
2016 Annual Report

Boston's Most-Ordered Beer and Liquor Brands

**Which brands out-sold the
competition in 2016?**

And how do those sales compare to the rest of the country? We've broken down our bar order data to find out.

by **Stephen Ngo**

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INTRODUCTION

Boston is home to revolutionaries in the industry such as Harpoon and Sam Adams that played major parts in the start of the modern craft beer movement. And, while it is more commonly known as a hotbed of innovation within the fields of science and technology, it also is home to a **number of notable bartenders and mixologists** such as Todd Maul and Tenzin Conechok Samdo who are helping to push the industry forward.

When **BevSpot was first founded**, its founders had an ambitious goal: to use data and 21st-century tools to revolutionize the bar and restaurant industry, starting right here in Boston and Cambridge.

Today, we work with establishments like **Loco in Southie**, **Scholars in Downtown Crossing**, and **State Park in Cambridge** to help them make more money and save time. When we aggregate and anonymize that data, insights begin to emerge. We use those insights to empower bars to better serve their patrons and distributors to better understand their markets.

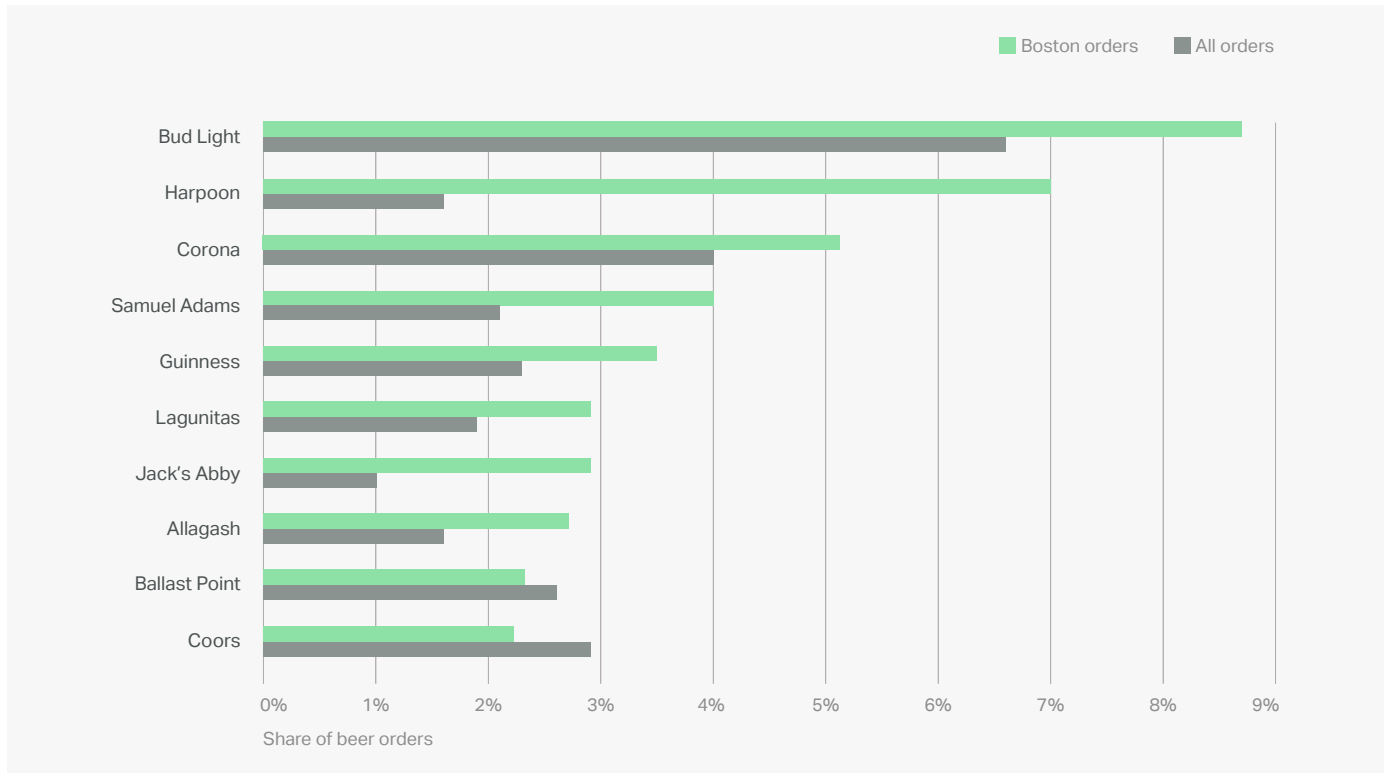
We've broken down our bar order data to find 2016's most popular beer, whiskey, vodka, tequila, rum and gin brands for Boston-based BevSpot users. Here's what we found.

What's BevSpot?

BevSpot is a bar management software platform for inventory, ordering, invoicing and unlocking your bar's sales data. Sales data from the platform has generated the insights discussed in this report.

MOST-ORDERED **BEER** BRANDS IN BOSTON COMPARED TO NATIONAL POPULARITY

Across BevSpot customers



Of the ten most-ordered beers in Boston, only three of the top five beers nationally appear: Bud Light, Corona, and Coors. Miller and Stella Artois didn't make the cut in 2016.

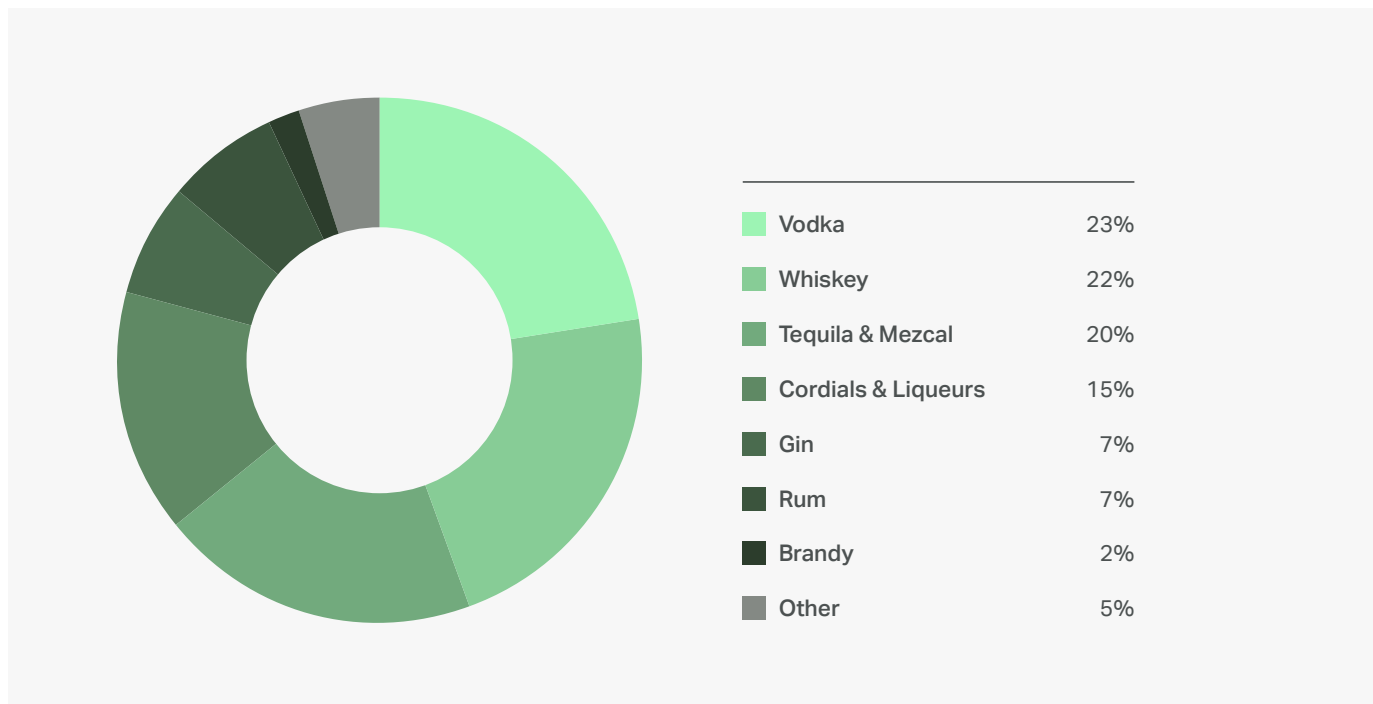
You might think this is because of competition from smaller brands. New England favorites Harpoon, Jack's Abby, and Allagash are among the top ten, as are California imports Lagunitas and Ballast Point.

In reality, these five beer brands jointly account for the same share of orders both in Boston and in the rest of the country: 20%. Craft and mass market

brands might be differentiated such that they compete more within their segment than within the beer category overall. If so, Miller and Stella Artois don't have low Boston-area market shares just because of craft beer: it's because Bud Light and Corona are particularly dominant locally. (Because the beer market here is so unique, we've taken a special look at which beers Boston bar patrons drink more than the rest of America does.)

MOST-ORDERED SPIRIT TYPES IN BOSTON

Across BevSpot customers

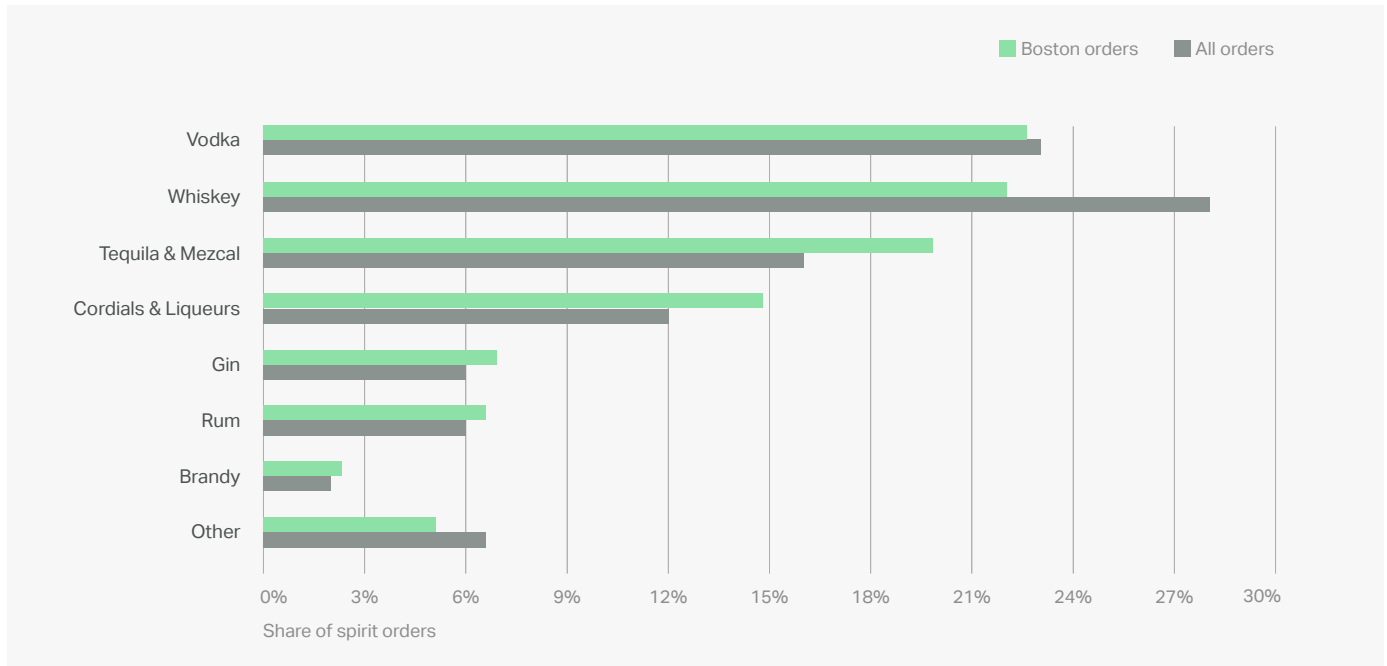


Let's take an overview of our Boston liquor data. Here, vodka is the most popular spirit, accounting for 23% of liquor orders. Whiskey, usually the most popular across the rest of the country, is the runner-up at 22%; tequila & mezcal isn't far behind at 20%.

These three spirit types jointly account for almost two thirds of local liquor orders; in contrast, gin, rum, and brandy each represent less than 10%.

MOST-ORDERED **SPIRIT** TYPES IN BOSTON COMPARED TO NATIONAL POPULARITY

Across BevSpot customers



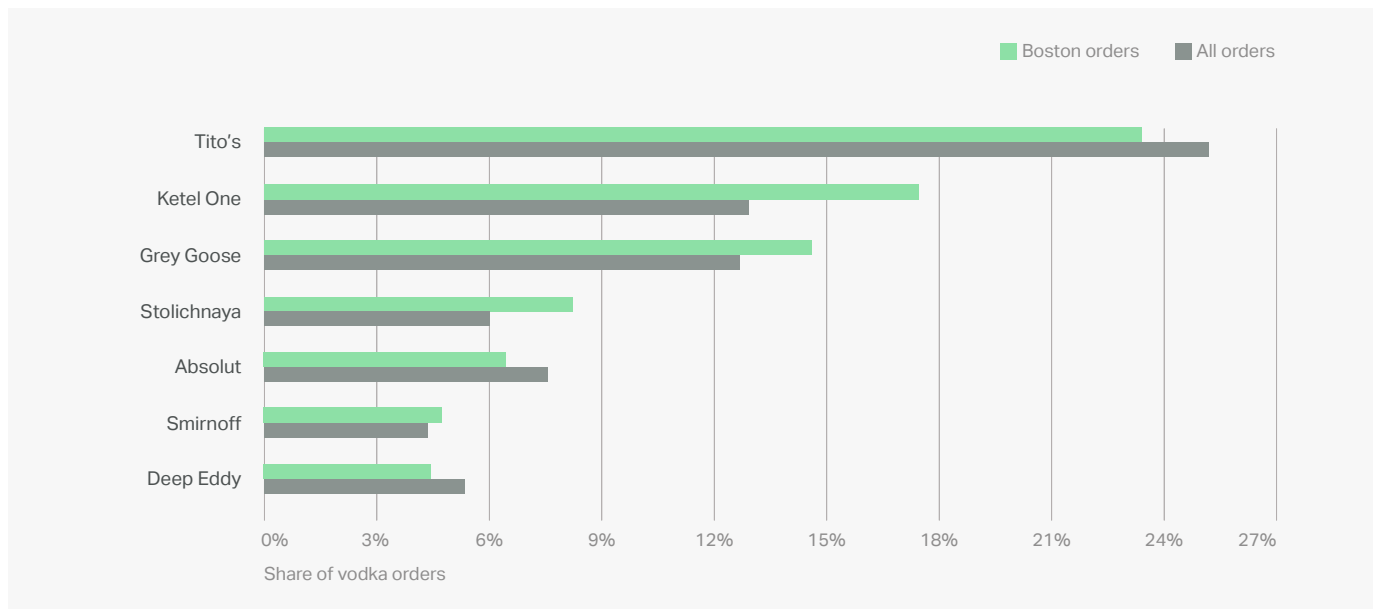
Compare these Boston-area estimates to our national ones. While vodka is the most popular spirit here, it isn't actually disproportionately popular among local BevSpot users. It's first because whiskey represents a much smaller share of liquor orders here (22%) than nationally (28%).

Whiskey's 6% smaller share of liquor order dollars goes mainly to tequila, along with cordials & liqueurs. While 16% of our national liquor orders were for

tequila & mezcal, almost 20% of our Boston orders were for this category. Similarly, Boston BevSpot users spent 15% of their liquor budget on the diverse cordials & liqueurs category (compared to our U.S. customers as a whole, who spent 12% of their liquor budget here).

MOST-ORDERED VODKA BRANDS IN BOSTON COMPARED TO NATIONAL POPULARITY

Across BevSpot customers



Both in our national and **New York** order data, Tito's has led vodka orders among BevSpot bars. This is also true in Boston: though the 23.4% share of Boston vodka orders is somewhat lower than its national share (25.2%), Tito's still has a full 6% lead on its closest local competitor, Ketel One.

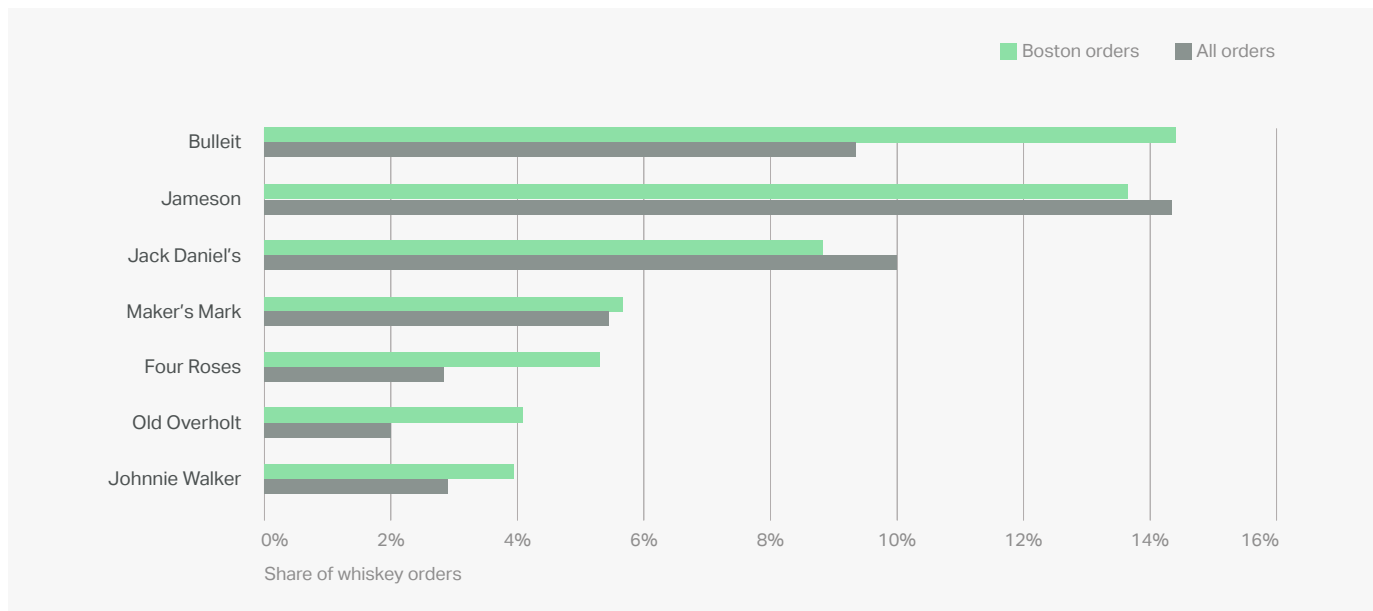
That 6% lead is actually only half of its national equivalent. (**Tito's has 12% on Ketel One nationally.**) Most of this is because Ketel One's 17.4% share of Boston orders is much larger than its 12.9% share of national orders.

Likewise, Grey Goose and Stolichnaya have Boston market shares about 2% higher than their national market shares.

It might be that Tito's doesn't do as well with the tastes of Boston bar patrons. It might also be that Boston is just a little bit behind the curve. Our judgment will depend on how much the market leader extends its local lead in 2017.

MOST-ORDERED **WHISKEY** BRANDS IN BOSTON COMPARED TO NATIONAL POPULARITY

Across BevSpot customers



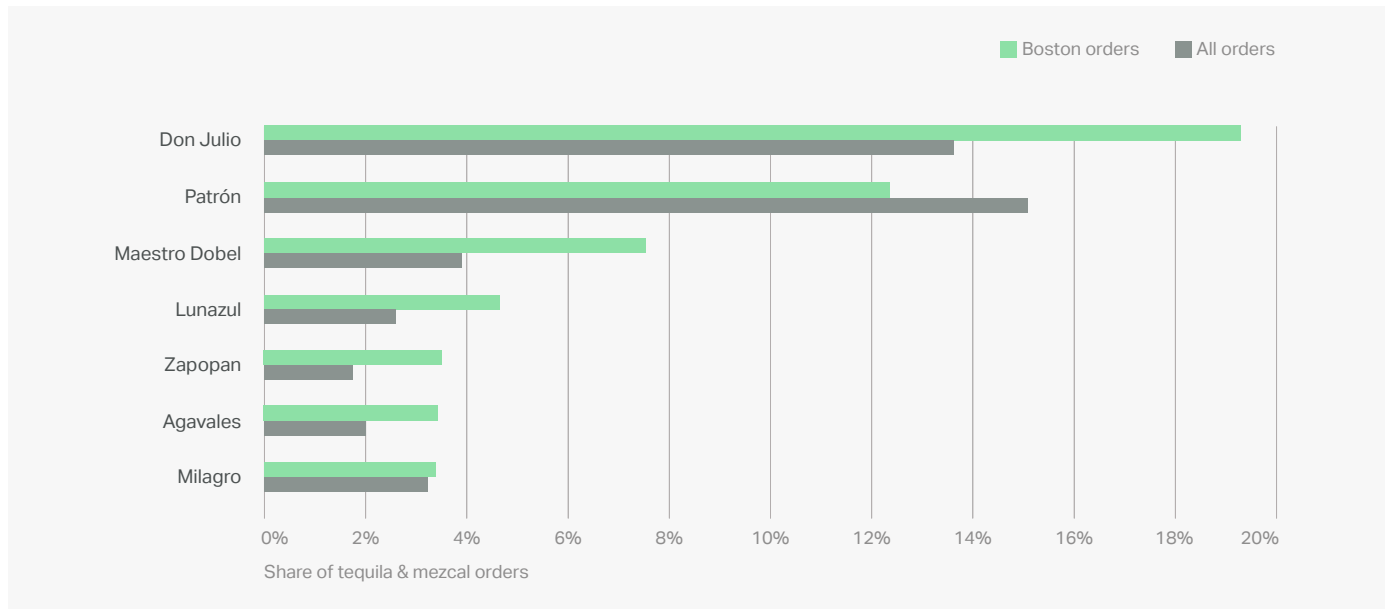
Boston loves Bulleit. While the Rye and Bourbon brand is only the fourth most-ordered whiskey in our national data, it has the same share of whiskey orders in Boston that Jameson does nationally.

At 13.7% of Boston whiskey orders, Jameson has a local market share similar to its national one. The Irish whiskey brand and Bulleit are the only whiskeys to crack 9% of the market, leaving nationally strong competitors like Crown Royal, Jack Daniel's, and Maker's Mark well behind. Still, there is strong overlap in the top seven and national whiskey brands; only Crown Royal doesn't make the local rankings (it's displaced by Old Overholt).

As with Bulleit, three of the top seven national brands Four Roses, Old Overholt, and Johnnie Walker also have significantly higher shares of the Boston whiskey market than of the national one. This was not the case with Crown Royal, which only had a 2% share of orders locally (its 10% share of national orders placed it third). Perhaps the spreads seen here between Boston and the rest of the country are a result of Crown Royal not having much of a presence.

MOST-ORDERED TEQUILA & MEZCAL BRANDS IN BOSTON COMPARED TO NATIONAL POPULARITY

Across BevSpot customers

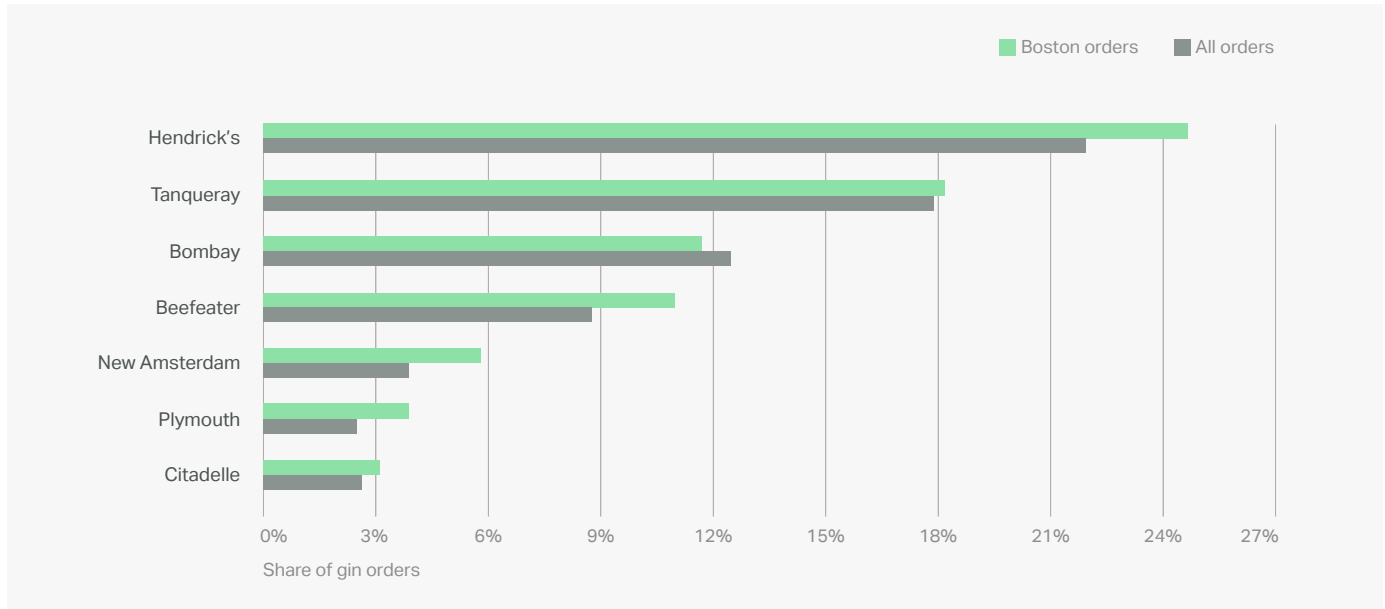


There are significant differences between the Boston and national market shares of the top tequila brands. Don Julio, at second nationally with 13.6% of tequila orders, takes first place in the Boston market with 19.3% of tequila orders; Maestro Dobel also has a larger market share locally (7.5%) than nationally (3.9%). Three of the top seven Boston tequila brands—Lunazul, Agavales, and Zapopan—don't even appear in the national top seven.

In contrast, Patrón and Corazon have far lower local shares of tequila orders than their national ones. In fact, while Corazon accounts for 4.6% of national tequila orders, in Boston it accounts for less than 1%.

MOST-ORDERED GIN BRANDS IN BOSTON COMPARED TO NATIONAL POPULARITY

Across BevSpot customers



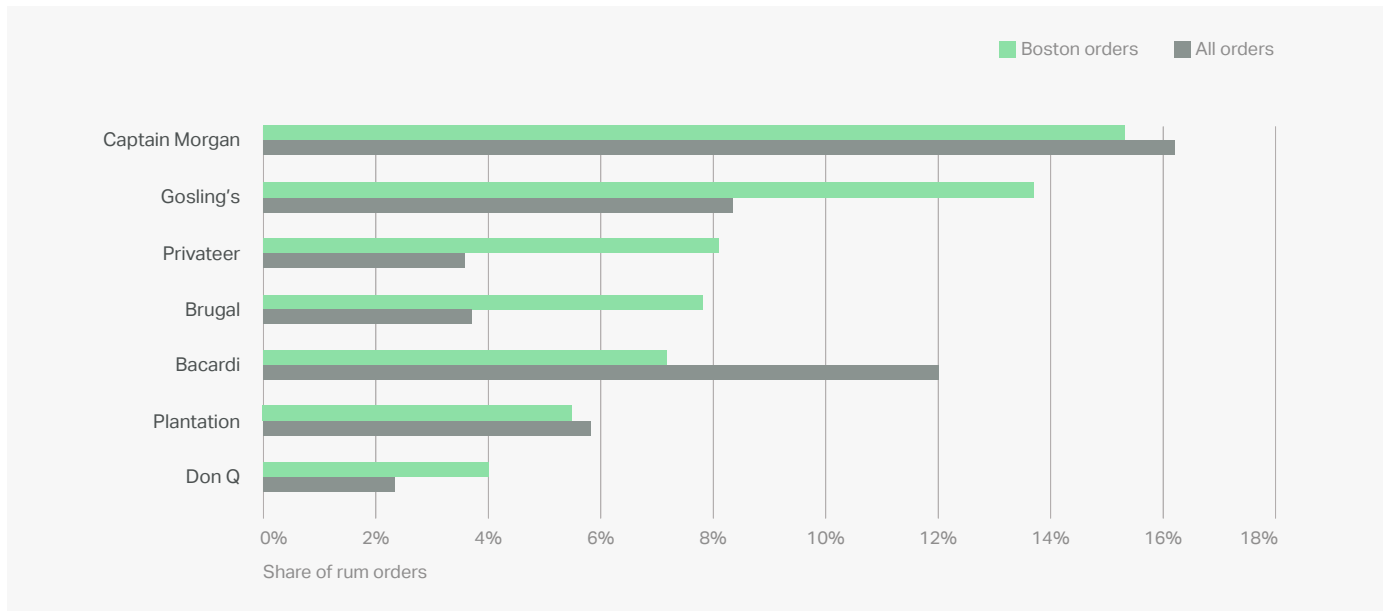
The rankings of the seven most-ordered gin brands in Boston are almost the same as the national rankings; the only difference is that Plymouth and Citadelle have changed places.

The Boston gin market, however, seems somewhat more concentrated than that of the national one: while the top seven brands account for 70% of gin orders nationally, they account for 78% of gin

orders in the Boston metro area. Much of this comes from the stronger market positions of Hendrick's, Beefeater, and New Amsterdam, each of which has a Boston market share more than 2% larger than its national one.

MOST-ORDERED **RUM** BRANDS IN BOSTON COMPARED TO NATIONAL POPULARITY

Across BevSpot customers



The seven most-ordered Boston rum brands are the same as the seven most-ordered nationally, except for two: Privateer and Don Q. While they have much lower market shares nationally (3.6% and 2.3% respectively), they have very respectable ones in the Boston area (8.1% and 4.0%). These push Malibu and Myers's out from the top seven.

Among those that remain, there are still differences between the national and Boston market shares. Bacardi only accounts for 7.2% of Boston rum

orders, 4.8% less than it does nationally. In contrast, Gosling's and Brugal are more dominant here than nationally, with an additional 5.4% and 4.1% of orders respectively. Captain Morgan, the market leader overall, has a market share relatively similar to that of its national one.

CONCLUSION

We've certainly learned a lot of lessons by taking a closer look at the localized data within our Boston users.

It is interesting to see vodka still holding onto its foothold in the market when compared to the national data. It's also curious to note the large divergences Boston has in terms of its beer brands like Harpoon and Jack's Abby. The smaller but noticeable differences in the performance of liquor brands such as Bacardi and Don Julio are also something to keep an eye on.

Most importantly, we're eager to observe how these results change as our user base within Boston continues to grow. It will also be interesting to keep track of whether the data will shift more towards national trends or continue to develop unique traits as time passes.

To make sure you see the latest data trends, make sure to subscribe to our blog, where we publish the most up-to-date findings.

New to BevSpot? Welcome!

Did the results from this guidebook surprise you at all? How do the beers and spirits in your program compare to our results? Perhaps some of this information has made you consider making changes to your own menu.

While you're mulling that over, have you also thought about making your back-end practices more business effective as well? We're passionate about using actual inventory, ordering, and sales data to unlock the best business decisions for bars and restaurants everywhere. With a more efficient inventory system in place and a firm grasp of their numbers, our users can focus on what matters the most: providing the best possible experience to their guests.

We work with our users to understand how their **pour costs stack up** to the rest of the industry, find the **ideal sitting inventory** for their establishment, and **set their drinks** to the most profitable prices. **The results speak for themselves.**

If you're ready to bring your beverage program to the next level, we're here to help. Check out our growing library of **free tools** and see what **our software** can do to get you to where you want to be.