels.

KEY MILESTONES:

1. Detailed intro and early commitment opportunity – Until 18th Aug '23
2. Fieldwork – July '23
3. Reports Available – From Sept '23



Identifying the most valuable channels for your brands and categories

The **2023 Channel Strategy Study report** will provide all the vital insights to succeed in each of the 11 channels covered.

It is crucial for suppliers to understand how their brands and categories perform across different visit types and consumer motivations, factors that vary significantly by channel.

Exploring which channels that you can align with and target to implement effective strategies across the US is key to maximizing success; allowing you to focus your resources and ensure plans are tailored appropriately.

Within the Channel Strategy 2023 report we explore year-on-year trends; facilitating understanding of how consumer behaviour has changed over time, allowing you to scrutinize and adapt strategy accordingly.

The aim of CGA by NIQ's Channel Strategy is to:

- ✓ Highlight clear and actionable opportunities within the On Premise space for your brands
- ✓ Enrich suppliers with valuable insights, enabling development and implementation of impactful marketing and tailored strategies relevant to each channel
- ✓ Provide key insights into consumer behaviors across each of the 11 channels explored.

WHICH CHANNELS ARE COVERED WITHIN CHANNEL STRATEGY 2023?

The core report will help you understand the opportunities available across 11 specific channels. Accompanying individual deep dive reports will help you maximize possibilities within each channel to shape tailored strategies at a specific channel level:





The Channel Strategy 2023 report will provide you with:

- ✓ A detailed understanding of key channels that underpin the On Premise sector, allowing for nuanced planning and execution
- ✓ A holistic view of the **size of the prize** in each of the 11 channels
- ✓ The ability to identify **clear opportunities** within each channel
- ✓ A greater understanding of **who the channel's key consumers are**, including their preferences and behaviors
- ✓ Exploration of the **customer journey** and their **purchasing habits**
- ✓ A complete understanding of **what is important to the channel experience**, while **identifying key occasions** your brands need to focus on to drive engagement and sales
- ✓ **Brand awareness and preferences in each channel** to ensure you can maximize penetration of your brand

#1: The Core Report *designed for Channel Strategy Development*



The core report provides a holistic overview of different channels that formulate the wider On Premise.

The comprehensive overview will allow Insight teams to fully understand what consumer profiles are most prevalent in each channel; which channels are most important/valuable for your brands and, ultimately, which channels resource and planning should be focused on.

Quantifying the size of the prize

- What is the share of visits to the On Premise overall that different channels account for?
- How often do consumers visit each specific channel?
- Understand how valuable each channel is using average check spend information at a typical outlet (via our proprietary check level BeverageTrak data set)

This will establish which channels provide the most promising sales opportunities and avenues for growth to match your portfolio of brands

Understanding the target consumer profile per channel

- What are the key characteristics of consumers for each channel in demographic areas, as well as how they align and differ attitudinally in relation to experimentation, brand loyalty, receptiveness to premium offerings, etc. ?
- What occasions are consumers most commonly visiting a specific channel for and what drink categories are consumed during these visits?
- What are the most important elements of a drinks offer that consumers are looking for in each channel?

This will establish which channels provide the best opportunity for the brand/product in terms of alignment with the key target consumer in that channel

#2: Channel Deep-dives *to facilitate building specific strategies*



Once the most important channels for your brand portfolio have been identified, the second set of deliverables will enable Brand, Marketing and CP&A teams to explore the detail within a specific channel to further refine strategies.

These individual, low cost, channel reports will provide granular insights into each channel's key dynamics to inform strategy and planning, uncovering how to position your brands most effectively against competitors.

What is driving consumer visitation?

- This will be tailored to specific channel specific scenarios. For example:
 - How important is the range of options available to nightclub visitors or local brand availability in independently owned restaurants?
 - How important is drinks quality, promotions, word of mouth or previous experience in driving visitation?

What are consumers drinking within a specific channel?

- How do different drink categories perform relative to one another? Within a category, what sub-category proves most popular? What serve preferences do consumers have across a range of categories? How can emerging categories capitalize on specific channels?
- What dayparts are key? Which categories and types of drink do better during different times of day? How valuable is happy hour? Is the naming of brands important in specific cocktails or mixer drinks? On average, how many drinks are being consumed in the channel per visit? How prevalent is category switching?

What is important to the overall channel experience for consumers?

- What elements create the ideal experience for someone in that channel – promotions, clear menus, presentation of food/drinks, premium drink options?

How are drink choices made?

- Are high quality ingredients influential, is food pairing key, is the brand/drink's origin important, do recommendations have a role?

What is your brand penetration in this channel?

- How popular are your brands in a channel relative to your competitors?

This will establish the opportunities available for your brands and how to most effectively market new and existing offerings within specific channels

What's new for 2023

It is vital that the topic areas covered by our channel strategy project continue to reflect changes and innovations being seen in specific channels and across the On Premise more generally. As a result, we have added in several new elements to this year's study:

Expanded drink categories and brand lists

- Looking at mezcal as a category in its own right, as opposed to within tequila to reflect its increased exposure
- Specific exploration into the shots category, including consumption levels of the most popular shots at each channel covered
- An increased list of brands included for all drink categories to allow further insights into behaviors of specific brand consumers

Non-alcoholic sub-category measurement

- Increased depth of insight available for non-alcoholic sub-categories with beer, spirits, cocktail and wine consumption measured for all channels
- Further exploration into the non-alc beer category to understand serve preference and incidence levels of domestic, imported and craft options
- Data can also be cut by drinkers of leading non-alc beer brands

Music/art festivals added as a channel

- With clear opportunities for brands and distributors to collaborate with festivals, we have added this as a channel deep-dive for 2023 to understand consumer needs and behaviors in this space

Increased focus on path to purchase

- 2022 saw the introduction of path to purchase questions for the first time on the channel strategy project. We have increased the scope further in 2023 by adding menu and ordering preferences in all channel deep-dives to understand how this varies

Self-serve and grab & go measurement expanded to applicable channels

- Asking about the importance, use and expectations of self-serve kiosks in arenas/stadiums
- Addition of grab & go questions for experiential bars

True year-on-year comparisons from a more stable wider environment

- Our 2023 report will compare and contrast significant changes and trends across drinks categories and channels versus 2022
- This gives the first clear opportunity to understand how channels are evolving without consideration of COVID factors (which still existed in 2021) as the marketplace has continued to stabilize

INVESTMENT

PRE-COMMITMENT PARTNERSHIP PACKAGE

\$17,000 for the core report
+ 1 channel deep dive

OR

\$65,000 for the core report and
all 11 channel deep dives

STANDARD PACKAGE

\$19,500 for the Core Report
+ 1 channel deep dive

\$75,000 for the core report and
all 11 channel deep dives

Additional channel deep dives -
\$8,000 each

25% of your package cost for access of data via Distilr 360





Other important information

METHODOLOGY:

- + Online quantitative survey
- + Focusing on 11 specific On Premise channels
- + 7,500 consumers who plan on visiting the On Premise in the next 3 months (ensuring a robust base of respondents for all channels explored)
- + Check level (CLiP) data will be used to showcase the velocity of beer, wine and spirits for the last 12 weeks for various channels where possible
- + TD Link - the number of US outlets as of June 2023 will also be included

FIELDWORK & OUTPUTS:

- + The survey will field during July
- + Core report to be available in August
- + 11 individual channel deep-dive reports will be delivered across September and October
- + Option to unlock full data set in Distilr 360

Contact Us

To learn more about the Channel Strategy 2023 Study
or to speak to a member of the team,
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