Blinded Pilot Results for Regional Grocer

FEBRUARY 2021
This pilot was designed to assess the impact of Loop™ on 1. featured brand sales, 2. beer & wine basket size, and 3. trial rate. Stores were split into three groups, as follows:

**BASELINE**
(No display, no Loop™)

**CONTROL**
(Display, no Loop™)

**TEST**
(Display + Loop™)

**PILOT DETAILS**

**DESIGN:**
10-store pilot with paired baseline, control, and test stores (30 stores in total)

**LAUNCH DATE:**
Feb 3, 2021

**END DATE:**
Mar 2, 2021
The above experimental design was applied to three different programs in this pilot:
1. Brewer Stories, 2. Beer Academy, and 3. Winemaker Stories

**BREWER AND WINEMAKER STORIES**
Our films are not traditional ads — they are stories about people who love what they do; about origins, places, and impact on the community aimed at connecting consumer to producer. They feature a human protagonist, tell a story, and don’t make an overt sales push.

**BEER ACADEMY**
Our category education playlists aim to inform and inspire at the point of decision through a blend of video and still assets. They feature subject matter experts teaching about styles, ingredients, process and history — weaving in featured products along the way.
In-store locations were a blend of warm end caps, in-line beer coolers, and Loop™ shelves. Examples of each are included below.
AGGREGATED FINDINGS

Our Take

Overall results were phenomenal, with clear sales growth in all three programs. The simplest takeaway is that Loop™️ improves end cap efficiency by 40 – 60%, and drives sales growth for featured products of over 100%. The consistency across both stores and categories suggests a robust test, which is further reinforced by strong beer/wine category spend growth and trial rate.

1 This calculation enjoys tailwinds arising from selection bias, and is therefore likely overstated.
**BREWER STORIES**

The Brewer Stories program was received very well, with test stores outperforming control stores by 43% and baseline stores by 137%. Customer category spend and trial rate were also quite strong, at 30% and 55% respectively.

While percentage growth was strong, dollar growth was a bit soft, largely due to the fact that we only featured one brand.

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**Our Take**

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Beer Academy is still in beta, so we’re thrilled with these results. As expected, incremental sales is a bit lower for brands (64% vs. 137% for Brewer Stories), but it’s just as strong for the retailer. Unsurprisingly, this program saw the highest trial rate, at 63% new customers. Anecdotally, this program was also met with the most excitement by store teams and distributors, giving us confidence that it has some legs.

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Winemaker Stories was our strongest program from a dollar growth perspective, with featured brands seeing 55% growth vs. control stores and 223% growth vs. baseline stores. This program had the most store variance, which could indicate either execution challenges or strong control store performance (likely a bit of both). Regardless, we're very pleased with these numbers.

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In both beer and wine, Looma primarily drove value through unit volume growth, meaning customers who engaged with Loop™️ purchased significantly more than they likely would have otherwise. Premiumization was rather small for beer, but drove 13% of total incremental spend for wine.

**APPENDIX: INCREMENTAL SALES ($) VALUE DRIVERS**

Incremental sales is generally a function of three things:

\[
\text{INCREMENTAL SALES ($)} = \text{VOLUME GROWTH} + \text{PREMIUMIZATION} - \text{CANNIBALIZATION}
\]

(customers who bought more than they otherwise would have)

(customers who bought higher price point items than they otherwise would have)

(customers who didn't buy more but just switched brands)

**Incremental Weekly Category Spend for Loop™️ Engagers**

Note: “Prior to campaign” value has been indexed to $10 for both beer and wine to preserve data security

**Our Take**

In both beer and wine, Looma primarily drove value through unit volume growth, meaning customers who engaged with Loop™ purchased significantly more than they likely would have otherwise. Premiumization was rather small for beer, but drove 13% of total incremental spend for wine.
APPENDIX: INCREMENTAL SALES (UNITS) BY BRAND

Goose Island – Brewer Stories

Goose Island – Beer Academy

Elysian Brewing Company – Beer Academy

Golden Road – Beer Academy

Bogle – Winemaker Stories

Bread & Butter – Winemaker Stories

Yes Way Rosé – Winemaker Stories
APPENDIX: INCREMENTAL SALES BY IN-STORE LOCATION AND FIXTURE TYPE

Average Incremental Sales by In-Store Location

**BEER**
- WING: 36%
- IN-LINE: 30%
- EXTERIOR: 6%

**WINE**
- WING: 84%
- EXTERIOR: 75%
- PERIMETER: 30%
- INTERIOR: -34%

Average Incremental Sales by Fixture Type

**BEER**
- LOOP™ SHELF: 36%
- IN-LINE: 27%
- WARM ENDCAP: 11%

**WINE**
- LOOP™ SHELF: 84%
- WARM ENDCAP: 36%