



LCBO

Program Update

February 8, 2022

The image shows the exterior of an LCBO store at night. The building has a brick facade and large glass windows. The LCBO logo is prominently displayed in large, illuminated white letters above the entrance. The interior is visible through the glass, showing shelves stocked with beer and wine. A person is standing on the sidewalk in front of the store. The scene is lit with warm interior lights and exterior wall sconces.

LCBO

Welcome and Introduction
George Soleas, President & CEO, LCBO

Agenda

George Soleas
President & CEO, LCBO

Welcome and Introduction

Mark Nasr
Sr Vice President, Marketing,
eCommerce & Products,
Air Canada

Aeroplan update

Vanda Provato
Chief Marketing and Digital
Officer, LCBO

Aeroplan results at LCBO

Heather Andrew
Director, Loyalty, LCBO

Analytics & Marketing update

Abhay Garg
Vice President,
Merchandising, LCBO

Trade Partner opportunities

All

Questions & Answers



Aeroplan update

Mark Nasr, Sr Vice President Marketing,
eCommerce & Products, Air Canada

Performance to Date

Aeroplan continues to grow its roster of partners & members

AEROPLAN 

Financial
Services



Retail

LCBO

Rideshare

Uber

Food
Delivery

Uber
Eats

Coffee



A photograph of the LCBO storefront at night. The building has a brick facade on the left and large glass windows on the right. The LCBO logo is illuminated in white above the entrance. The interior is visible through the glass, showing shelves of beer and a person standing near the counter. A tree is visible in the foreground on the right.

LCBO

Aeroplan Results at the LCBO

Vanda Provato, Chief Marketing & Digital Officer

LCBO Performance To Date - Nov 16 Launch to Jan 31



**25% of Ontario
Aeroplan
members have
Earned Aeroplan points at
the LCBO**



**24% of
points that have been
issued to date have been on
trade offers**



**Penetration of Sales by
Aeroplan members has
grown steadily since
launch**



**28% of
new Aeroplan members in
Ontario joined through
LCBO**

LCBO Performance To Date - Nov 16 Launch to Jan 31



Penetration of base transactions made by Aeroplan members has grown steadily since launch



Aeroplan avg. basket size is 66% higher than a non-loyalty basket size



2 Gift Cards avg redeemed/redemption

The LCBO Gift Card launched as a redemption on the Aeroplan eStore in late Nov.



Members are redeeming across all Gift Card denominations

LCBO Top Performing Stores to date

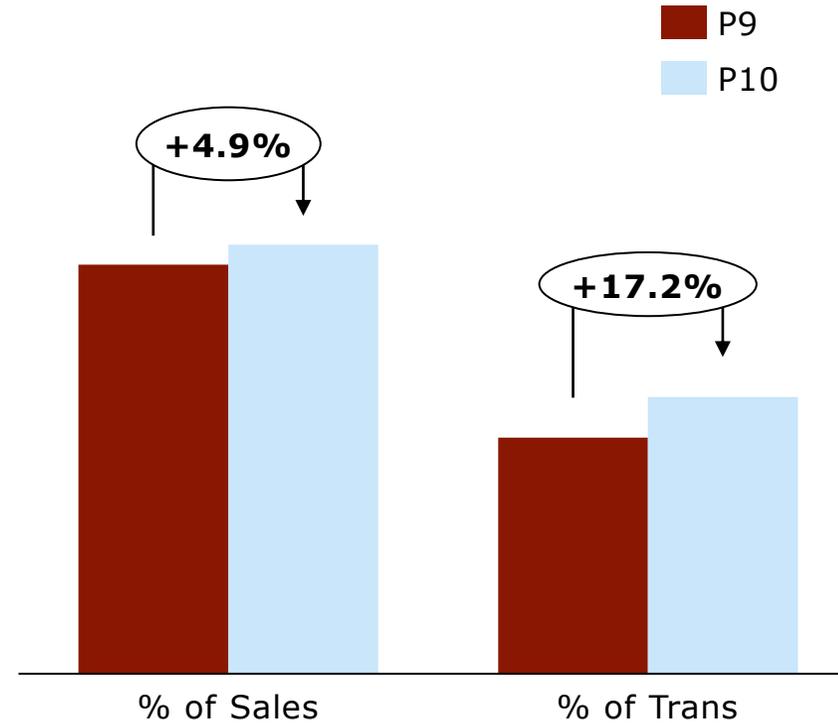
Store #	Store Location
10	Toronto-Central Yonge & Summerhill
452	Toronto-North York Avenue & Lawrence
217	Toronto-Central Queen's Quay & Yonge
164	Toronto-Central Eglinton & Laird
486	Oakville Cornwall & Trafalger
537	Thornbury Arthur St W & Elma St N
149	Toronto-Etobicoke Bloor & Royal York (Kingsway)
338	Foleyet Hwy 101 & Yonge St
676	Toronto Yonge & Lawrence
355	Toronto-North York Bayview & Sheppard (Bayview Village)

Aeroplan sales penetration in the top stores is more than double the average Sales penetration across the sales network.

P10 Results – Bonus Point Offer Introduction

Aeroplan sales and trans penetration grew from P9 to P10

% Penetration by AE members at LCBO
(by period since Launch)

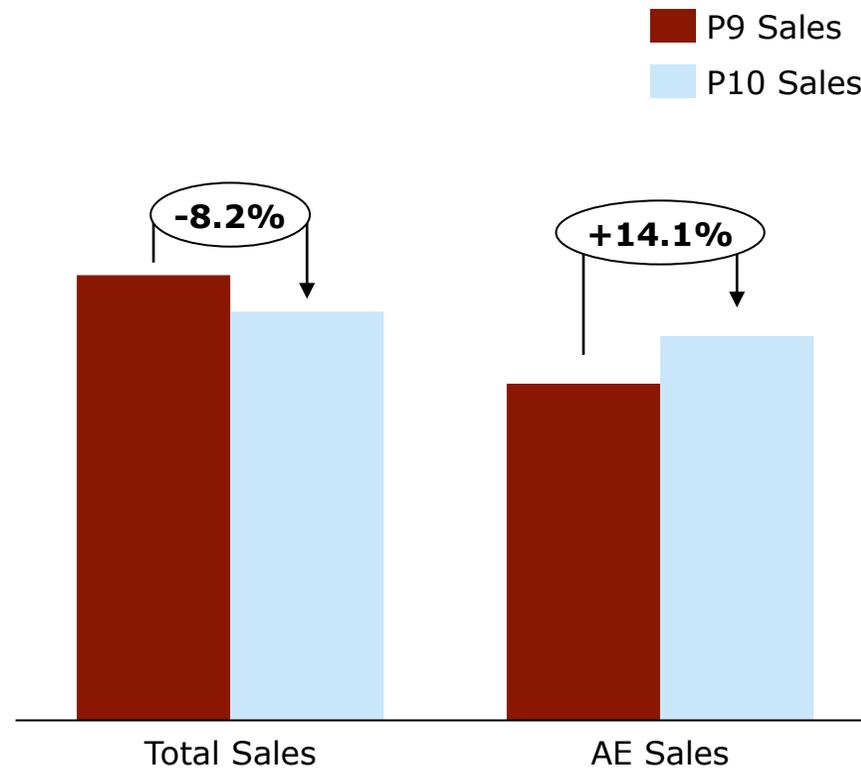


P10 Results

Aggregate share of products on bonus in P10 increased amongst AE members by +14% vs. a -8% decline overall

Sales Coverage of Bonus Offers

(For P10 offers, % of total sales by period)



Top Performing¹ categories include



- Ontario Wines (White, Red and Specialty)
- California Red



- Whisky (Scotch, Irish and Canadian)
- Gin



- Craft Beer

¹ Performance is based on the variances of the average of relative market share change from P9 to P10 for Aeroplan members vs. overall sales.

Notes: Based on LCBO Fiscal calendar.

Source: LCBO Data

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LCBO

Analytics & Marketing Update

Heather Andrew, Director, Loyalty

AE reporting provides deeper customer insights than LTOs

(Illustrative Only)

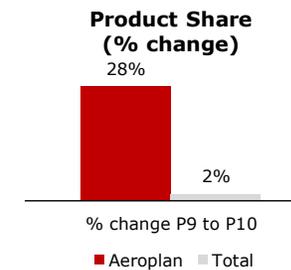
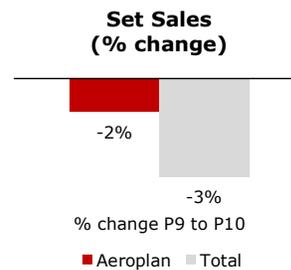
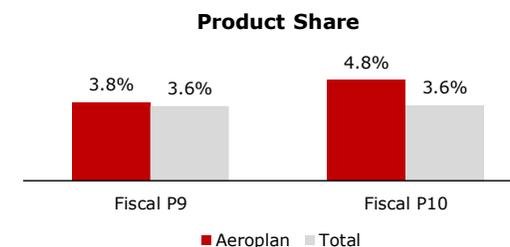
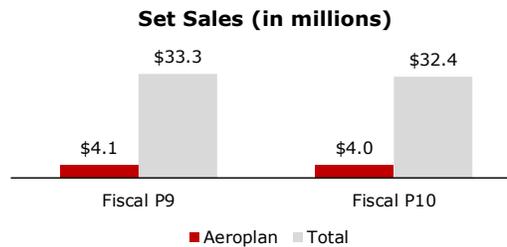
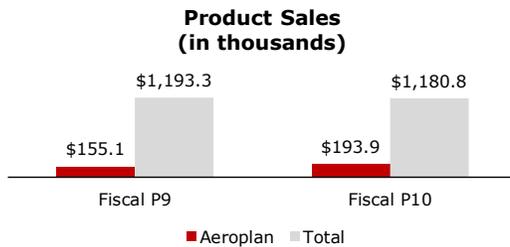
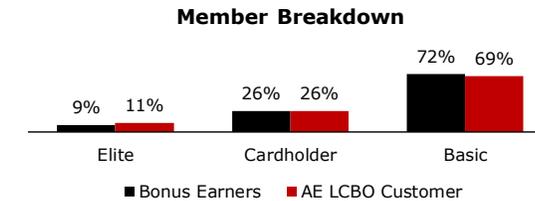
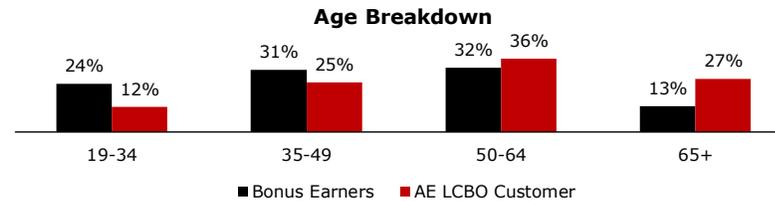
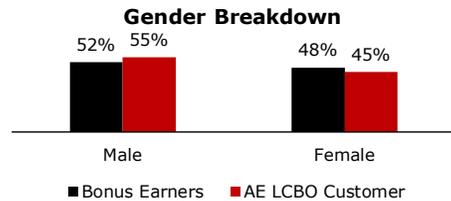
Product A bonus offer of 75 points
for the period between

2021-11-28

and

2022-01-01

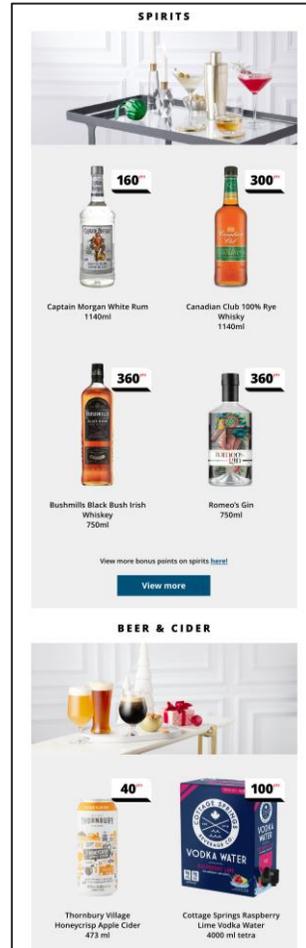
Points Issued	Cost of Points Issued	Members Earning	Aeroplan LCBO Shopper Penetration	Product Transactions	Avg. Transactions per Member	# of Units Sold	Avg. # Units per Transaction
694,170	\$17,354.25	5,142	1.2%	6,170	1.2	9,256	1.5



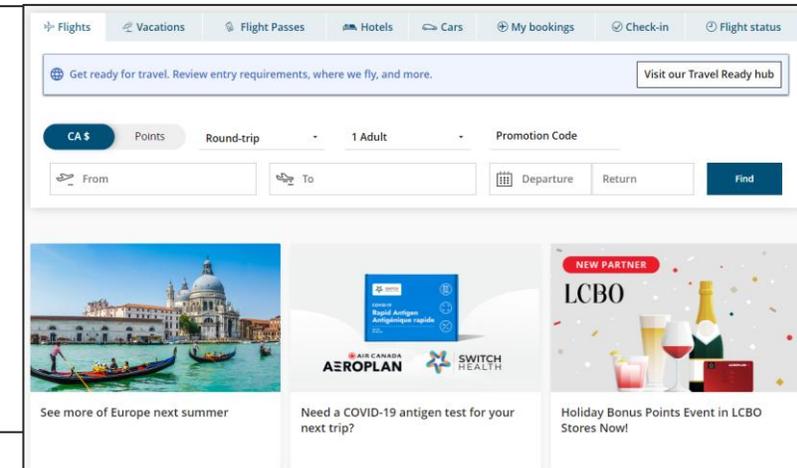
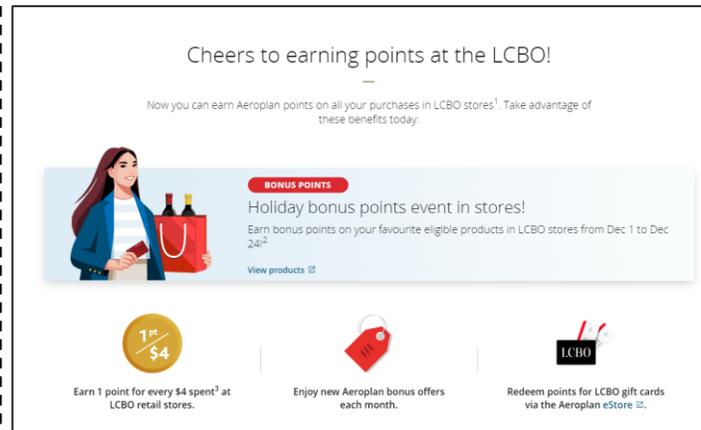
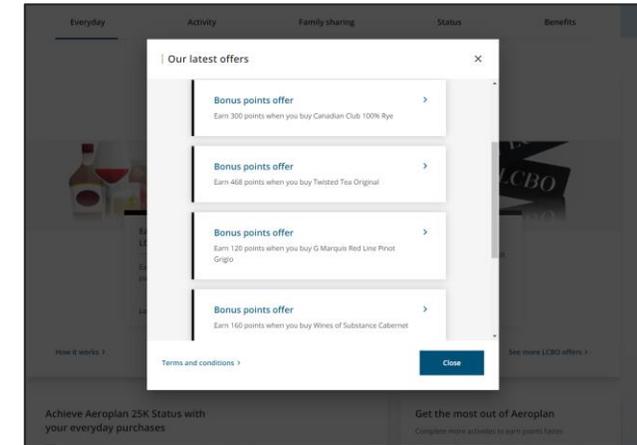
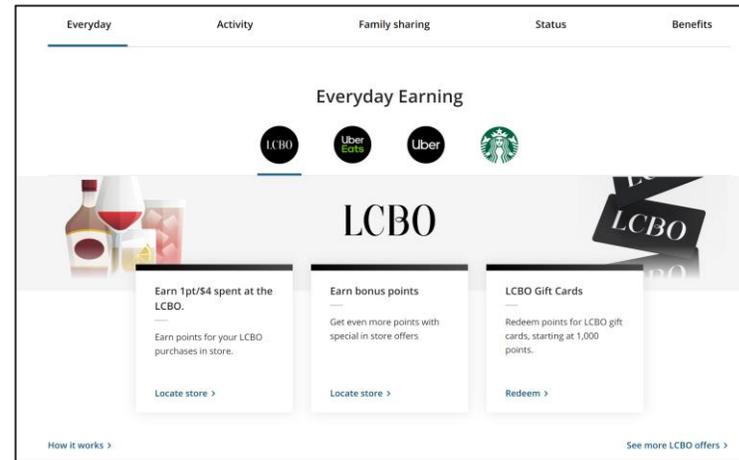
Notes: Sales are by Fiscal period. Cardholders and Elites are not mutually exclusive member segments.

Aeroplan supported P10 offers across their channels

Aeroplan Email



Aeroplan Dashboard, Landing Page and AC.com

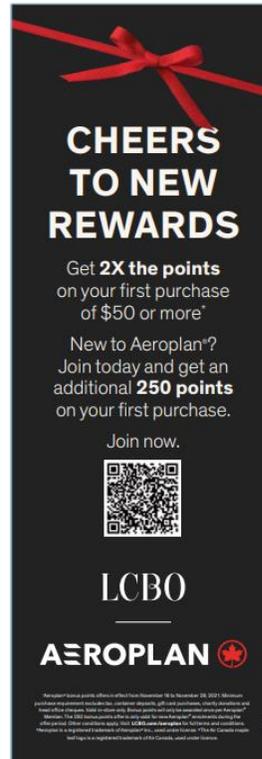


LCBO Marketing – Successful Tactics



QR code to enable easy, quick in-store signage

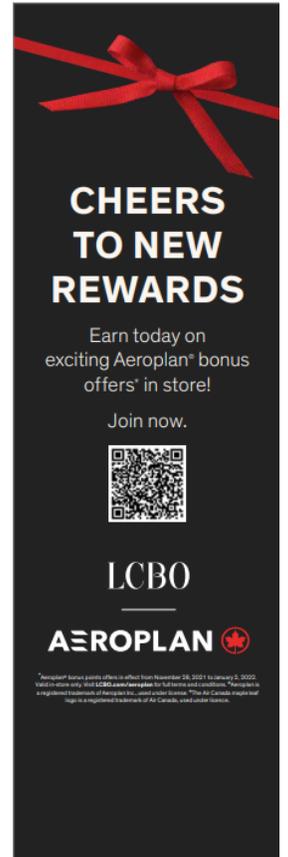
Sign up offer drove new members who shopped on sign up



Banner Stand sign – first thing customers see



Email Support of Launch & offers delivered awareness and had reasonable CTRs



LCBO Marketing – Enhancements Implemented

P10 Tags



P11 Tags



- ✓ larger font
- ✓ eye-catching red space
- ✓ extra red tag



Additional Planned Changes to in-store signage



In Market – P13



In Market – P1

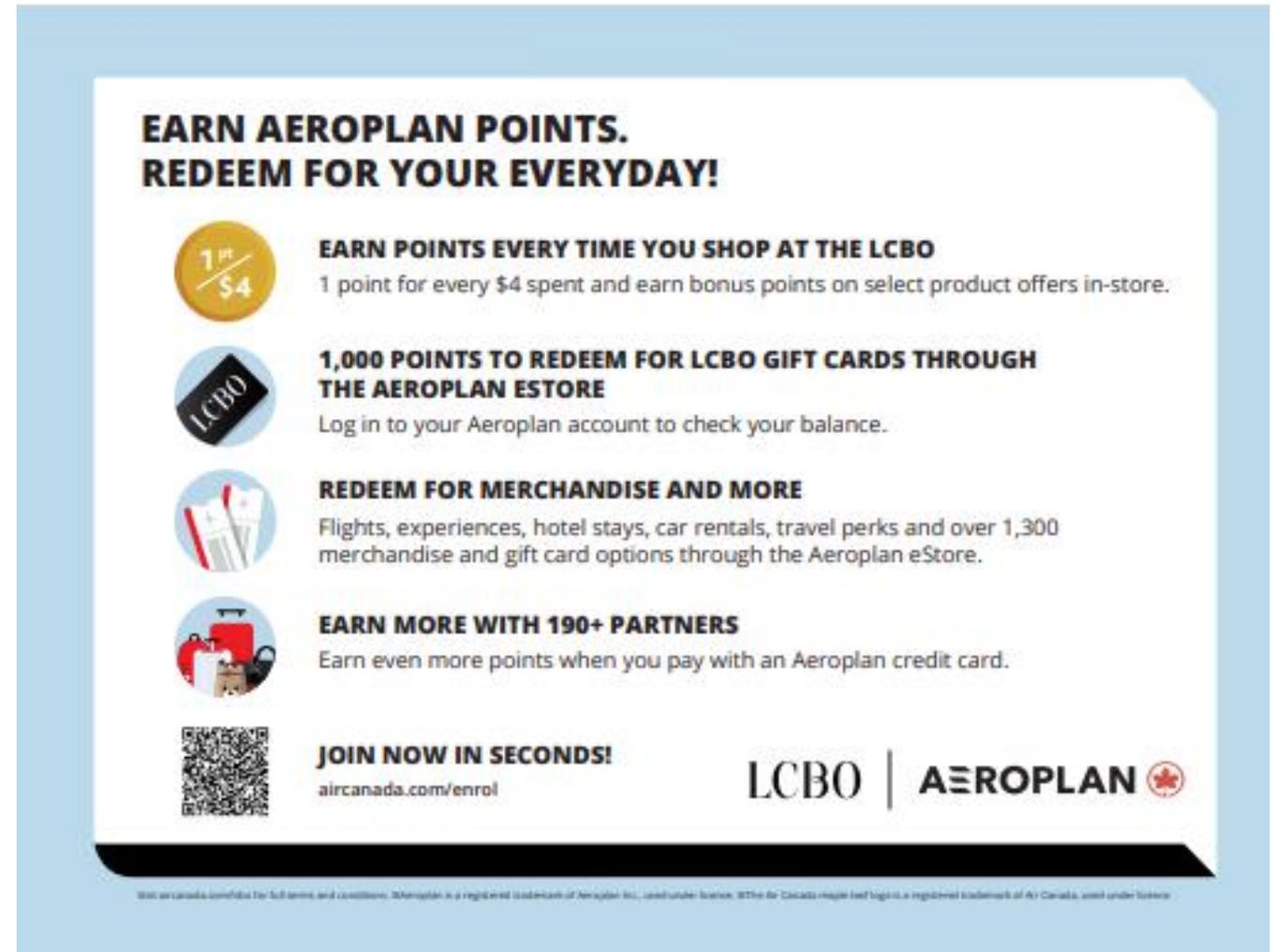
← Bin Strip



Additional External Support

Aeroplan Postcards

- Insert in Spring Food & Drink
- Benefits of Membership to drive acquisition and engagement



**EARN AEROPLAN POINTS.
REDEEM FOR YOUR EVERYDAY!**

- **EARN POINTS EVERY TIME YOU SHOP AT THE LCBO**
1 point for every \$4 spent and earn bonus points on select product offers in-store.
- **1,000 POINTS TO REDEEM FOR LCBO GIFT CARDS THROUGH THE AEROPLAN ESTORE**
Log in to your Aeroplan account to check your balance.
- **REDEEM FOR MERCHANDISE AND MORE**
Flights, experiences, hotel stays, car rentals, travel perks and over 1,300 merchandise and gift card options through the Aeroplan eStore.
- **EARN MORE WITH 190+ PARTNERS**
Earn even more points when you pay with an Aeroplan credit card.

 **JOIN NOW IN SECONDS!**
aircanada.com/enrol

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Aeroplan to encourage members to load card to their digital wallet

Email deployed Feb 1st

Your newest LCBO offers are here, only until Feb 28th.
Aeroplan <communications@info.aircanada.com> Mon 11/16/2020 9:36 AM
To: Customer Name

Download your digital Aeroplan card to earn more and redeem more.

AEROPLAN 5,000 pts*

Hello <First name>.

Watch your points soar with new bonus offers each month



Earn bonus points on these and over 100 eligible products in store

Look for this tag at shelf on monthly bonus offers.

[View more](#)



Download your digital card to earn with ease

How to access your digital Aeroplan card:

1. Open your Air Canada app or [download it](#) if needed
2. Go to the Aeroplan section
3. Click on the red card
4. Scan the QR code at LCBO checkout to earn points

You can also add your digital card to your mobile wallet for future use.

[Learn more](#)



Did you know you can redeem points for LCBO gift cards?

Turn 1,000 points into a \$10 LCBO gift card!
Earn on bonus offers in store and you could reach 1,000 points in just a few visits. Then redeem for gift cards or save them up for future travel and more.

[Redeem now](#)

[Update Profile](#) [FAQ](#) [Terms and Conditions](#)
[Contact us](#) [Privacy Policy](#) [View Online](#)

Your newest LCBO offers are here, only until Feb 28th.
Aeroplan Mon 11/16/2020 9:36 AM
To: Customer Name

Download your digital Aeroplan card to earn more and redeem more.

AEROPLAN 5,000 pts

Hello <First name>.

Watch your points soar with new bonus offers each month

Earn bonus points on these and over 100 eligible products in store

Look for this tag at shelf on monthly bonus offers.

[View more](#)



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[Redeem now](#)

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eCommerce Update



Developed a microsite that allows members to earn Aeroplan points on LCBO eCommerce purchases until the new website/earn functionality goes live.

Offers Completed:

Launch Offer: Dec 1 – Dec 15

Spend \$50+ & earn a one-time bonus of 20 points

P10 Offer: Dec 16 – Jan 1

Spend \$150 or more and get 150 bonus points

In Market:

P11 Offer: Jan 2 – Jan 29

Spend \$100 or more and get 100 bonus points

Planned:

P12 Offer: Jan 30 – Feb 26

Spend \$150 or more and get 150 bonus points

P13 Offer: Feb 27 – Mar 26

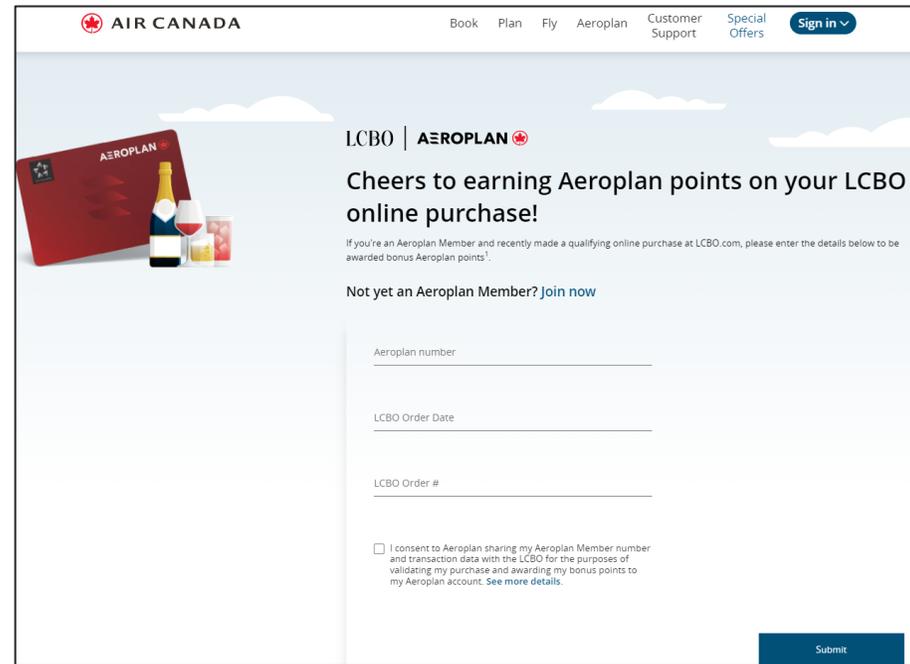
Spend \$200 or more and get 250 bonus points

P1 Offer: Mar 27 – Apr 23

Spend \$150 or more and get 150 bonus points

Digital Roll-out Underway

- VintagesShopOnline.com
- LCBO.com
- Mobile App



AIR CANADA Book Plan Fly Aeroplan Customer Support Special Offers Sign in

LCBO | AEROPLAN

Cheers to earning Aeroplan points on your LCBO online purchase!

If you're an Aeroplan Member and recently made a qualifying online purchase at LCBO.com, please enter the details below to be awarded bonus Aeroplan points¹.

Not yet an Aeroplan Member? [Join now](#)

Aeroplan number _____

LCBO Order Date _____

LCBO Order # _____

I consent to Aeroplan sharing my Aeroplan Member number and transaction data with the LCBO for the purposes of validating my purchase and awarding my bonus points to my Aeroplan account. [See more details.](#)

Submit

The image shows the exterior of an LCBO store at night. The building has a brick facade on the left and large glass windows on the right. The LCBO logo is prominently displayed in large, illuminated white letters above the entrance. The interior of the store is visible through the glass, showing shelves stocked with various products. A person is standing on the sidewalk in front of the store. The overall scene is lit with warm interior lights and cooler exterior lights.

LCBO

Trade Partner Opportunities

Abhay Garg, Vice President, Merchandising

Advantages to an Aeroplan bonus point offer



+20%

Higher spend on alcohol
by Aeroplan members
vs. avg. Ontarian

Aeroplan Members are:

- Premium customers with a higher average household income
- Over-index on alcohol spend (volume and price per product)
- Motivated by the value of Aeroplan rewards



Customer insights:

- Regular reporting on Aeroplan bonus points offers including results and customer demographics
- Potential for most cost-effective customer insights vs traditional market research



Unique access to Aeroplan marketing channels:

- Large contactable base in Ontario
- Access to multiple owned channels such as the Aeroplan dashboard, which is where members can link to Starbucks and Uber

Explore Opportunities to Incorporate Aeroplan Promotions

Test & Learn

- Test out offers on different product types, prices and categories
- Test out different point thresholds
- Work with Merchandising to evaluate the results and optimize your offers

Unique Promos

- Do you have a unique promotional opportunity – product extension, rebranding, etc?
- Work with your Merchandising partner to find out how an Aeroplan offer fits into your promotion

New Products

- Launching a new product? Participate with an Aeroplan bonus offer and get additional analytics and reporting to understand who is buying your product.
- Work with your Merchandising partner to determine the right bonus level and gain access to the reporting.

Analytics

- Speak to your category partner with any suggestions you might have to improve/augment the Period promotional reports or any other analytical needs that Aeroplan customer information can support



P4 Aeroplan Promotion:

Canada 155 Celebration

LCBO Funded Overlay Bonus Offer

Buy 2 or more Canadian-made Bonus products & get **2x** bonus points

For example:

Product A: 100 bonus points

Product B: 75 bonus points

Overlay: 175 bonus points

Cust Total: 350 points

Trade Opportunity

Applications for P4 Aeroplan bonus offers are still available so you can take advantage of this fantastic opportunity to promote Canadian products when we are all proud to be Canadian!

Reach out to your Merchandising partner to discuss this opportunity

Promotion support

In-store signage and on-shelf call-outs

LCBO.com, LCBO Social channels and CRM promotion

Aeroplan website, social and email promotion



P5 Aeroplan Promotion: 8 Pack Carrier Promotion

LCBO Funded Overlay Bonus Offer

Stock up your 8-pack carrier with:

8 of the any of RTDs with
Bonus offers

And get **100** bonus points

Example:

6 RTDs @ 25 bonus points each

2 RTDs @ 15 bonus points each

Overlay: 100 bonus points

Cust total: 280 points

Trade Opportunity

With the cost of bonus points only 2.5¢ participating in the opportunity is easy and the bonus offer overlay has been proven to drive increased trial and sale of products

Follow the regular application process and your product will be included

Promotion support

In-store signage and on-shelf call-outs

LCBO.com, LCBO Social channels and CRM promotion

Aeroplan website, social and email promotion

P6 Aeroplan Promotion:

8 Pack Carrier Promotion



LCBO Funded Overlay Bonus Offer

Stock up your 8-pack carrier with:

8 of the any of Beers or Ciders with Bonus offers

And get **100** bonus points

Example:

6 items @ 25 bonus points each

2 items @ 20 bonus points each

Overlay: 100 bonus points

Cust total: 290 points

Trade Opportunity

With the cost of bonus points only 2.5¢ participating in the opportunity is easy and the bonus offer overlay has been proven to drive increased trial and sale of products

Follow the regular application process and your product will be included

Promotion support

In-store signage and on-shelf call-outs

LCBO.com, LCBO Social channels and CRM promotion

Aeroplan website, social and email promotion

Future Promotion Opportunities starting P7

Combination offers – Bonus points + LTOs



- Looking to make your offer stand out and excite customers?
- Consider combining price discounts with Aeroplan bonus point offers
- For example: \$1.00 off + 25 bonus points

New Promotion Types:



- Bundles – buy 2 or more unique products OR buy pairs (2 of the same product)
 - Offer Opportunity:
 - Build a bar – Buy the products you need in your bar (gin, vodka, etc)
 - Build a cocktail – buy the different SKUs required to make a certain drink
- Coupons – Bonus offer requires the customer to hand in the scannable coupon + purchase the product
 - Offer Opportunity – hand out coupons at a tasting event
- Flexible Start & End dates for Regular bonus offer
 - Offer Opportunity – Special bonus offer for Black Friday/Cyber Monday week



Next Steps

- 1 Include Aeroplan in your promotional planning mix!**
- 2 P4 Canadian points overlay, contact Merchandising representative by February 14th**
- 3 For the RTD and Beer/Cider overlay, apply in MPTS by February 15th**
- 4 Send any feedback on P10 reports!**



LCBO

Thank You