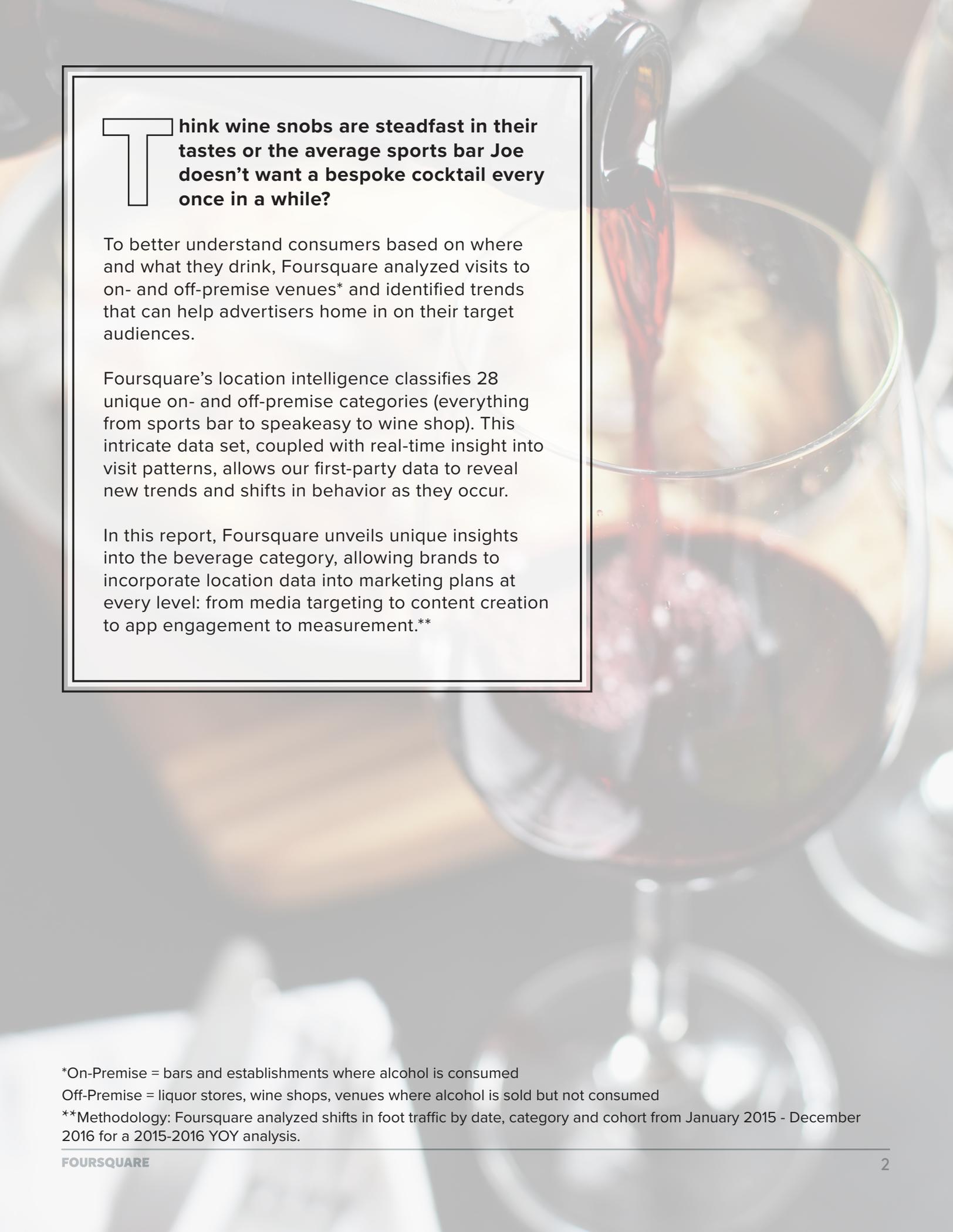


YOU ARE WHAT (AND WHERE) YOU DRINK

**ALCOHOL & CONSUMER
DRINKING TRENDS**

MARCH 2017

FOURSQUARE
LOCATION INTELLIGENCE



Think wine snobs are steadfast in their tastes or the average sports bar Joe doesn't want a bespoke cocktail every once in a while?

To better understand consumers based on where and what they drink, Foursquare analyzed visits to on- and off-premise venues* and identified trends that can help advertisers home in on their target audiences.

Foursquare's location intelligence classifies 28 unique on- and off-premise categories (everything from sports bar to speakeasy to wine shop). This intricate data set, coupled with real-time insight into visit patterns, allows our first-party data to reveal new trends and shifts in behavior as they occur.

In this report, Foursquare unveils unique insights into the beverage category, allowing brands to incorporate location data into marketing plans at every level: from media targeting to content creation to app engagement to measurement.**

*On-Premise = bars and establishments where alcohol is consumed

Off-Premise = liquor stores, wine shops, venues where alcohol is sold but not consumed

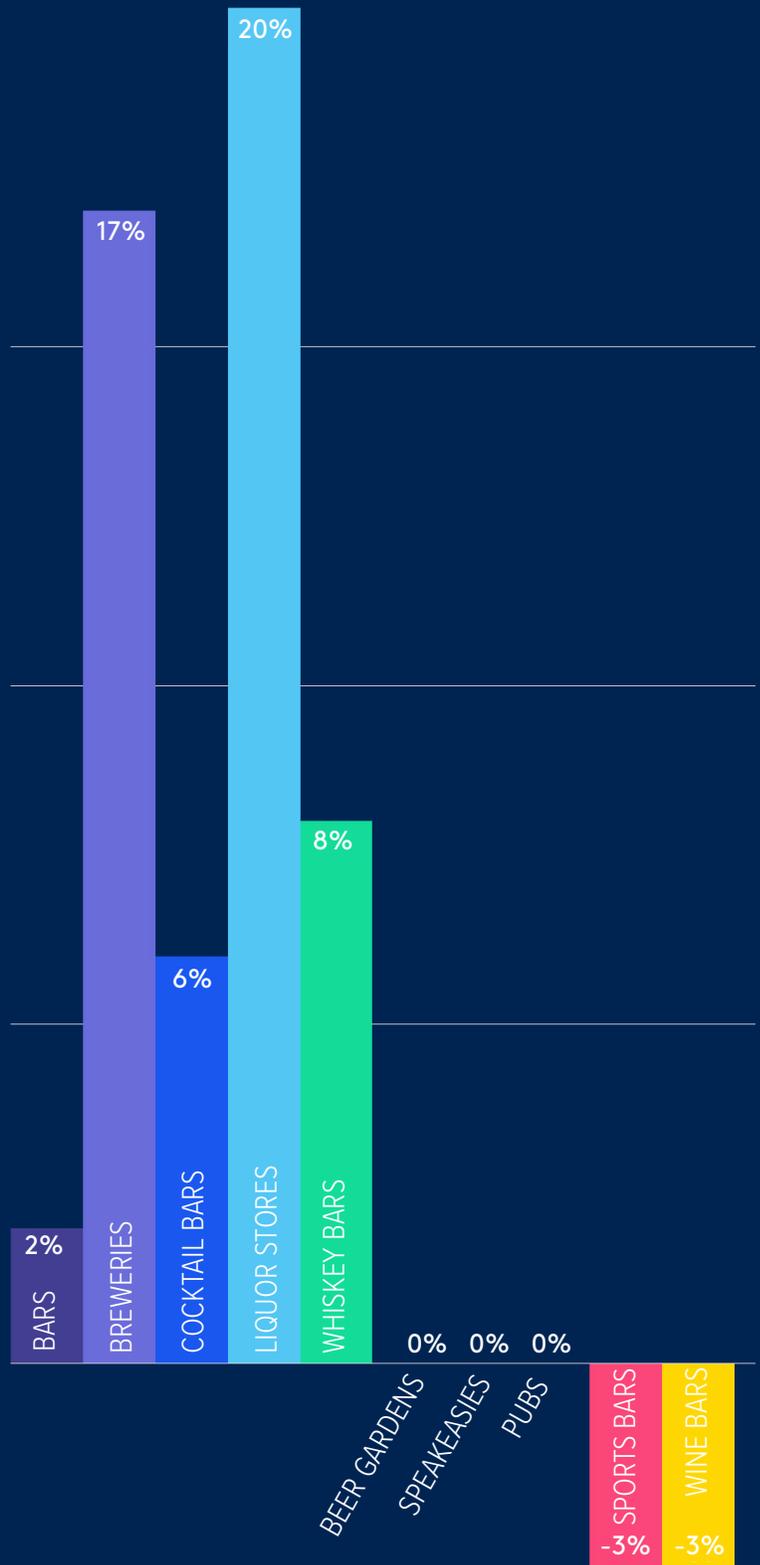
**Methodology: Foursquare analyzed shifts in foot traffic by date, category and cohort from January 2015 - December 2016 for a 2015-2016 YOY analysis.

THE PLACES WHERE PEOPLE DRINK ARE CHANGING

2016 was the year of BYOB. Visits to liquor stores grew 20% year-over-year from 2015, while visits to bars increased by only 2%.

Both wine bars and sports bars decreased by 3%. When consumers went out, they opt for specialty bars such as cocktail bars and whiskey bars, perhaps indulging in fancier drinks that can't be made at home, or visiting breweries for unique beers.

This graph shows the YoY change of foot traffic to specific on- and off-premise locations:



MILLENNIALS ARE CHANGING THE WAY BEVERAGES ARE CONSUMED



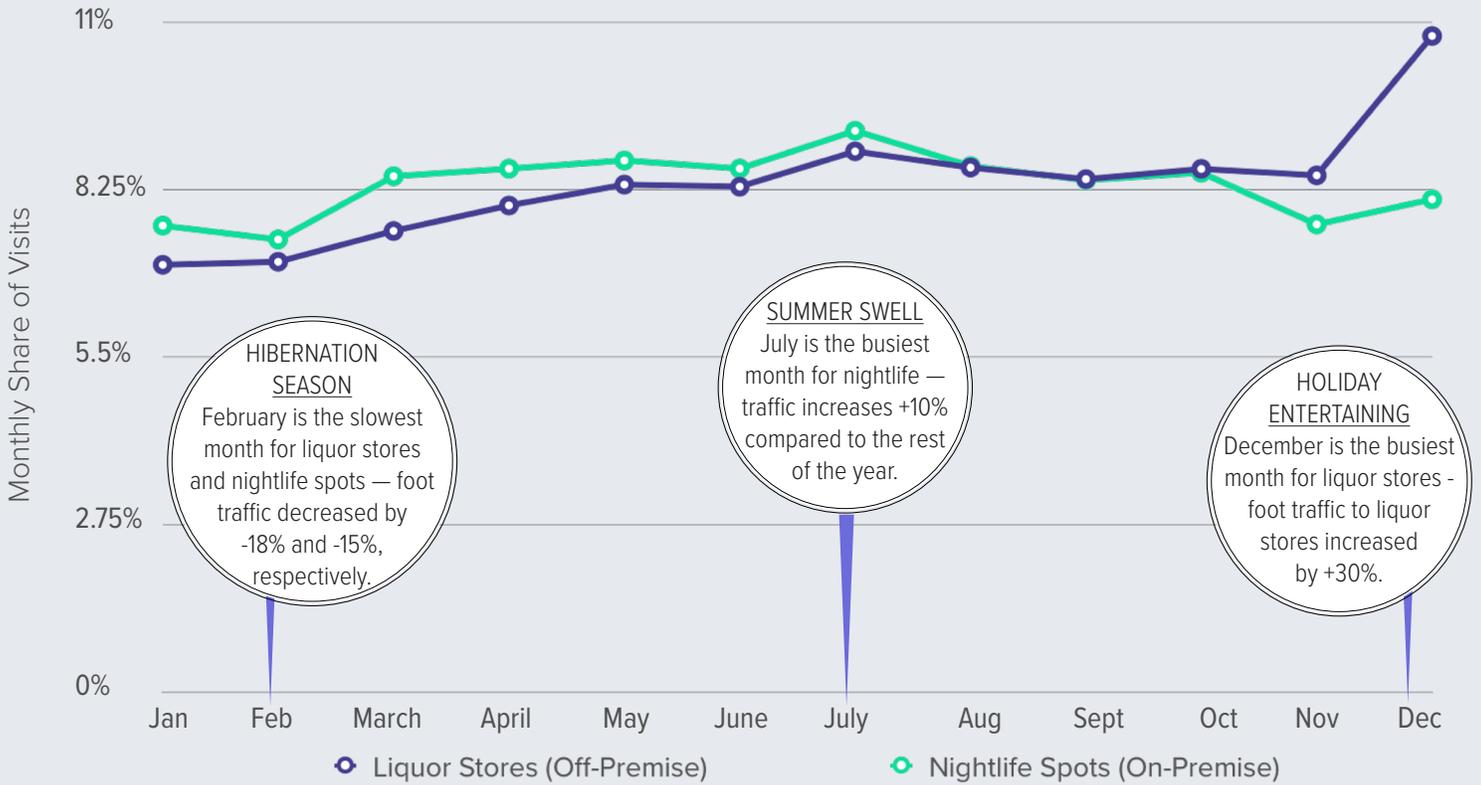
Millennial men are going to specialty bars more, while going to one-size-fits-all sports bars and nightclubs less often.



Wine bars and liquor stores are still popular for millennial women, but their propensity for consuming alcohol at home and BYOB options has resulted in a decrease in hotel bar visits.

Percent Change in Foot Traffic to On- & Off-Prem Locations

2016 Monthly Foot Traffic



OFF-PREMISE DAYS

In 2016, the holidays were the most popular times to visit off-premise locations. December 23rd (the day before Christmas Eve) and December 31st (New Year's Eve) saw significant increases with a 55% and 7% increase in foot traffic from the week prior, respectively. Foot traffic also spiked the day before Thanksgiving, near Halloween on October 29th (+5%), and July 4th (+8%).

ON-PREMISE DAYS

Nightlife venues saw the largest week-over-week lift of 10% on Saturday, March 12th, April 16th, and April 23rd. While peak liquor store traffic is clearly correlated to holidays, peak bar & nightlife traffic appears to be tied to improvements in weather.

THERE ARE TWO NOTABLE EXCEPTIONS

Bar traffic was up 2% on October 29th (Halloween weekend) compared to the week before and 51% on March 17th (St. Patrick's Day) from the previous Thursday. St. Patrick's Day also saw a 120% increase in foot traffic to pubs, a 55% increase in foot traffic to sports bars, and a 52% increase in foot traffic to beer gardens. Consumers who went to bars on St. Patrick's Day have a high affinity for BYOB, happy hour specials, speakeasies, and craft or draft beer.



WHAT & WHEN CONSUMERS DRINK MAY SURPRISE YOU

Consumer tastes in types of alcohol change with the season. Foursquare analyzed tips and comments from Foursquare City Guide and Foursquare Swarm apps to determine trending beverages by month. This calendar reflects the percent increase of consumer chatter about specific beverages.



HOW CAN MARKETERS USE THESE INSIGHTS TO CONNECT WITH CONSUMERS?

As foot traffic trends and beverage preferences fluctuate with changing demographics and seasons, marketers can find creative ways to identify and activate key audiences.

Foursquare has identified four ways marketers can maximize their budget when engaging with consumers as they plan their annual media spend:

EMBRACING THE SEASON:

1 ON- AND OFF-PREMISE BEHAVIOR IS DIFFERENT: Foursquare data shows a significant up-tick in liquor store visits, particularly during key holidays. Marketers should focus on off-premise activations for major holidays, promoting home entertaining with drink recipes, food pairings, and content integrations from playlists to games to appeal to the host with the most. On-premise behavior spikes with major drinking holidays as well, but sees regular increases on weekends and when the weather improves. Marketers should align with these micro-occasions, whether it's girls' night out, a bar crawl with the boys or weekly date night.

2 PLAN FOR EVERY DAY OF THE SEASON: While marketers should continue to embrace peak holidays, always-on messaging should reflect consumers' drink of choice that season. Foursquare has found clear seasonality in consumer beverage preferences. Marketers who capitalize on offering recipes, coupons and promotions for light vodka and tequila summer beverages, or wine pairings and beer promotions for every autumn day—whether it's a weekend spent pumpkin picking, a weeknight dinner at home, or an afternoon watching the game—will win by staying relevant in the consumer's mindset.

BUILDING MILLENNIAL LOYALTY:

3

THE RISE OF OFF-PREMISE:

Foursquare data shows a shift from going out for every drink, to picking up wine and liquor to consume for BYOB occasions or while entertaining at home. Liquor store visits are trending up, while categories such as sports bars and wine bars are losing share. These shifting trends show that when consumers, particularly millennials, are going out to drink, they tend to opt for more bespoke options, such as cocktail and whiskey bars with concoctions they can't whip up at home, or breweries with specialty beers.

Meanwhile, when just grabbing a beer with buds for the game or some wine with their girlfriends, they opt for off-premise pickup to be consumed at home.

TARGETING TIP

Marketers can embrace this trend by offering more accessible off-premise recipes, or by leaning into the concept of treating yourself to an extra-special beverage when you opt to go out for a drink.

4

FROM WINE BAR TO JUICE BAR:

Not only are millennials moving towards off-premise, they are also replacing some on-premise bar visits with time spent traveling, exercising or indulging in other hobbies.

Male millennials opt into more outdoor activities. Last year, we saw:



209% lift to ski lodges



105% lift to rock climbing gyms



40% lift to music festivals



30% lift to soccer fields

Female millennials are fueling their health and art cravings with:



13% lift to juice bars



60% lift to boxing gyms



6% lift to pilates studios



23% lift to museums

TARGETING TIP

The smart alcohol marketer will activate on this trend with healthier products and recipes and by reaching consumers in moments of adventure—whether it's encouraging millennials to grab a beer after hitting the slopes, or a light cocktail with a friend after yoga.



Foursquare can reach your audiences based on their past foot traffic patterns, current real-time location, and category, chain, and interest affinities, so you never miss the right moment to engage with the right person.

Learn how to target & reach your key audiences at
ENTERPRISE.FOURSQUARE.COM