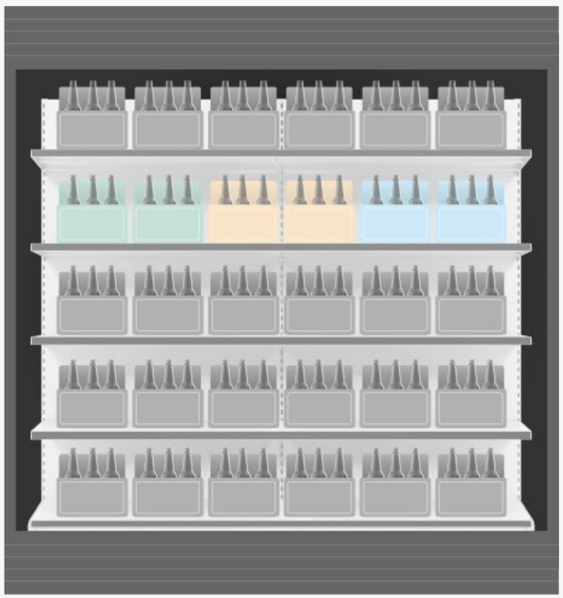
Blinded Pilot Results for Regional Grocer

FEBRUARY 2021

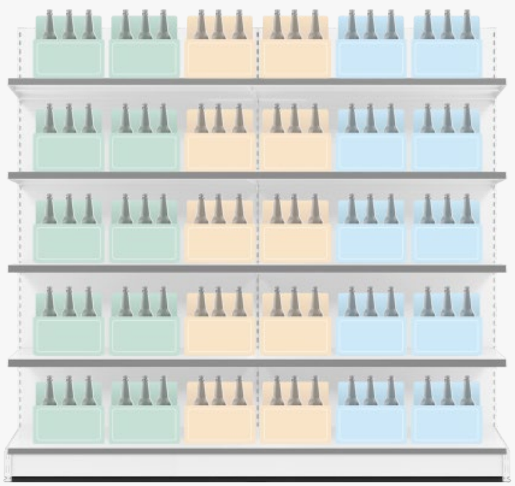
EXPERIMENTAL DESIGN

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™)

vs.



CONTROL
(Display, no Loop™)

vs.

TEST
(Display + Loop™)

PILOT DETAILS

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

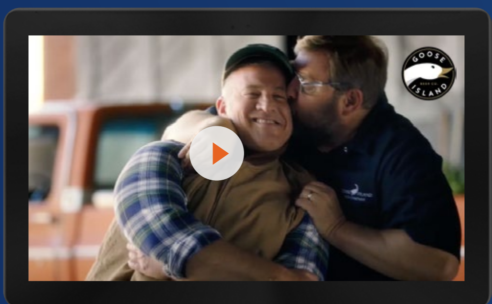
LAUNCH DATE:
Feb 3, 2021

END DATE:
Mar 2, 2021

EXPERIMENTAL DESIGN

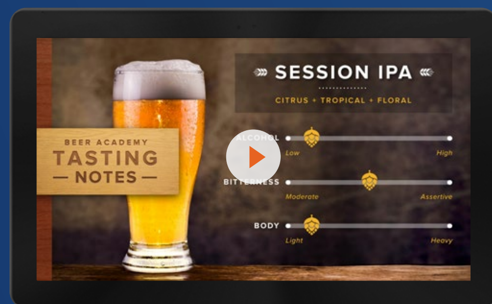
The above experimental design was applied to three different programs in this pilot:
1. Brewer Stories, 2. Beer Academy, and 3. Winemaker Stories

FILMS + SUPPLIERS



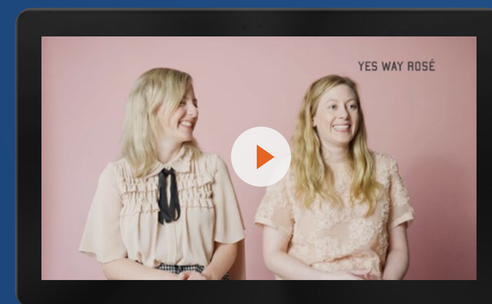
BREWER STORIES

Goose Island



BEER ACADEMY

Goose Island + Elysian + Golden Road



WINEMAKER STORIES

Bogle + Bread & Butter + Yes Way Rosé

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.

PILOT PHOTOS

In-store locations were a blend of warm end caps, in-line beer coolers, and Loop™ shelves. Examples of each are included below.

IN-LINE BEER

WARM END CAP

LOOP™ SHELF

AGGREGATED FINDINGS

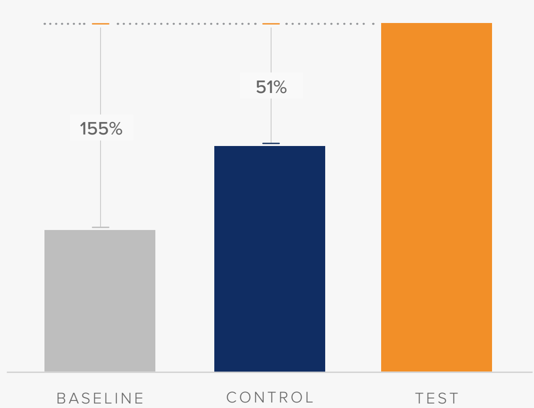
+51%
incremental sales to the retailer
TEST VS. CONTROL

+155%
incremental sales to suppliers
TEST VS. BASELINE

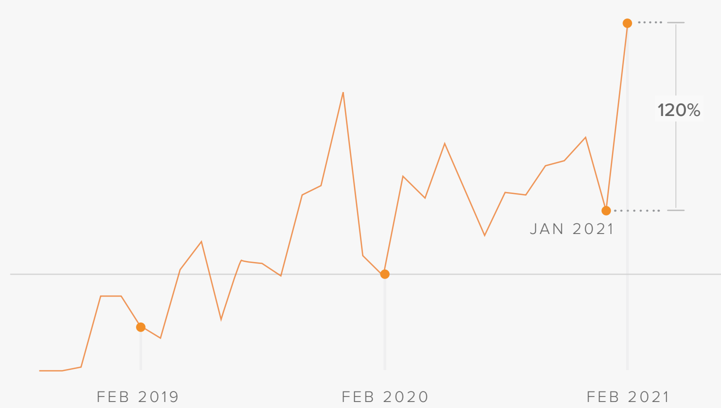
+120%
increase in weekly beer/wine category spend[1]

60%
trial rate for featured products

Total Sales by Store Type



Median Weekly Category Spend, Loop™ Engagers



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

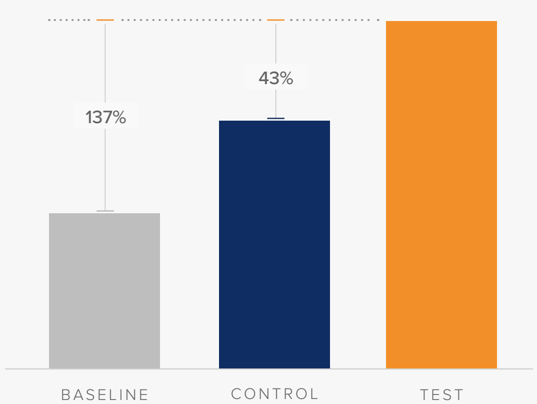
+43%
incremental sales to the retailer
TEST VS. CONTROL

+137%
incremental sales to suppliers
TEST VS. BASELINE

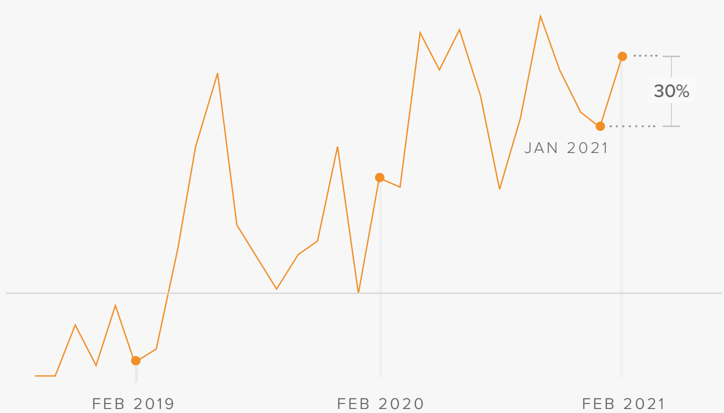
+30%
increase in weekly beer/wine category spend[1]

55%
trial rate for featured products

Total Sales by Store Type



Median Weekly Category Spend, Loop™ Engagers



Our Take

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.

[1] This calculation enjoys tailwinds arising from selection bias, and is therefore likely overstated.

BEER ACADEMY

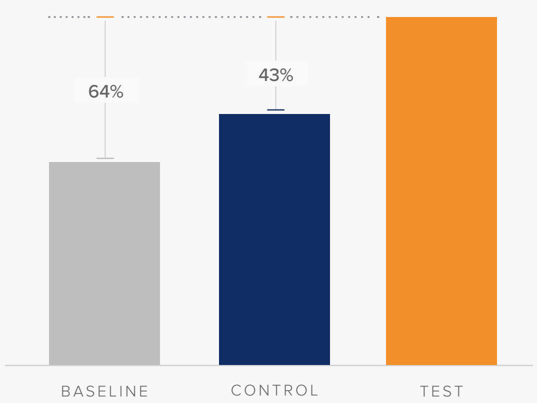
+43%
incremental sales to the retailer
TEST VS. CONTROL

+64%
incremental sales to suppliers
TEST VS. BASELINE

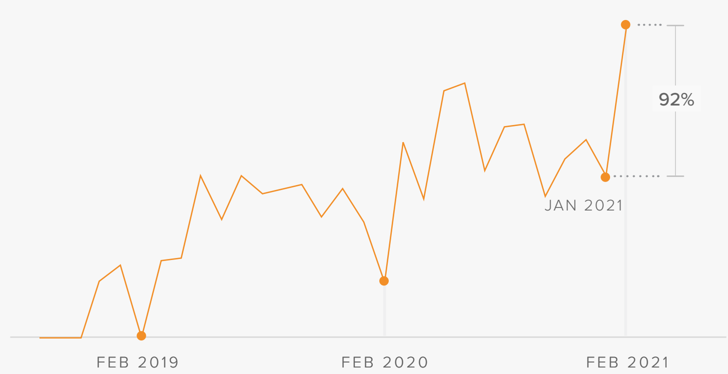
+92%
increase in weekly beer/wine category spend[1]

63%
trial rate for featured products

Total Sales by Store Type



Median Weekly Category Spend, Loop™ Engagers



Our Take

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.

[1] This calculation enjoys tailwinds arising from selection bias, and is therefore likely overstated.

WINEMAKER STORIES

+55%

incremental sales to the retailer

TEST VS. CONTROL

+223%

incremental sales to suppliers

TEST VS. BASELINE

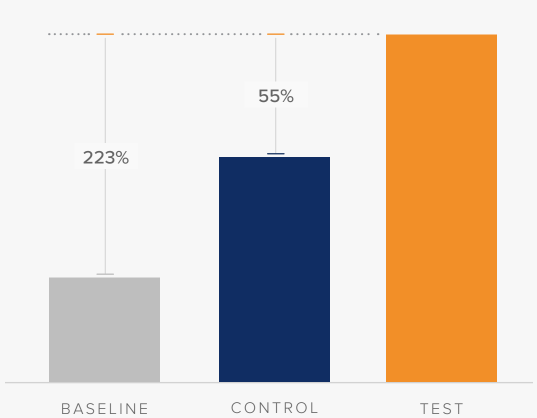
+144%

increase in weekly beer/wine category spend[1]

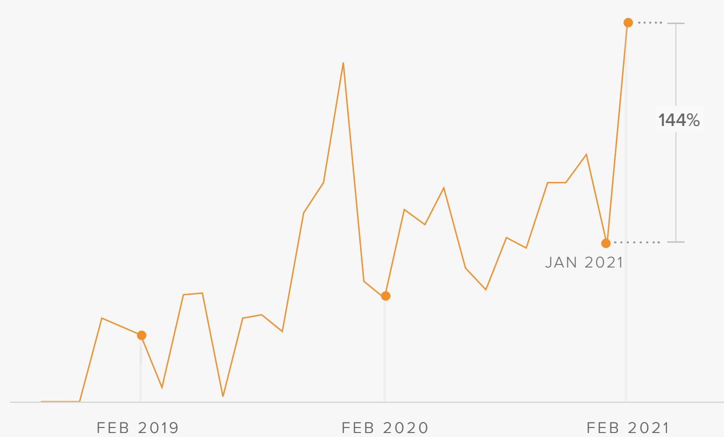
60%

trial rate for featured products

Total Sales by Store Type



Median Weekly Category Spend, Loop™ Engagers



Our Take

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.

[1] This calculation enjoys tailwinds arising from selection bias, and is therefore likely overstated.


THANK YOU
30S
CULTURE
PRORES422
-9DB
00:30:00
MUSIC STYLE
3DB
1080P
HUMAN CENTRICITY
LOGO SATURATION
FIRESTONE WALKER
BREWING COMPANY

APPENDIX: INCREMENTAL SALES ($) VALUE DRIVERS

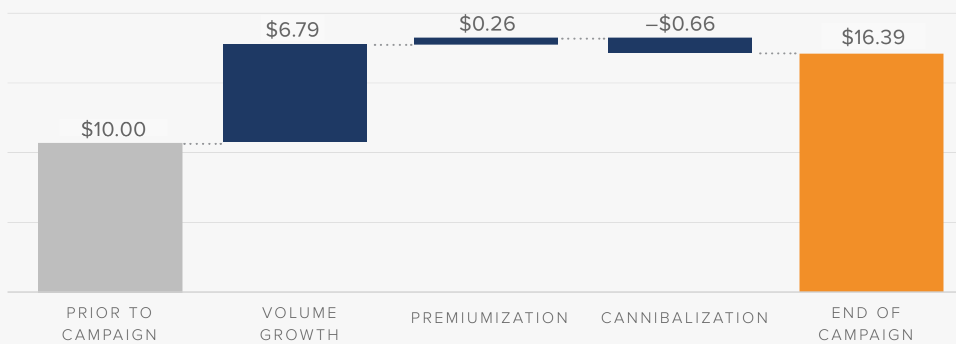
Incremental sales is generally a function of three things:

INCREMENTAL SALES ($) = **VOLUME GROWTH** (customers who bought *more* than they otherwise would have) + **PREMIUMIZATION** (customers who bought *higher price point items* than they otherwise would have) – **CANNIBALIZATION** (customers who didn't buy *more* but just *switched* brands)

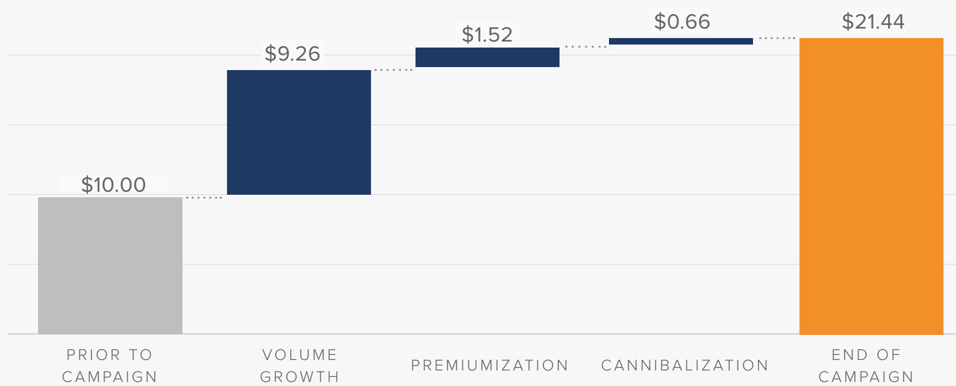
Incremental Weekly Category Spend for Loop™ Engagers

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

BEER



WINE



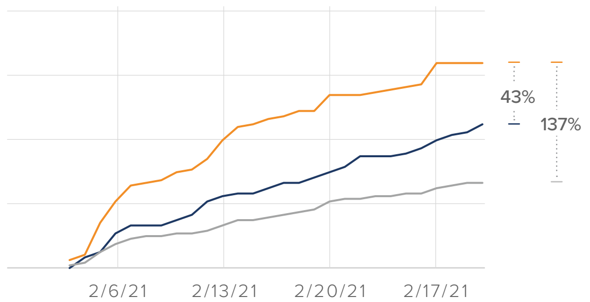
Our Take

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.

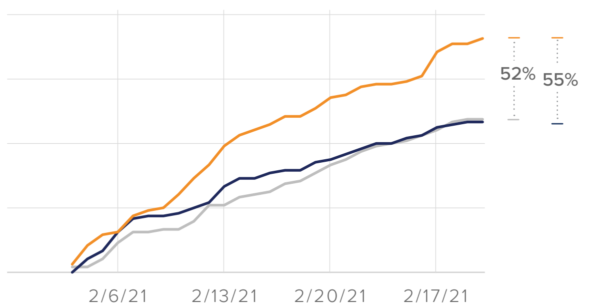
APPENDIX: INCREMENTAL SALES (UNITS) BY BRAND

BASELINE CONTROL TEST

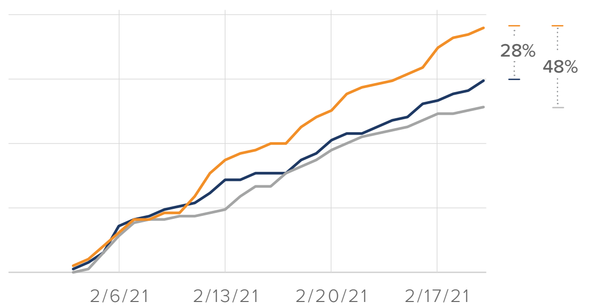
Goose Island – Brewer Stories



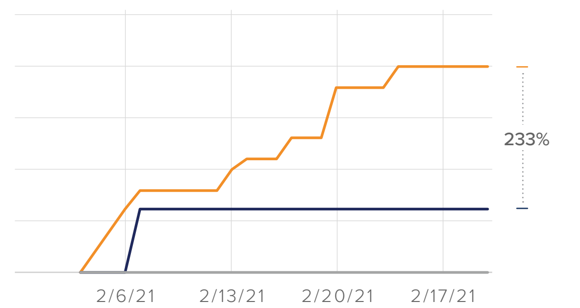
Goose Island – Beer Academy



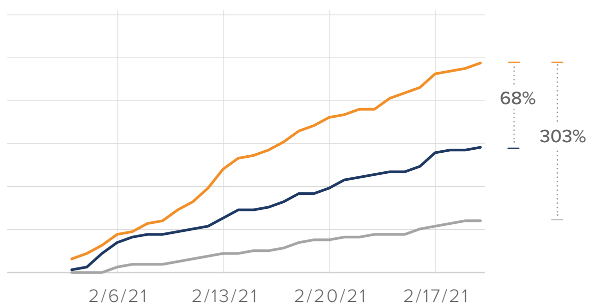
Elysian Brewing Company – Beer Academy



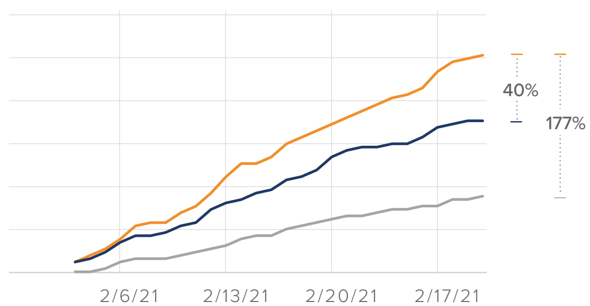
Golden Road – Beer Academy



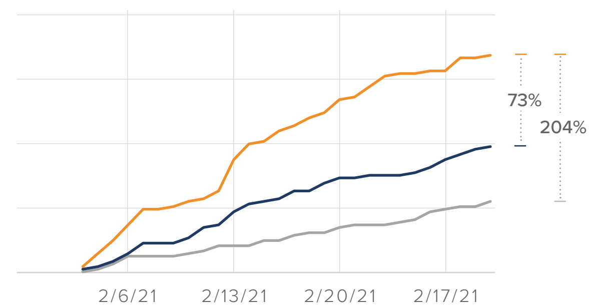
Bogle – Winemaker Stories



Bread & Butter – Winemaker Stories



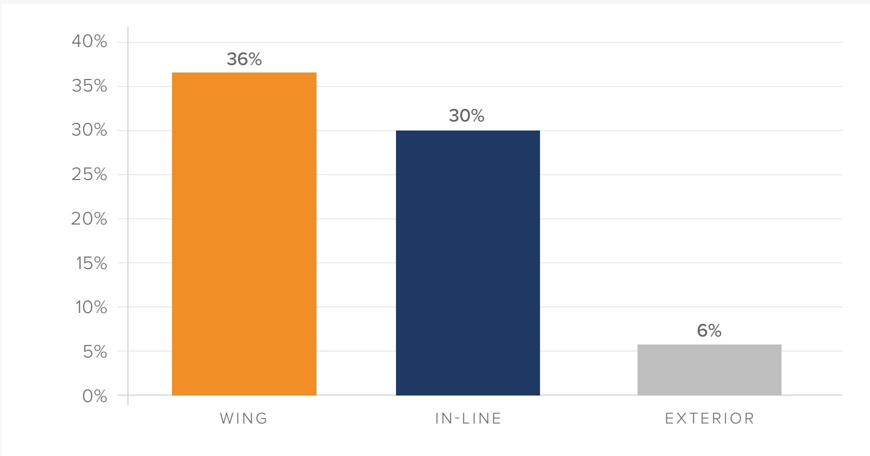
Yes Way Rosé – Winemaker Stories



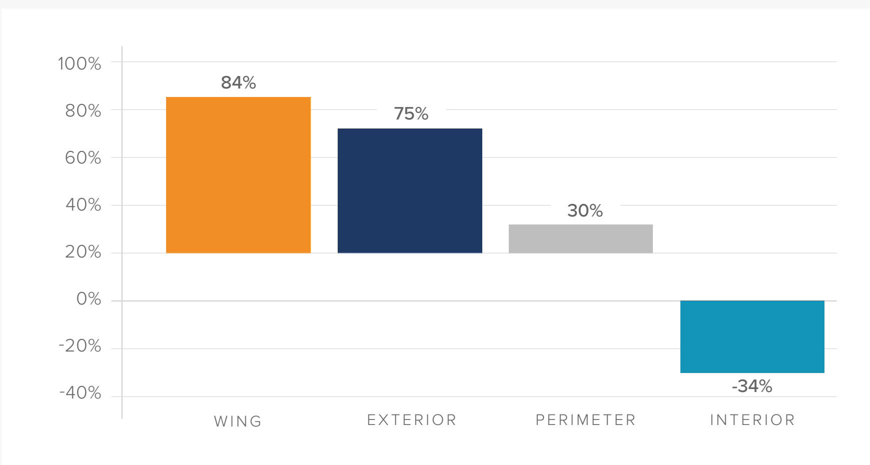
APPENDIX: INCREMENTAL SALES BY IN-STORE LOCATION AND FIXTURE TYPE

Average Incremental Sales by In-Store Location

BEER

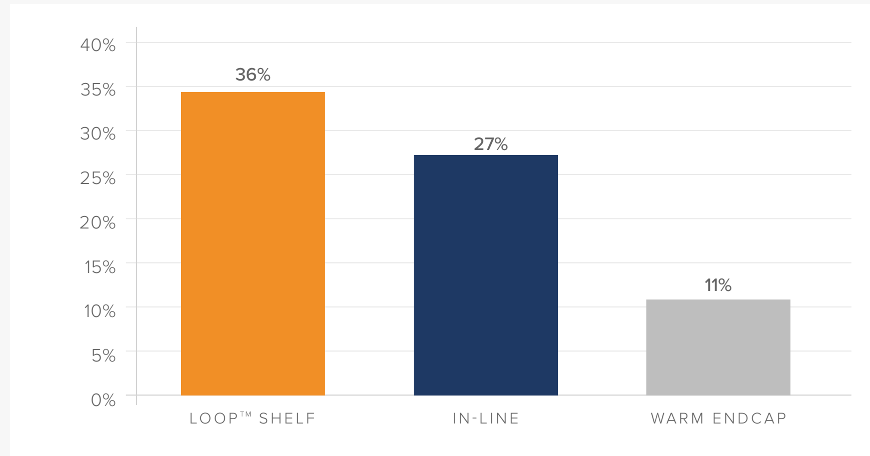


WINE



Average Incremental Sales by Fixture Type

BEER



WINE