OnPrem Insights
by union

THE WHISKEY REPORT

This report analyzes guest behavior at Union on-premise venues from February 2022 through July 2022.

August 2022 Report
February 2022 --- July 2022

WHAT'S IN THIS REPORT

This report analyzes guest behavior at Union on-premise venues from February 2022 through July 2022. The Union GuestMatch™ and MenuMatch™ technologies enable Union to form and track ad-hoc guest cohorts and analyze behavior over time.

These findings are based on actual guest consumption, not surveys, depletions into the venues, or other indirect techniques.

WHERE THE DATA COMES FROM

Union is a POS and mobile ordering/payment system specifically designed for the needs of the highest volume bars and restaurants. And the secret sauce is our proprietary canonical data foundation underlying all branded menu items.

This foundation allows Union to capture on-premise consumption data with an unprecedented level of precision, comprehensiveness, and granularity, from thousands of venues serving millions of guests per month across 34 states.

WHY THIS DATA MATTERS

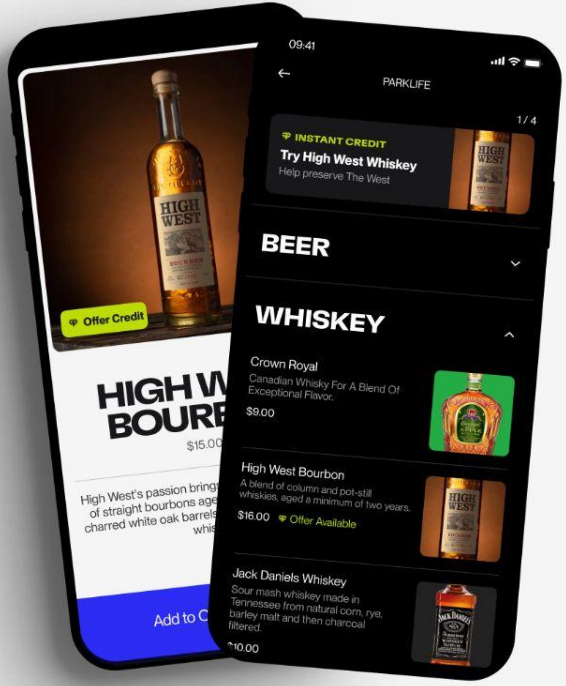
On-premise is the key channel for brand building. It's where consumers discover new brands, seek recommendations, and have their most formative brand experiences. And every city has its most popular bars and restaurants. The venues with the most consumer action, where trends are born and take hold.

Because these accounts are typically independently owned/operated, they collectively provide the most comprehensive and accurate "finger on the pulse" of alcohol beverage consumers.

YOU CAN IMPACT THESE TRENDS

What's even more exciting is that Union doesn't just report the news, but we also help brands make the news. Through our direct connection to thousands of GMs/ owners and millions of consumers, we help brands drive distribution and recruit new consumers at the most popular independent on-premise bars and restaurants throughout the country.

For more information on Union Impact programming, please see the last page of this report.



Union allows your brand to directly reach millions of consumers on their smartphones while ordering at bars & restaurants all over the country

CATEGORY PRICING

Union Pricing represents the average price consumers pay when ordering a certain product. This does not necessarily represent simply the listed menu price as it also can be impacted by promotions, drink format, and mixer choice.

For this table, the current period is May 2022-July 2022 and the prior period is February 2021-April 2022.

Average price for a whiskey drink was $8.64, a decrease of -0.5%. As we'll see in the Brand Pricing chart, this decrease was led by house/well drinks, while the collective average price of call drinks increased. Overall, Whiskey has a slightly lower average price than Vodka and trails Tequila by a significant margin.

Pricing by Category

	Current Quarter	Previous Quarter	Current vs. Previous	
	May - July 2022	Feb - Apr 2022	$ Change	% Change
Brandy/Cognac	$14.39	$14.46	-$0.07	-0.5%
Tequila	$11.16	$10.85	$0.31	2.9%
Gin	$9.27	$9.38	-$0.12	-1.2%
Vodka	$8.82	$8.89	-$0.08	-0.8%
Whiskey	$8.64	$8.69	-$0.04	-0.5%
Rum	$7.54	$7.47	$0.07	0.9%
Cordial	$6.93	$6.89	$0.04	0.6%

*Source: Union OnPrem Insights
These findings are based on actual on-premise guest consumption, not surveys, case deliveries, or other indirect techniques.

SUBCATEGORY PRICING

Average price for American (non-Rye) and Irish Whiskey drinks are relatively similar and both decreased during the previous quarter. Scotch and Rye Whiskey drinks, on the other hand, are more premiumly priced on average.

Pricing by Subcategory

	Current Quarter	Previous Quarter	Current vs. Previous	
	May - July 2022	Feb - Apr 2022	$ Change	% Change
Scotch	$13.91	$13.81	$0.10	0.7%
Rye	$10.99	$11.03	-$0.04	-0.3%
American (non-Rye)	$8.79	$8.91	-$0.12	-1.3%
Irish	$8.38	$8.43	-$0.06	-0.7%
Canadian (non-Rye)	$7.78	$7.71	$0.07	0.9%

*Source: Union OnPrem Insights
These findings are based on actual on-premise guest consumption, not surveys, case deliveries, or other indirect techniques.

BRAND PRICING

Average price for House/Well drinks (-3.7%) led the overall category decline.

For the most part, average price gaps narrowed amongst the brands in the $10-15 drink range with average price for the more expensive Basil Hayden's and Woodford Reserve declining while average price for Johnnie Walker, Knob Creek, and Bulleit increased.

Pricing by Whiskey Brand

	Current Quarter	Previous Quarter	Current vs. Previous	
	May - July 2022	Feb - Apr 2022	$ Change	% Change
Macallan	$19.09	$18.38	$0.71	3.9%
Basil Hayden's	$13.91	$14.16	-$0.25	-1.8%
Woodford Reserve	$13.13	$13.28	-$0.15	-1.1%
Johnnie Walker	$12.06	$11.88	$0.18	1.5%
Knob Creek	$11.51	$11.47	$0.04	0.4%
Bulleit	$10.77	$10.71	$0.06	0.6%
Maker's Mark	$10.27	$10.39	-$0.11	-1.1%
Buffalo Trace	$9.92	$9.65	$0.27	2.8%
House/Well	$8.33	$8.65	-$0.32	-3.7%
Crown Royal	$8.28	$8.15	$0.13	1.6%
Jameson	$8.25	$8.29	-$0.03	-0.4%
Jack Daniel's	$8.08	$7.94	$0.14	1.8%
Tullamore Dew	$7.77	$7.89	-$0.12	-1.5%
Skrewball	$6.70	$6.69	$0.01	0.2%
Jim Beam	$6.55	$6.54	$0.01	0.2%
Fireball	$6.09	$6.15	-$0.06	-0.9%

*Source: Union OnPrem Insights
These findings are based on actual on-premise guest consumption, not surveys, case deliveries, or other indirect techniques.

CATEGORY BY DAYPART

Whiskey skews to the earlier evening. It is a bit less popular than spirits overall during lunch and late night, but makes up for it with an index of 1.09 during the dinner period.

Whiskey Sales by Daypart

	Whiskey	Total Spirits	Index
Lunch (Before 4PM)	6.9%	7.5%	0.92
Happy Hour (4-7PM)	17.0%	16.4%	1.04
Dinner (7-10PM)	29.6%	27.1%	1.09
Late Night (After 10 PM)	46.5%	48.9%	0.95

*Source: Union OnPrem Insights
These findings are based on actual on-premise guest consumption, not surveys, case deliveries, or other indirect techniques.

CATEGORY RETENTION

We define Category Retention as the likelihood that a guest who consumes a category will then consume the same category on their next bar visit. In the chart, the rows represets initial consumption and the columns represent subsequent consumption.

The Whiskey category has an overall Retention of 54% in line with Vodka and well ahead of other categories. If a Whiskey drinker strays, Vodka is the next most likely spirit category for them to drink at 22% and then Tequila at 15%.

Category Retention

	Cognac/ Brandy	Cordial	Gin	Rum	Tequila	Vodka	Whiskey
Cognac/Brandy	25%	2%	3%	3%	24%	20%	22%
Cordial	0%	32%	2%	3%	14%	24%	25%
Gin	0%	2%	34%	3%	18%	25%	19%
Rum	0%	3%	3%	33%	14%	25%	21%
Tequila	1%	2%	3%	2%	48%	25%	18%
Vodka	0%	3%	3%	3%	18%	55%	19%
Whiskey	0%	3%	3%	3%	15%	22%	54%

*Source: Union OnPrem Insights
These findings are based on actual on-premise guest consumption, not surveys, case deliveries, or other indirect techniques.

SUBCATEGORY RETENTION

For Subcategory Retention, we examine the likelihood that a guest who consumes a specific subcategory will then consume the same subcategory on their next bar visit during which they consume the same category - in this case whiskey. In the chart, the columns represent initial consumption and the columns represent subsequent consumption.

American (non-Rye) has the highest retention whereas Rye has the lowest, partially driven by lower availability.

Retention by Subcategory

	Ameircan	Canadian	Irish	Rye	Scotch
American (non-rye)	76%	9%	10%	3%	2%
Canadian (non-rye)	20%	67%	10%	1%	1%
Irish	21%	10%	66%	1%	1%
Rye	42%	5%	10%	41%	2%
Scotch	24%	7%	11%	2%	56%

*Source: Union OnPrem Insights
These findings are based on actual on-premise guest consumption, not surveys, case deliveries, or other indirect techniques.

BRAND RETENTION

For Brand Retention, we examine the likelihood that a guest who purchases a specific brand will then purchase the same brand on their next bar visit during which they consume the same category - in this case whiskey. In the chart on the next page, the columns represent initial consumption and the columns represent subsequent consumption.

Jameson (53%) has the strongest retention of any whiskey brand.

Amongst the higher-priced brands, Buffalo Trace (39%) has stronger retention than Bulleit (33%) / Woodford Reserve (29%) and is in line with Maker's Mark (40%), despite having significantly lower availability.

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Whiskey Brand **Retention** (Continued)

	Basil Hayden's	Buffalo Trace	Bulleit	Crown Royal	Fireball	Jack Daniel's	Jameson	Jim Beam	Johnnie Walker	Macallan	Maker's Mark	Skrewball	Tullamore Dew	Woodford Reserve	House/ Well
Basil Hayden's	31%	2%	5%	3%	2%	4%	10%	1%	1%	1%	4%	0%	1%	2%	28%
Buffalo Trace	1%	39%	4%	3%	2%	4%	7%	1%	0%	0%	4%	1%	1%	2%	28%
Bulleit	1%	2%	33%	3%	2%	4%	9%	1%	0%	0%	5%	0%	1%	1%	33%
Crown Royal	0%	0%	1%	50%	5%	6%	8%	1%	0%	0%	1%	1%	0%	0%	25%
Fireball	0%	0%	1%	8%	47%	5%	8%	1%	0%	0%	1%	1%	1%	0%	27%
Jack Daniel's	0%	0%	1%	7%	4%	49%	8%	1%	1%	0%	2%	0%	0%	0%	26%
Jameson	0%	1%	1%	5%	3%	5%	53%	1%	0%	0%	2%	1%	1%	0%	26%
Jim Beam	0%	1%	1%	4%	4%	6%	8%	46%	0%	0%	2%	1%	1%	0%	24%
Johnnie Walker	0%	0%	2%	5%	1%	7%	7%	0%	45%	1%	2%	0%	0%	1%	24%
Macallan	1%	1%	2%	3%	1%	3%	10%	0%	3%	32%	3%	1%	1%	2%	29%
Maker's Mark	0%	2%	3%	4%	2%	5%	8%	1%	1%	0%	40%	0%	1%	1%	29%
Skrewball	0%	1%	1%	9%	7%	5%	11%	2%	0%	0%	1%	35%	1%	0%	24%
Tullamore Dew	0%	1%	1%	2%	2%	3%	18%	1%	0%	0%	1%	1%	45%	0%	23%
Woodford Reserve	2%	3%	5%	5%	2%	5%	8%	1%	1%	0%	5%	0%	0%	29%	28%
House/Well	0%	0%	1%	3%	2%	3%	6%	1%	0%	0%	1%	0%	0%	0%	81%

*Source: Union OnPrem Insights
These findings are based on actual on-premise guest consumption, not surveys, case deliveries, or other indirect techniques.

CATEGORY ADOPTION FUNNEL

Union also tracks Category Adoption. For guests that purchased a spirit during at least 5 separate visits within the period, we examine their choices to understand their dedication to each specific category.

Drinkers are segmented into three buckets.

Trial - Have consumed at least once

Repertoire - Represents at least 15% of overall consumption - a category they are happy to drink amongst others

Go-To - Represents more than 50% of overall consumption - the main category they look for

Category Adoption

The table shows the portion of consumers that fall into each bucket for each category, as well as conversion through the funnel. Whiskey has the second highest Trial and also the second strongest conversion through the adoption funnel. However, its lead in Trial vs. Tequila has shrunk by a full percentage point in the past two months as Tequila continues to gain in popularity.

	% of Spirits Drinkers			Conversion	
	Trial	Repertoire	Go-To	Repertoire	Go-To
Vodka	29.0%	25.5%	11.0%	87.9%	43.3%
Whiskey	25.3%	21.1%	8.4%	83.4%	40.0%
Tequila	24.6%	20.0%	6.6%	81.2%	33.2%
Gin	7.5%	4.8%	0.8%	63.9%	17.6%
Rum	7.2%	4.3%	0.7%	59.7%	16.7%
Cordial	5.4%	2.8%	0.4%	52.3%	13.4%
Cognac/Brandy	1.1%	0.6%	0.1%	54.5%	10.7%

*Source: Union OnPrem Insights
These findings are based on actual on-premise guest consumption, not surveys, case deliveries, or other indirect techniques.

SUBCATEGORY ADOPTION FUNNEL

Subcategory Adoption works in the same fashion as Category Adoption. For guests that purchased whiskey during at least 5 separate visits within the period, we examine their choices to understand their dedication to specific subcategories.

Drinkers are segmented into three buckets.

Trial - Have consumed at least once

Repertoire - Represents at least 15% of overall consumption - a category they are happy to drink amongst others

Go-To - Represents more than 50% of overall consumption - the main category they look for

Subcategory Adoption

The table shows the portion of whiskey consumers that fall into each bucket for each subcategory, as well as conversion through the funnel. American (Non-Rye) has a substantial lead in Trial and very high funnel conversion. Irish is second in Trial, leading Canadian (non-Rye) by 4.4 percentage points, but Irish narrows the gap when looking at Go-To. Rye and Scotch are significantly smaller in terms of consumer reach.

	% of Whiskey Drinkers			Conversion	
	Trial	Repertoire	Go-To	Repertoire	Go-To
American (Non-Rye)	38.4%	34.2%	22.6%	88.9%	66.2%
Irish	27.4%	22.0%	10.9%	80.3%	49.7%
Canadian (Non-Rye)	23.0%	18.3%	9.5%	79.8%	51.7%
Rye	6.2%	3.9%	0.9%	63.5%	22.5%
Scotch	5.1%	3.5%	1.3%	69.7%	36.5%

*Source: Union OnPrem Insights
These findings are based on actual on-premise guest consumption, not surveys, case deliveries, or other indirect techniques.

BRAND ADOPTION FUNNEL

Brand Adoption works in the same fashion as Category Adoption. For guests that purchased whiskey during at least 5 separate visits within the period, we examine their choices to understand their dedication to specific brands.

Drinkers are segmented into three buckets.

Trial - Have consumed at least once

Repertoire - Represents at least 15% of category consumption - a brand they are happy to drink amongst other options

Go-To - Represents more than 50% of category consumption. This is the main brand they seek

Brand Adoption

The table shows the portion of whiskey consumers that fall into each bucket for each brand, as well as conversion through the funnel. Jameson has the highest Trial % by a wide margin, and Jack Daniel's is the only other brand with higher Trial % than House/Well.

Though Jonnie Walker has relatively low Trial, its funnel conversion to Repertoire and Go-To is stronger than many brands with higher Trial. Though Johnnie Walker has relatively low Trial, its funnel conversion to Repertoire and Go-To is stronger than many brands with higher Trial.

	% of Whiskey Drinkers			Conversion	
	Trial	Repertoire	Go-To	Repertoire	Go-To
Jameson	21.2%	17.1%	8.5%	80.5%	50.1%
Jack Daniel's	13.6%	10.0%	4.3%	73.5%	42.6%
Well/House	13.1%	9.8%	4.7%	74.6%	47.8%
Crown Royal	12.8%	9.4%	4.3%	73.4%	45.7%
Fireball	9.8%	6.9%	2.8%	70.1%	40.9%
Maker's Mark	6.2%	4.0%	1.3%	64.7%	32.5%
Bulleit	4.4%	2.8%	0.7%	64.4%	26.3%
Jim Beam	3.4%	2.1%	0.8%	61.0%	36.7%
Tullamore Dew	2.9%	1.6%	0.5%	56.0%	33.2%
Buffalo Trace	2.7%	1.6%	0.5%	61.8%	28.7%
Skrewball	2.0%	1.1%	0.3%	52.6%	28.0%
Woodford Reserve	1.6%	1.0%	0.2%	61.5%	22.5%
Johnnie Walker	1.5%	1.0%	0.3%	64.7%	33.7%
Basil Hayden's	0.9%	0.5%	0.1%	60.9%	22.3%
Macallan	0.5%	0.3%	0.1%	59.9%	26.5%

*Source: Union OnPrem Insights
These findings are based on actual on-premise guest consumption, not surveys, case deliveries, or other indirect techniques.

BRAND WIN RATE

Win Rate conveys drinkers' collective propensity to choose one brand over another, adjusted for availability since not every brand is available at every location. A brand records a "win" vs. a competitor when both are available and a consumer chooses that brand. A row represents the wins of a brand relative to the competitors in the columns (e.g., Jameson has a 63% win rate against Crown).

Jameson has the highest availability (95%) which isn't surprising because it beats every other brand head-to-head by a wide margin. Its position is bolstered by a relatively unique drink mix. It has the largest portion of any whiskey brand consumed with ginger and also a relatively high portion consumed as shots (Fireball is top in shot %).

Maker's Mark has strong availability (third-highest brand) relative to its Trial (fifth-highest), presumably driven by it having the strongest win-rates of any brand priced on average above $10.

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*Source: Union OnPrem Insights
These findings are based on actual on-premise guest consumption, not surveys, case deliveries, or other indirect techniques.

Whiskey Brand Win Rate (Continued)

	Jameson	Jack Daniel's	Maker's Mark	Crown Royal	Fireball	Johnnie Walker	Bulleit	House/ Well	Jim Beam	Woodford Reserve	Buffalo Trace	Macallan	Basil Hayden's	Tullamore Dew	Skrewball	Overall Availability
Jameson		64%	84%	63%	73%	95%	89%	67%	92%	96%	94%	98%	98%	94%	96%	**95%**
Jack Daniel's	36%		75%	49%	60%	91%	82%	54%	87%	92%	90%	97%	96%	90%	93%	**93%**
Maker's Mark	16%	25%		24%	33%	78%	61%	27%	68%	80%	75%	92%	89%	75%	82%	**91%**
Crown Royal	37%	51%	76%		61%	92%	83%	55%	87%	93%	91%	97%	96%	90%	93%	**82%**
Fireball	27%	40%	67%	39%		88%	76%	43%	81%	89%	86%	96%	94%	86%	90%	**75%**
Johnnie Walker	5%	9%	22%	8%	12%		30%	10%	38%	53%	46%	76%	70%	46%	56%	**74%**
Bulleit	11%	18%	39%	17%	24%	70%		20%	58%	72%	66%	88%	84%	66%	74%	**69%**
House/Well	33%	46%	73%	45%	57%	90%	80%		85%	91%	89%	97%	96%	89%	92%	**68%**
Jim Beam	8%	13%	32%	13%	19%	62%	42%	15%		66%	59%	84%	79%	58%	68%	**64%**
Woodford Reserve	4%	8%	20%	7%	11%	47%	28%	9%	34%		43%	74%	67%	43%	53%	**59%**
Buffalo Trace	6%	10%	25%	9%	14%	54%	34%	11%	41%	57%		79%	73%	50%	60%	**49%**
Macallan	2%	3%	8%	3%	4%	24%	12%	3%	16%	26%	21%		42%	21%	28%	**47%**
Basil Hayden's	2%	4%	11%	4%	6%	30%	16%	4%	21%	33%	27%	58%		27%	36%	**47%**
Tullamore Dew	6%	10%	25%	10%	14%	54%	34%	11%	42%	57%	50%	79%	73%		60%	**42%**
Skrewball	4%	7%	18%	7%	10%	44%	26%	8%	32%	47%	40%	72%	64%	40%		**33%**

HOW BRANDS IMPACT THESE TRENDS

An Entirely New Approach

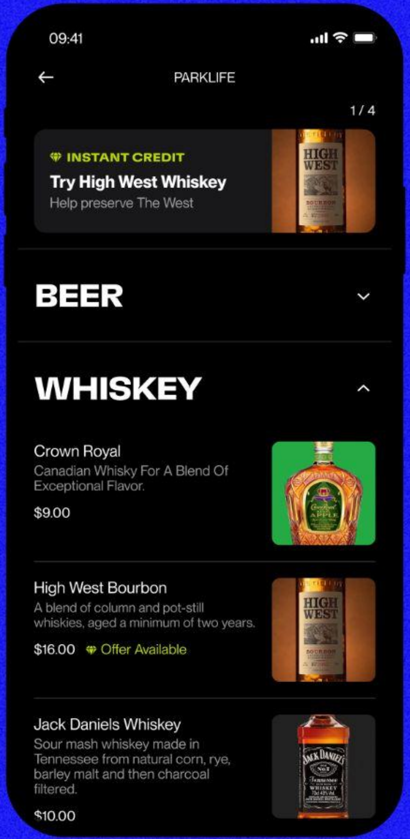
Iconic brands are built in the most popular independent bars and restaurants. For years, the industry has relied on expensive, unmeasurable, and ineffective sampling programs to drive trials.

With Union, brands:

- Build distribution by communicating key selling facts directly to account GMs
- Drive liquid to lips by reaching consumers while they're ordering
- Directly facilitate on-premise to off-premise conversion
- Precisely measure results while acquiring granular consumer insights

Union is the most powerful, efficient, and targeted way to recruit new drinkers and cultivate ongoing loyalty.

For more information on Union Influence please reach out to brands@getunion.com



BUILT FOR THE BUSIEST VENUES

Union is the highest powered point of sale and guest mobile platform ever created, touching millions of consumers at the most popular bars and restaurants in the country.

Bars & Restaurants
Increase revenue 28% on average, mitigate staffing shortages, provide amazing guest service.

Brands
Gain an unprecedented understanding of on-premise behavior.

Guests
A holistically improved experience: easier ordering, less waiting, more customization.

*Source: Union OnPrem Insights
These findings are based on actual on-premise guest consumption, not surveys, case deliveries, or other indirect techniques.

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