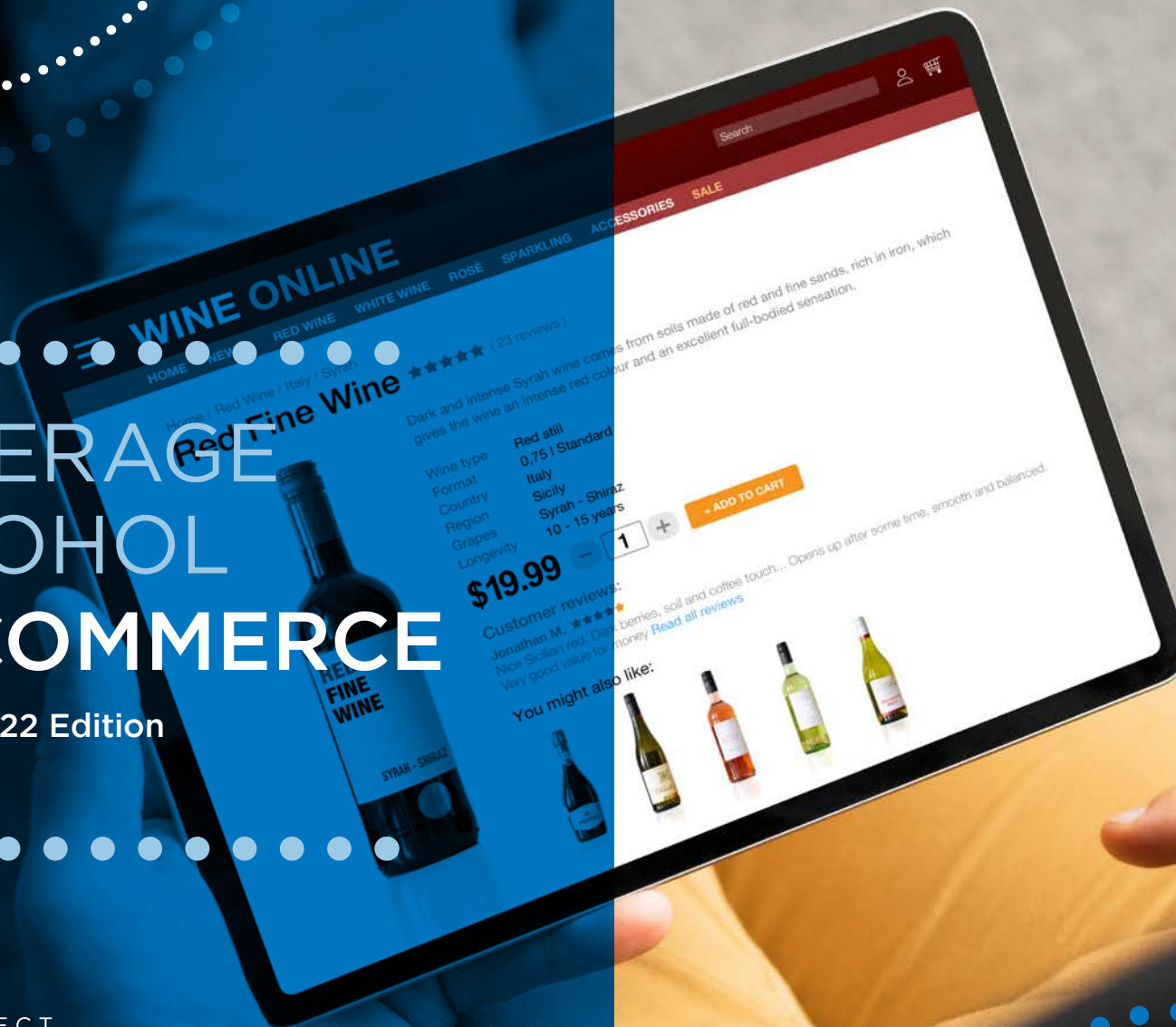


BEVERAGE ALCOHOL & ECOMMERCE

Summer 2022 Edition



BEVERAGE ALCOHOL & ECOMMERCE

Online shopping accelerated due to COVID-19 and in turn, drove expedited trial and adoption as a new mainstay option for millions of US households. Consumers have seen the convenience and unique benefits for shopping online such as saving time and money as well as the ease of which consumers can explore and learn about products as they build baskets from the comfort of their homes. The pandemic also produced new and creative ways for retailers to connect with their shoppers as well as speeding up online platform build-outs for those retailers slower to adopt prior to the pandemic.

Beverage Alcohol 3-tier eCommerce (3TE) is currently a \$2.4B business and seeing its size remain over 3x above pre-pandemic levels despite commerce opening back up. While online share of sales has tripled and seen share of trips jump over +40% since the pandemic, Beverage Alcohol still has major opportunities that can't be ignored. Expanding reach online (especially for Beer), ensuring retailers are excelling on the things that are most important to the consumer as well as breaking down remaining barriers for online Beverage Alcohol shopping are some of the big unlocks that are on the table.

Staying at the forefront of Beverage Alcohol, the largest Edible Consumer Packaged Goods category in the US, is critical to maximizing 3TE sales.

Shopper-First Shelf is unique in that it provides consistent and frequent up-to-date 3TE visibility across the 3TE landscape, the 3TE Beverage Alcohol shopper as well as actionable 3TE merchandising tactics that maximize sales and accelerates growth.

WHAT IS 3-TIER ECOMMERCE (3TE)?

3-Tier eCommerce operates within the existing 3-Tier system as tied house rules still apply to eCommerce. Alcohol must route from manufacturer, to distributor, to a licensed retail partner who may sell online, in-store, or both.



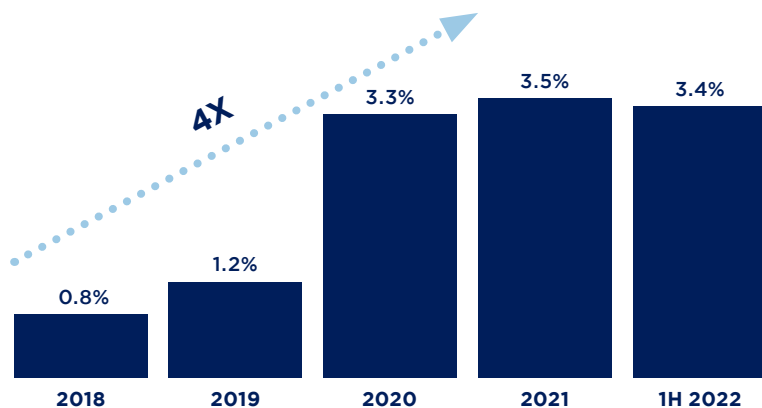
BEVERAGE ALCOHOL ECOMMERCE LANDSCAPE

ECOM ACCELERATION:

THE SHARE OF BEV ALC ONLINE PENETRATION HAS OVER QUADRUPLED SINCE 2018 AND NOW SEEING \$2.4B IN RETAIL SALES REACHING LEVELS 2.8X VS THE YEAR LEADING INTO THE PANDEMIC.

With COVID cases subsiding and restrictions easing up, today's Beverage Alcohol commerce landscape remains "sticky" and maintaining elevated levels of penetration and sales to-date.

% of TL US Bev Alc Retail \$ Sales Online



Retail \$ Sales Latest Year thru 1H 2022

\$2.4B

2.8x vs Pre-Pandemic



BEER
\$0.6B

3.0x



26.2 Share
+0.3pts

WINE
\$1.1B

2.4x



45.9 Share
-2.4pts

SPIRITS
\$0.6B

3.6x



26.7 Share
+1.6pts

**PREMIXED COCKTAILS/
COOLERS**

\$0.03B

14.0x



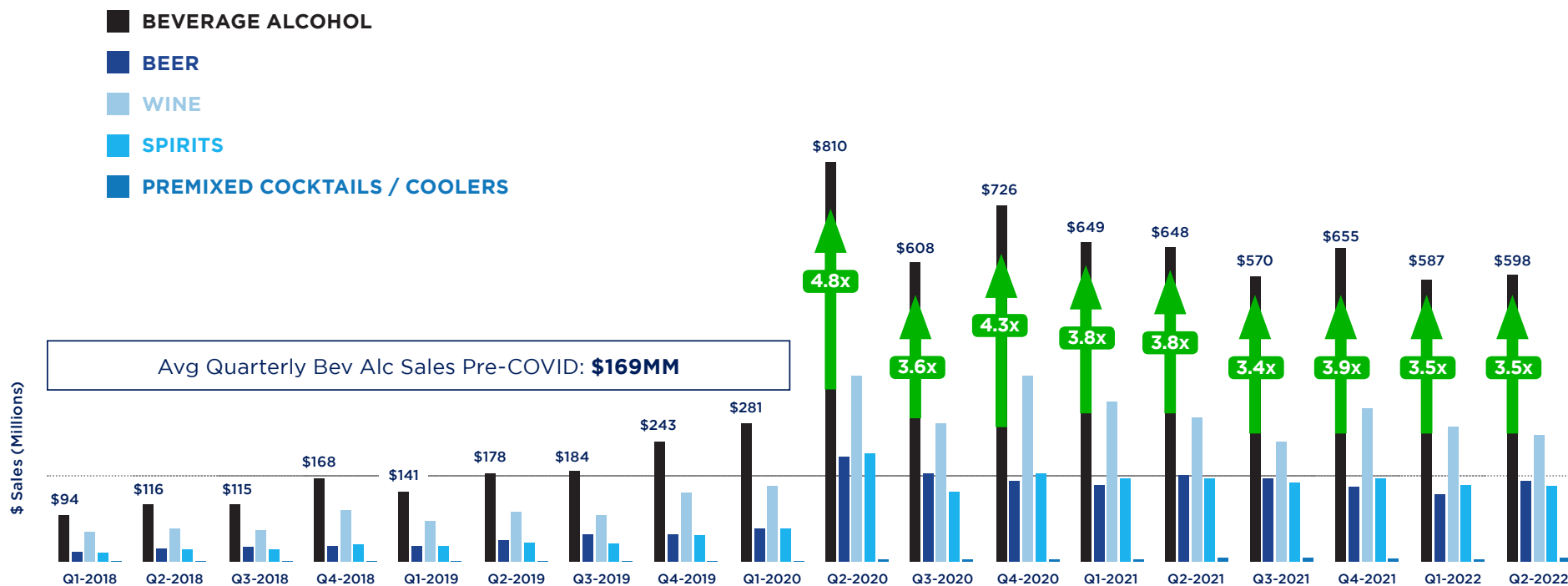
1.1 Share
+0.5pts

BEV ALC ONLINE COMMERCE IS HERE TO STAY:

QUARTERLY ONLINE BEV ALC SALES REMAIN WELL OVER 3.5X COMPARED TO PRE-COVID RATES.

Beverage Alcohol still maintaining record-breaking levels of online sales in the off-premise even with the on-premise easing restrictions and more people get vaccinated.

TL US Beverage Alcohol Quarterly Retail \$ Sales

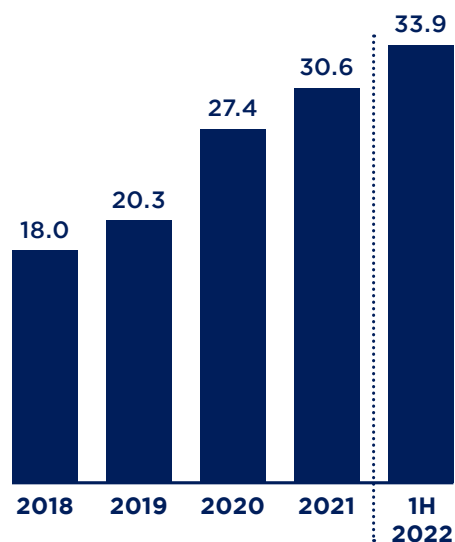


GAPS TO CLOSE:

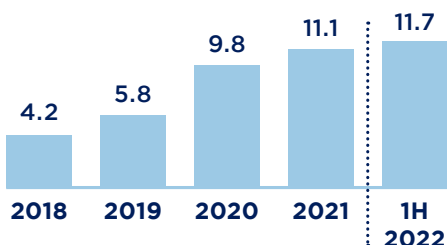
AS ECOMMERCE PRESENCE STICKS ACROSS CPG, BEV ALC MUST CONTINUE TO INVEST IN THE INCREASED ROLE OF DIGITAL TO CLOSE THE WIDENING GAP TO CPG.

While Beverage Alcohol has grown its online Omnichannel penetration by 4.1x since 2018, the GAP to Edible CPG has widened 2.5x. It is important for Bev Alc to catch up to Edible CPG, as it is the #1 edible category in the US.

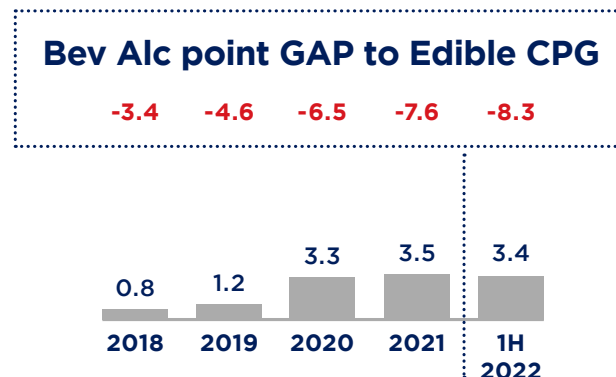
Dollar % Share of eCommerce in Omnichannel



Non-Edible CPG



Edible CPG



Beverage Alcohol

A ROAD TO GO:

WHILE BEVERAGE ALCOHOL IS THE LARGEST EDIBLE CATEGORY IN THE US, IT STILL HAS AN UNBELIEVABLE OPPORTUNITY TO LEVERAGE ITS POWER ONLINE.

When taking a closer look at beer, wine and spirits we see that while they are ranked in the top 15 of edible segments across multi-outlet, online tells a different story. Wine ranks #17 online comparable to cookies and every drinks while beer and spirits fall even further with segments such as canned fruit and frozen pizza.

Understanding barriers to purchase for this mega category is key to unlocking its full potential.

Beverage Alcohol Rank Across Edible Categories



All outlets



Online

#1 ➔ **#12**

Beverage Alcohol Major Segment Ranks Across Edible Categories



All outlets



Online

 **#1** ➔ **#36**

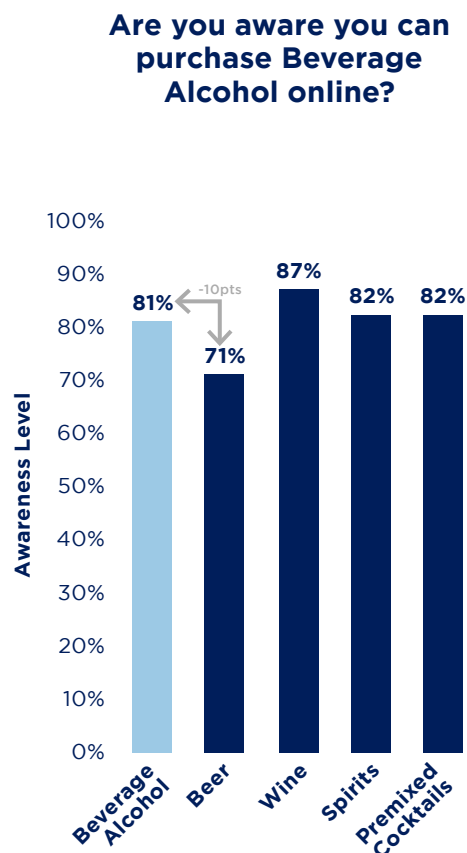
 **#10** ➔ **#17**

 **#14** ➔ **#35**

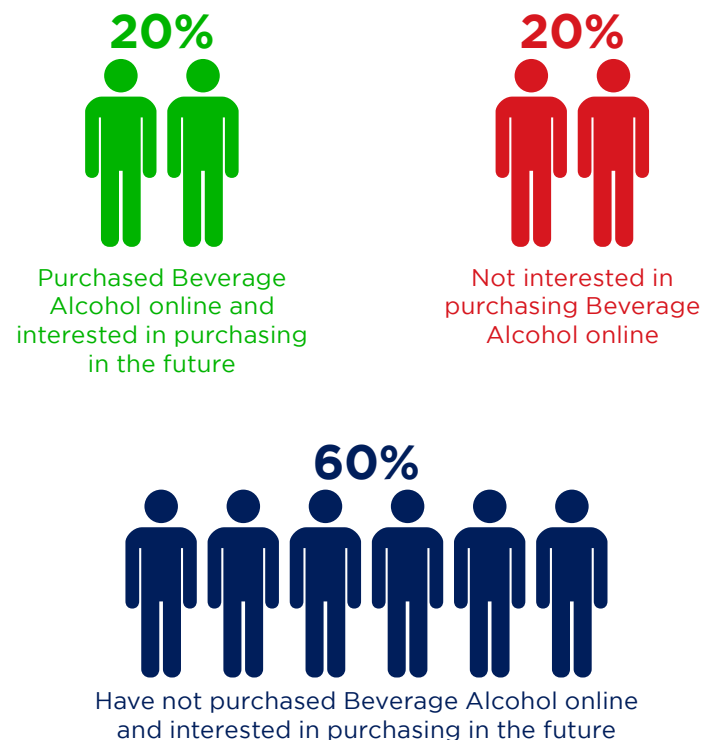
SHOPPERS KNOW YOU CAN, BUT MANY STILL HAVE NOT CONVERTED:

IN 2022, OVER **80%** OF BEVERAGE ALCOHOL SHOPPERS ARE AWARE YOU **CAN** PURCHASE THE CATEGORY ONLINE, HOWEVER, **60%** HAVE NOT BUT ARE INTERESTED. **BIG UPSIDE:** CONVERTING THESE SHOPPERS PROVIDES A **\$3.3 BILLION** OPPORTUNITY.

Beer lags other beverage alcohol categories in terms of shopper awareness. Shopper education and focus about how the **#1** edible CPG category in the US is available and convenient to purchase online is critical to total store success.



**Have you purchased Beverage Alcohol online?
Are you interested in purchasing beverage alcohol online?**



\$3.3 Billion Opportunity

BREAKING DOWN BARRIERS:

IT IS CRITICAL FOR RETAILERS AND SUPPLIERS TO LEVERAGE TACTICS THAT BREAK DOWN BARRIERS THAT EXIST FOR SHOPPERS INTERESTED IN PURCHASING BEVERAGE ALCOHOL ONLINE.

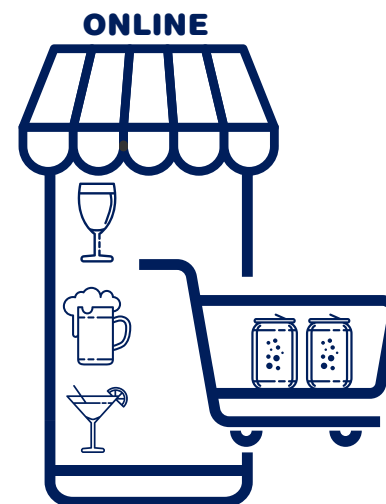


Some of the largest barriers to purchase online for Beverage Alcohol include shoppers not understanding **How** to purchase the category online and if its **Available** in their area



Tactics to break down barriers:

- ✓ Shift awareness tactics from “you can” to “**Here is How**” and “**You can Here**”
- ✓ Communicate in-store at locations such as the bev alc aisle and at check out about the **convenience** of shopping online for Bev Alc. i.e. **No waiting** in line, **no fees** (if applicable), **time saving**, **stay in car/at home** in bad weather, **research** before purchase, etc...



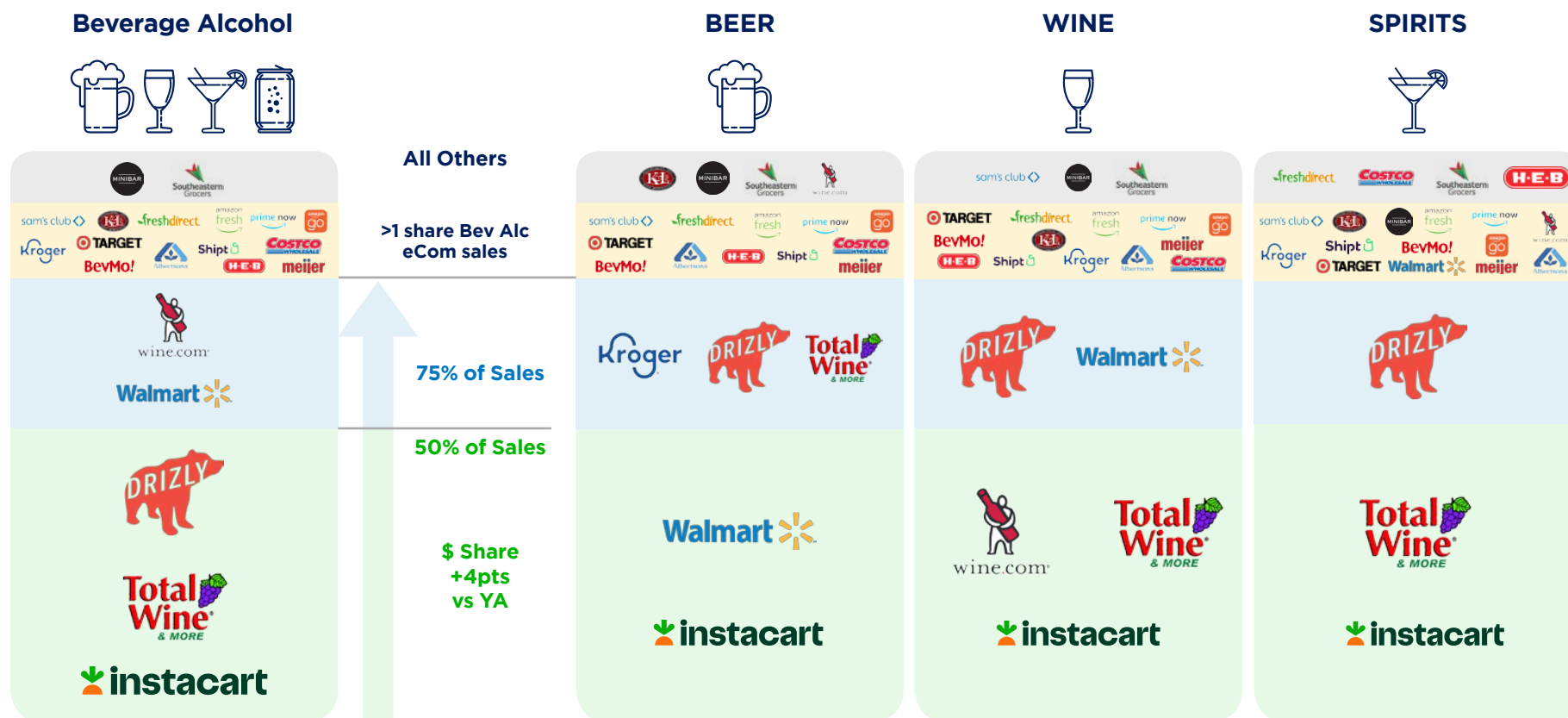
3TE BEVERAGE ALCOHOL RETAIL LANDSCAPE: DELIVERY SPEED VS ASSORTMENT

RETAILERS HAVE FOUND SUCCESS IN DIFFERENT WAYS AS THEY SOLIDIFY THEIR UNIQUE DIFFERENTIATION IN THE 3TE MARKETPLACE.



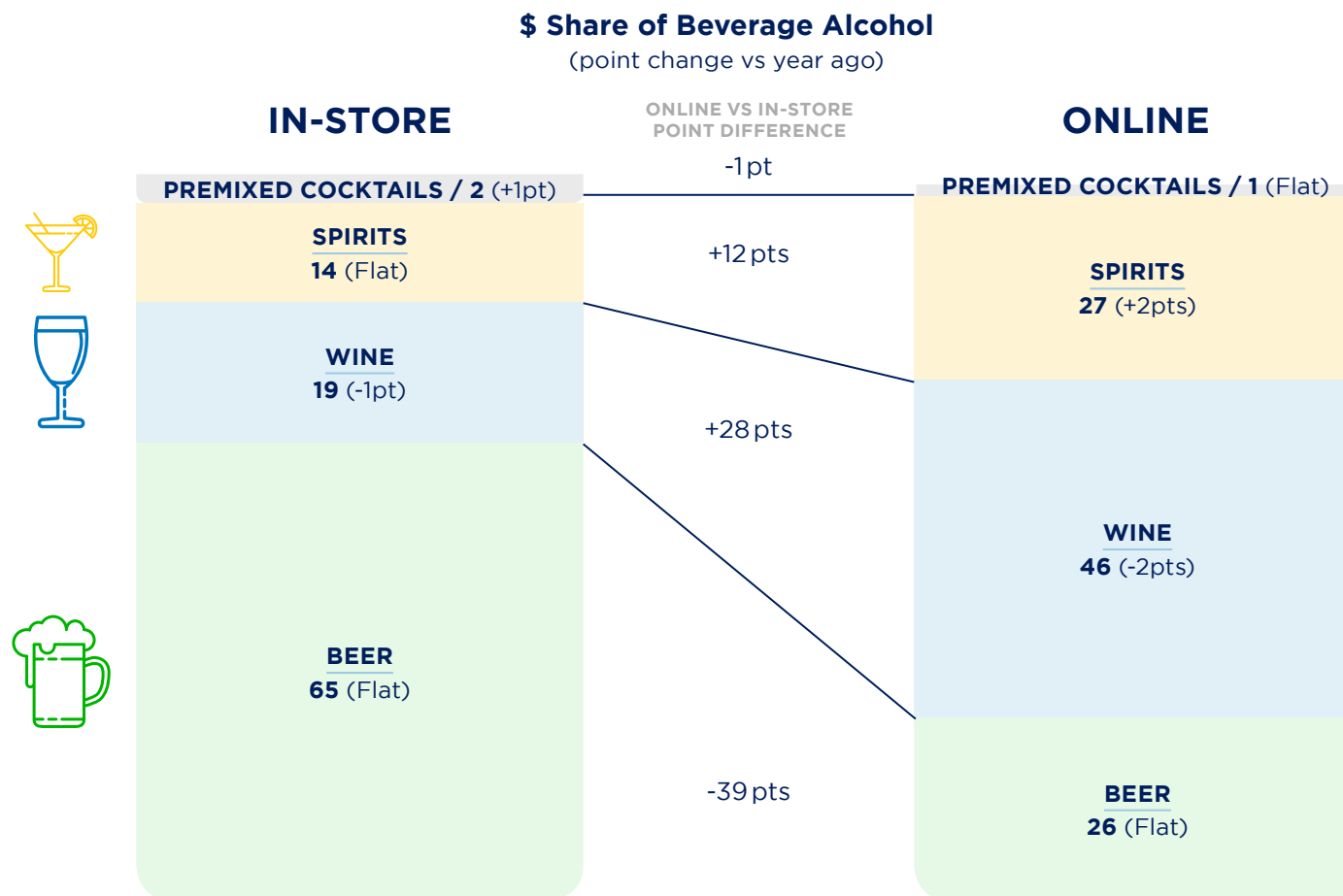
THE BIG KEEP GETTING BIGGER: MAJOR BEV ALC RETAILERS CONTINUE TO PAD THEIR LEAD

TOP ONLINE BEV ALC RETAILERS TOTAL WINE & MORE, INSTACART AND DRIZLY NOT ONLY REPRESENT OVER HALF OF ONLINE BEV ALC SALES IN THE US, BUT THEY HAVE EXPANDED THEIR SHARE BY +4 SHARE POINTS IN THE PAST YEAR.



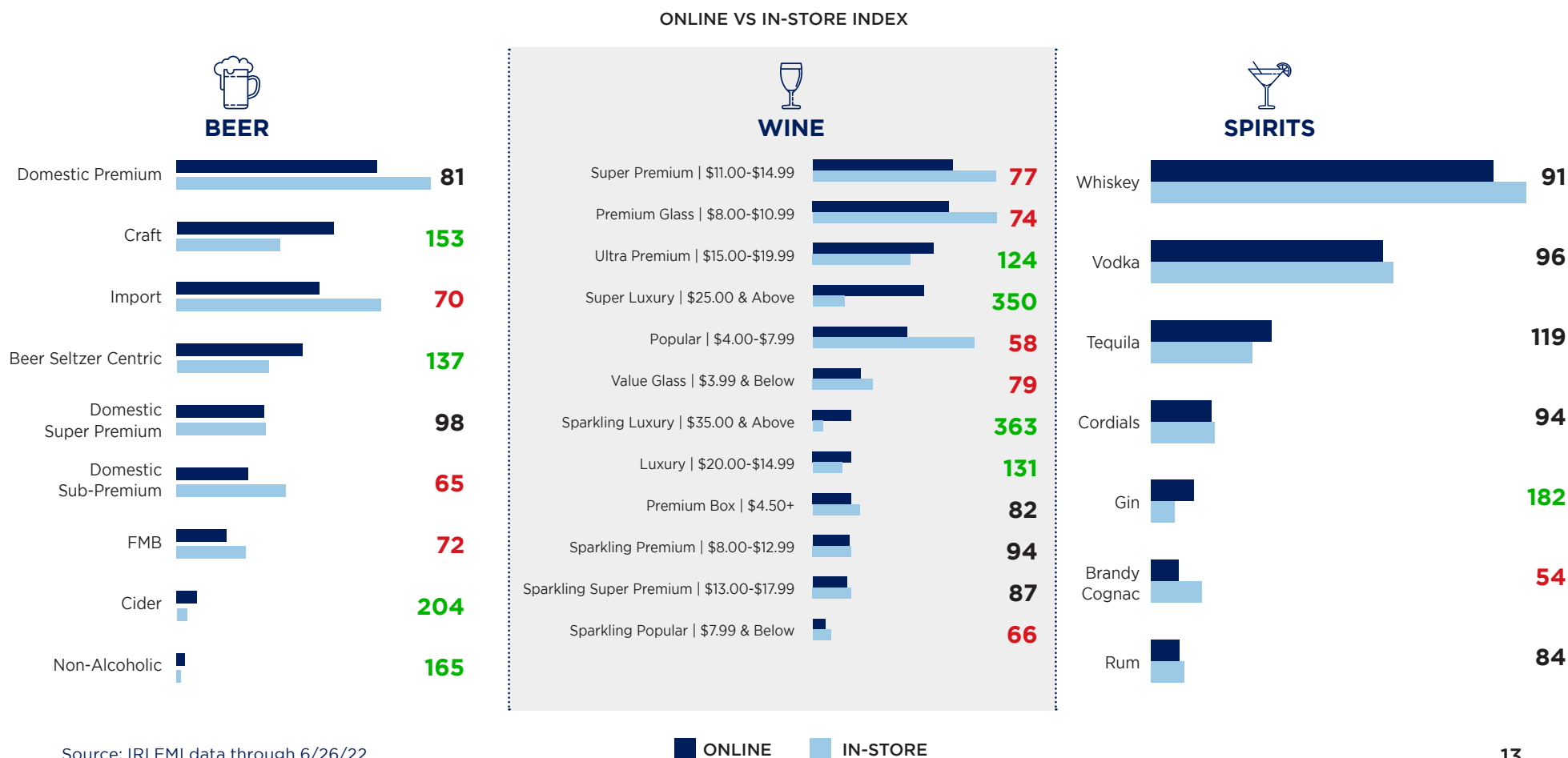
NOT JUST A COPY AND PASTE: THE CURRENT MIX ACROSS BEVERAGE ALCOHOL SEGMENTS VARIES SIGNIFICANTLY ONLINE VS IN-STORE

THE CURRENT STATE OF THE BEVERAGE ALCOHOL MIX ONLINE LOOKS VERY DIFFERENT THAN HOW THE SEGMENTS PLAY IN-STORE. WINE MAKES UP ROUGHLY HALF OF BEV ALC ONLINE WHILE BEER AND SPIRITS SPLIT ALMOST EVENLY THE REMAINING CATEGORY SALES.



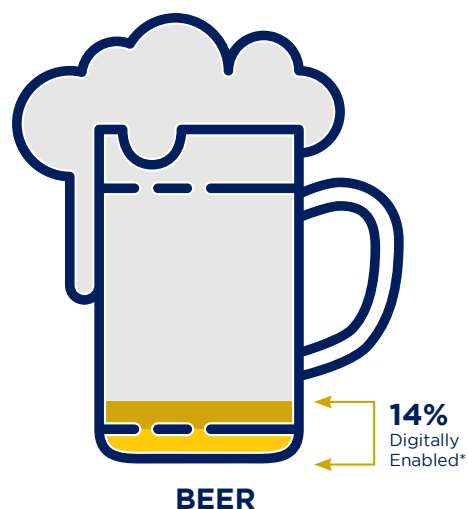
NOT JUST A COPY AND PASTE: DEMAND FOR SEGMENTS, BRANDS, PACKS AND TYPES CAN VARY ONLINE VS IN-STORE. MEETING BOTH DEMANDS WITH PRIMARY LOCATION INVENTORY IN-STORE IS CRITICAL.

BEV ALC SHOPPERS CAN DIFFER ONLINE VS IN-STORE AND SO CAN THE ITEMS THEY SEEK TO PURCHASE. FOR OMNI RETAILERS, ENSURING THE RIGHT AMOUNT OF DEDICATED SPACE IN PRIMARY LOCATIONS ON SHELF TO MEET BOTH TYPES OF SHOPPER DEMANDS WILL MAXIMIZE IN-STOCKS, SALES AND CONVERSION.




ONLINE MERCHANDISING INFLUENCING IN-STORE SALES: DIGITALLY INFLUENCED SALES ACCOUNT FOR OVER **35%** OF BEVERAGE ALCOHOL OMNICHANNEL SALES.

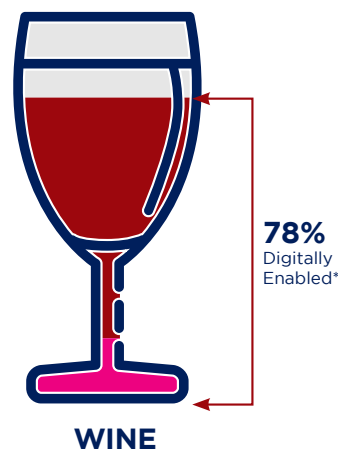
WHILE ECOMMERCE SALES ARE ONLY A PORTION OF OMNICHANNEL BEVERAGE ALCOHOL SALES, THE IMPACT OF DIGITAL INFLUENCE ENABLES ON AVERAGE \$9 OF A PRODUCT'S IN-STORE SALES FOR EVERY DOLLAR SPEND ONLINE.




 eCommerce Sales


 Digitally Influenced In-store Sales

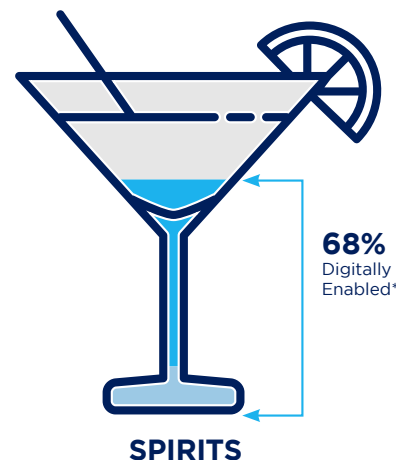
 All Other In-store Sales




 eCommerce Sales

 Digitally Influenced In-store Sales

 All Other In-store Sales



 eCommerce Sales

 Digitally Influenced In-store Sales

 All Other In-store Sales

WHAT IMPACTS DIGITAL INFLUENCE?

Examples include:

- ✓ Digital Marketing
- ✓ Research Online Buy Offline
- ✓ In-store Availability Check
- ✓ Consumer Rating & Review Research

* Digitally Influenced In-Store Sales + Online Sales = Digitally Enabled Sales

THINGS TO CONSIDER: Leverage your digital influence by ensuring your digital shelf creates a friendly shopper experience to not just drive online but also in-store conversion

KEY TAKEAWAYS

- ◆ **eCom Acceleration:** The pandemic drove expedited awareness, trial and adoption for shopping online for Bev Alc resulting in over \$2.4B in retail sales in the past year.
- ◆ **Beverage Alcohol online commerce is here to stay:** With COVID cases subsiding and restrictions easing up, today's Beverage Alcohol commerce landscape remains "sticky" and maintaining elevated levels of penetration and sales to-date.
- ◆ **Gaps to Close:** As eCommerce presence sticks across CPG, Beverage Alcohol must continue to invest in the increased role of digital to close the widening gap to other CPG categories.
- ◆ **A Road to Go:** While Beverage Alcohol is the largest edible category in the US, it still has an unbelievable opportunity to leverage its power online.
- ◆ **Shoppers Know You Can, But Many Still Have Not Converted:** In 2022, over 80% of beverage alcohol shoppers are aware you can purchase the category online, however, 60% have not but are interested.
Big Upside: Converting these shoppers provides a \$3.3 billion opportunity.
- ◆ **Breaking Down Barriers:** It is critical for retailers and suppliers to leverage tactics that break down barriers that exist for shoppers interested in purchasing beverage alcohol online.
- ◆ **3TE Beverage Alcohol Retail Landscape:** Retailers have found success in different ways as they solidify their unique differentiation in the 3TE marketplace.
- ◆ **The Big Keep Getting Bigger:** Major Beverage Alcohol retailers continue to pad their lead.
- ◆ **Not Just a Copy and Paste:** The current mix across Beverage Alcohol segments varies significantly online vs in-store. Demand for segments, brands, packs and types can vary and meeting both demands with primary location inventory in-store is critical.
- ◆ **Online Merchandising Influencing In-store Sales:** Digitally influenced sales account for over 35% of beverage alcohol omnichannel sales.



BEVERAGE ALCOHOL ECOMMERCE SHOPPER

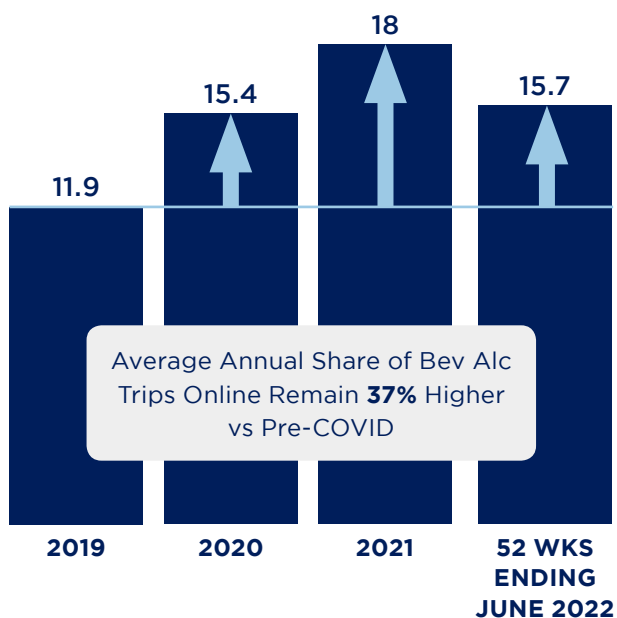
THE SHIFT IS HERE TO STAY

BEV ALC SHOPPERS SIGNIFICANTLY SHIFTED AND MAINTAINED TRIPS ONLINE SINCE COVID.

Beverage Alcohol commerce continues to see heightened levels of trips online where Total Baskets and Bev Alc spend are significantly higher compared to those in-store.

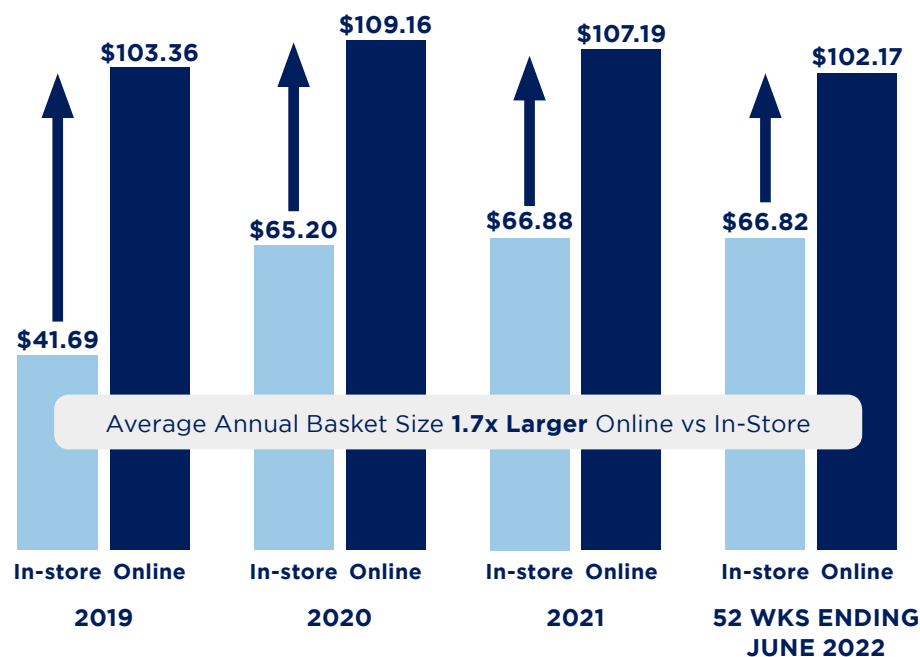
Share of Total Bev Alc Trips Online

(Among Bev Alc Shoppers that shop both Online & In-store)



Avg Total \$ Basket Spend When Bev Alc is in the Basket

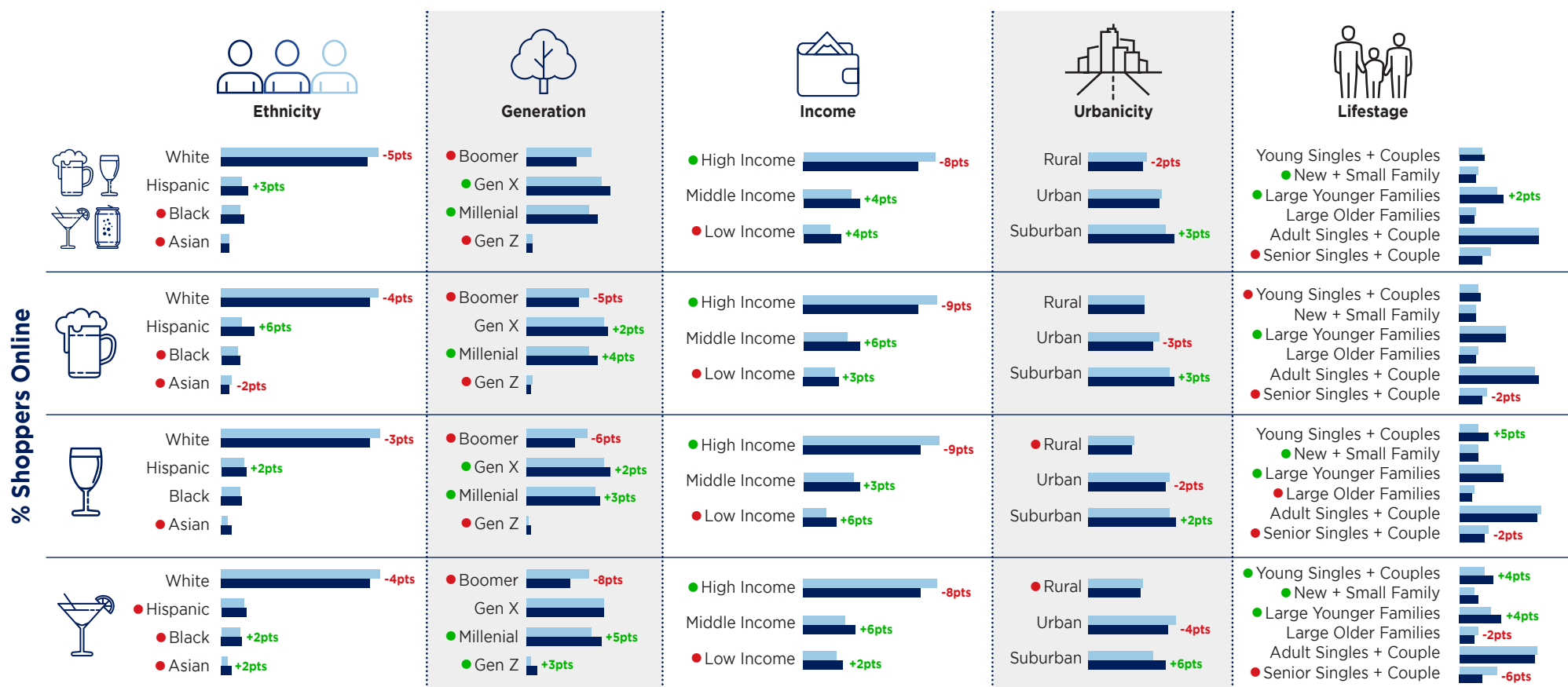
(Among Bev Alc Shoppers that shop both Online & In-store)



Bev Alc shoppers also spending on average **17%** more per unit when shopping online vs in-store. Driven by purchasing higher-end and/or larger pack sizes.

ONLINE BEV ALC SHOPPER EVOLUTION: COVID ACCELERATED BROADER ADOPTION AND DIVERSIFICATION

2020 WAS A STEP-CHANGE YEAR FOR THE ADOPTION OF SHOPPING FOR BEV ALC ONLINE. WHILE THE ONLINE BEV ALC SHOPPER CONTINUES TO BE PREDOMINANTLY AFFLUENT, WHITE, GEN X AND OLDER WITHOUT CHILDREN, THERE IS A SHIFT TOWARD SHOPPERS THAT ARE EITHER HISPANIC, OLDER, MIDDLE-INCOME, RURAL AND/OR LARGER YOUNGER FAMILIES. ENSURING THE ONLINE EXPERIENCE MEETS THE NEEDS FOR THIS MORE DIVERSE SET OF SHOPPERS WILL BE KEY TO MAXIMIZE SALES AND CONVERSION.



2019 52 WKS ENDING JUNE 2022

(Significant Share Point Changes Called Out)

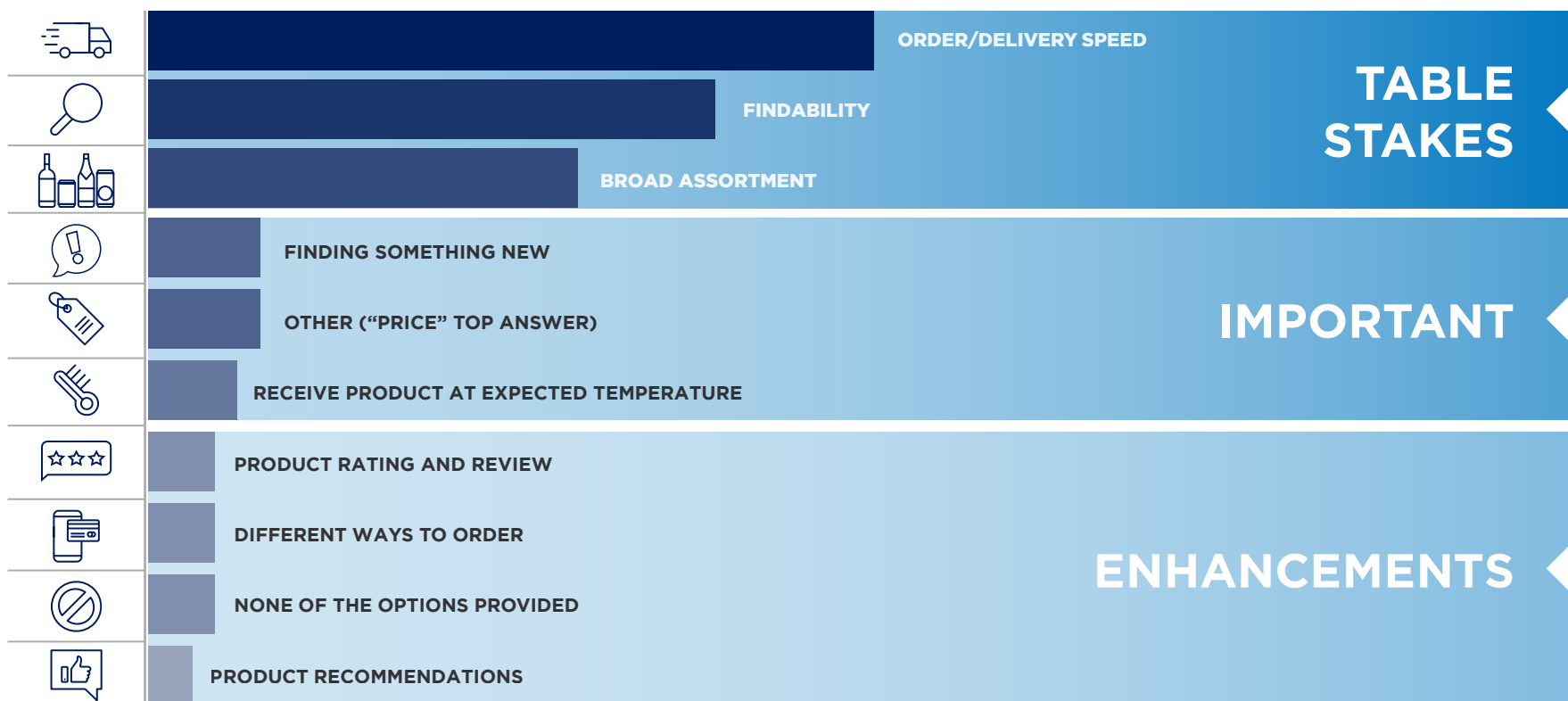
● OVER 110 INDEX TO IN-STORE SHARE
● UNDER 90 INDEX TO IN-STORE SHARE

Source: Numerator data through 6/26/22

MEETING THE ONLINE BEV ALC SHOPPERS MOST IMPORTANT NEEDS

THE ONLINE BEVERAGE ALCOHOL SHOPPER EXPECTS TO BE ABLE TO FIND THE PRODUCT THEY ARE LOOKING FOR ACROSS A BROAD ASSORTMENT OF ITEMS TO SELECT WHILE HAVING THAT ITEM DELIVERED OR READY FOR PICK UP QUICKLY.

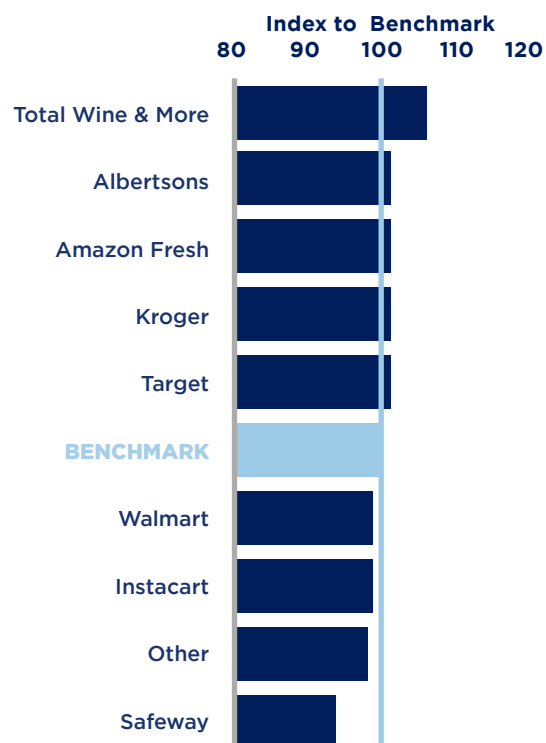
MOST IMPORTANT TO THE ONLINE BEV ALC SHOPPER



WHO IS MEETING THESE **MOST CRITICAL NEEDS?**

MOST MAJOR RETAILERS ARE MEETING THE MOST CRITICAL NEEDS OF THE BEVERAGE ALCOHOL SHOPPER.
TOTAL WINE & MORE AND KROGER DELIVER ABOVE RETAIL BENCHMARKS ACROSS ALL 3 NEEDS.

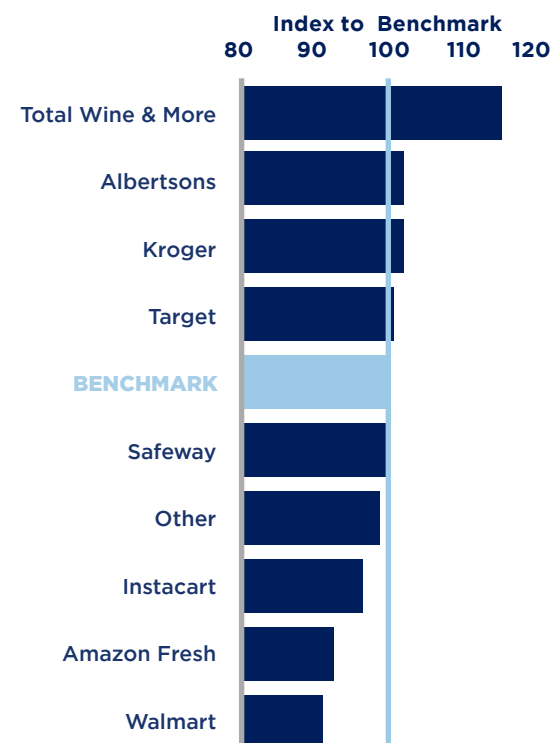
Order/Delivery Speed



Findability

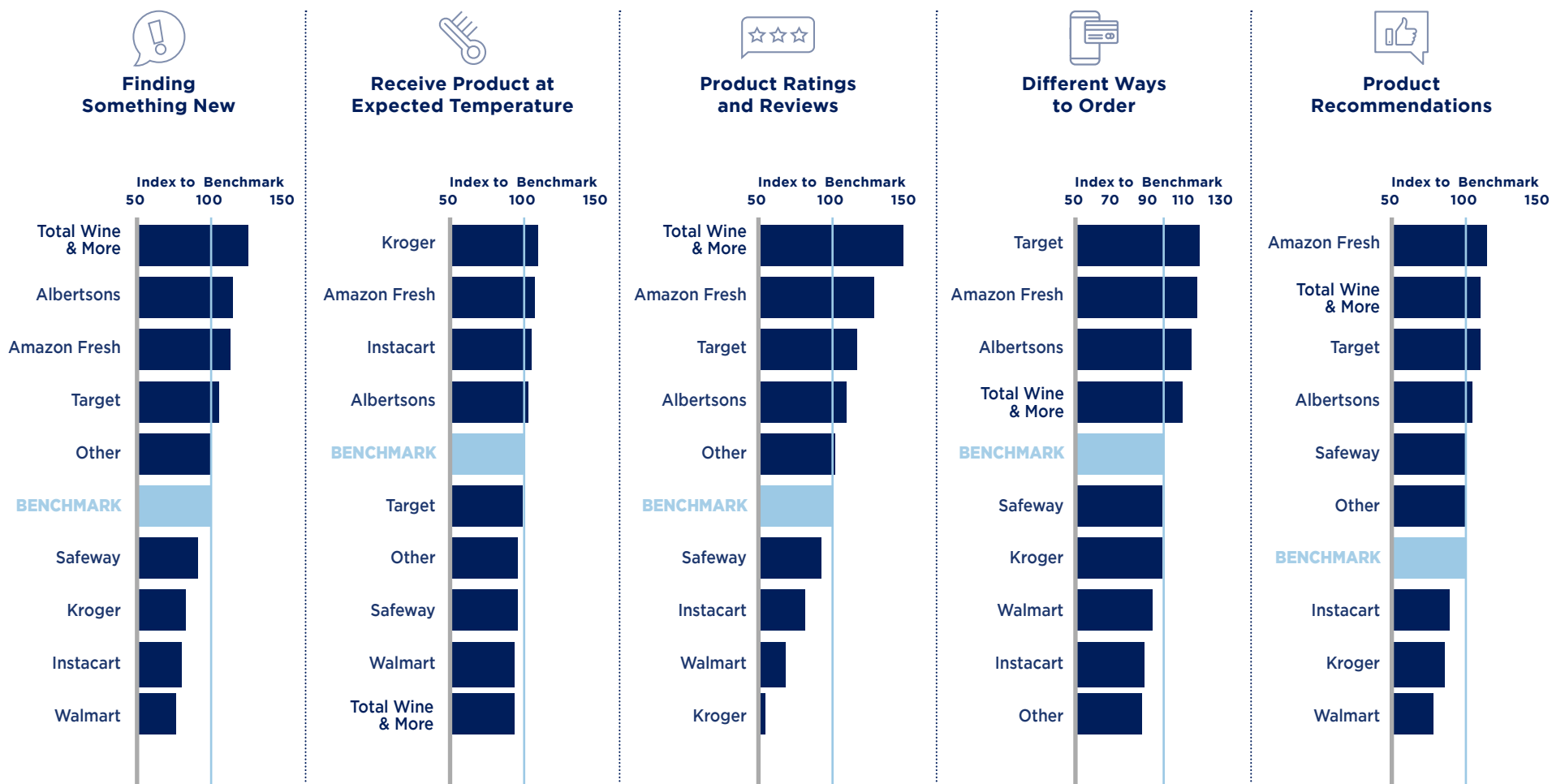


Broad Assortment



WHO IS MEETING OTHER NEEDS?

THESE FEATURES ARE NOT AS CRITICAL, BUT THEY ARE IMPORTANT IN ENHANCING THE ONLINE SHOPPING EXPERIENCE FOR THE ONLINE BEVERAGE ALCOHOL SHOPPER. SOME RETAILERS HAVE AN OPPORTUNITY TO IMPROVE.



KEY TAKEAWAYS

- ◆ **The Shift is Here to Stay:** Beverage Alcohol shoppers significantly shifted and maintained trips online since COVID. Beverage Alcohol commerce continues to see heightened levels of trips online where Total Baskets and Bev Alc spend are significantly higher compared to those in-store
- ◆ **Online Beverage Alcohol Shopper Evolution:** COVID accelerated broader adoption and diversification. Ensuring the online experience meets the needs for this more diverse set of shoppers will be key to maximize sales and conversion.
- ◆ **Meeting the Online Beverage Alcohol Shoppers Most Important Needs:** The online Beverage Alcohol shopper expects to be able to find the product they are looking for across a broad assortment of items to select while having that item delivered or ready for pick up quickly.
- ◆ **Who is Meeting these Most Critical Needs?** Most major retailers are meeting the most critical needs of the Beverage Alcohol shopper. Total Wine & More and Kroger delivering above retail benchmarks across all 3 needs.
- ◆ **Who is Meeting Other Needs?** Features such “finding something new,” “receiving items at the desired temperature,” are not as critical, but they are important in enhancing the online shopping experience for the online Beverage Alcohol shopper. Some retailers have an opportunity to improve.



BEVERAGE ALCOHOL ECOMMERCE MERCHANDISING EXECUTION TACTICS

WELCOME TO THE DIGITAL SHOPPER-FIRST SHELF

TODAY'S SHOPPER WILL ONLY BECOME MORE DEMANDING IN THEIR ONLINE SHOPPING EXPERIENCES. THE FOLLOWING PAGES PROVIDE A SAMPLING OF KEY INSIGHTS AND ACTIONS TO HELP OUR VALUED PARTNERS NAVIGATE AND CAPITALIZE ON THE ONLINE BEVERAGE ALCOHOL OPPORTUNITY.

♦ STEP 1: DETERMINE YOUR BEVERAGE ALCOHOL eCOMMERCE STRATEGY

	OPTION A Owned eCommerce	OPTION B 3 rd Party Marketplace Partnership
	Build your own eCommerce website experience	Open a digital storefront on a 3 rd party marketplace
	<p>Platforms that specialize in beverage alcohol eCommerce:</p> 	
How it Works	<ul style="list-style-type: none"> • “Digitize” your current store experience • Continue to own alcohol license, inventory, pricing, and fulfillment/delivery responsibility • Retailer examples include: Walmart, Kroger and Total Wine & More 	<ul style="list-style-type: none"> • Partner with a 3rd party that provides a digital storefront on their marketplace • 3rd party partner largely focuses on bringing traffic to the marketplace and may offer fulfillment/order delivery capabilities • Retailer continues to own alcohol license, inventory and pricing • Examples include: Walmart storefront on Instacart and Total Wine & More storefront on DoorDash

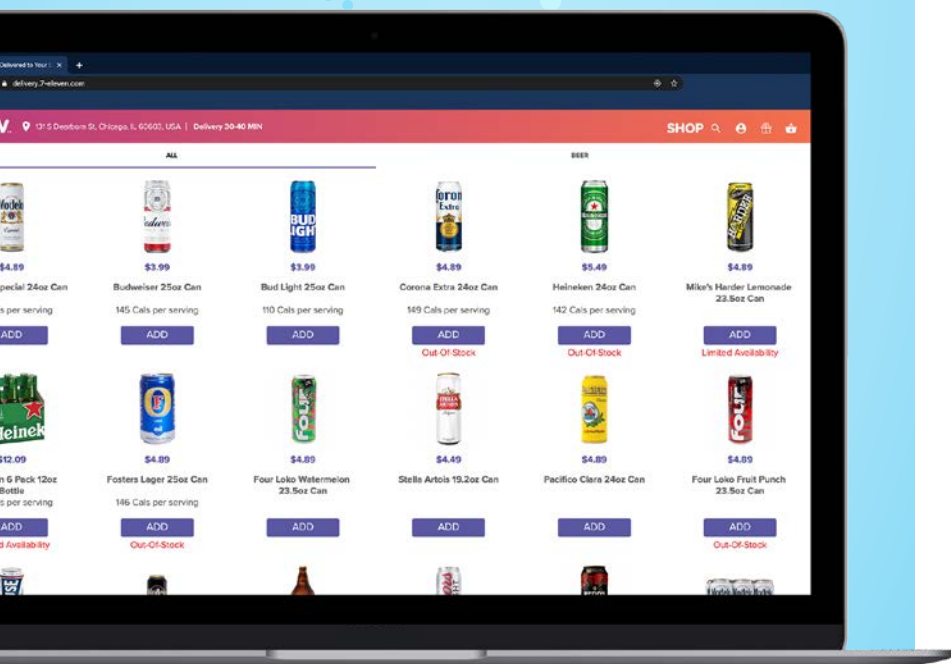
NOTE: Option A & B are not mutually exclusive; you can do both simultaneously.

OPT.
A

OWNED eCOMMERCE

WIN WITH AN EASY & ENJOYABLE SHOPPER-LED EXPERIENCE

Building and owning your eCommerce experience allows full control of the end-to-end shopper experience and the profits. However, it also requires investment to overcome hurdles such as building and managing a website, enhancing website navigation and optimizing search engine results.



CONNECT THE DIGITAL SHOPPER-FIRST SHELF

TAKE ACTION

BUILD AN EXPERIENCE FOR MOBILE

74% of online beverage alcohol purchases happen on a mobile device; make sure to optimize for mobile viewing.

DESIGN FOR HOW SHOPPERS BROWSE AND SEARCH ONLINE TO IMPROVE FINDABILITY

Findability is one of the most important criteria when shopping online for the Bev Alc shopper. Organize your products (“site taxonomy”) as you would in your stores to make it easy for shoppers to find products. Optimize search results by adjusting for synonyms (hard seltzer = spiked seltzer), spelling errors (shardonay, wiskee) and search intent (e.g. showing “beer” products before “root beer” products).

DEFAULT PRODUCT RESULTS SORTING BY TOP SELLERS OR HIGHEST BRAND AWARENESS

Quickly orient shoppers by making anchor brands visibly prominent and first in product listings (similar to strategies used in-store aisles). For example, Corona and Bud Light are the most-searched brands for the beer category, and therefore recommended to be at the top of Beer product listings.⁴

ENSURE “ADD TO CART” OPTION IS ALWAYS AVAILABLE

Empower shoppers to easily “add to cart” to reduce purchase friction and minimize cart abandonment.

⁴ Constellation Brands Retailer Search Term Research, Jan 2020 L12M

OWNED eCOMMERCE

TAKE ACTION (CONTINUED)

PROVIDE ACCURATE AND RELEVANT PRODUCT INFORMATION

On the Product Details Pages (PDP), provide accurate and relevant product information to aid shoppers in their purchasing decision. This includes product/label images, descriptions, ratings & reviews, pricing, inventory, and if the product is available cold.

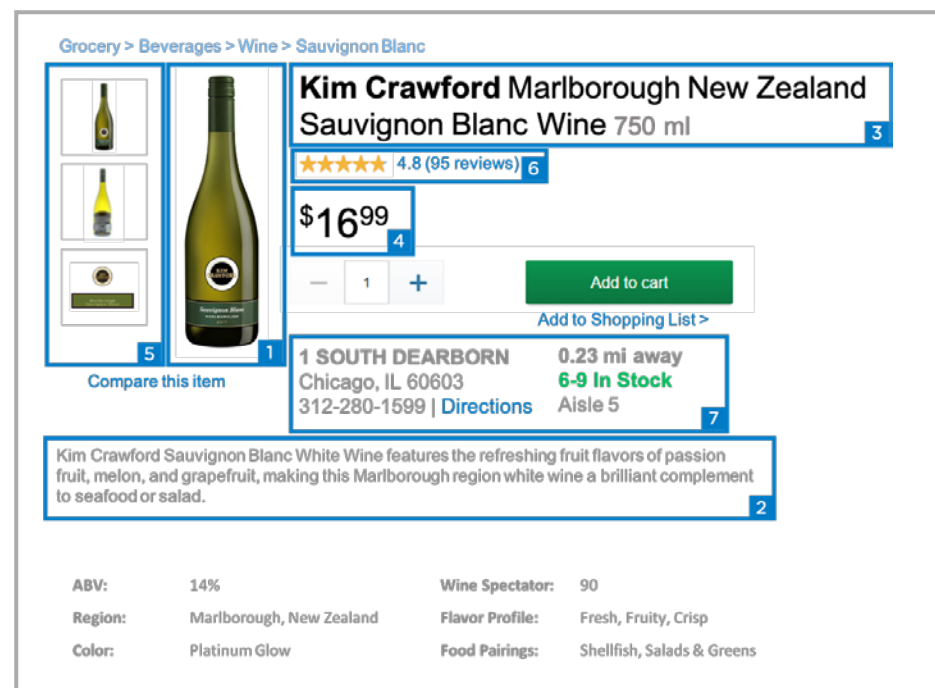
MAKE THE CHECK-OUT EXPERIENCE FRUSTRATION-FREE

The online check-out experience should be quick and intuitive. Avoid cumbersome checkout pages, accept multiple forms of payment, and offer various fulfillment/delivery options.

THE PERFECT PRODUCT DETAILS PAGE

TIP: Your supplier and wholesaler partners should be able to provide their product information to you so you don't have to generate this yourself!

- 1 Hero Product Image
- 2 Basic Product Content
- 3 Accurate Product Name
- 4 Price
- 5 Image Carousel
- 6 Ratings (and Reviews)
- 7 Product Location & Inventory Levels



NOTE: There might be limitations on different platforms. It is best to work within those limitations to be most effective.

OPT.
B

3RD PARTY MARKETPLACE PARTNERSHIP

WIN WITH ASSORTMENT, PRICING, AND QUALITY OF SERVICE

Partnering with a 3rd Party Marketplace provides a quick and easy way to tap into eCommerce. After identifying the right partner(s) for you, simply upload your assortment, pricing, and inventory levels. However, the ease of use and built-in traffic of these platforms means less control of the end-to-end shopper experience.

TAKE ACTION

CATALOG ALL AVAILABLE PRODUCTS

Ensure your entire assortment is represented online—including top-sellers and harder-to-find items. Be mindful of maintaining inventory levels to avoid out-of-stocks.

PRICE ITEMS TO DRIVE TRAFFIC

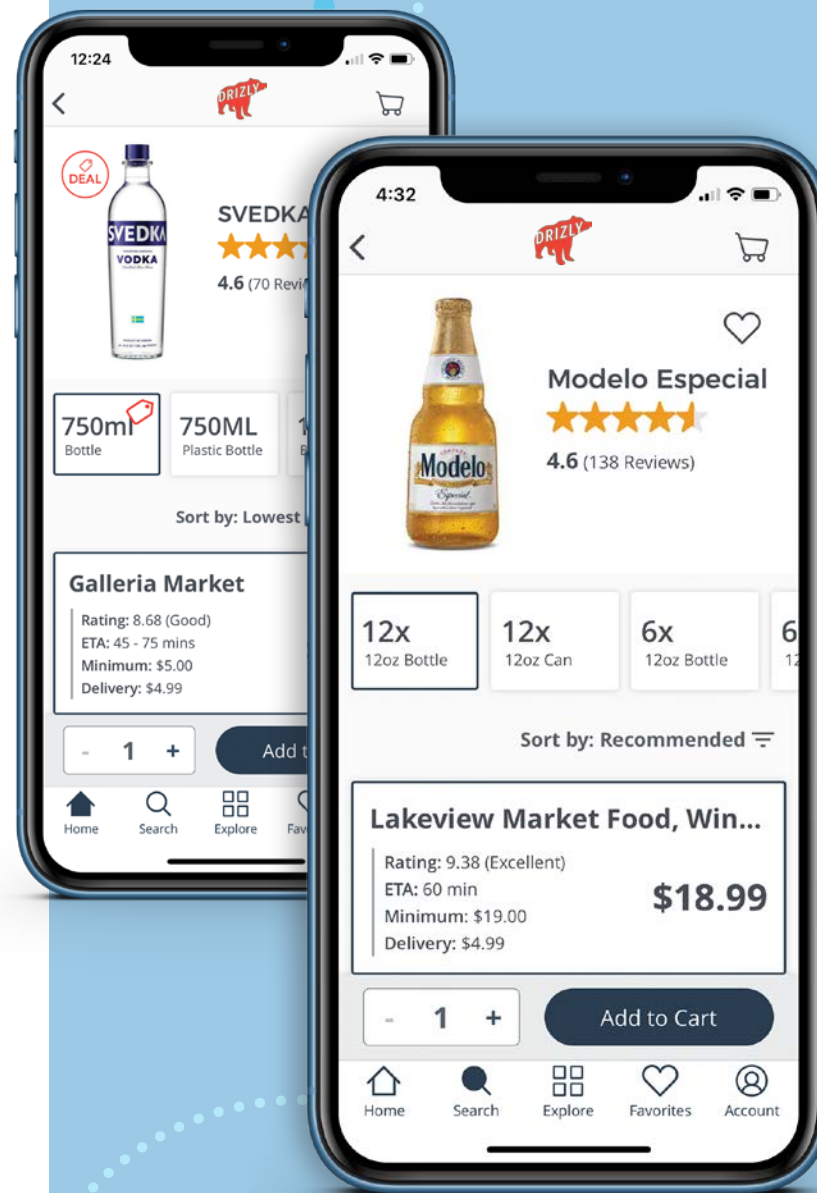
Use popular products to hook-in traffic and encourage basket building with offer bundles.

ESTABLISH FULFILLMENT COSTS

Balance the benefit of winning the sale with profitability considerations such as shipping area and free shipping thresholds.

RELIABLY FULFILL ORDERS

Accuracy and timeliness matter. Marketplaces—and shoppers—reward retailers that offer reliable service. For the shopper, paying an additional \$1 in the retail price for dependable service may be worth it.



◆ STEP 2:

DRIVE SHOPPER AWARENESS... THAT YOU CAN AND HOW TO BUY BEVERAGE ALCOHOL ONLINE

TELL SHOPPERS THAT THEY CAN BUY BEV ALC ONLINE, IT'S AVAILABLE IN THEIR AREA AND IT'S EASY TO DO.

While driving awareness that shoppers **can** purchase Beverage Alcohol online is still critical, furthering the awareness **how** they purchase online (i.e ID checks) and how **convenient** it is (vs shopping in store) are existing barriers to unlock unconverted shoppers. Over **80%** of Beverage Alcohol shoppers are aware you can purchase the category online, however, **60%** have not but are interested. Converting these shoppers provides well over a **\$3 Billion** opportunity.

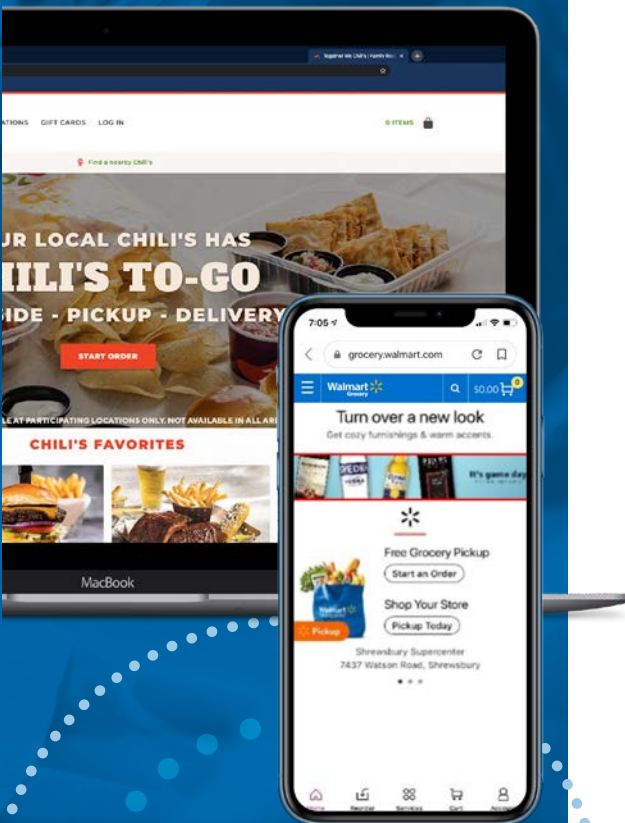
TAKE ACTION

● MARKET BEVERAGE ALCOHOL ONLINE CAPABILITIES AND SERVICES

Include beverage alcohol online shopping messaging with in-store marketing, ads, digital marketing and social media. Market to existing shoppers who may already shop online for other categories, as well as those who are not. Reach new customers and differentiate from competition with your online offering. For Omnichannel retailers, consider communicating the **convenience** of shopping online in-store locations where there might be frustration such as in the Bev Alc aisle or at check out while the shopper waits in line. Highlight that shopping online (at many Omni accounts) is **free** for curbside and in-store pick up or basket minimums for **free delivery**. Also ensure that the shopper is clear on how the process works and **how** easy it is to purchase the category online.

● INCREASE VISIBILITY OF THE BEVERAGE ALCOHOL CATEGORY

For retailers who sell more than beverage alcohol products, ensure “beer, wine, & spirits” is presented as a standalone category in the website layout. Shoppers should be able to easily identify that beverage alcohol is available for purchase online. Promote beverage alcohol categories within retailer email and social media communications as well as on the retailer website in banner ads as types of tactics to heighten awareness and increase visibility.



EXECUTION ON THE DIGITAL SHELF: DRIVE SHOPPER AWARENESS & ENGAGEMENT

IN-STORE POS — ADVERTISEMENTS

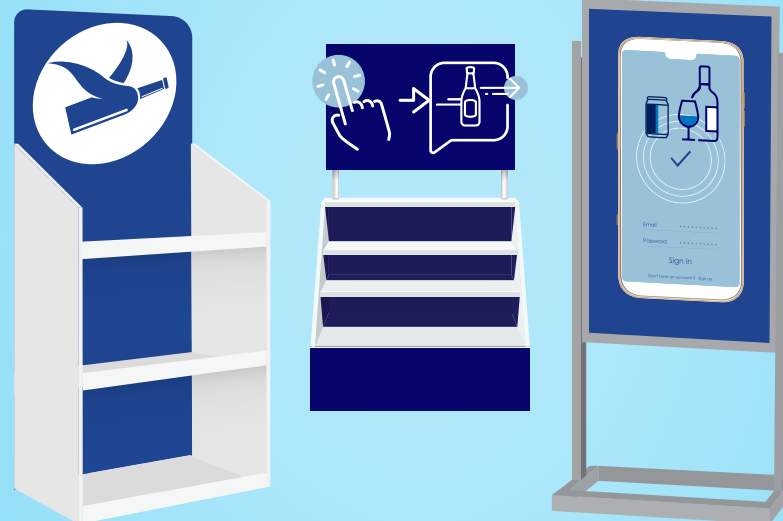
placed strategically throughout the store provides immediate awareness that Bev Alc can be purchased online with that retailer. This physically-influenced tactic can drive digital sales for future purchases at that retailer.

EASY AND FREE

Consider highlighting how **convenient** and **easy** the process works to purchase the category online. If applicable, relay that shopping online is either **free** for curbside and in-store pick up or offer basket minimums for **free delivery**

WINNING STRATEGIES TO DRIVE BEV ALC AWARENESS ONLINE

IN-STORE POS - ADVERTISEMENTS



EXECUTION ON THE DIGITAL SHELF: DRIVE SHOPPER AWARENESS & ENGAGEMENT

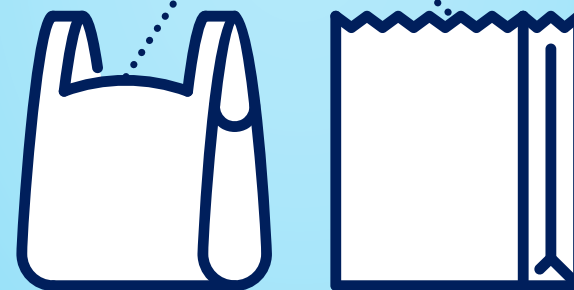
IN-BAG INSERTS that can be placed in the shopper's bag after an in-store purchase drives awareness that Bev Alc can be purchased online with that retailer. Enhancing engagement by including a scannable UPC code to purchase with the retailer's app drives even further conversion.

EASY AND FREE

Consider highlighting how **convenient** and **easy** the process works to purchase the category online. If applicable, relay that shopping online is either **free** for curbside and in-store pick up or offer basket minimums for **free delivery**

WINNING STRATEGIES TO DRIVE BEV ALC AWARENESS ONLINE

IN-BAG INSERTS



EXECUTION ON THE DIGITAL SHELF: DRIVE SHOPPER AWARENESS & ENGAGEMENT

DIRECT MAIL communication is still a powerful tactic to utilize. Directly communicating to local shoppers can inform retailer shoppers that their next Bev Alc trip doesn't have to be in-store but can be conducted from the comfort of their own home.

EASY AND FREE

Consider highlighting how **convenient** and **easy** the process works to purchase the category online. If applicable, relay that shopping online is either **free** for curbside and in-store pick up or offer basket minimums for **free delivery**

WINNING STRATEGIES TO DRIVE BEV ALC AWARENESS ONLINE

DIRECT MAIL



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TABLE TENT CARDS that can be placed on countertops near check out to communicate to the in-store shopper that purchasing Bev Alc online is an option for future purchases. Providing immediate interaction either via QR code or instructions on how to download the retailer's app improves conversion and engagement.

EASY AND FREE

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WINNING STRATEGIES TO DRIVE BEV ALC AWARENESS ONLINE

TABLE TENT CARDS



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ON-SITE BANNERS drive awareness to the retailer's online shopper that Bev Alc is available to purchase online. This can drive digitally influenced purchases either during that trip or for future trips at that retailer.

EASY AND FREE

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WINNING STRATEGIES TO DRIVE BEV ALC AWARENESS ONLINE

ON-SITE BANNERS



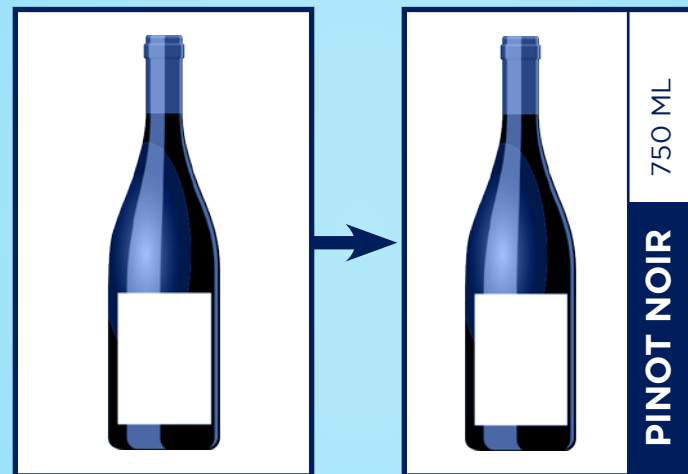
EXECUTION ON THE DIGITAL SHELF: DRIVE SHOPPER AWARENESS & ENGAGEMENT

CO-PHI are designed to visually highlight pack size/quantity and flavor/varietal with existing packaging. There are NO changes to existing product packaging. Instead, size/quantity and flavor/varietal call outs will appear next to existing product images, making it easier for the consumer to shop online. This helps Bev Alc products stand out on the digital shelf and removes friction from the shopping experience. This improves findability of products and leads to greater click-through online.

WINNING STRATEGIES TO DRIVE BEV ALC AWARENESS ONLINE

IMPROVED CO-PHI

(Consumer Optimized Product Hero Image)



◆ STEP 3:

LEARN AND ITERATE

The digital world and shopper behaviors are constantly evolving. As a result, commitment to continuous improvement is key to any successful eCommerce strategy. Ensure you are delivering on shopper satisfaction and maximizing sales opportunities by regularly engaging shoppers for feedback and ratings, reviewing site or app analytics, and implementing necessary enhancements.

Understanding shopper behavior will give you a competitive edge in both online and offline marketplaces.

Interested in learning more about eCommerce and how to optimize your platform for growth?

Reach out to your local Constellation Brands contact for more information on how to take action and get started today.

Learn more at shopperfirstshelf.com

