

**CAPITA**  
**MARKETS**  
**DAY 2022**  
Pernod Ricard

# THE CONVIVIALITY PLATFORM: A POWERFUL GROWTH MODEL



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# It all starts from the human need for connection



- Connection is the **need**
- Conviviality is our **answer**



# We deliver moments of conviviality by blending a powerful combination of three major assets



## Our portfolio of brands

Broadest and most comprehensive spirits portfolio



## Our routes to markets

Global scale  
Extended network  
Omnichannel distribution



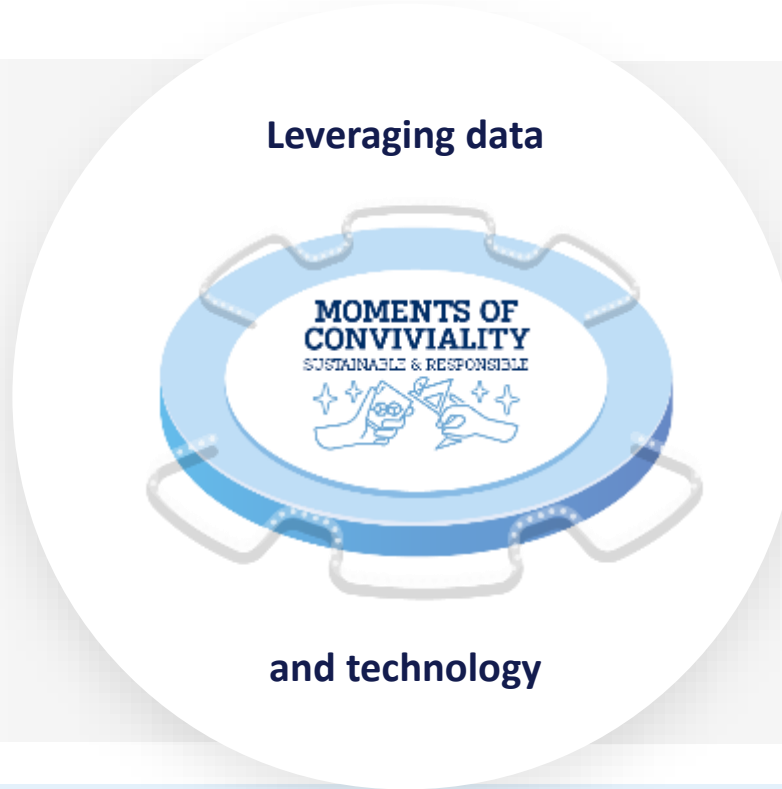
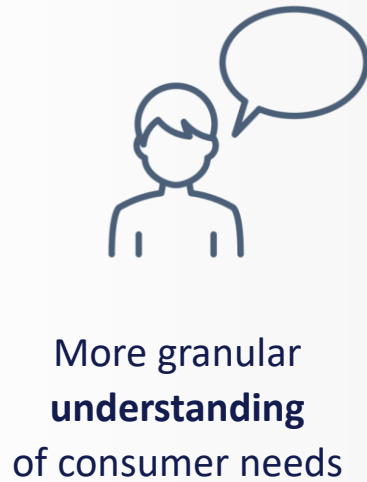
## Our people

Talented individuals  
Empowered teams  
Inclusive Conviviality culture

# **Conviviality at the core of our Growth Model**



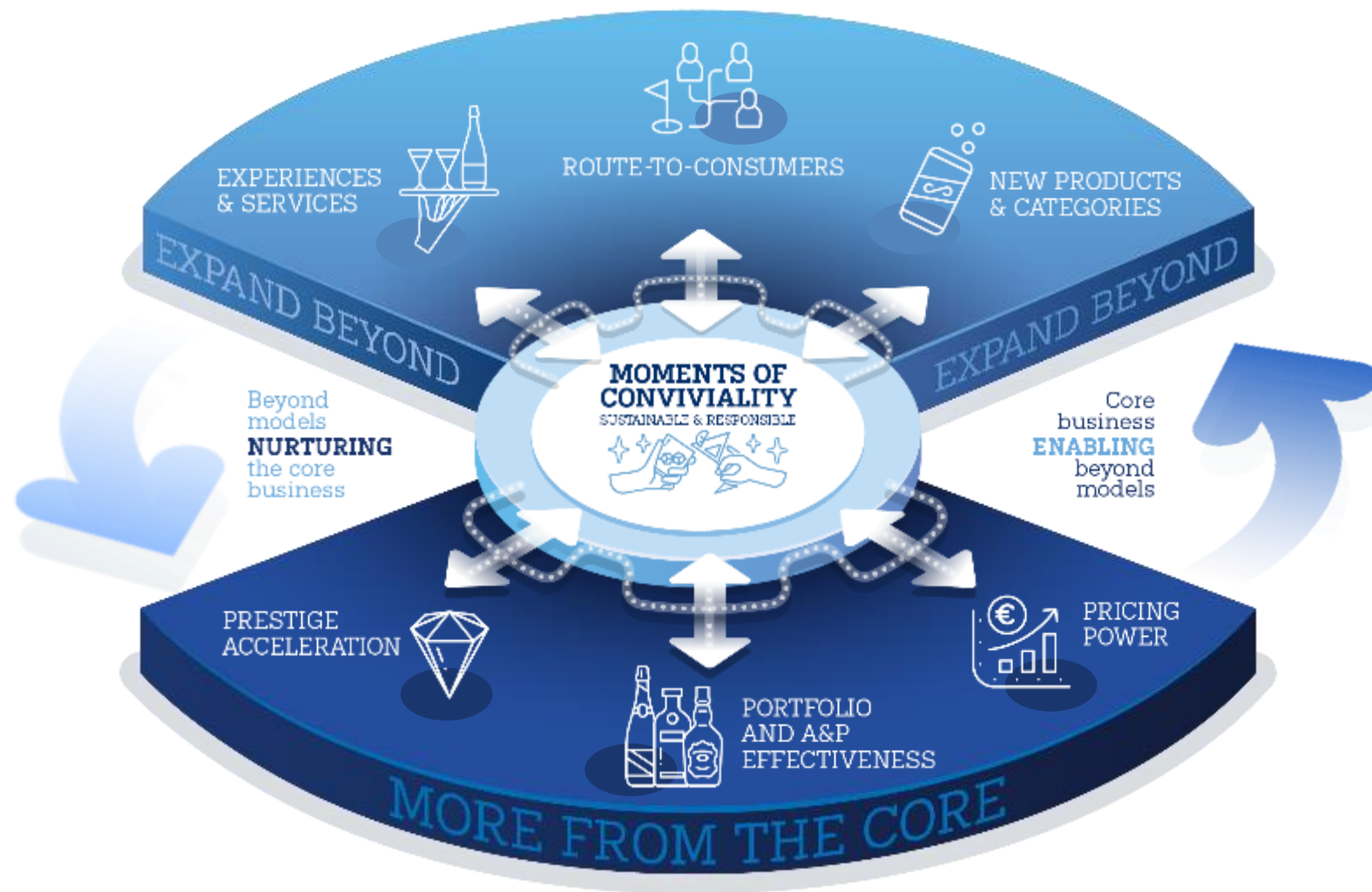
# Blending data with conviviality is the basis of our powerful platform for future growth



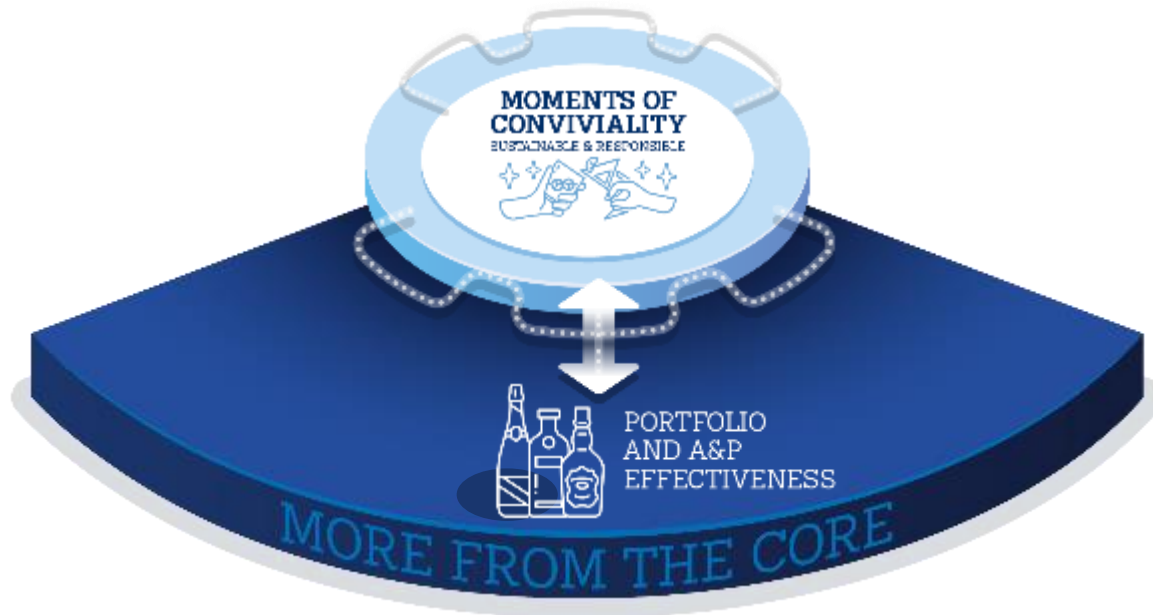
Bring the **right brand**, to the **right consumer**, at the **right time**, **right place**,  
with the **right message**, at the **right price**

**The Conviviality Platform enables  
Pernod Ricard  
to stretch its balanced  
and diversified growth model**

# The Conviviality Platform



# Activating more brands with the right level of spend



PORTFOLIO  
AND A&P  
EFFECTIVENESS

## Stretch opportunity:

Activate more brands (from 6-8 to 15-20 per market) and allocate A&P resources even more efficiently

## Right to win:

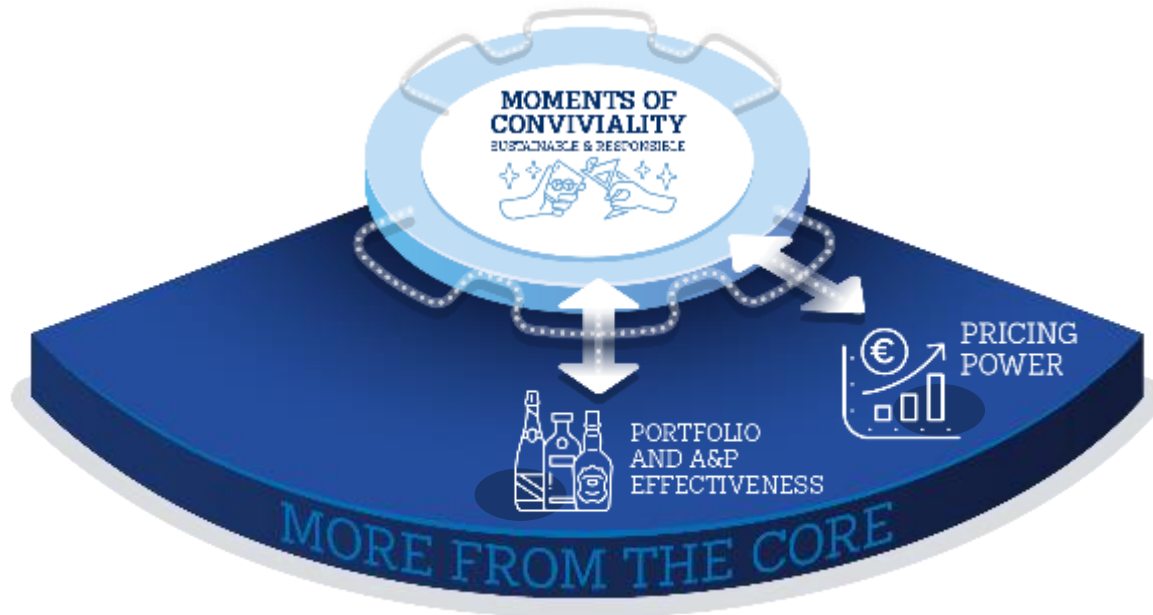
Robust data-driven methodology and tools  
Broad and granular outlook on the demand spaces  
Enhanced resource allocation process, with stronger choices at global and local levels

## Key outcomes:

Right portfolio activated /  
Right touchpoint /  
Right execution / Right level of spend



# Maximizing the pricing power of our brands portfolio



## PRICING POWER

### Stretch opportunity:

Capture stronger value from data-driven pricing power and promotional effectiveness

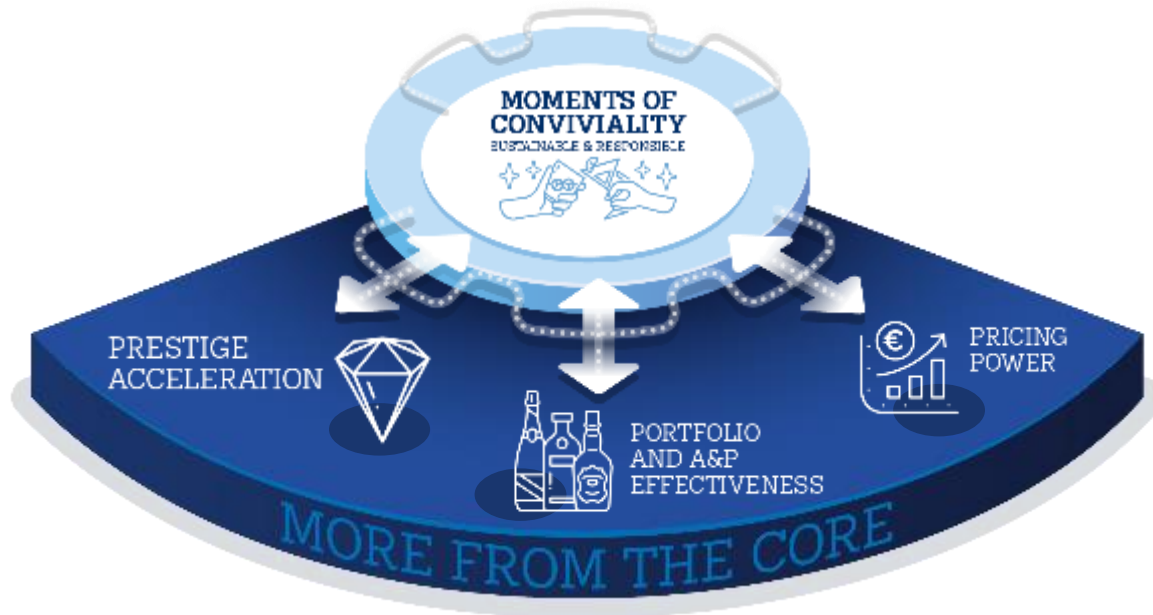
### Right to win:

Best-in class Revenue Growth Management tools and capabilities  
Comprehensive coverage of pricing, mix, trade terms and promotional effectiveness levers

### Key outcomes:

Tailored pricing and promotion strategies across categories, channels and countries

# Growing our positions within the prestige market



## PRESTIGE ACCELERATION

### Stretch opportunity:

Highly attractive market (size, dynamics, profitability), with opportunity to further increase market share

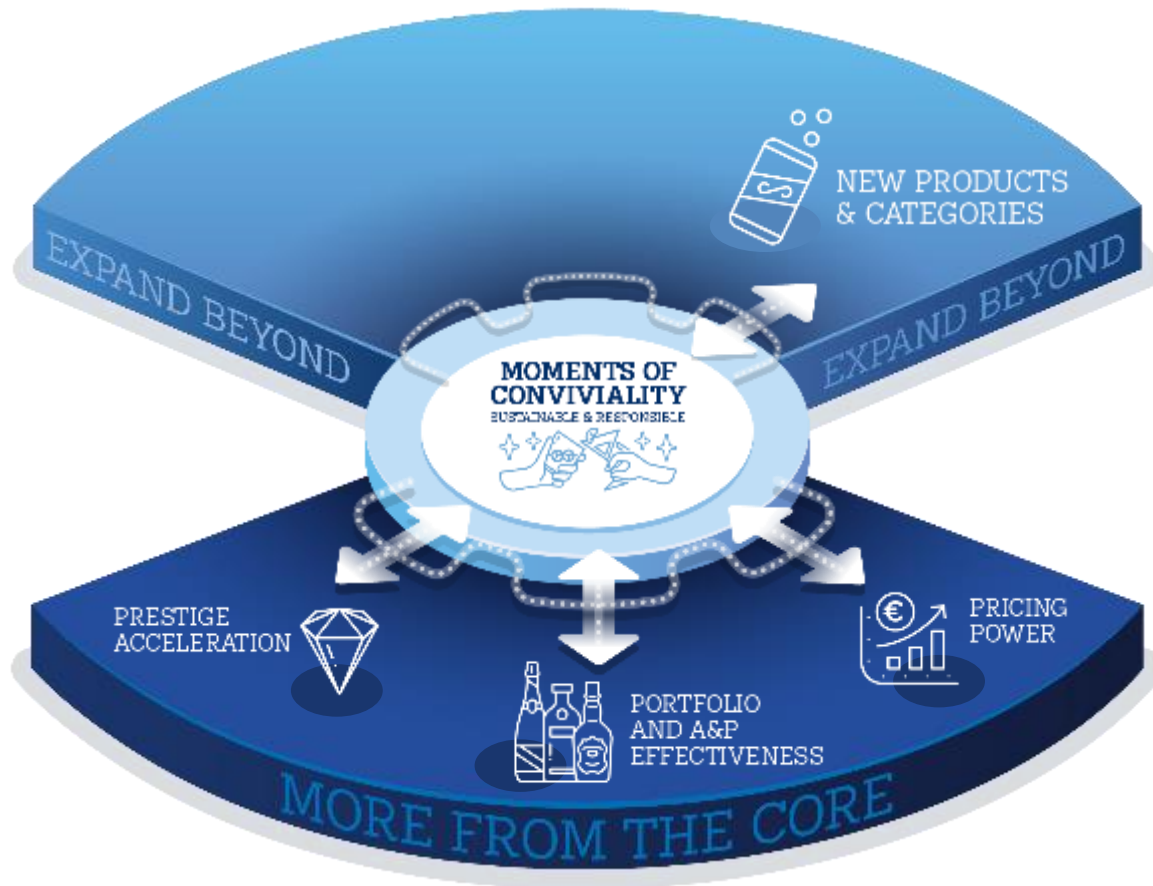
### Right to win:

Exceptional portfolio of prestige assets  
Strong barriers to entry  
Global coverage  
Track-record in several key geographies

### Key outcomes:

Acceleration of prestige positions in most attractive geographies and segments

# Scaling-up innovation with new products and categories



NEW PRODUCTS  
& CATEGORIES

## Stretch opportunity:

Significant growth reservoir through adjacent or breakthrough innovation and the expansion into new categories

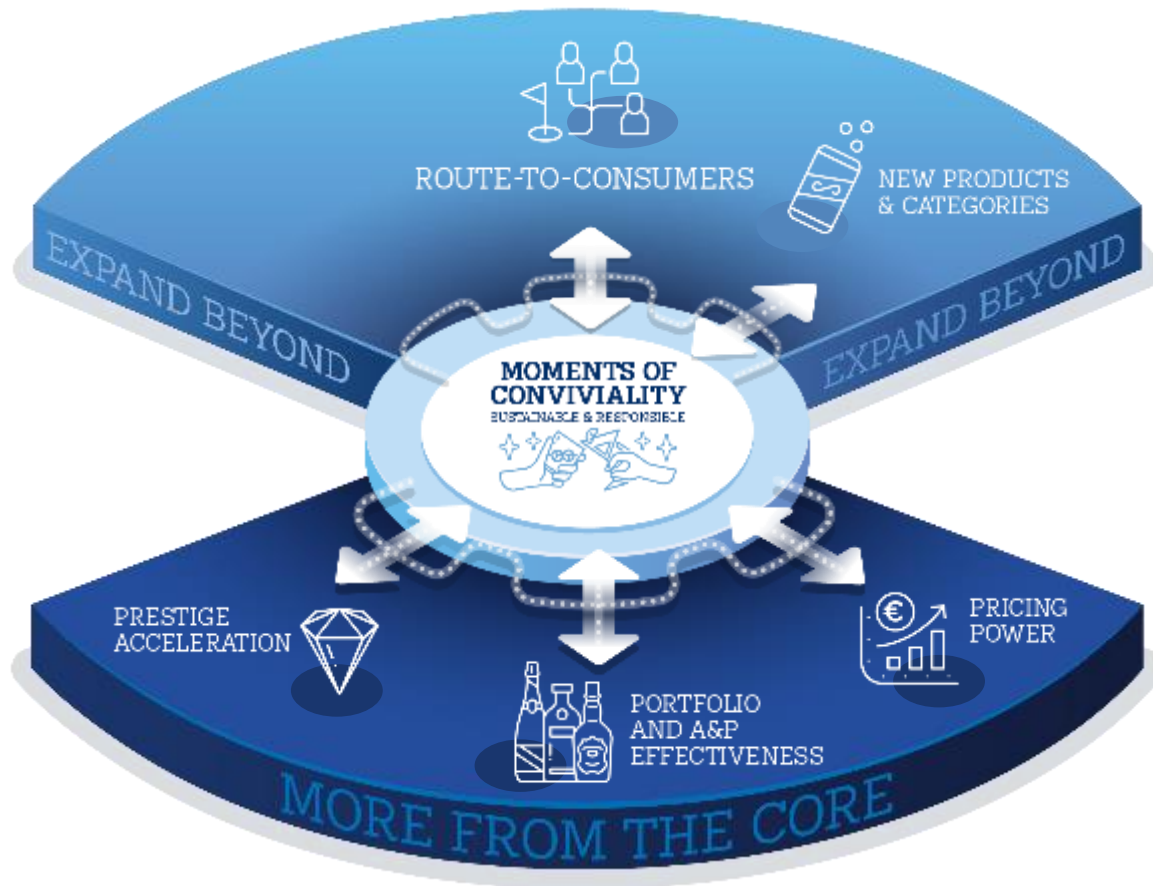
## Right to win:

New regional Innovation Hubs  
Dedicated RTD structure  
Strong test & learn approach

## Key outcomes:

At-scale innovations / expansions

# Broadening our coverage of the route-to-consumer



## ROUTE-TO-CONSUMERS

### Stretch opportunity:

Broader coverage of the value chain and better understanding of the consumer

### Right to win:

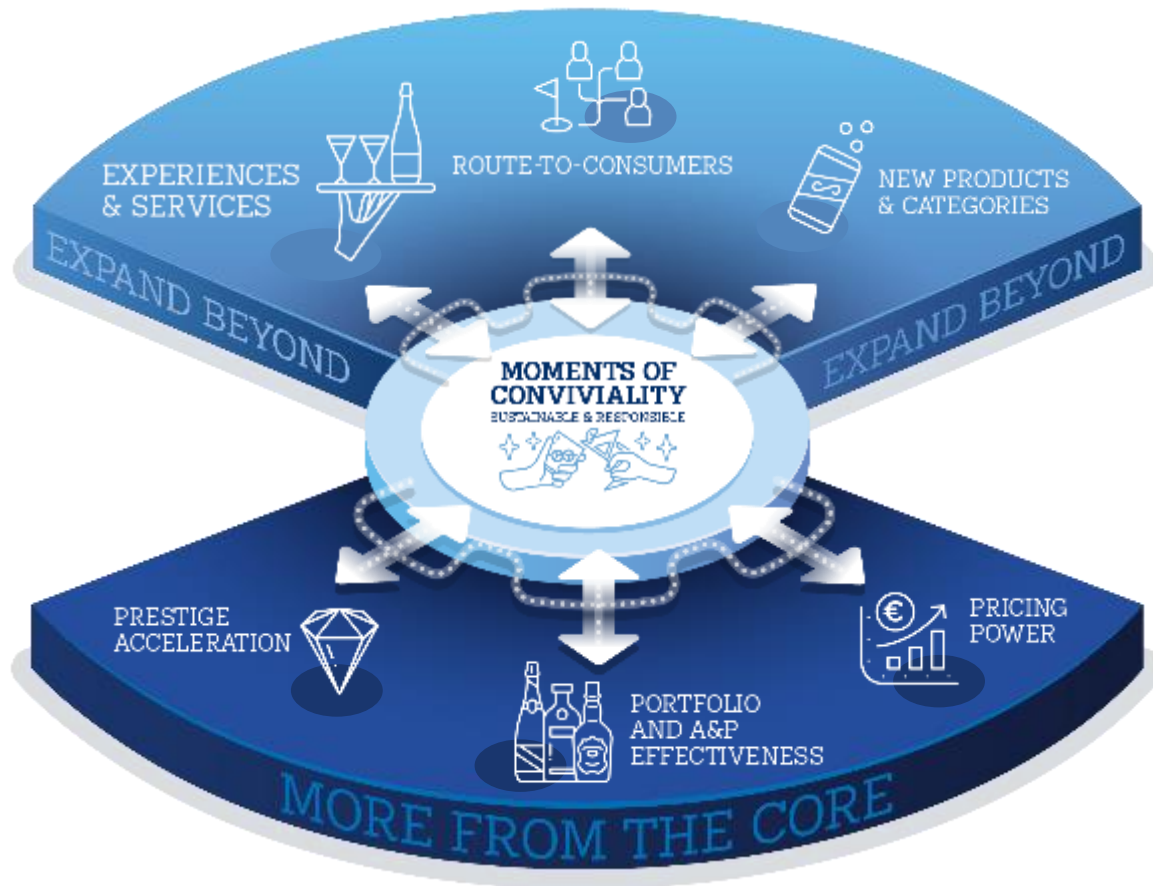
Multiple direct-to-consumer businesses already in place  
Strong omnichannel approach

### Key outcomes:

New touchpoints ; enhanced purchasing experiences ; first-party consumer data



# Stretching our boundaries to experiences and services



## EXPERIENCES & SERVICES

### Stretch opportunity:

Leverage existing assets and create new businesses related to conviviality

### Right to win:

Already wide offer from Brand Homes, BrandCos and MarketCos

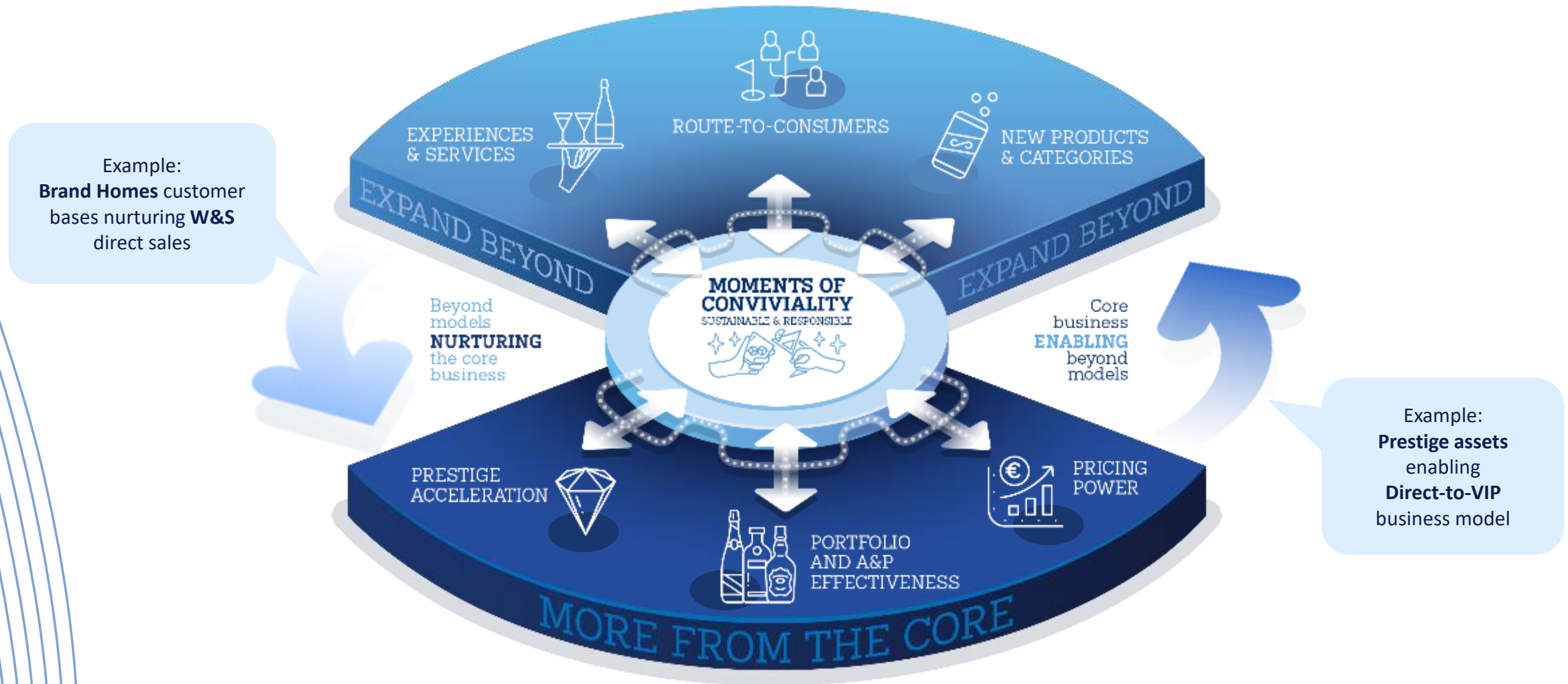
Strong capabilities for building ad-hoc experiences and events

### Key outcomes:

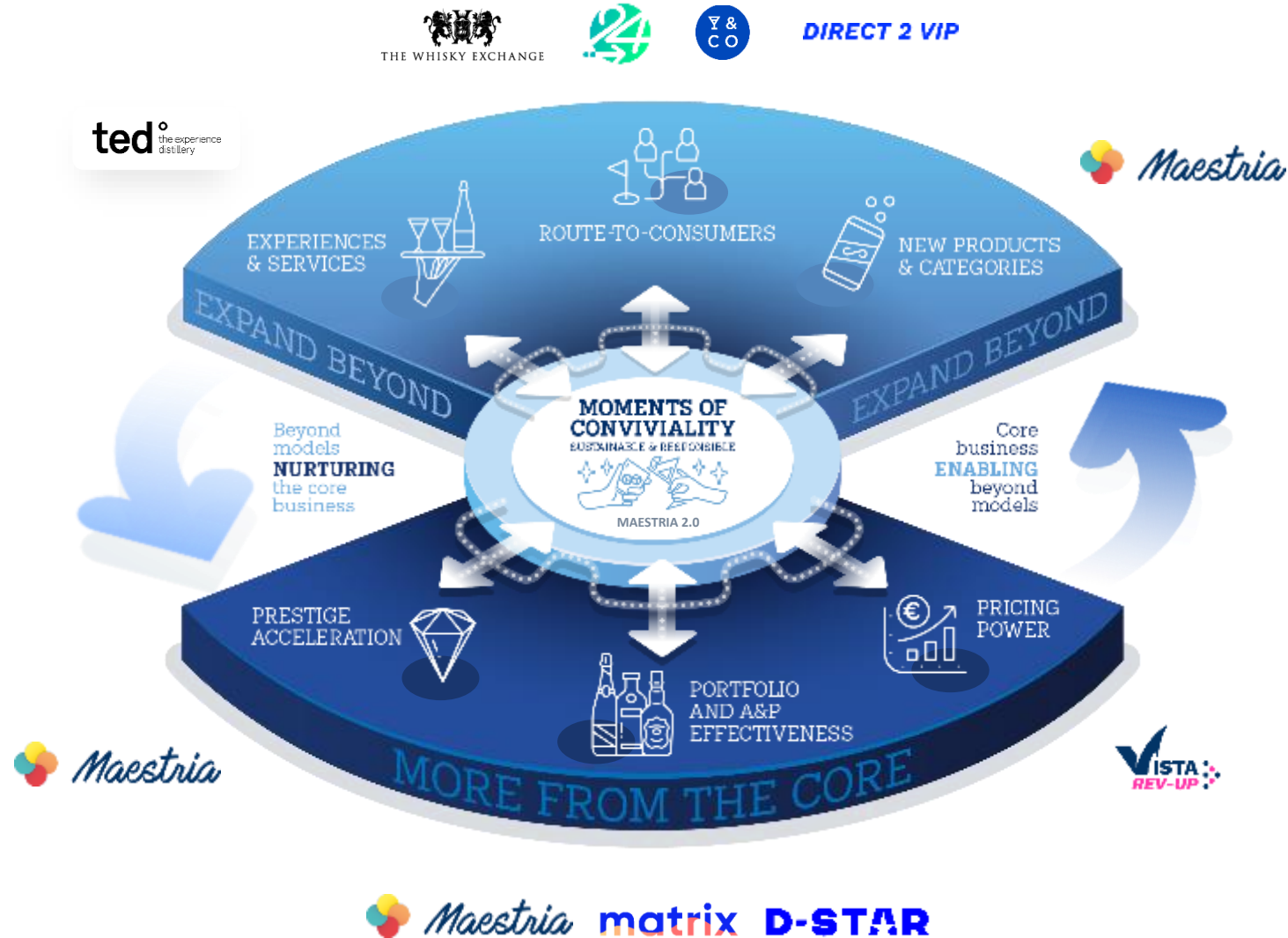
Brand Homes monetized, sharper understanding of the consumer, enhanced engagement and additional revenue streams



# Mutual enrichment between “core” and “beyond” models, to create even more value



# Multiple digital applications and programs to support those growth axes



# **Data and Technology to create a competitive advantage**



## Segmenting Consumer Demand



PROMOTIONAL  
EFFECTIVENESS



MARKETING  
INVESTMENTS

**D-STAR**

ASSISTANTS  
FOR SALES TEAMS

## Matching Consumer Demand







## Segmenting Consumer Demand



PROMOTIONAL  
EFFECTIVENESS



MARKETING  
INVESTMENTS



ASSISTANTS  
FOR SALES TEAMS

## Matching Consumer Demand





# Promotion effectiveness



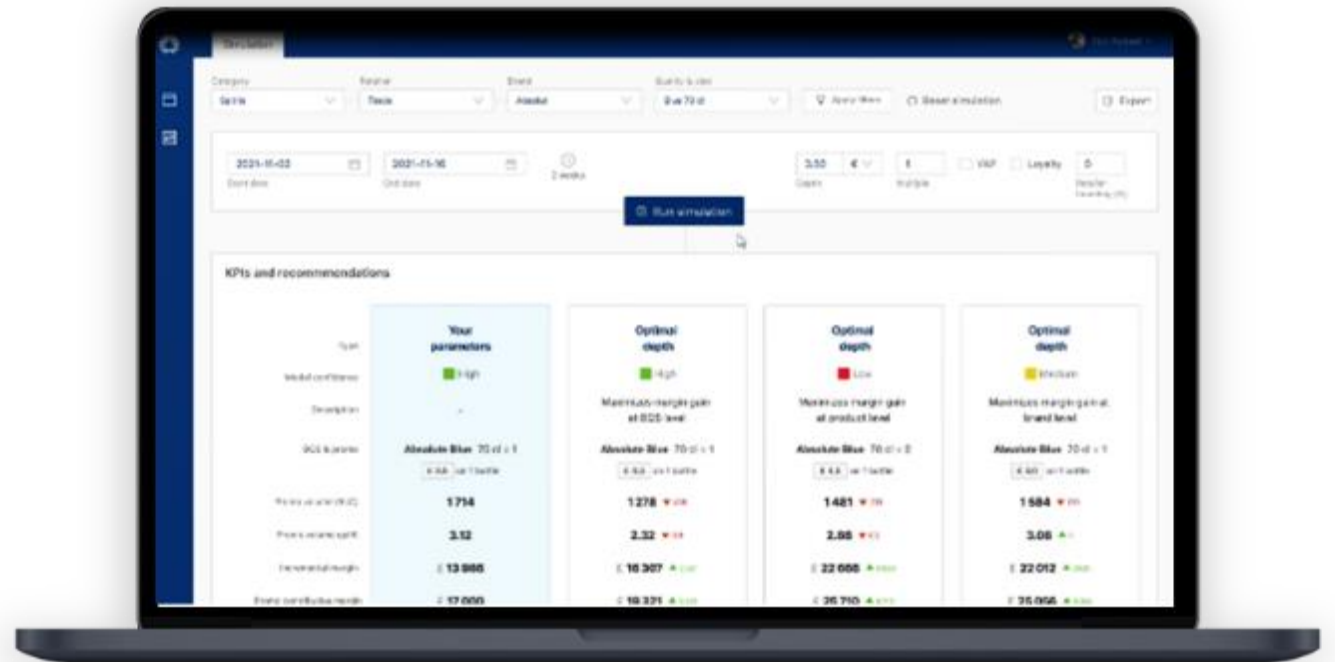
**TESCO**



**Sept 2022**



## Tailored Promo Recommendations



# Promotion effectiveness



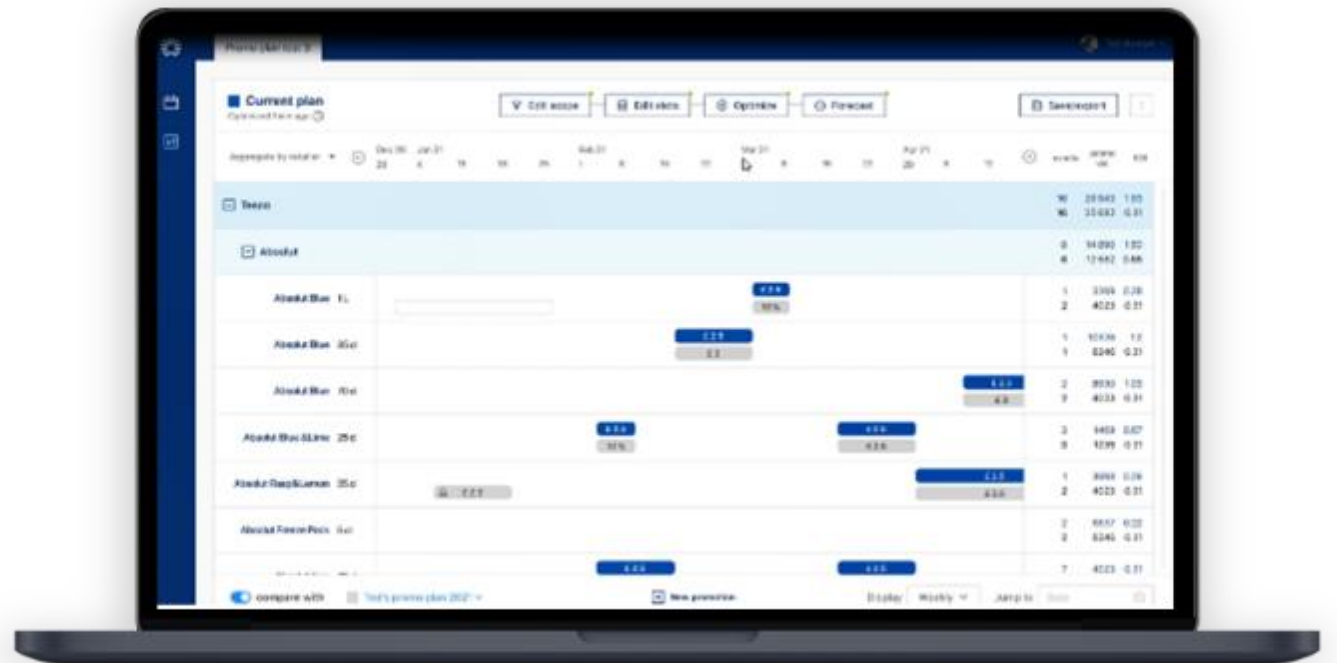
**TESCO**



**Full year**



## Optimized Promo Calendar



# An application based on granular data and powerful AI

✓ 3 years historical data

## Sales data

Pernod Ricard  
& Market

(sell in & sell out)

## Promo data

Pernod Ricard  
& Market

## Product data

Harmonized  
Taxonomy...

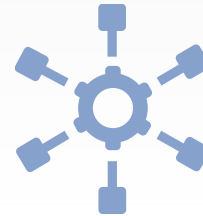
## Financial data

Cost of Good Solds,  
Trade Terms



✓ Proprietary AI model

Latest  
Machine Learning Engines



Advanced  
AI Engineering

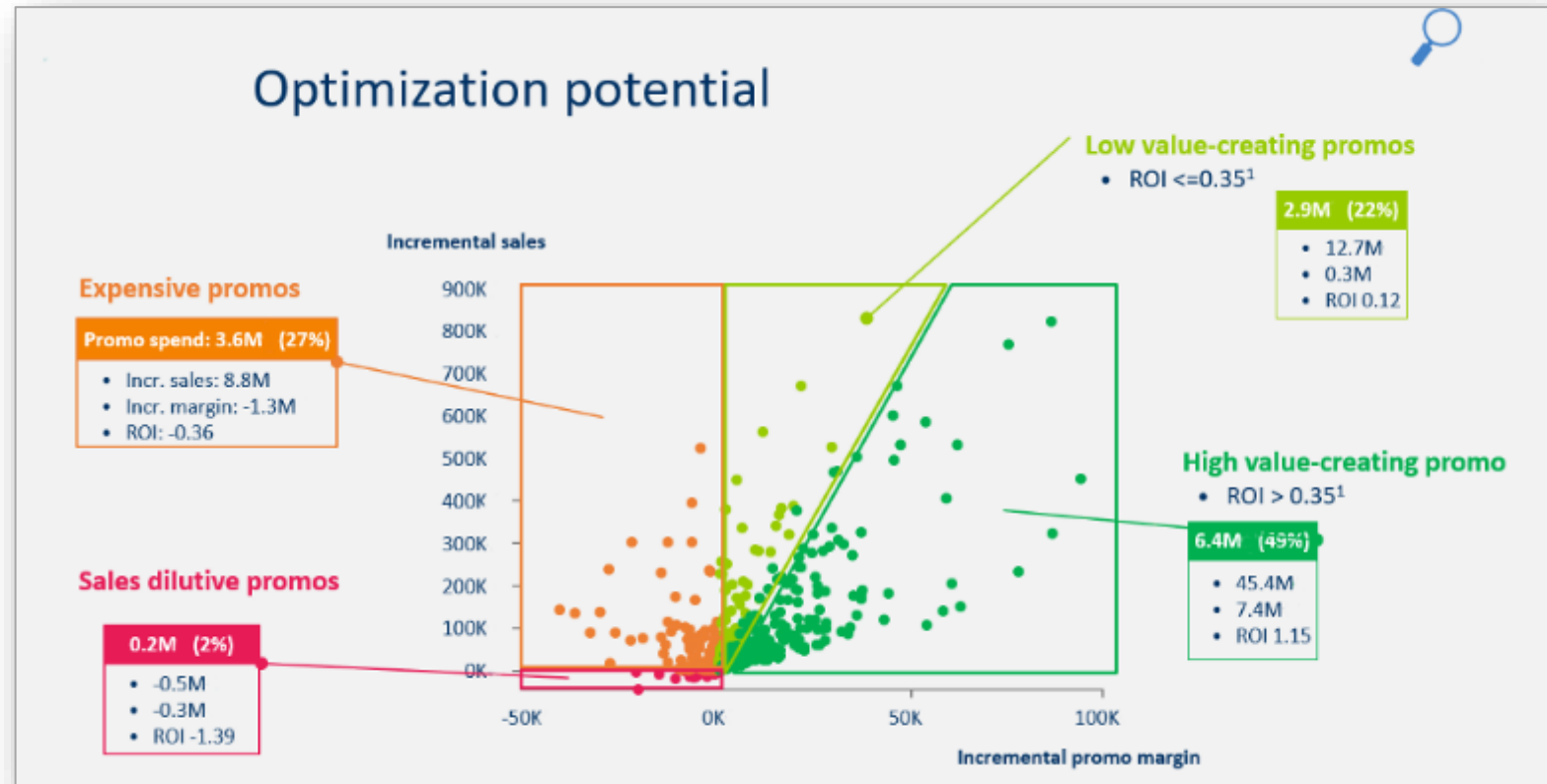


✓ Optimized user  
experience



Live Scenario Optimizer

# Lighter version for smaller markets



- Statistical model -



PROMOTIONAL  
EFFECTIVENESS



MARKETING  
INVESTMENTS



ASSISTANTS  
FOR SALES TEAMS



# A deep and granular segmentation of consumer demand

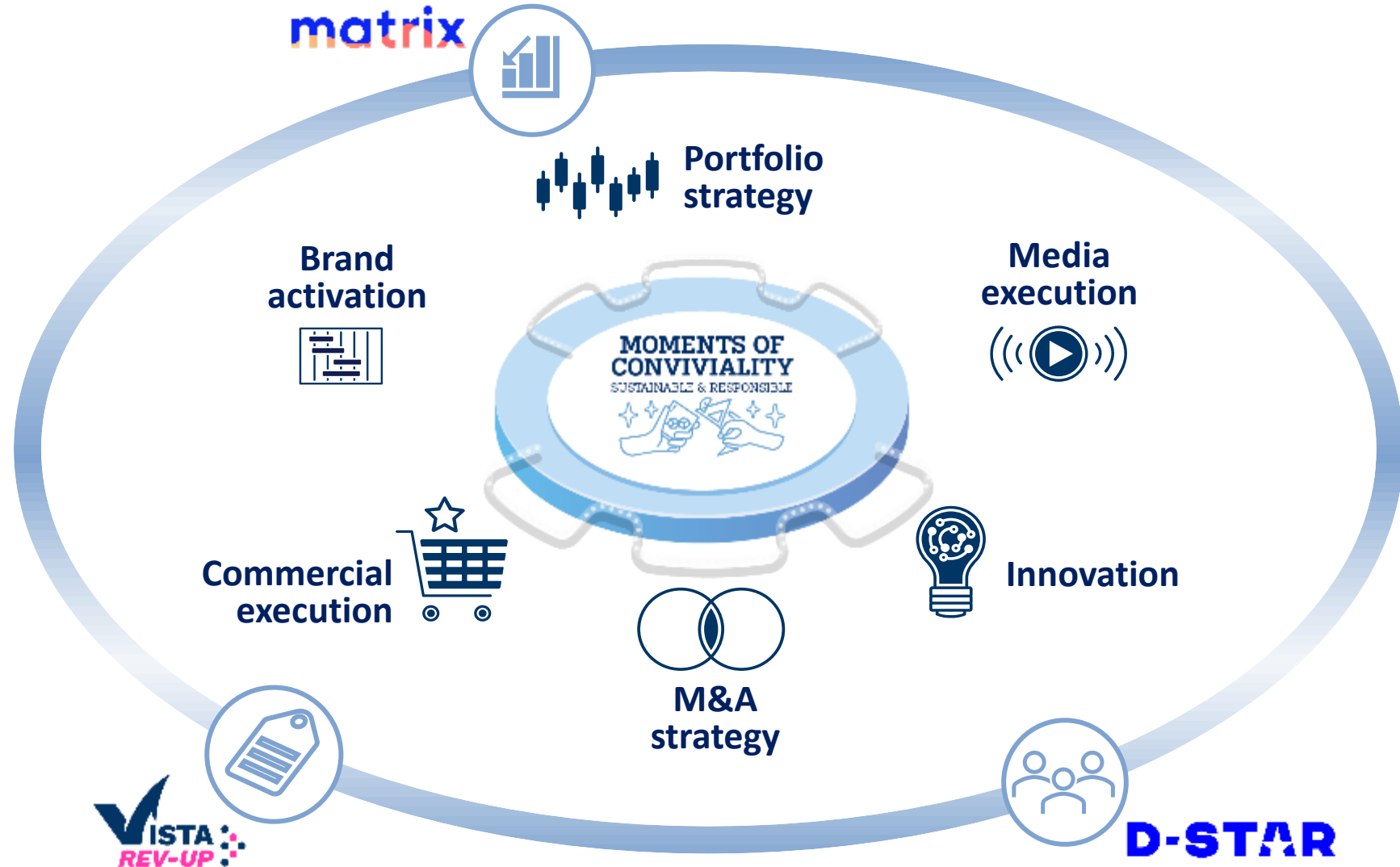
- ✓ Brands' perception
- ✓ Brands' fit
- ✓ Path-to-purchase



- ✓ Predictive drivers of consumers' choice



# Putting consumer demand at the center of business decisions





PROMOTIONAL  
EFFECTIVENESS



MARKETING  
INVESTMENTS



ASSISTANTS  
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# Marketing effectiveness

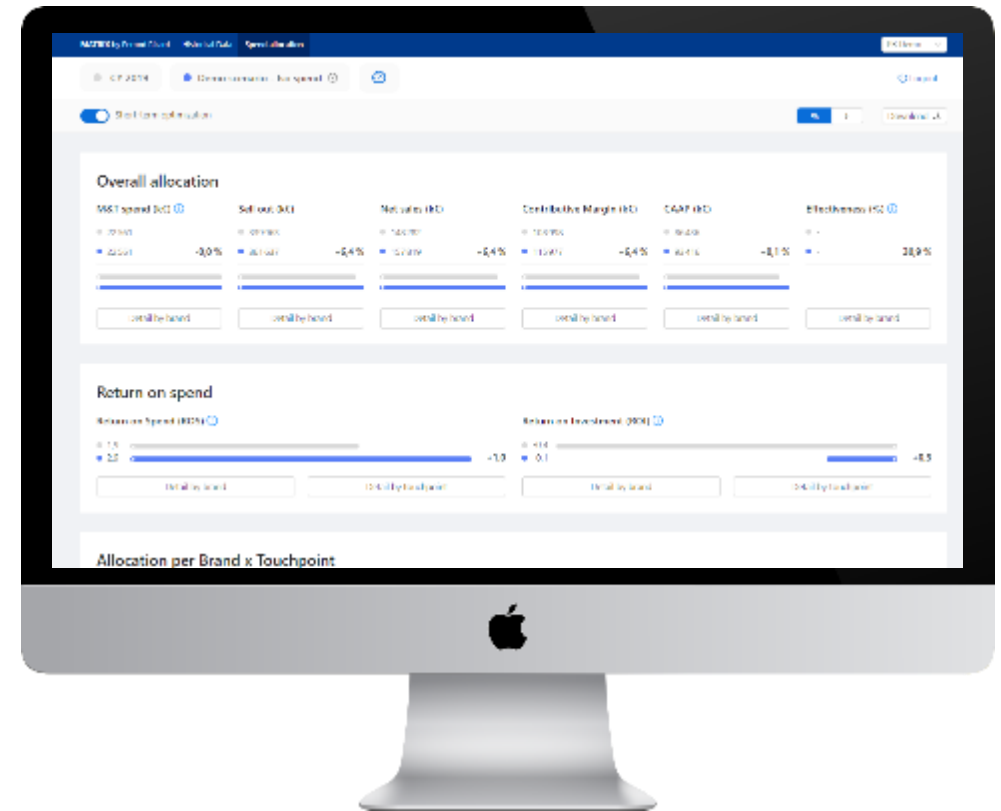


Marketing & Trade  
spend allocation  
per brand



Marketing  
channels

# matrix



# Marketing effectiveness



**Predictive sales impacts**



**Long-term prioritisation**

**Sellout**

**Market data**

**A&P spend**



**Priority of brands**



**Consumer insights**



**Allocation by brand**



**Allocation by channel**





PROMOTIONAL  
EFFECTIVENESS



MARKETING  
INVESTMENTS

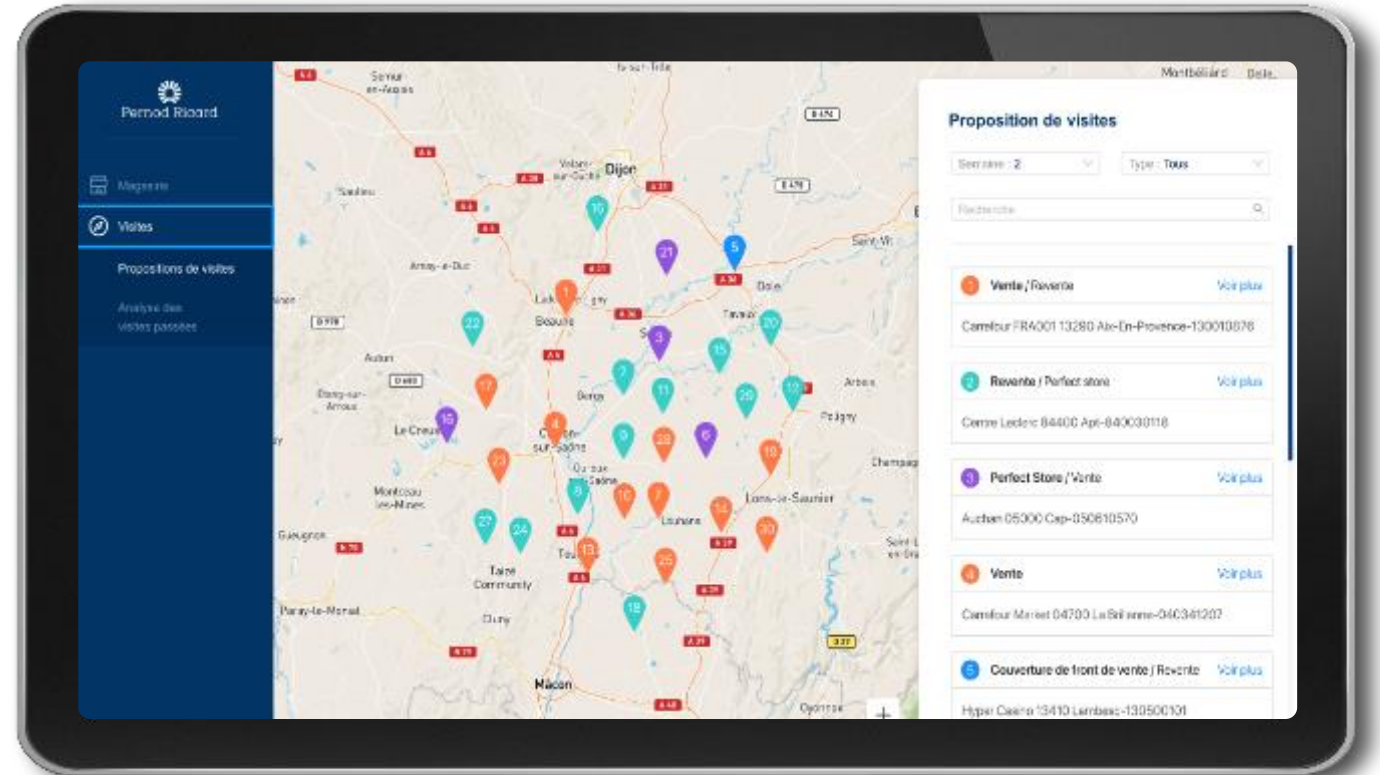
**D-STAR**

ASSISTANTS  
FOR SALES TEAMS

# Data-powered assistant for sales teams

## D-STAR

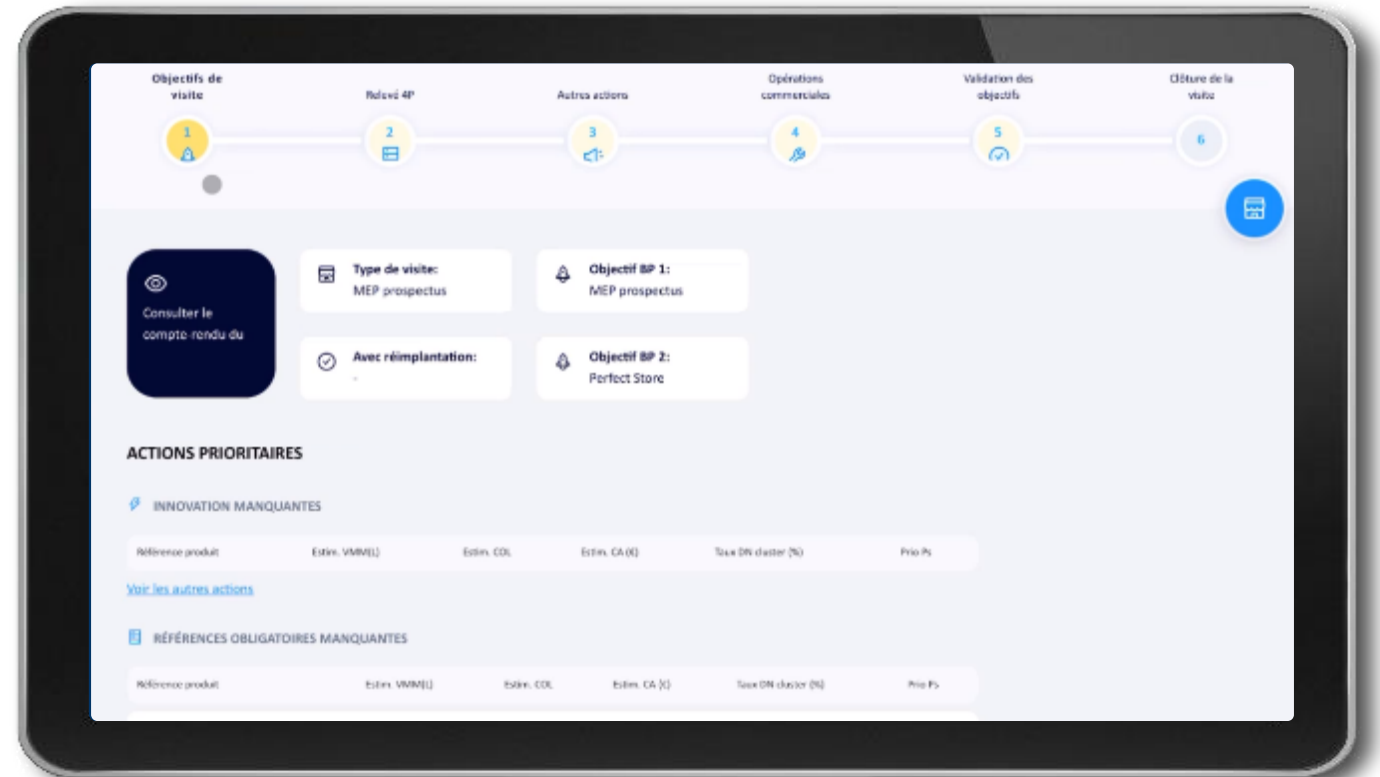
Optimizing  
weekly route planning,  
based  
on outlet potential



# Data-powered assistant for sales teams

Prioritizing actions & negotiations in each visited outlet

# D-STAR



# A unique integrated digital environment



## Tailored

- High relevance of predictions for each business context
- Constant monitoring of accuracy and adoption



## Owned

- Full transparency
- Stepstone for deployment of next features



## Scalable

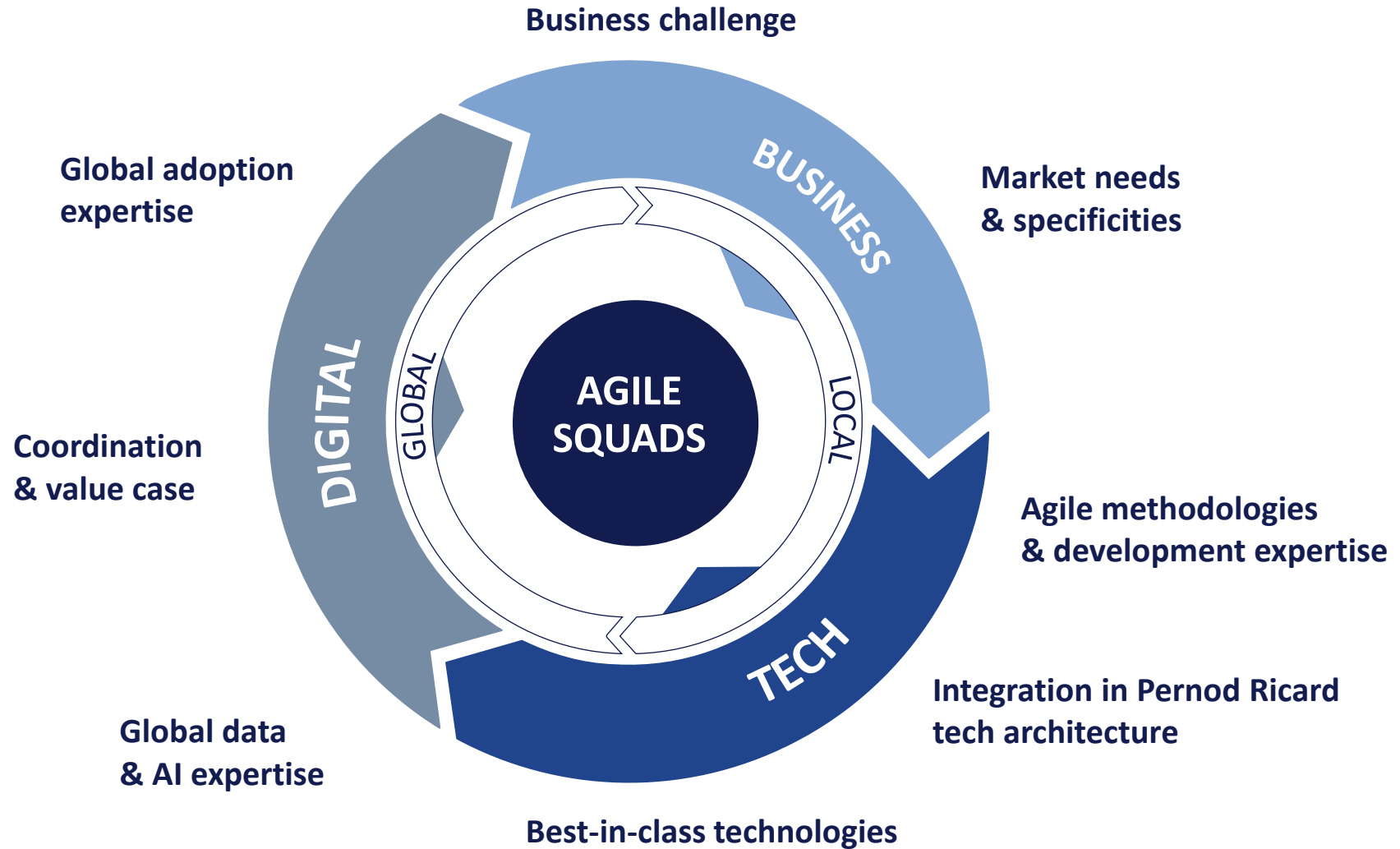
- Best-in-class tech and development
- Modular & flexible to support long-term business evolution

# A sustainable model

The **right team**, in the **right mode**,  
with the **right outcome**



# Joined forces to distill data for business

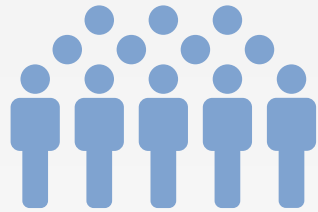


# Internalized expertise



# Two catalysts

## PEOPLE



**Massive upskilling initiatives**

**Internalized adoption team**

**New roles and adapted governance**

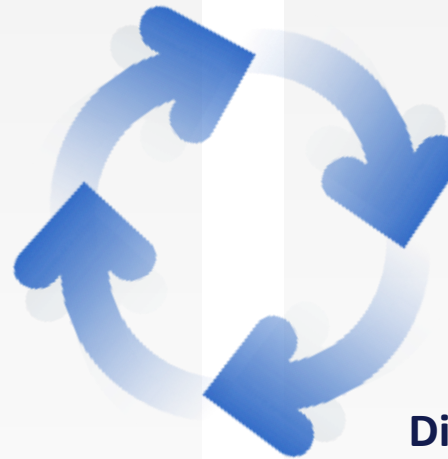
## TECH



**Digital, data and tech Centers of Excellence**

**Data tech platforms**

**Data portal as one entry point for all**



# From APPS to ASSETS



# A continuous deployment dynamic

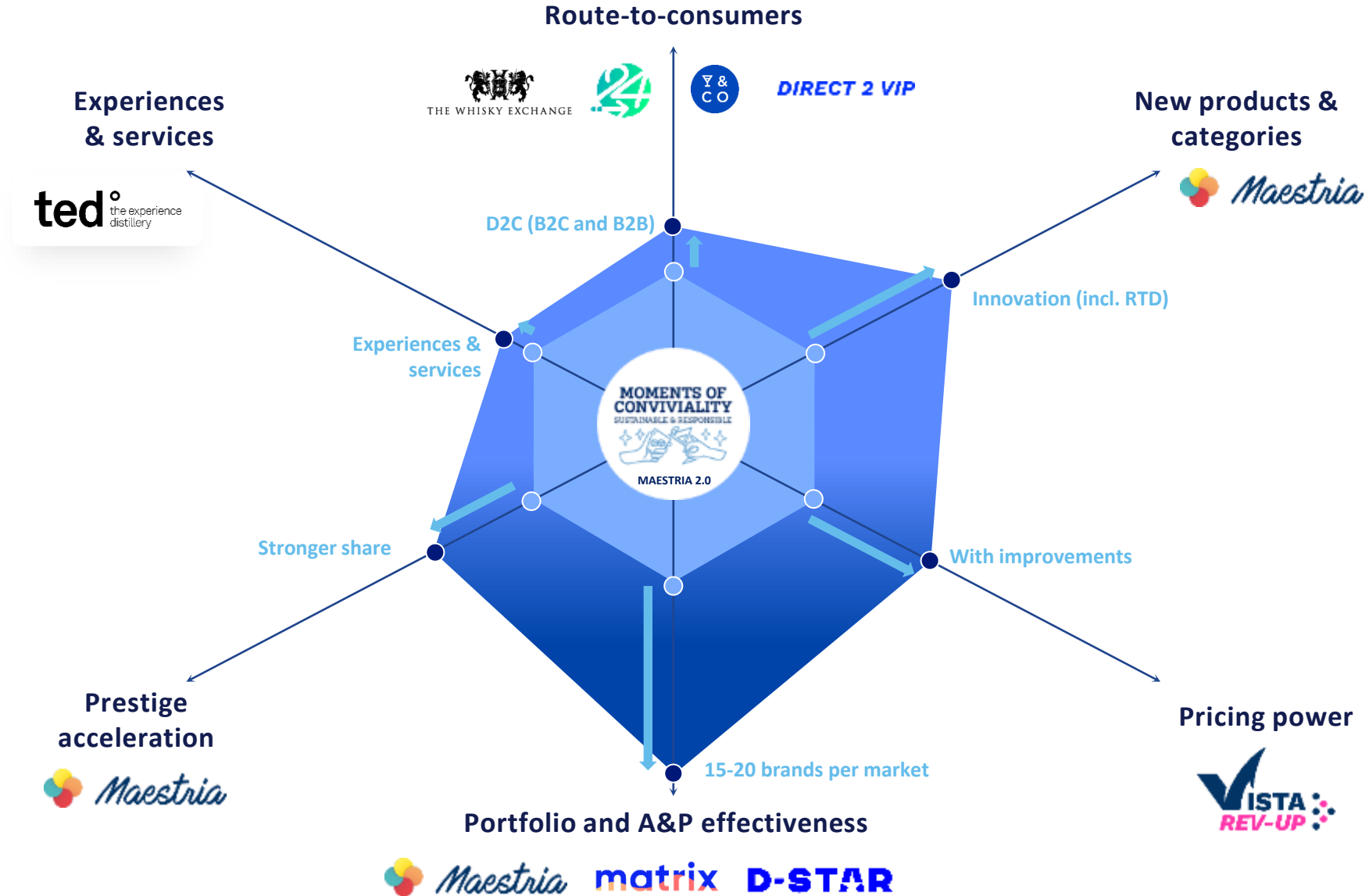




# A competitive advantage

To generate and fulfill demand,  
with precision at scale,  
in the long run

# The Conviviality Platform enables Pernod Ricard to stretch its growth model



# Stretching our topline growth with the Conviviality Platform

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From activating 6-8 brands to **15-20 brands**

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**Building on our key competitive advantages,**  
leveraging our broad-based portfolio and balanced geographical  
footprint

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**+4% to +7% annual topline growth framework,**  
aiming at the upper end of the range