



Accolade Wines Case Study

Background

A shift in consumer behaviour has seen the convenience sector rise to an estimated £37.7bn, according to the Local Shop report (2016), compiled by the Association of Convenience Stores (ACS). Shoppers have moved away from the traditional weekly shop in favour of smaller more frequent purchases. The growth of the sector continually outperforms the grocery sector and, according to a report by IGD, the UK convenience market is predicted to be worth £49 billion by 2019.

Keen to take advantage of the wealth of opportunity this presents, there is stiff competition amongst brands. Not only is there competition to get products into stores, but brands also have to vie for the best space allocation within the store. With retailers often motivated by one off promotions and tempting mark-ups, all brands also have the challenge of growing loyalty amongst the retailer community.

The Client

Headquartered in Australia, Accolade Wines is one of the world's largest wine companies, delivering over 35 million cases (9 litre equivalent) to 143 countries annually. With a comprehensive portfolio of market leading brands, Accolade Wines is the largest wine company in the UK with 13% share of this market.

"Despite being the largest wine company in the UK with a market leading share of the convenience channel, there is still work to be done on maximising the distribution of our portfolio across this sector of the trade. This is vital to the long term growth of the business and by joining with epoints, we can better influence the purchasing decisions of retailers by rewarding them for meeting set criteria."

Thomas Joyce-Brown
Senior Customer Marketing Manager,
Accolade Wines



Highlights

- Accolade Wines joined forces with epoints in August 2016 to grow its market share of the convenience sector in the UK
- epoints is the universal reward scheme that has been adopted by multiple major brands to reward retailers for meeting set criteria with a single rewards currency
- Having rolled out the rewards scheme in August, Accolade Wines' October results highlighted a marked rise in distribution levels
- The epoints syndicated reward visits gives Accolade Wines access to a cost effective field team

The Solution

epoints is a universal loyalty and reward scheme that has been adopted by several major brands to reward retailers. The syndicated scheme enables each participating brand to determine its own reward criteria, aligned with its overall business objectives. Brands use the loyalty scheme to reward retailers for meeting set criteria, such as stocking the core range or meeting brand compliance.

Optimal engagement amongst retailers is cemented by eliminating the key pain points of failing loyalty schemes: difficulty in accruing reward value, limited rewards and thus limited buy-in from retailers. epoints addresses these challenges by offering a scheme where retailers can collect a single reward currency across multiple brands, allowing them to quickly amass value. Retailers can then select rewards that personally motivate them from the epoints reward catalogue, the largest in the loyalty sector, offering over 2 million rewards.

An added bonus of epoints is that it is a cardless online scheme. This means that retailers can gain points across multiple brands without the need to carry countless cards or have multiple logins.

"With individual brand loyalty schemes, it can often be difficult for brands to offer a scheme that delivers value and choice for retailers. An equally large challenge is delivering rewards that retailers actually want. They want choice and freedom to easily get the rewards they desire, with epoints we recognise that everyone is different."

Matt Norbury, CEO, epoints

Implementation

Accolade Wines' reward criteria focused around their Anakena and Hardys wine brands with their objective being to increase distribution in Today's Group stores. In their initial period from August - October 2016, Accolade Wines offered retailers epoints for stocking Anakena Cabernet, Merlot and Sauvignon Blanc as well as Hardys VR Chardonnay (all in 75cl format).

epoints rewards were determined during syndicated store visits by an experienced field sales team who visited stores every 6 weeks on behalf of

epoints. SKU distribution levels and positioning was monitored according to reward criteria. As epoints is a syndicated reward scheme, field sales costs were shared with other branded suppliers who are also partnered with epoints.

Reward criteria, as well as information on the SKUs carrying reward value, was communicated to retailers via regular email and postal communications from epoints as well as by representatives during field sales visits. This gave retailers advance notice of the reward opportunities, allowing Accolade Wines to influence each retailer's purchasing decisions before they visited the wholesaler.

"With the epoints syndicated field visits, we have access to a huge database of retailers that are engaged and ready to hear about our NPD and category advice. This allows us to engage directly with retailers and help them maximise their wine sales. epoints offers hugely valuable contact with the trade and we are delighted to be working in partnership with them. We look forward to seeing a continued increase in distribution at participating stores as a direct result."

Thomas Joyce-Brown

Results

From August to October 2016, in participating stores, there was an increase in distribution levels of the four SKUs Accolade Wine focused their criteria on.

- Stores stocking all three Anakena wines increased by an impressive 13 per cent
- Stores stocking one or more of the selected Anakena wines increased by 7 per cent
- Distribution for Hardys VR Chardonnay increased by 3.5 per cent

The syndicated field sales visits by epoints to determine reward criteria also helped Accolade Wines gain a better understanding of stock distribution across the participating retailers, while keeping field costs to a minimum.