

What Beauty Can Learn From the **On Premise**

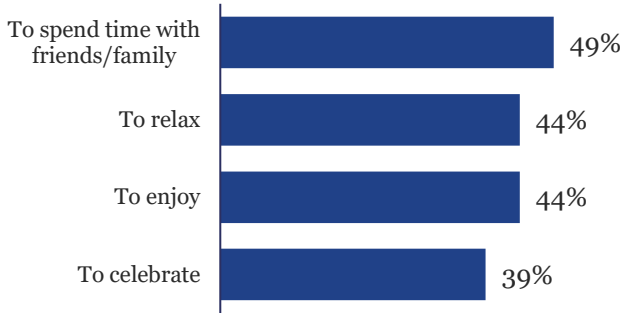


What connects **Beauty** with the **On Premise**?

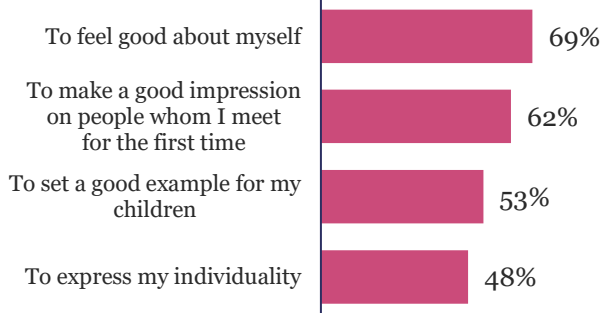
Consumers visit the On Premise to **be with others** and **have a good time**

Beauty helps consumers **feel their best** and **confident** with others

Q. Which of the following best describe why you typically visit cafes, bars, restaurants and other similar venues



Why I try to look my best – major reasons



Trends that cross both **Beauty** & **The On Premise**

Quality > Quantity

Wellness & Transparency

68% of cocktail consumers are likely to **pay more for a better-quality drink**

39% of Gen Z intend to buy **better quality** beauty & cosmetics brands that **justify paying more for**



Q. Which qualities, are you looking for in the drinks you purchase? – Top *rising* qualities vs YA

- Healthy: +7pts**
- Ethical: +5pts**
- Charitable: +2pts**
- Sustainable / eco-friendly: +2pts**

The treat-aspect plays a key role in consumers' drink choices in the On Premise, with two-thirds prioritising quality over quantity by opting for fewer premium drinks over more of lower of quality. This mirrors beauty behaviours where consumers, especially Gen Z, turn to fewer products of greater efficacy or multipurpose benefits in approaches to skinnimalism and cost-saving.

There is a growing trend in the On Premise towards drinks that support overall health-centric values, mirroring the beauty industry's focus on wellness products. Consumers are seeking transparency with the inclusion of "free from" stated attributes for products they use and consume, whether that be food and beverages or their beauty routines.

Shifting Visitation



Bars and restaurants are integral to social life, but evolving work patterns, living arrangements, and lifestyle choices are changing On Premise interactions. More consumers are visiting earlier, and everyday beauty trends are becoming a significant part of these experiences. Hybrid outlets serving both food and drink, and all-day low-tempo venues, are well-positioned to succeed in this new landscape.

Celebrity Investment

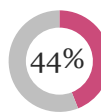


Celebrities spot the opportunities in both beauty and booze with a host of notable names causing a stir in both industries. Amongst them, Dwayne Johnson is looking to rock both industries with skincare brand Papatui (\$37m) and tequila brand Teremana (Off Premise: \$68m) & (On Premise: \$158.6m) both on the rise in the US.

How the On Premise Environment is Adapting to Change

In response to shifting consumer priorities, bars and restaurants are adapting their spaces to offer quality, value and **experiences that enhance social currency**. Unique experiences create a draw for the On Premise environment that doesn't solely rely on the drinks, though it drinks play a key role. The sector has also embraced offerings and spaces that encourage **sharing on social media**, while bartenders also build their brands as On Premise influencers.

Consumers value experiences that enhance their social presence and drive social currency through likes, reposts, and social recognition. Like with beauty trends, On Premise consumers use social media to find venue inspiration and gauge offerings; making content that highlights these experiences crucial for attracting visitors. **By developing activations that encourage social media sharing, brands can achieve a "triple win" benefiting customers, consumers, and themselves.**



of Gen Z cocktail consumers often base their drink choices on what will **look good on social media**

In-outlet experiences are also crafted by the staff. Offering comprehensive training fosters brand advocacy.

86%

of bartenders are more likely to recommend brands they have learnt about in training

Cocktail Flavour Preferences Brought to Beauty

Which of the following flavours do you typically drink when out – Top 3 + Top Riser

#1: Strawberry



Rhode
Strawberry Glaze
Peptide Lip Treatment

#2: Lemon



OLE HENRIKSEN
Lemonade Smoothing
Scrub

#3: Pineapple



Huda Beauty
WISHFUL Yo Glow Papaya &
Pineapple Enzyme Scrub

↑ #9: Coffee



Maison Margiela
Replica Coffee Break
Eau de Toilette

Source: CGA By NIQ: Global REACH April 2024 - BarSights Global Bartender Report – Product images sourced from brand websites



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Tell us your thoughts



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Understanding On Premise trends is crucial for comprehending your consumer. Cafes, restaurants, and bars play a major role in consumers' lives, influencing the occasions for which they may be buying beauty products to look and feel their best. As consumers increasingly embrace earlier parts of the day, leading to more frequent, everyday occasions, seize the growing trend by promoting natural beauty products with a less-is-more approach that can cater to these moments.

Striking a balance between high quality and reasonable pricing is fundamental to fostering customer loyalty and encouraging repeat visits or purchases, ultimately contributing to long-term success. Just as bartenders craft memorable experiences and introduce customers to new brands, knowledgeable retail staff can elevate the beauty store experience. Train your retail staff to offer exceptional experiences akin to those crafted by bartenders, and develop products that align with popular drink flavours to create a memorable and cohesive sensory experience for consumers.