




Evolving Customer Needs

The background features a dark grey color with faint, white line-art outlines of various wine bottles and glasses. On the left, there is a tall, slender bottle. In the center, a wine glass is shown with a stem and a base. To the right, there are two more bottles of different shapes, one taller and one shorter. The overall aesthetic is clean and modern.

Merchandising Team



Abhay Garg

Vice President Merchandising



David Cacciottolo

Senior Director
Merchandising Operations



Marie Cundari

Senior Director
NW & Ontario Wines



Chris Robertson

Senior Director
Beer Cider & RTD



Alanna Bailey

Senior Director
Spirits



Stacey Roth

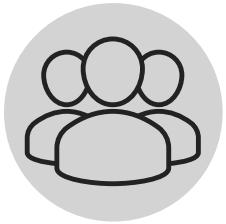
Senior Director
EU Wines &
Destination Collection

Merchandising Strategy

The background features faint, white line-art illustrations of various pieces of glassware. On the left is a tall tumbler glass. In the center is a wine glass with a stem. To the right is a bottle with a long neck. At the bottom center is a shot glass. The overall aesthetic is clean and modern.

Merchandising Strategy

Continue to evolve an enterprise-wide competitive merchandising strategy that drives sales results and delivers increased customer loyalty across all channels.



Value to Customers

- Informed Consumer Insights
- Category and Assortment Strategy



Grow Profits & Efficiencies

- Channel Strategy
- Collaboration and Partnership



Support Local

- LCBO Mandate

Merchandising Priorities



Premiumization



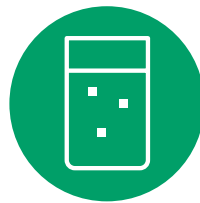
Convenience



**Inspiring
Experiences**



**Vintages
Transformation**



Moderation



Gifting

Premiumization



- Premium Spirits
- Whisky Shop
- Tequila Growth



- Premium and Collectible wines
- Special Offers
- Champagne



Premiumization

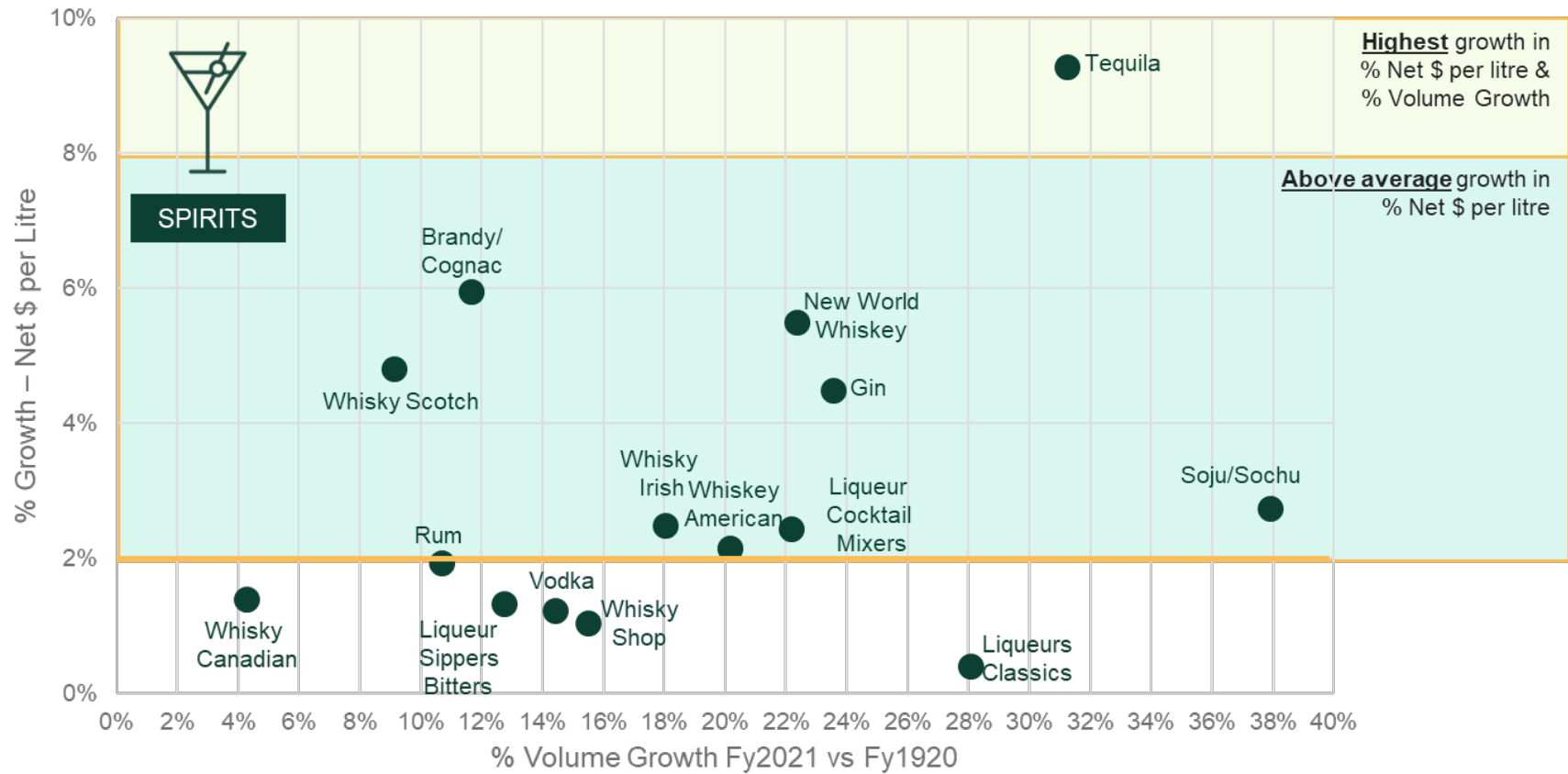
“Buying Better”

% Volume change Fy2021 vs Fy1920 by Price Range



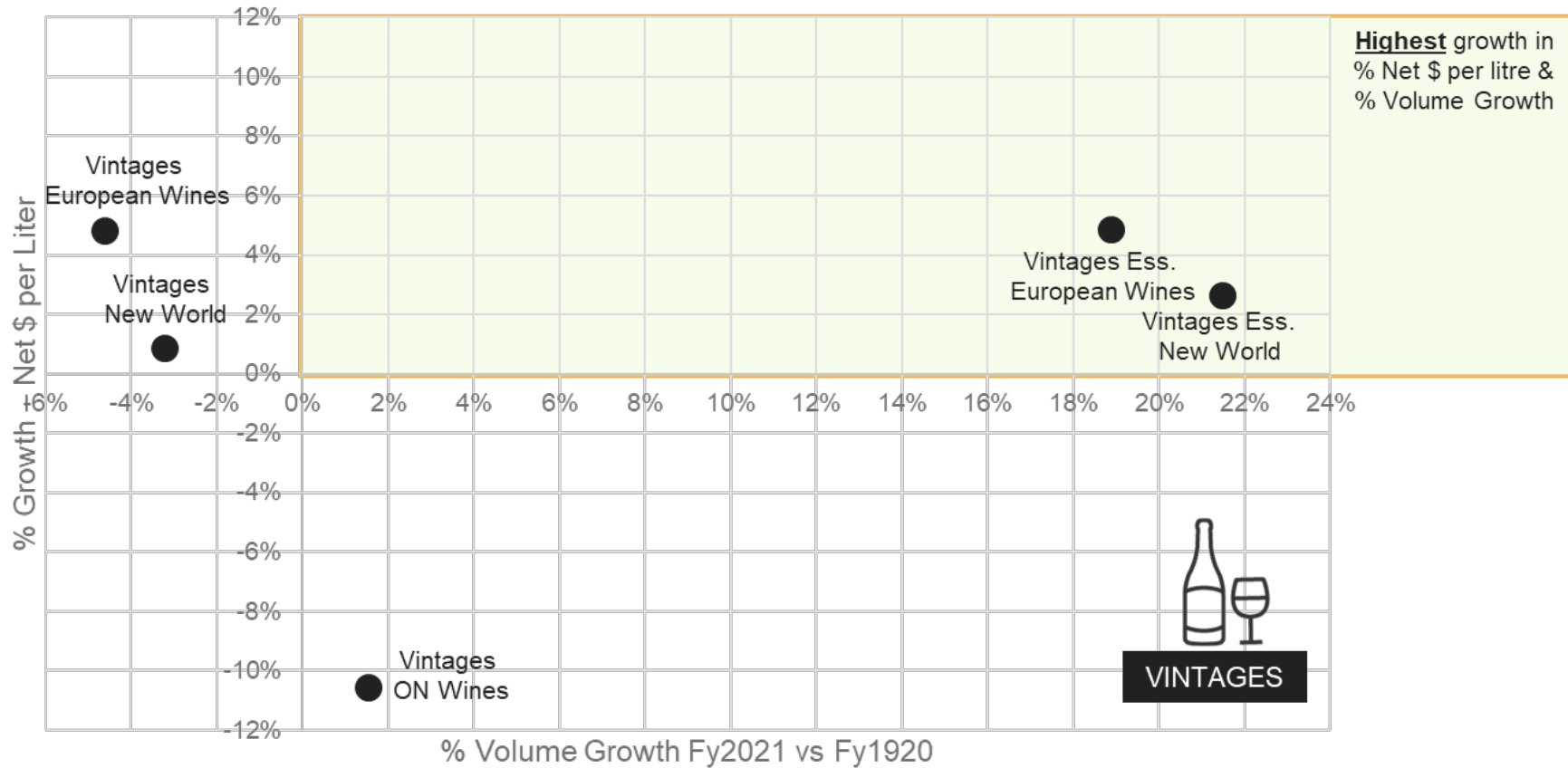
Premiumization

“Buying Better”



Premiumization

“Buying Better”



Premiumization

Cater to the Customer

- Ontario First
- Allocated Products
- New Releases
- Support and Investment



Convenience

62% customers want a convenient format!



Growth

Single serve and larger packs in RTD

Value

Bag-in-Box Wine/ RTD

Convenience

Cans/Tetra/Cocktail solutions

Convenience

Convenient packaging

Top 2 Box (% Strongly/Somewhat Agree)

 **62%**

Prefer to buy alcoholic beverages in single serve, ready to drink formats because they are convenient

 **52%**

Buy single serve, ready to drink alcoholic beverages because they are an easy way to control consumption

37%

Prefer to purchase wine in a box over a bottle when given the option

Source: LCBO Brand Health Tracker

Gifting

Grow Gifting at LCBO

- De-seasonalize Gifting
- Gift packaging and displays
- Personalization
- Ecommerce Exclusive
- Corporate Gifting



Gift

Expansion of Gifting

Special moments



Inclusivity



Explore New Occasions



BHT FY21/22 Q3 – Gifting Deep Dive report

Gifting

LCBO as a gifting destination

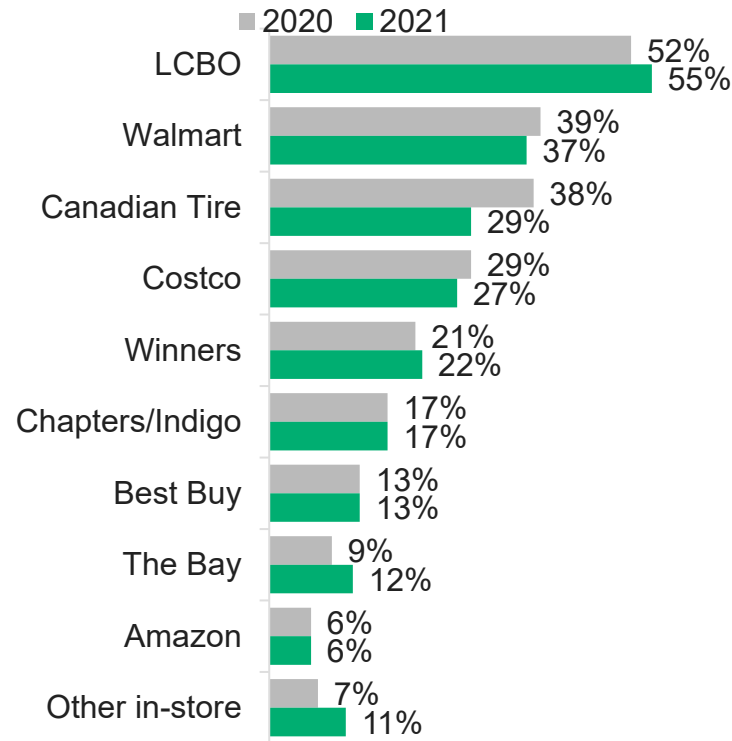
84%

2020: 85%

Agree that, “The LCBO is a gifting destination, a place to buy unique and interesting gifts for family and friends”

BHT FY21/22 Q3 – Gifting Deep Dive report

Top in-store gifting destination



Top online gifting destination

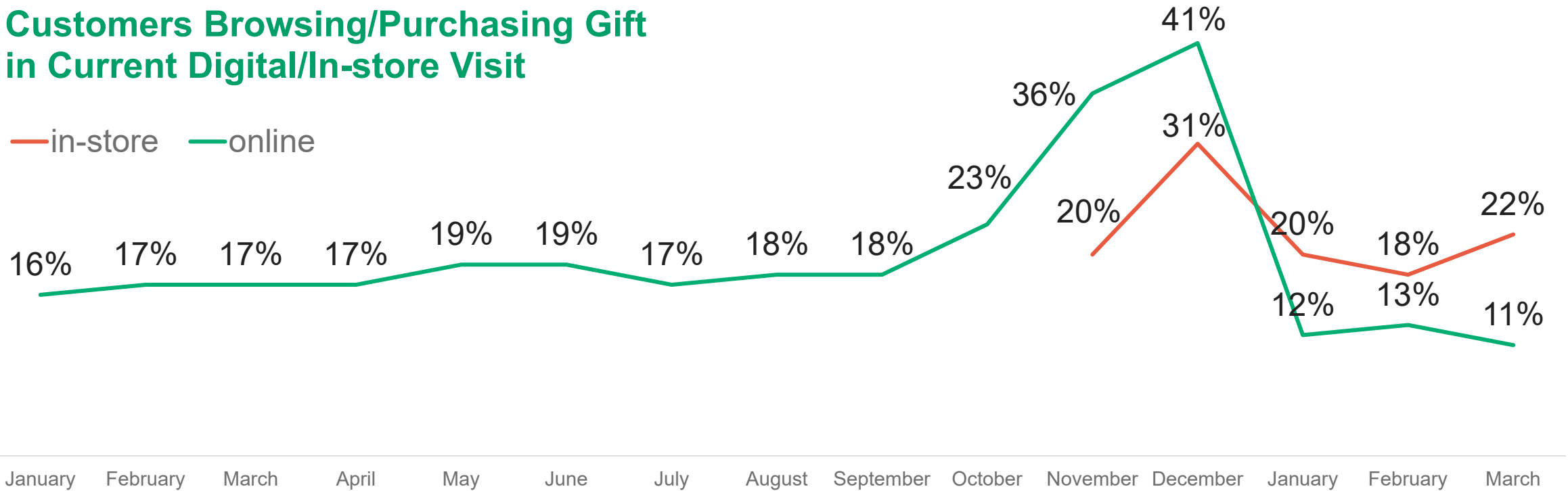


Gifting

Gifting - Omnichannel View

Customers Browsing/Purchasing Gift in Current Digital/In-store Visit

— in-store — online



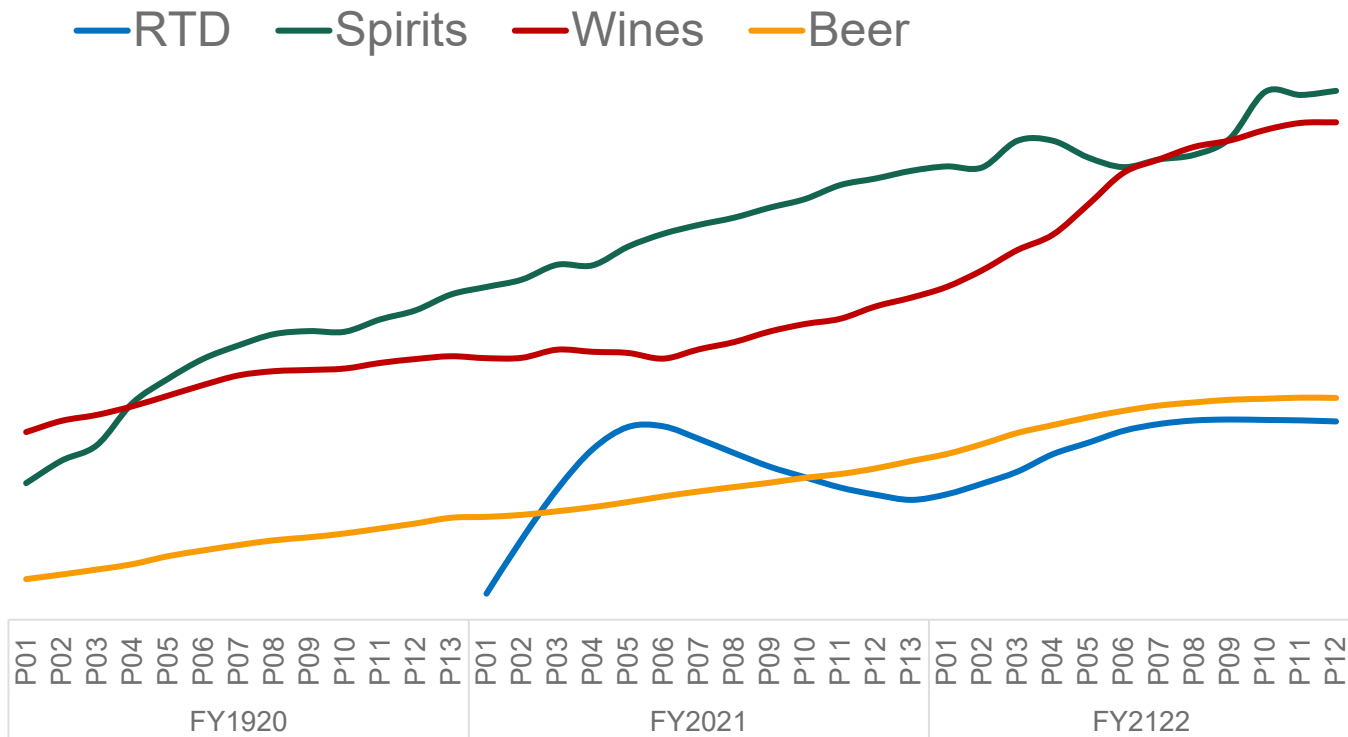
Moderation

Lighten Up!



Moderation

Lighter Options – Sales Trend



Moderation

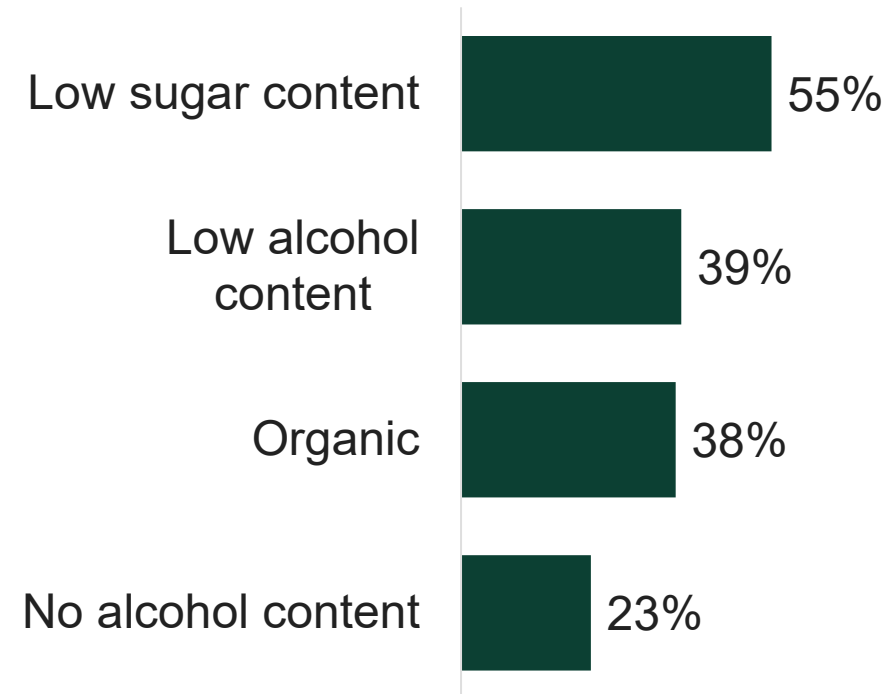
Making Informed Choices

↑ 51% Always look for **nutritional information** when buying alcohol

31% Purchased **non-alcohol products** in past 6 months

Top 2 Box (% Strongly/Somewhat Agree)
2022 Q1

% always/sometimes seeking the following criteria when browsing/purchasing alcoholic beverages



Moderation

Providing Decision Support Matters



MEET OUR NEW WINE SHELF TAGS.

CONNECT THE DOTS TO DISCOVER YOUR TASTE IN WINE.

Product Name/Nom du produit	Toast, Vanilla, Savoury
Varietal / Cépage	Grillé, vanillé, sapide
Region / Région	
\$17.95	
\$17.75 + 20¢ deposit/consigne	
123456	750 mL

Scan this QR code for more information.

Product Name/Nom du produit	Toast, Vanilla, Savoury
Varietal / Cépage	Grillé, vanillé, sapide
Region / Région	
\$17.95	
\$17.75 + 20¢ deposit/consigne	
123456	750 mL

SWEETNESS / DOUCEUR	●	○	○	○	○
BODY / CORPS	●	●	●	●	●
FLAVOUR INTENSITY / INTENSITÉ	●	●	●	●	○
ACIDITY / ACIDITÉ*	●	●	○	○	○
SUGAR CONTENT / TENEUR EN SUCRE	4 g/L				

Inspiring Experiences

Novel products and experiences

77%

Inspired to purchase alcohol tried while on **vacation**, once returned home



Inspiring Experiences

Product Tastings



In-store tastings



Customer Experience

Engage key customers and geographies, build credibility and desire to explore.

Targeted Investment

Demonstrated ROI. Ability to highlight Promos, NEW, etc.

Purchase Conversion

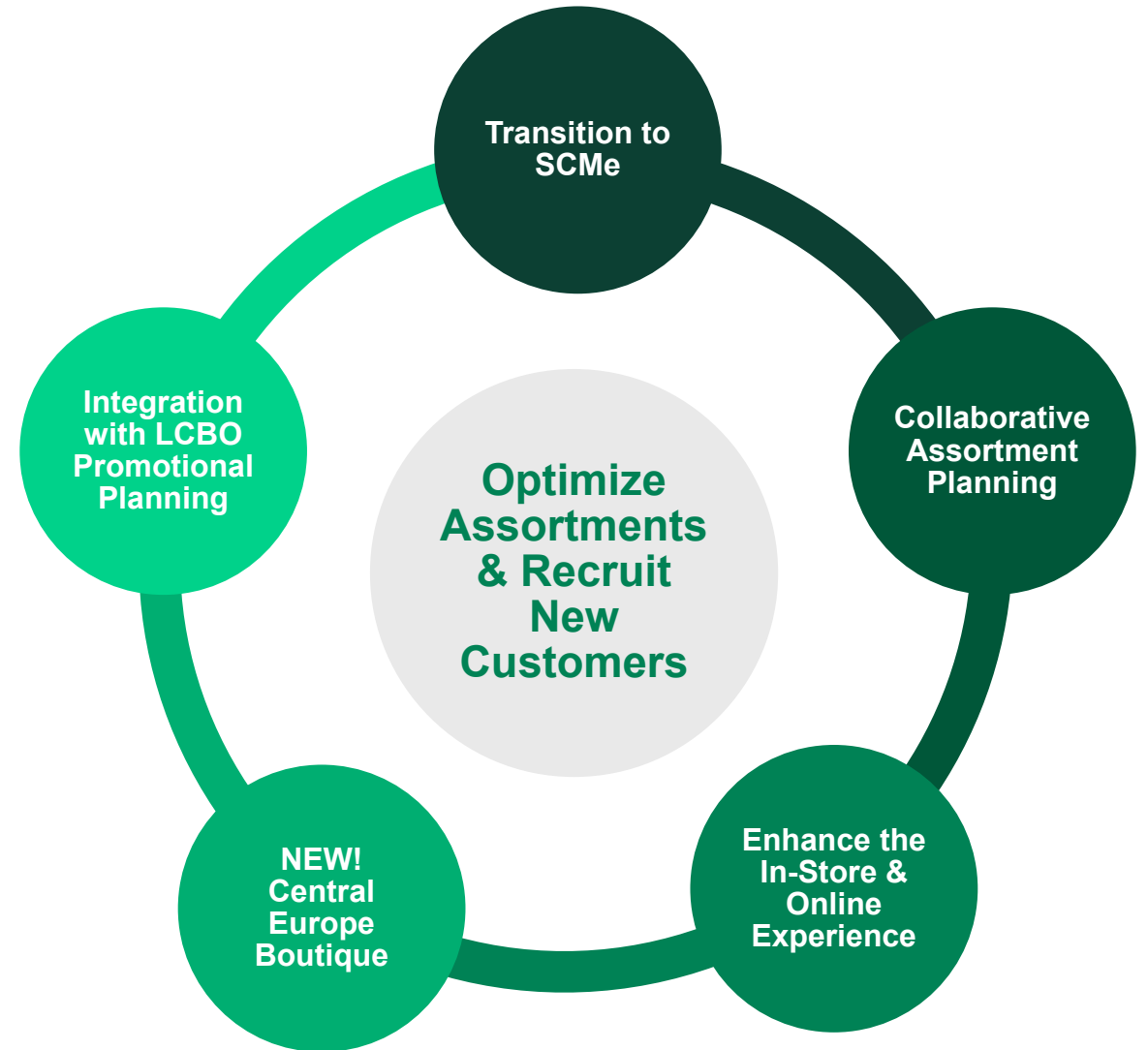
Ability to taste before you buy strengthens confidence in purchasing decision.

Vintages Transformation



Vintages Transformation

Destination Collection Program



Vintages Transformation

We are here



Jan – Dec 2021

Nov 2021

Jan 2022

Jan – Apr 2022

May 2022

Release Model
Enhancements

Phase 1:
VCA
Optimization

Executing
updated Release
strategy and
Comms

Vintages Brand
Strategy
Development

Phase 2:
VCA Optimization
and New release
cadence



Vintages Transformation

Aligning Vintages Within the LCBO Brand Framework

Brand Promise

Perfect Choices
Made Easy.
Moments Made Great.

Brand Vision

To deliver remarkable
experiences as the
trusted destination for
the world's wines,
beers and spirits

Brand Pillars

Discover. Connect.
Inspire. Reward. Impact.

While Vintages will support all brand pillars, it is anchored in **Discover**.

What Vintages Offers Consumers

1 Expertly Curated Collections

Carefully selected collections of great wines at a range of price points that serve wine lovers, wherever they are along their wine appreciation journey.

2 Wine Expertise

Expert advice and decision support personalized based on a customer's individual wine journey and needs.



Vintages Transformation

The Joy of Discovery

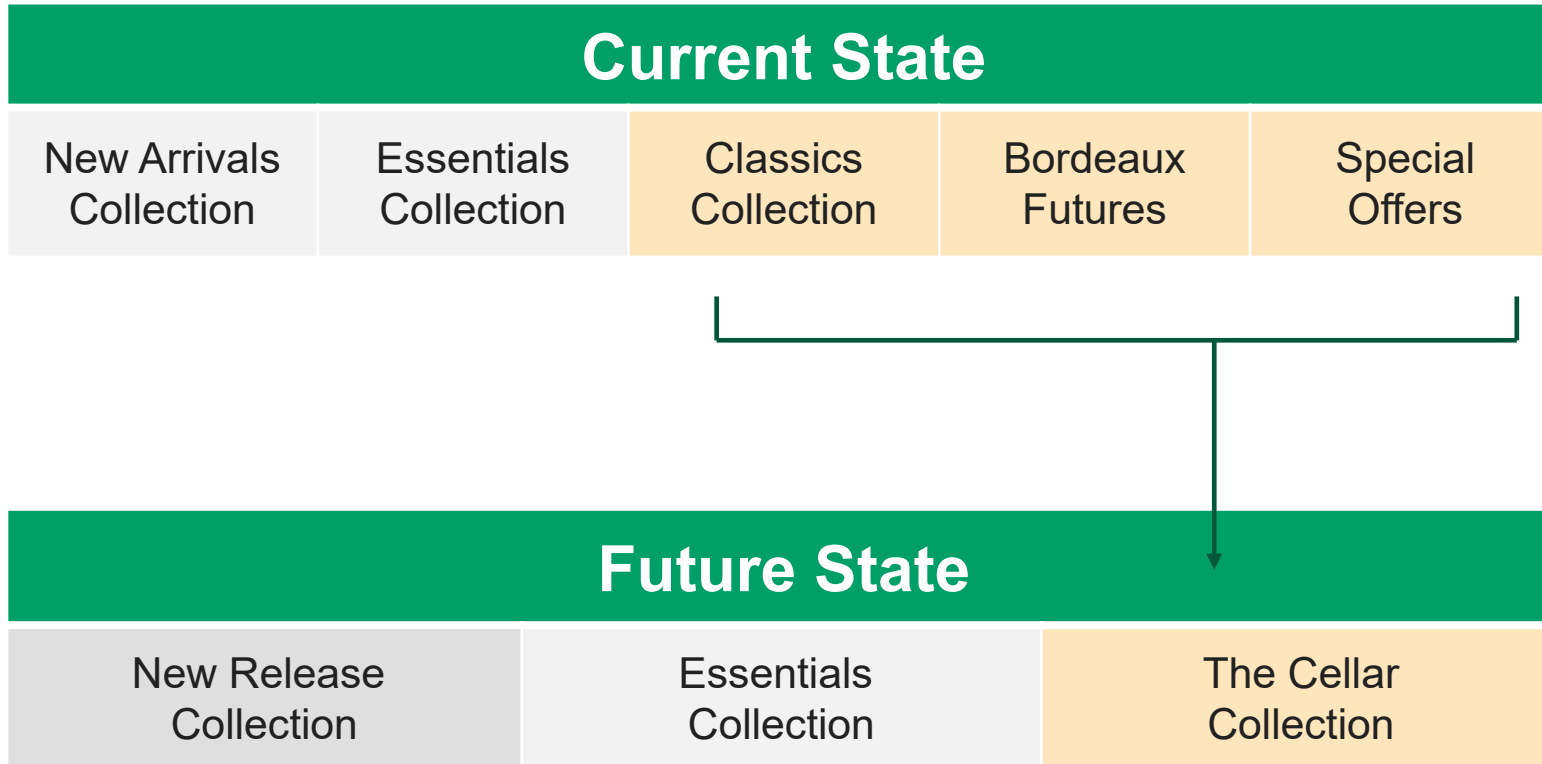


“Vintages Is...”

Vintages is an expertly curated selection of remarkable wines that make it easy for you to continually discover what’s new and get immersed in your love of wine. Discover your next favourite bottle or add something special to your wine collection.
Only available at the LCBO.



Simplify the Customer Experience



- ✓ Greater clarity
- ✓ Less overlap

Vintages Transformation

Expertly Curated Collections



New Release Collection

The New Release Collection is an ever-changing selection of wines released in limited quantities, curated to help you **discover what's new and remarkable** in the world of wine.



Essentials Collection

The Essentials Collection is a curated selection of wines that represent **signature styles** from key regions around the world.



The Cellar Collection

Curated for the passionate collector, the Cellar Collection is a selection of **iconic and rare** wines that are available in limited quantities.



**Improved
Digital
Customer
Experience**

**Refreshed
Communications**

**New Brand
Experiences**

Thank You