

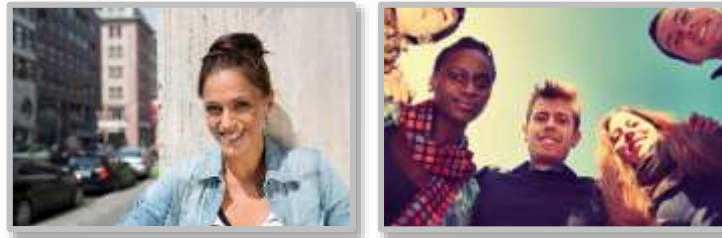


FY16 Millennial Strategy  
MarComm Program Recap  
July 2016

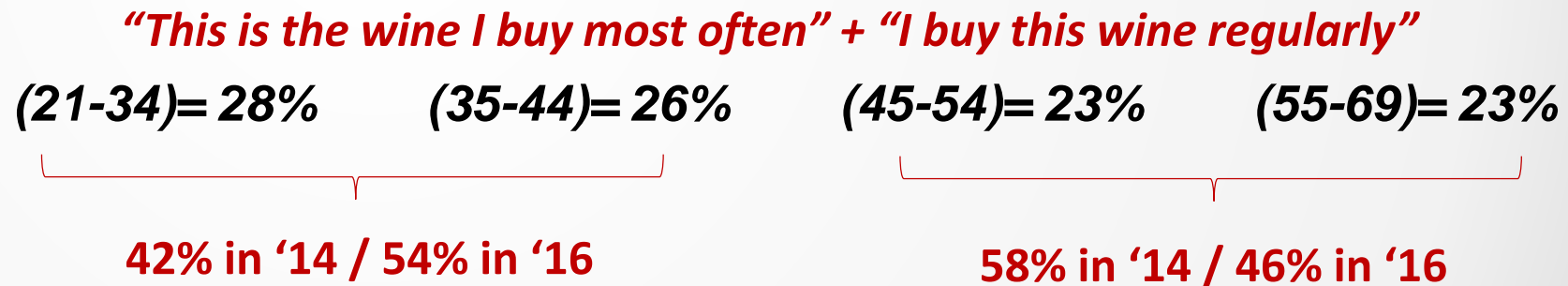
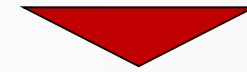
# K-J Millennial Consumer

- **+12% Increase** in Younger Consumers since 2014
- K-J maintains a meaningful relationship with consumers and has made strides differentiating the brand. Gains in hand-crafted and social responsibility have shifted brand image from an everyday, on sale brand to more unique.
- Female Millennial consumer more likely to say they have never heard of KJ

**Bring in Younger Consumers**  
(24-44 new wine drinker)



**Engage Core K-J Consumers**  
(45-69 core wine consumer)



# Business / Program Overview

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## State of the Business (Nov. 2015):

- Following a strong re-launch of the AVANT collection in FY14/15, sales became soft due to lack of focus from our sales team and shift in MarComm resources.
- With a total Brand **investment <65% in FY16** than FY15, incremental funding was requested to support new POS campaign, sales incentive, and support consumer-facing programming

## Objective:

- Continue building loyalty for K-J with younger consumers (MB study, female)
- Drive focus for K-J AVANT after post-launch “dip” and **other key K-J items (VR PG, etc.)**

## Strategy:

- **Trade:** New tools, flow and incentive to drive excitement and incremental displays
- **Consumer:** Build awareness and drive trial through year-long integrated consumer-facing programming

# Tactics & Timing

Element	<u>Jul</u> <u>'15</u>	<u>Aug</u>	<u>Sept</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>June</u> <u>'16</u>
Everygirl	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green
Skimm	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Green	Light Blue	Light Blue
CBS	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Green	Green	Light Blue	Light Blue	Light Blue
POS - Flow	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Green	Green	Green	Green	Green	Green	Green
POS - WPBW	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Yellow	Yellow	Yellow	Yellow	Yellow
Incentive	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Yellow	Yellow	Yellow	Yellow

FY16 Approved Programming

FY16 Incremental Funding (Nov. 2015)

- Consumer-Facing**
- TEG:** Create constant drumbeat of awareness throughout the year
  - Skimm:** High-profile media outlet to target female Millennials.

- Sales Support**
- Flow POS:** Reprint Flow POS after launch depletion
  - CBS:** Exclusive performance from A-list artist at small, private venue. Text-to-Win promotion via custom POS, Radio and Digital Ads
  - WPBW POS:** Mass display and on-prem tools (Feb) w/ sustainability-focused campaign "Wine Powered by Wind"
  - Sales Incentive:** AVANT Nashville Music City F&W Package

# THE EVERYGIRL

The EG is a lifestyle media outlet (online magazine) targeted at career driven, millennial women. Women that want to know everything from how to negotiate higher salaries, to “how to spend a weekend in Prague,” and of course, more about wine! Working with them allows us to tell OUR Family Story in a relevant, meaningful way this consumer is interested in hearing it.



# THE EVERYGIRL

- *Custom content*
- *Social amplification*
- *Media events*
- *Sweepstakes*



# THE EVERYGIRL

Jul '15	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June '16
Custom Content (summer)	Social	Insta Takeover (Tom Fest)	Custom Content (Farm-to-Table)	Social	Custom Content (Gift Guide)	Social	Custom Content (Wine Essentials)	LA Event	Custom Content (Visit)	NYC Event	Social
Social		Social	Social		Sweeps Social		Social	Social	TX Event Sweeps Social	Social	

## PAID

- Contracted: 11.7M
- Received: 16M

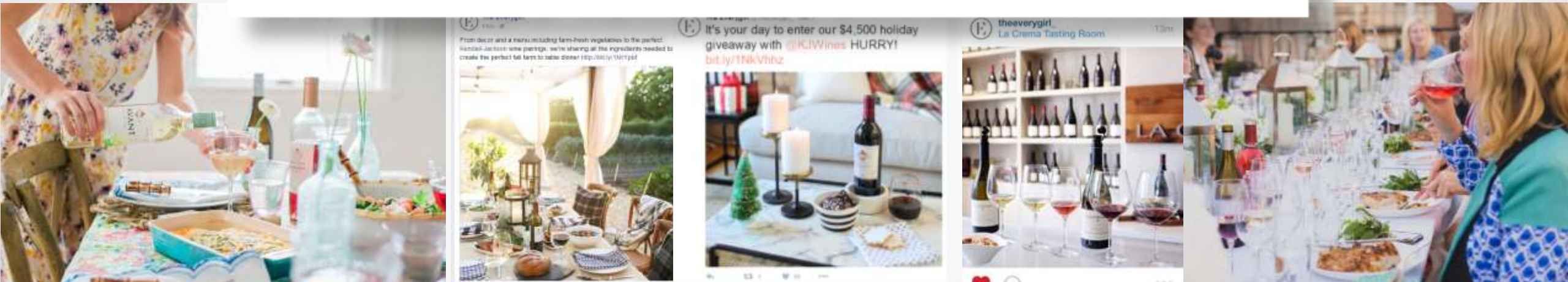
## #KJTEGWineNights

- Received: 4.3M

## Earned

- Placements: 20
- Impressions: 1M

**21+ MILLION TOTAL PROGRAM IMPRESSIONS!**



# THE EVERYGIRL

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## Why it Worked

1. Relevancy:
  1. Appropriate partner to meet goals
  2. Evergreen custom content pieces, images
2. Integration:
  1. Integration with Paid + Earned + Social
  2. Constant drumbeat throughout the year
  3. Lots of social content for internal use
3. Relationship: (KJ + TEG)
  1. Trust in Partner (tell them your message, allow them to tell story to best impact audience)
  2. Added value including LC & MCW
  3. Purpose behind Media Buy - Traffic doubled in last year
4. Authentic: Created the content vs. working through agency
5. Partners: Appropriate partners can drive much benefit (i.e.: Skimm)

## What Can We Do Better?:

1. Story Fatigue: Must vary story / content shared during next programming (if they see a lot of the same, less engagement) – Ex: Events
2. Social Shifts: Snapchat grew significantly since planning, changing estimated coverage from event tour
3. Partners: Complications due to working with several partners during event tour, sometimes smaller is better to streamline messaging
4. Contracting: Reporting based on JFW ROI shifts may be necessary

## Truth:

1. Time commitment: Since no agency, more time commitment needed from JFW team
2. Content: Richer than working through agency once trust was built
3. AVANT: Outlet would not have worked with us without AVANT



With over 1.5 million subscribers and garnering the attention of Forbes 30 under 30, The Skimm is one of the hottest news e-mail newsletters on the scene. It all the news to it's readers in under 10 minutes. SMART is key, and not only is this targeting a young successful consumer, it is being shared across all generations. You know you've got something good when my 20-something friends and my 60 year-old father share a morning ritual." - A Skimm'r



[LATEST SKIMM](#)

[ARCHIVE](#)

[SKIMM GUIDES](#)

[ABOUT US](#)

[OUR BLOG](#)





# theSkimm

Jul '15	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June '16
									1. Logo Takeover (3) 2. Skimm Gift (Sweeps) 3. Skmm'd Location 4. Social		

**Logo Takeover**  
 Reach: 11.4M  
 Opens: 7M+  
 Unique: 3.7M+

**Skimm Gift**  
 Reach: 3.8M  
 Clicks (Total): 34,783  
 Clicks (Unique): 30,952

**Skimm'd Location**  
 Reach: 3.8M  
 Clicks (Total): 8.5K  
 Clicks (Unique): 7.2K

**3.7M+ MILLION TOTAL PROGRAM IMPRESSIONS!**



**theSkimm**  
 brought to you by  
  
**AVANT**



**theSkimm**  
 brought to you by  




**theSkimm**  
 brought to you by  


# theSkimm / TEG Sweeps

Timing: To create an explosion of consumer awareness, the sweeps was launched via theSkimm, TEG and KJ at the same time, resulting in the most successful consumer-facing sweeps in company history.

## Results:

112K Entries!!!

**40K Unique Entries**

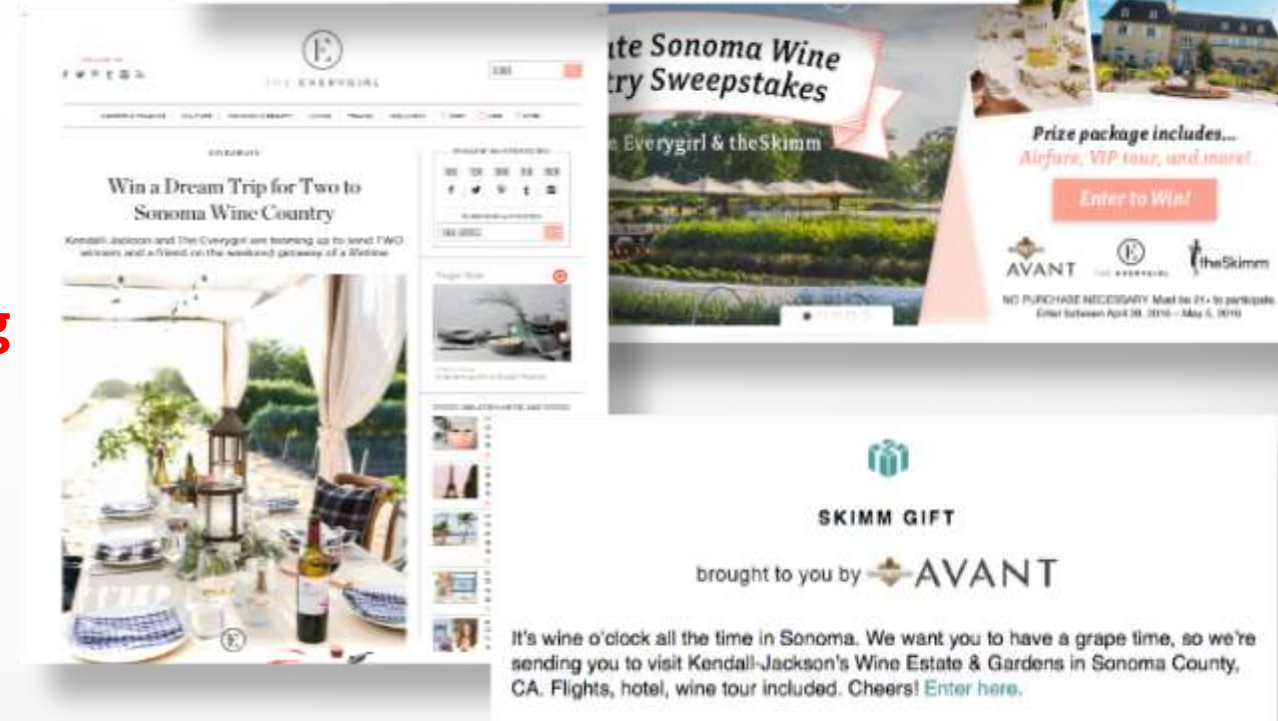
79,103 Unique Sweeps Page Views

**13K NEW KJ email subscribers –Increasing database by 43%!**

3,506 Referred Emails

**7K+ New KJ Instagram Followers**

Spike in web traffic



# theSkimm

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## Why it Worked

1. Relevancy:
  1. Highly targeted
  2. Highly engaged audience
  3. Cool
2. Integration:
  1. Integration with Paid + Social
  2. Worked with multiple partners
  3. Tied into other campaigns
3. Authentic: Was a fit for theSkimm (wine + coffee)
4. Legs:
  1. ID'd opportunity to develop sweeps to benefit social followers and email subscribers
  2. Allows us to speak directly with consumers post sweeps program (targeted email marketing)

## What Can We Do Better / Challenges:

1. KJ.com: Mobile website was not in good condition for this program, had to develop work arounds
2. Sweeps Vendor: Challenged by international inclusion
3. Partners: Challenge to get TEG and Skimm to work together
4. Ad buy: Since not working with agency, needed to develop a JFW IO, which took a lot of time
5. Mobile: Check everything on mobile – don't trust what you're seeing on desktop
6. Skimm'd Location: Not as powerful for spend
7. POS: Would have been ideal to develop POS for sales, but faced legal approval / partner delays

## Truth:

1. Partner: Start-ups was difficult to work-with at first, but execution was easy
2. Content: Platform not built for rich content, but drives awareness



FY16 Millennial Strategy  
MarComm Program Recap  
**Sales Push**

# Sales Push Tactics & Timing

Element	<u>Jul</u> <u>'15</u>	<u>Aug</u>	<u>Sept</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>June</u> <u>'16</u>
Everygirl												
Skimm												
CBS												
POS - Flow												
POS - WPBW												
Incentive												

FY16 Approved Programming

FY16 Incremental Funding (Nov. 2015)

# K-J AVANT. Artist of NOW Concert Series.

- **Chicagoland Area Exclusive Program** –text to win sweepstakes
- **Prize:** 2 tickets to a **private XRT concert** with indie pop band, **Lake Street Dive**; Over 40 winners
- **Advertising:** Radio, Online and Social Media
  - 300K Campaign Impressions; 5-10K Social)
- **POS:** Unique tools to drive in-store promotion
- **Timing:** Feb. 8 – March 4, 2016
  - Advertising: Feb. 22 – March 4
  - Concert: March 11

**IL depletions came in +50% for the month of February, TY vs. LY 773 (FY16), 516 (FY15) - \$38/case**

A promotional graphic for AVANT wine. On the right is a bottle of AVANT Chardonnay wine. The main graphic is a purple and yellow design with the text "AVANT. ARTIST OF NOW CONCERT SERIES. TEXT TO WIN! 2 TICKETS to a PRIVATE XRT CONCERT with Lake Street Dive Text KJAVANT to 59393 to win! THE RIGHT WINE FOR RIGHT NOW! KJ.COM/AVANT @KJWINES". The background features yellow paint splashes on a purple field.

**AVANT.**  
ARTIST OF NOW CONCERT SERIES.

**TEXT TO WIN!**

**2 TICKETS to a PRIVATE XRT CONCERT with**

**Lake Street Dive**

Text  
**KJAVANT**  
to 59393  
to win!

**THE RIGHT WINE FOR RIGHT NOW!**  
KJ.COM/AVANT @KJWINES

NO PURCHASE NECESSARY. Must be 21+ and a resident of Illinois or Wisconsin. Void where prohibited by law. One entry per person per 24 hours. Promotion begins February 8, 2016 and ends March 4, 2016.



# New Sustainability-Focused POS

## K-J AVANT. Wine Powered by Wind.

*Available Feb. 2016*

- Mass display (500, electric windmill)
- Glorifiers
- Stick Signs
- Neckers
- Green-E logo on all back labels (Summer 2016)



# K-J AVANT

## FY16 Sales Incentive

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- **2016 All-In Weekend Passes:** Sept. 17-18
- **2016 Harvest Night Pass:** Curated by the Kings of Leon, Harvest Night brings together signature dishes from world-renowned chefs with live music. The concert features artists such as the Kings of Leon, Jewel, Michael McDonald, Michelle Branch, and legendary soul and R&B singer, Sam Moore.
- **Airfare & Accommodations**
- **\$1K Western wear shopping spree:** Step into the world's most famous Honky Tonks in style! We'll kick-off the weekend shopping for new cowboy/girl boots, pearl snap shirts, hats and more!



# Results

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## Nov. 2015 – Pre Major Push

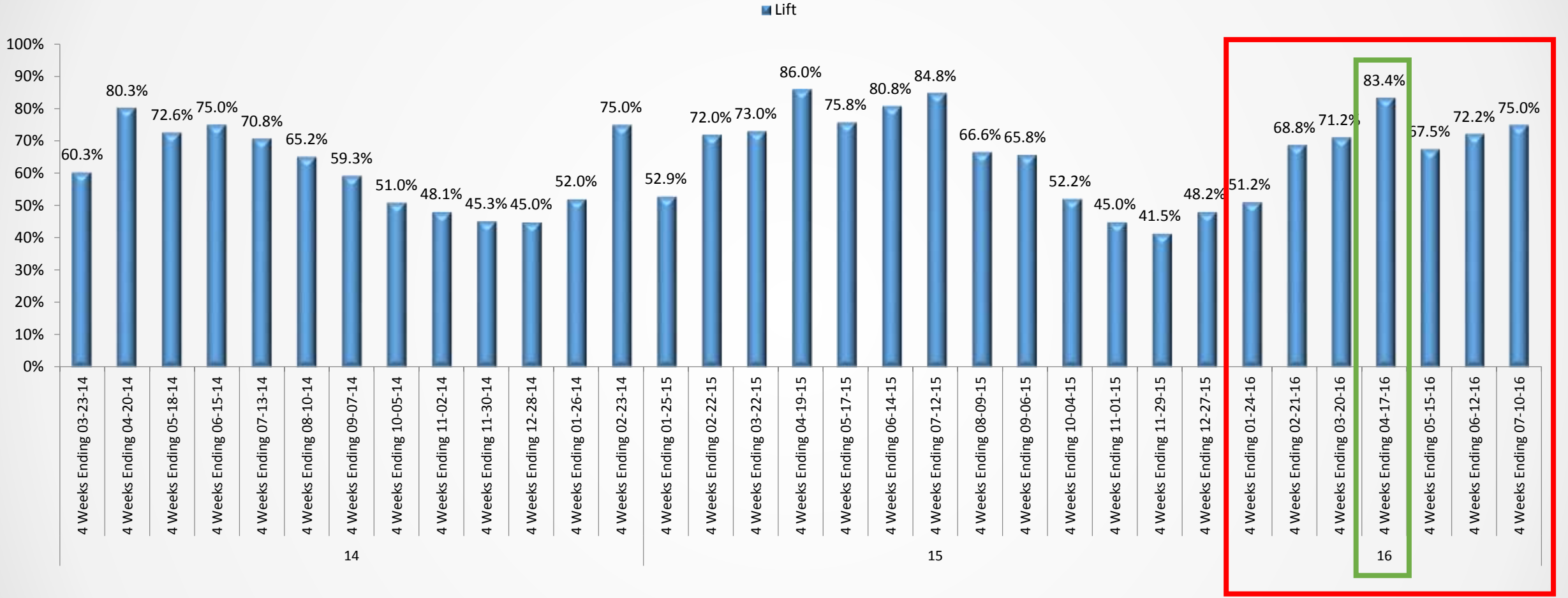
- **Depletions** -15% FYTD change
  - Current depletion trends show we will not meet our FY goal
- **Accounts Sold/PODs:** -12% and -14% FYTD change, respectively
- **IRI: AVANT CH** showing first dip since launch, -1% dollar sales & -.03% case sales % Chg vs YA (12 week ending 11/1/15)
  - **IRI Ranking:** CH: 24, Total US Food & Drug, 52 weeks
- **ACV:** Growth is steady at 53.4 (vs. 45.5 pre-launch)

## June 30, 2016– FY16 End Results

- **Depletions** -5% FYTD change
  - QBR 3 Depletion Goals:
    - 99% of FY goal
    - CH: 100%; RB & SB: 98%
- **Accounts Sold/PODs:** -8% and -13% FYTD change, respectively
- **IRI:**
  - **AVANT CH** on the rise at +3% dollar sales & +1.6% case sales % Chg vs YA (12 week ending 6/12/16)
- **IRI** (Total US Food & Drug, 52 weeks ending 6/12/16)
  - CH: +1.4% Dollar & +1.4 Case Sales % Chg vs YA, Rank 21
  - SB: +18.7% Dollar & +22.7% Case Sales % Chg vs YA, Rank 57
  - RB: +14.3% Dollar & 16.7% Case Sales % Chg vs YA, Rank 41
- **ACV:** 64.2

# KJ AVANT

## Total US - Food/Drug

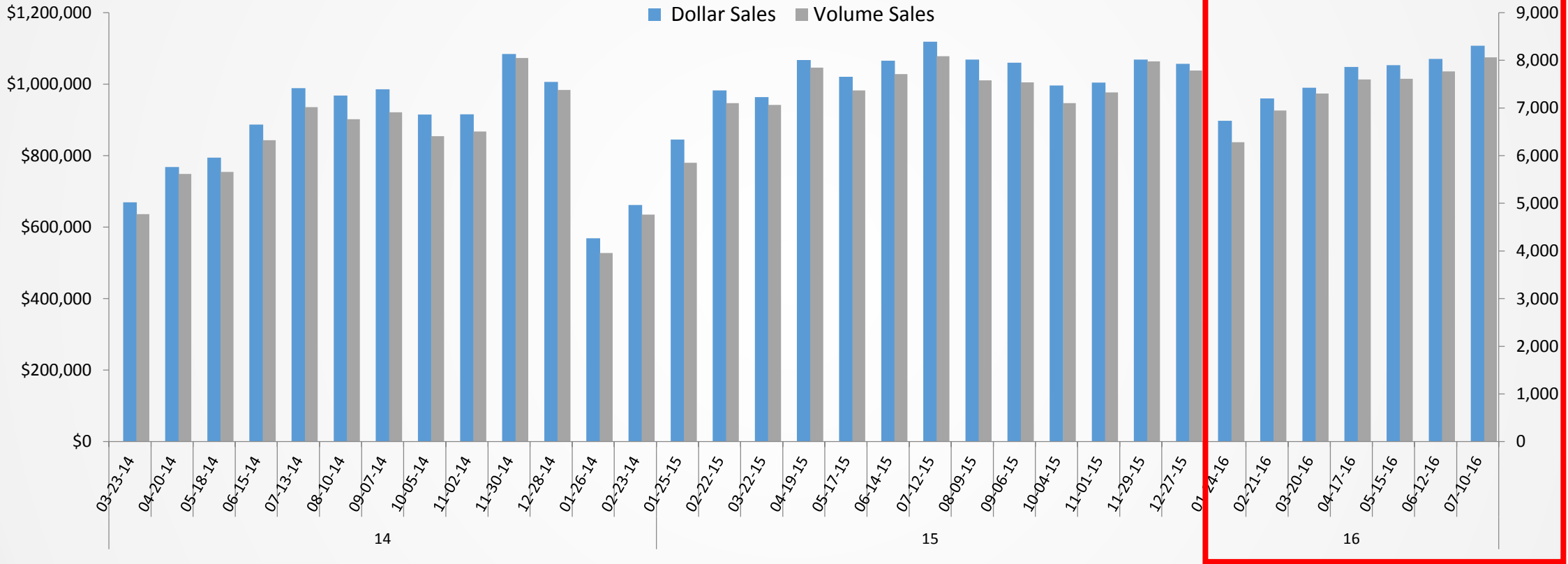


Steady increase in lift through Q3/Q4 focus period (% increase in dollar sales from merchandizing when specific merchandizing occurs)

# KJ AVANT

## Total US - Food/Drug

### 4 Weeks Ending



Steady dollar / volume sales growth during Q3/Q4 focus period

# Appendix

# Flow POS

- Bottle Toppers
- Double-Sided Glorifiers
- Varietal Specific
- MIRs / IRCs



Bottle Toppers

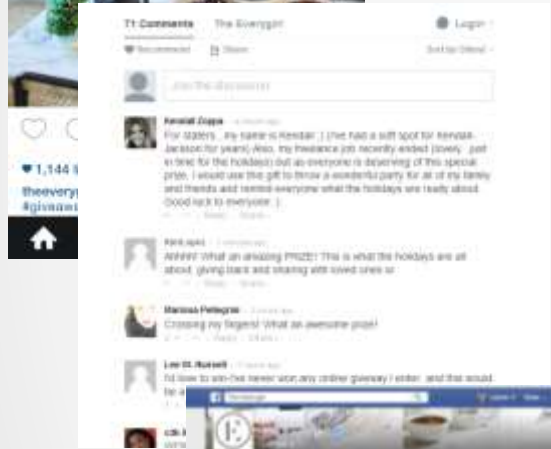
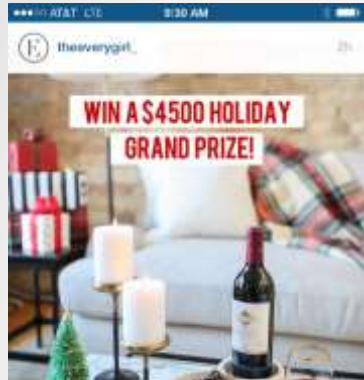


Varietal Specific Neckers



Double-Sided Glorifiers

# THE EVERYGIRL –OND Sweeps



IT'S NOT WHAT YOU'RE DRINKING TO.  
IT'S WHO YOU'RE DRINKING WITH.

Results:

**27K Entries!!!**

56,134 Unique Sweeps Page Views

**+11% in NEW KJ email subscribers**

TEG by the number – **2.3M+ Total Delivered Impressions** (1M "Paid" Impressions estimated)

Custom Content: 158 Comments (Exceeds average of 1-3 comments), 139 shares (Facebook, Pinterest)

Instagram (2): 640,000 impressions, 4,248 likes, 105 comments

Co-Founder Insta: 21,300 impressions, 160 likes, 6 comments

Twitter (2): 181,800 impressions, 12 RTs, 27 likes

Facebook (2): 141,412 impressions, 110 likes, 3 shares

Pinterest (2): 227,200 impressions, 37 repins, 16 likes

E-blast: 35,000 subscribers

