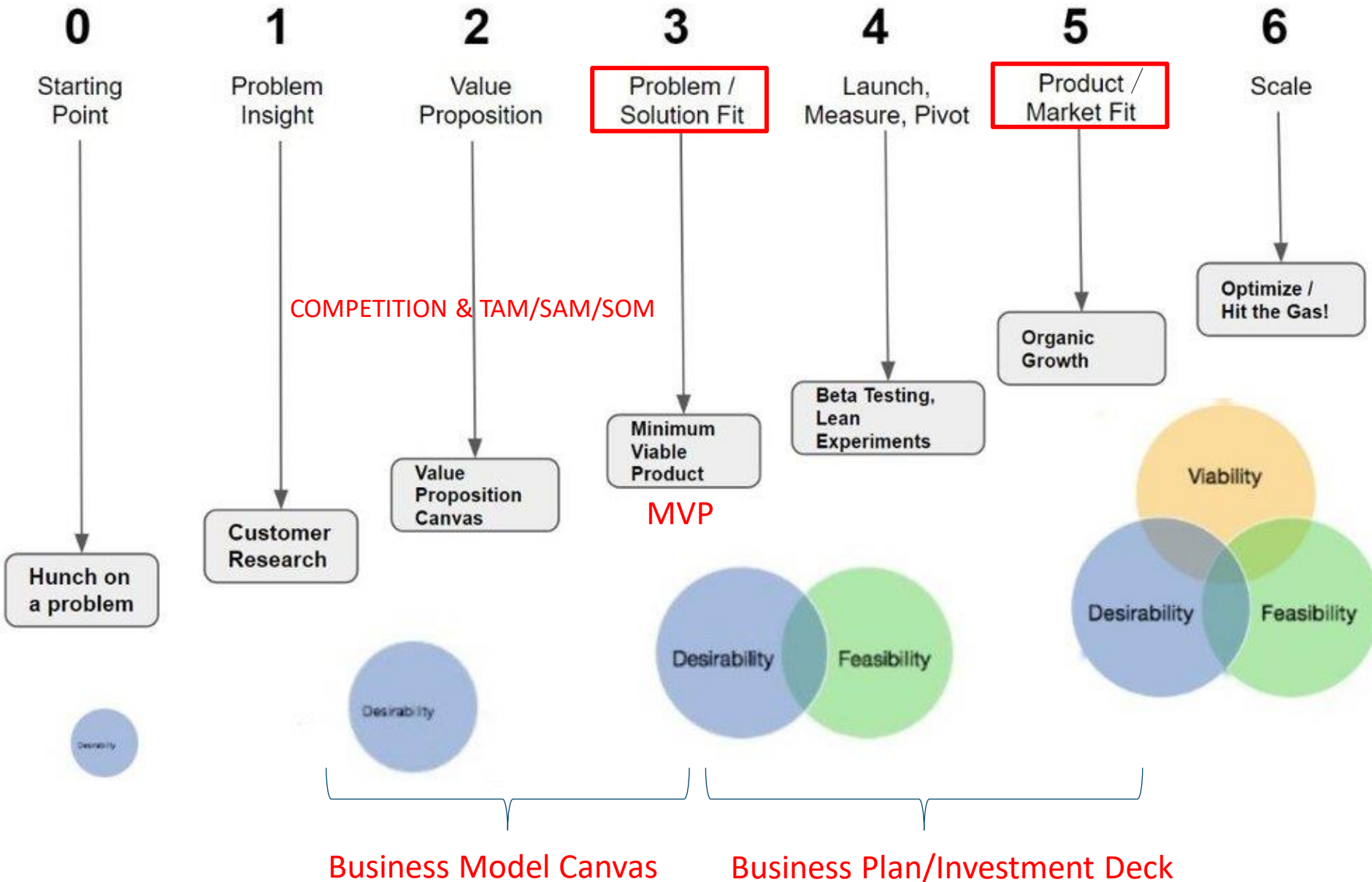




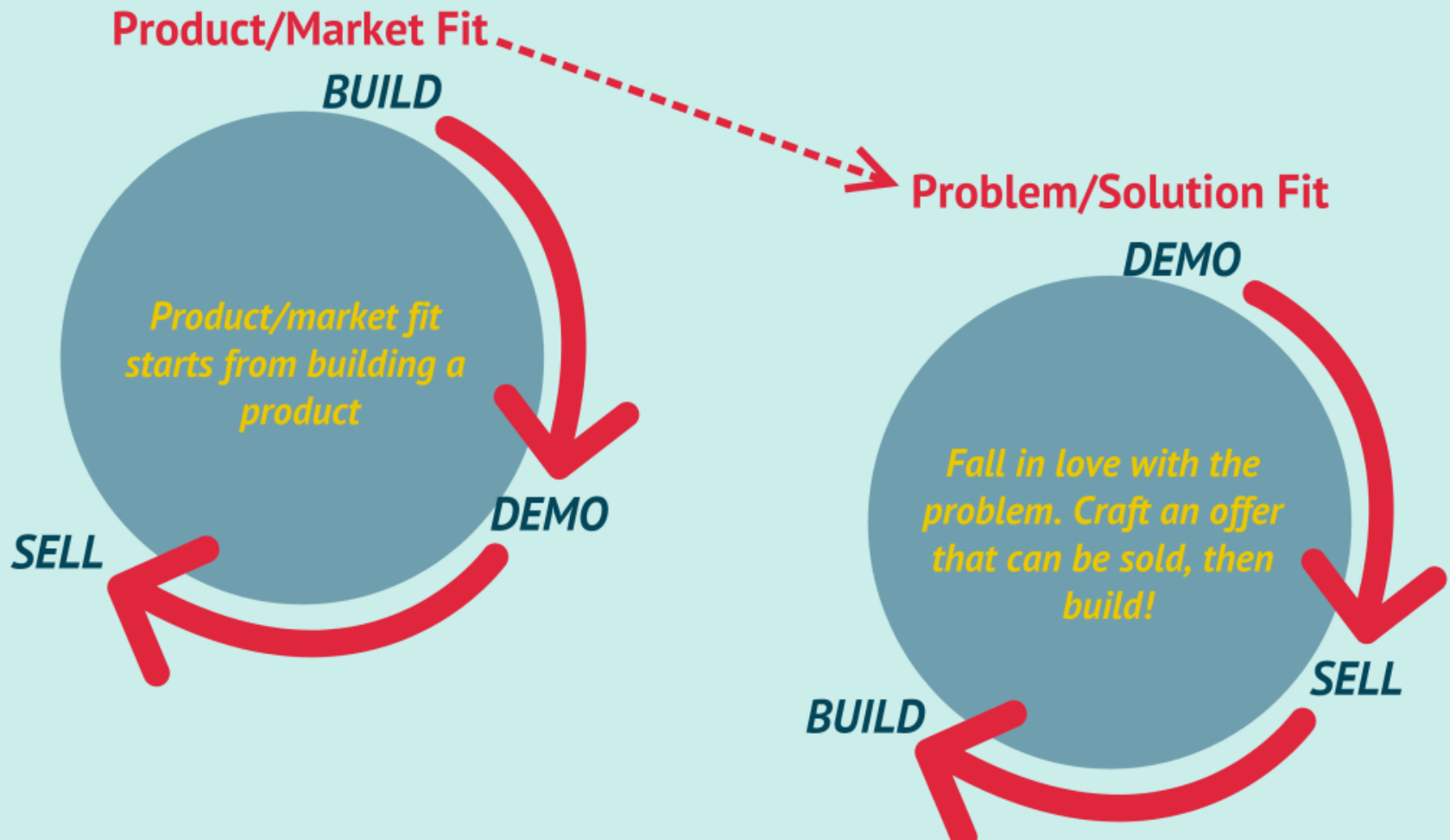
LWL Virtual Summit
Market Research & MVP

ENTREPRENEURIAL JOURNEY - LEAN START UP ROAD MAP



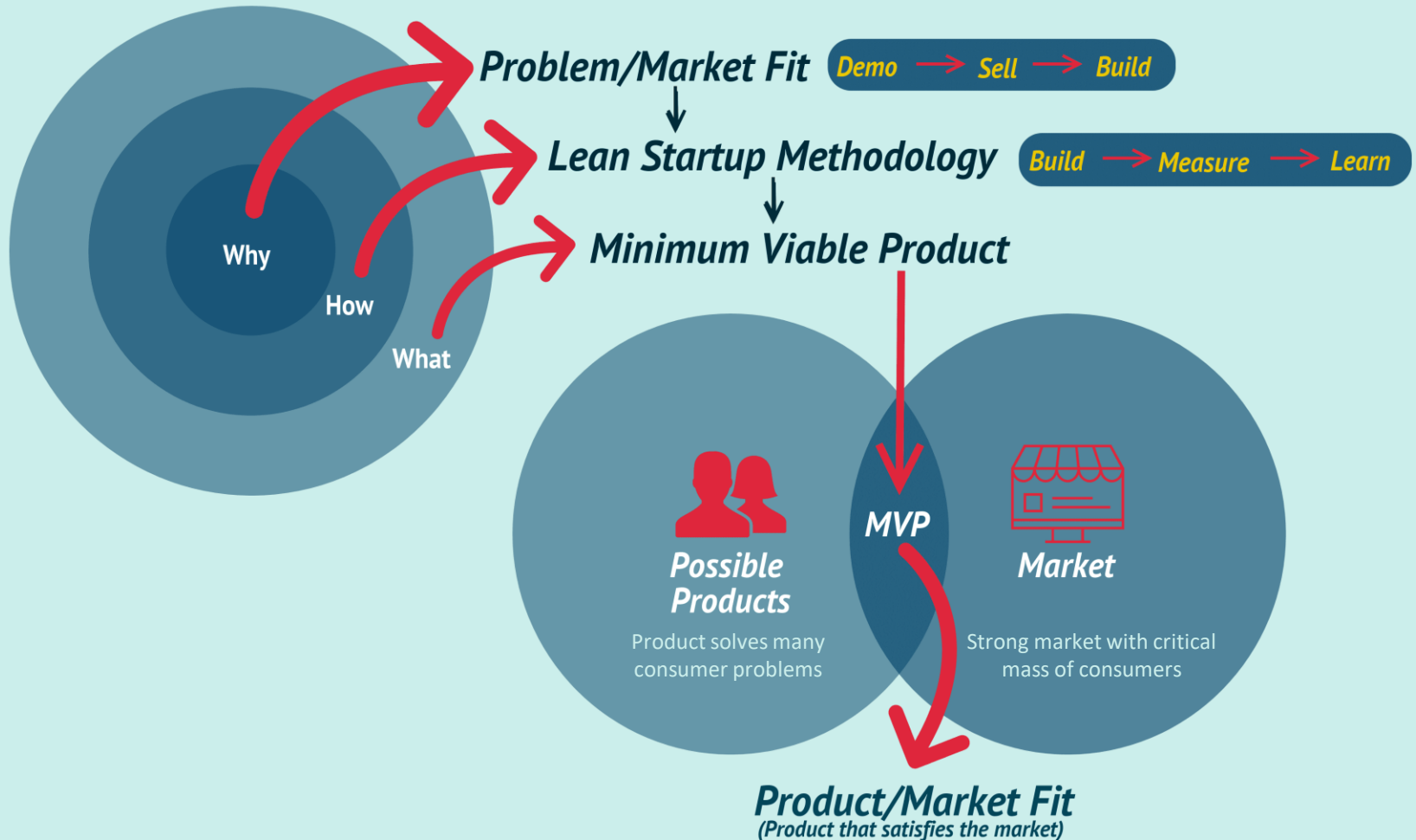
Start with Problem/Solution Fit and then move to Product/Market Fit

Many fall in love with a Product concept without clearly understanding what the Problem is, or if there really is one



Product-Market Fit In A Nutshell

Product/Market Fit is being in a good market with a product that can satisfy that market.



Define Problem (WHY), Define Market, Define USP, Who Desperate for?, Test MVP

**People don't buy what you do, they
buy WHY you do it.**

*This is true for investors, retailers &
consumers so be able to clearly articulate*

TAM, SAM and SOM

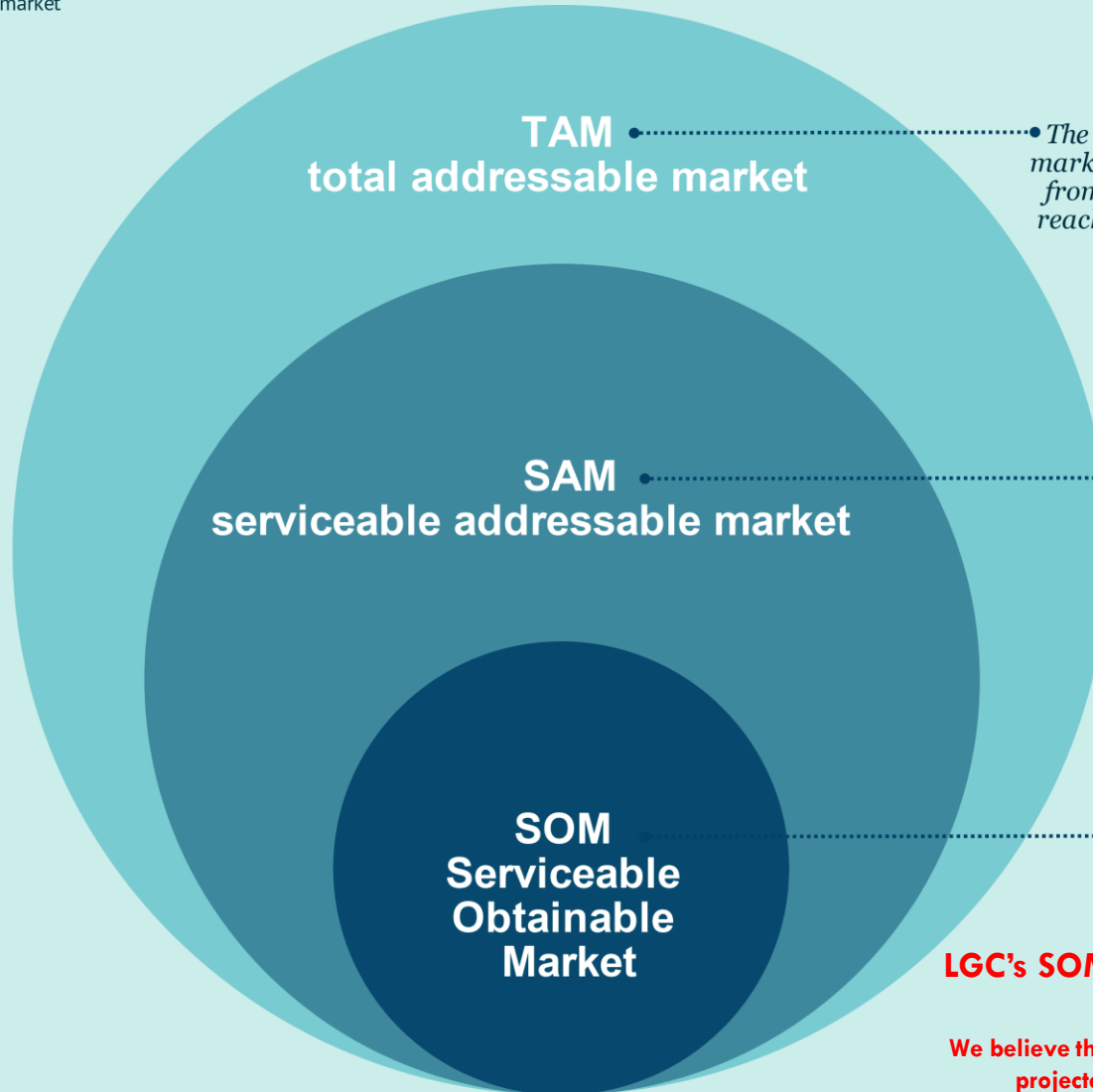
To evaluate a business opportunity, you need to look into three key metrics:

- TAM or total addressable market
- SAM or serviceable addressable market
- SOM or serviceable obtainable market

HOPE

THINK

KNOW



TAM
total addressable market

• The entire potential market independently from your ability to reach and serve it yet

LGC Global Opportunity
= 240M+ Case/Yr

SAM
serviceable addressable market

• The people you can actual serve and reach with your business

LGC's SAM:
0.2-0.4% of TAM
= 500K-1M Cases/Yr
Similar to top competitors

SOM
Serviceable
Obtainable
Market

• The share and portion of the market that you can capture

LGC's SOM is 10% of SAM = 0.05%
= 100K Cases/Yr

We believe this can be a 500K-1M Cs/Yr. brand, but projected 100K for investment purposes

Deep Dive on the Competition

Who are the leaders? Where are the gaps? What do they do well vs poorly? What's their perceived target demographic?

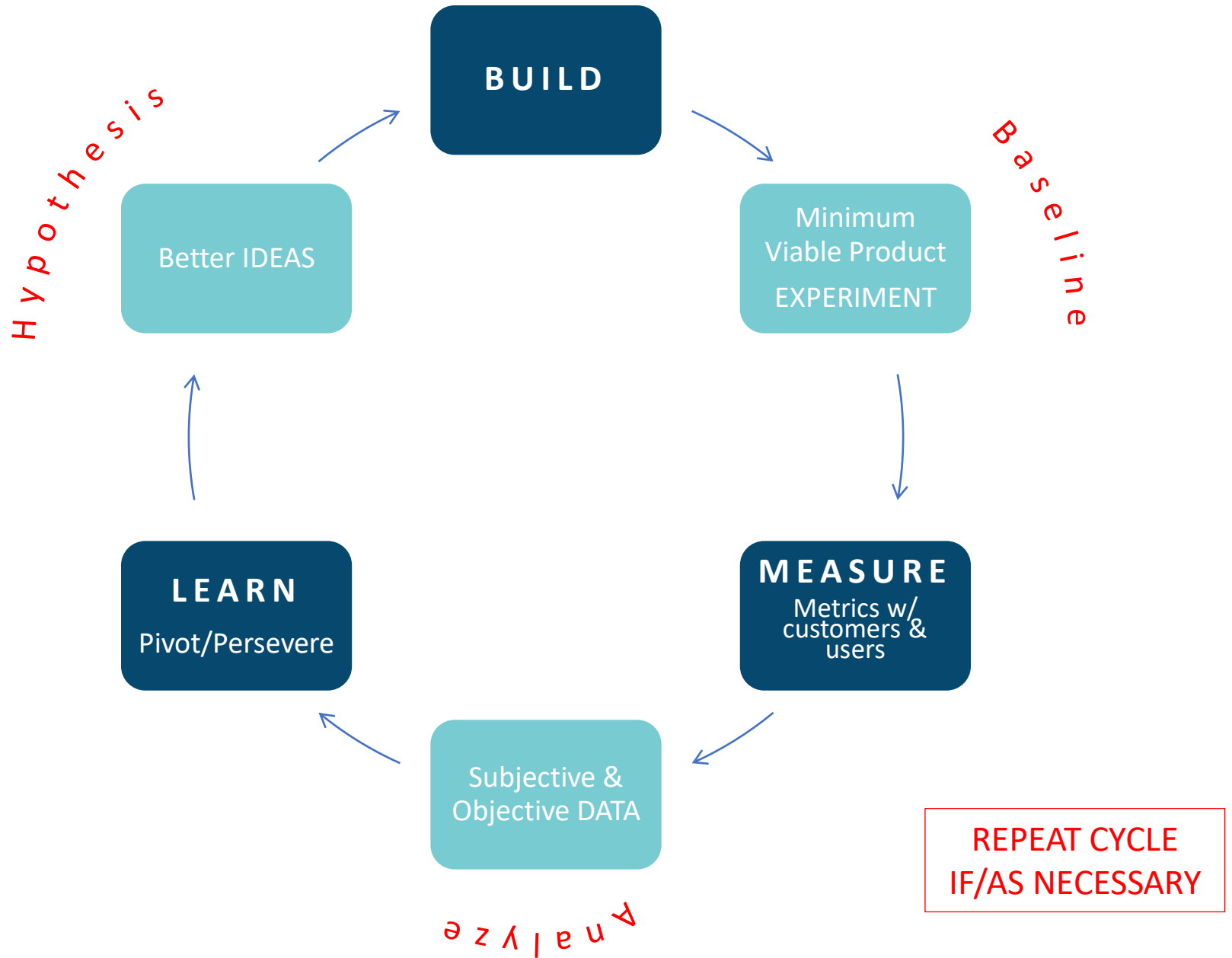
You vs Them – Point of Differentiation & USP

- Price and package design
- Size
- Offerings/Flavors
- Different product characteristics
- Promotional strategy
- Volume/Market Size

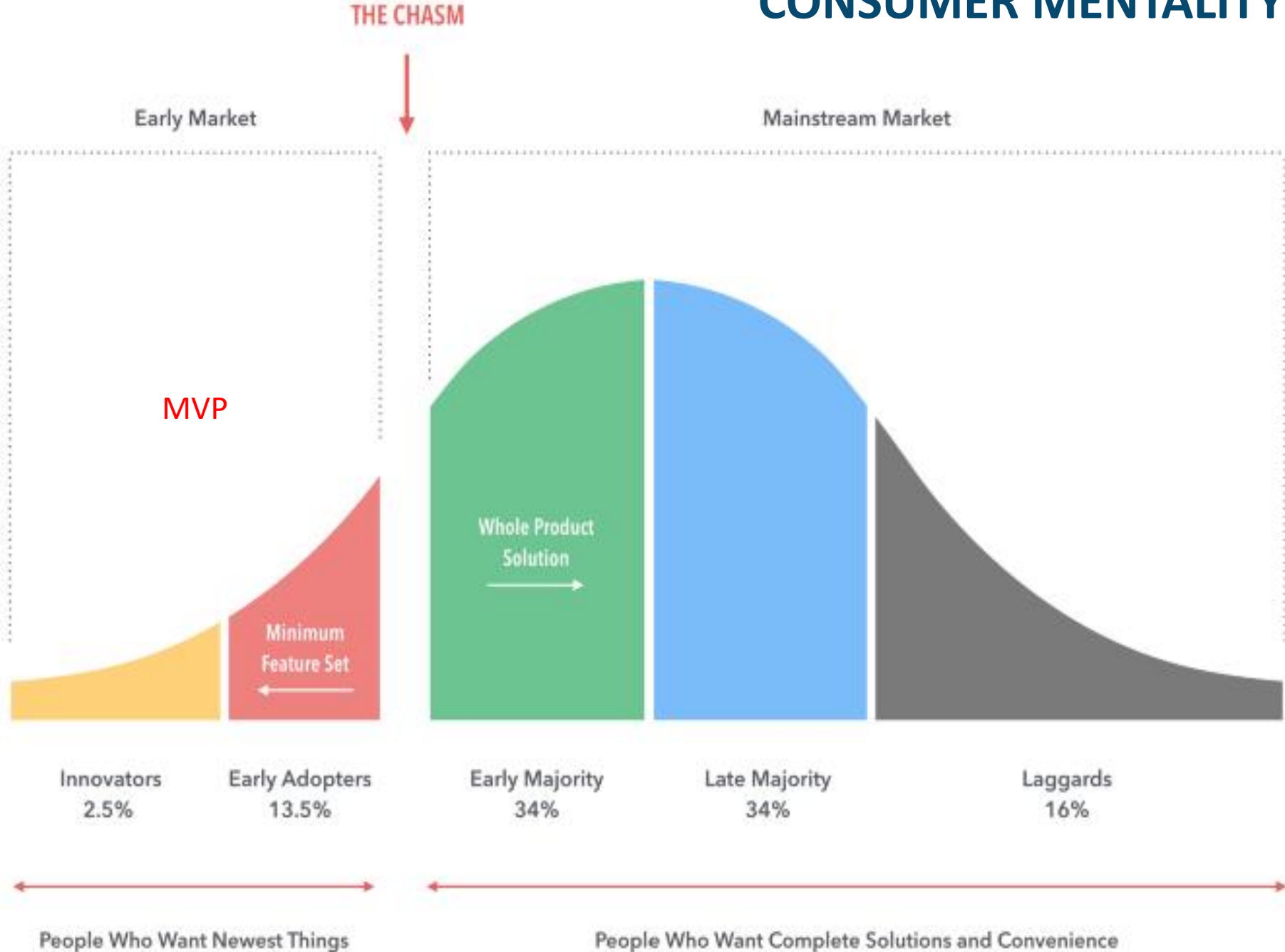
Research Tools/Considerations:

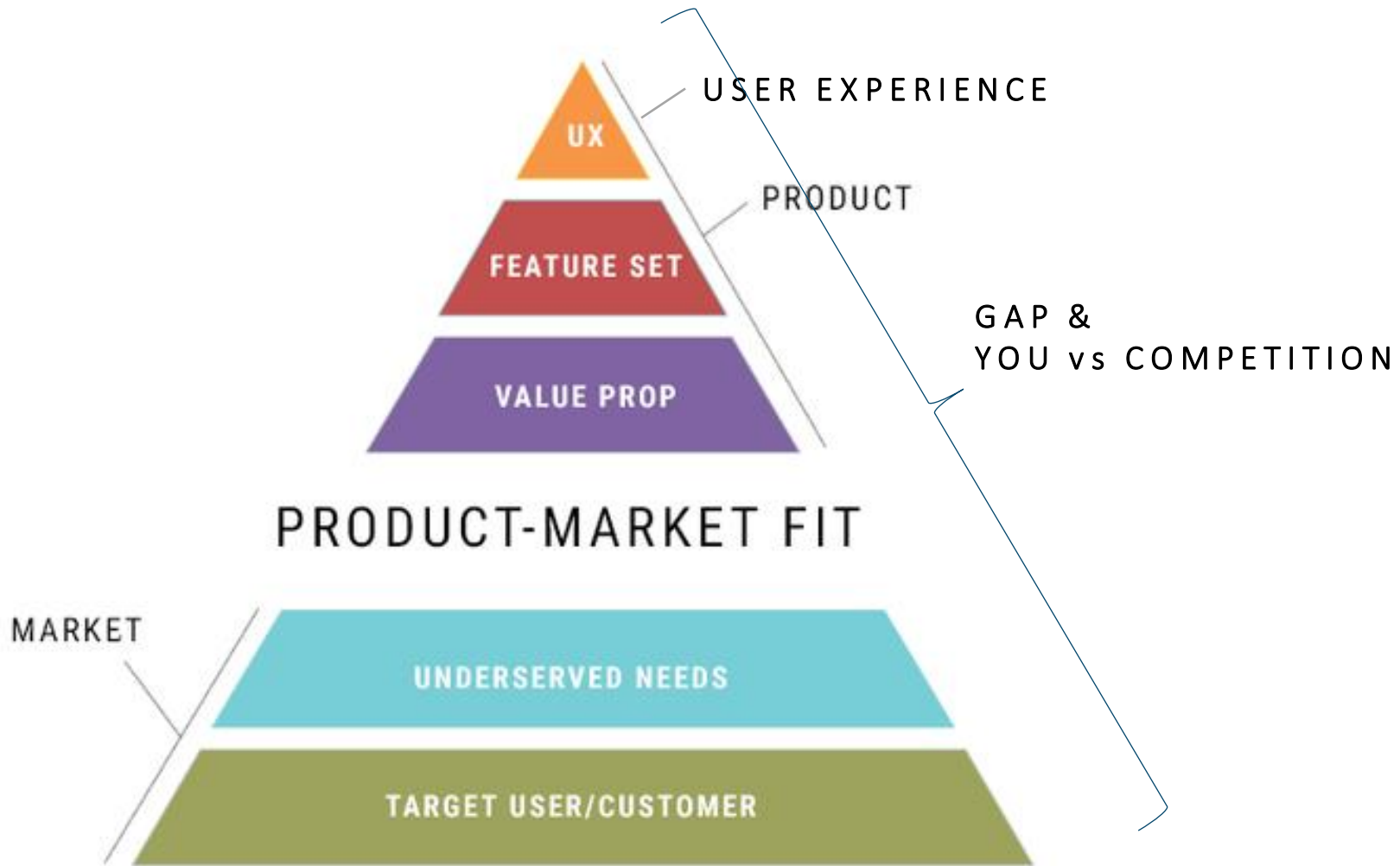
- **Market Finder** - studying marketing statistics sliced by countries, languages, devices, audience, etc;
- **Trends** - to analyze trends on the market and measure demand & interest;
- **Adwords** - to research key phrase popularity;
- **Search** - to check keyword relevancy;
- **Semrush, Similarweb** - to analyze competitors
- **Great Article on tools** - <https://www.qualtrics.com/blog/10-market-research-tools-you-should-be-using/>

LEAN METHOD – VALIDATED LEARNING LOOP FOR MVP

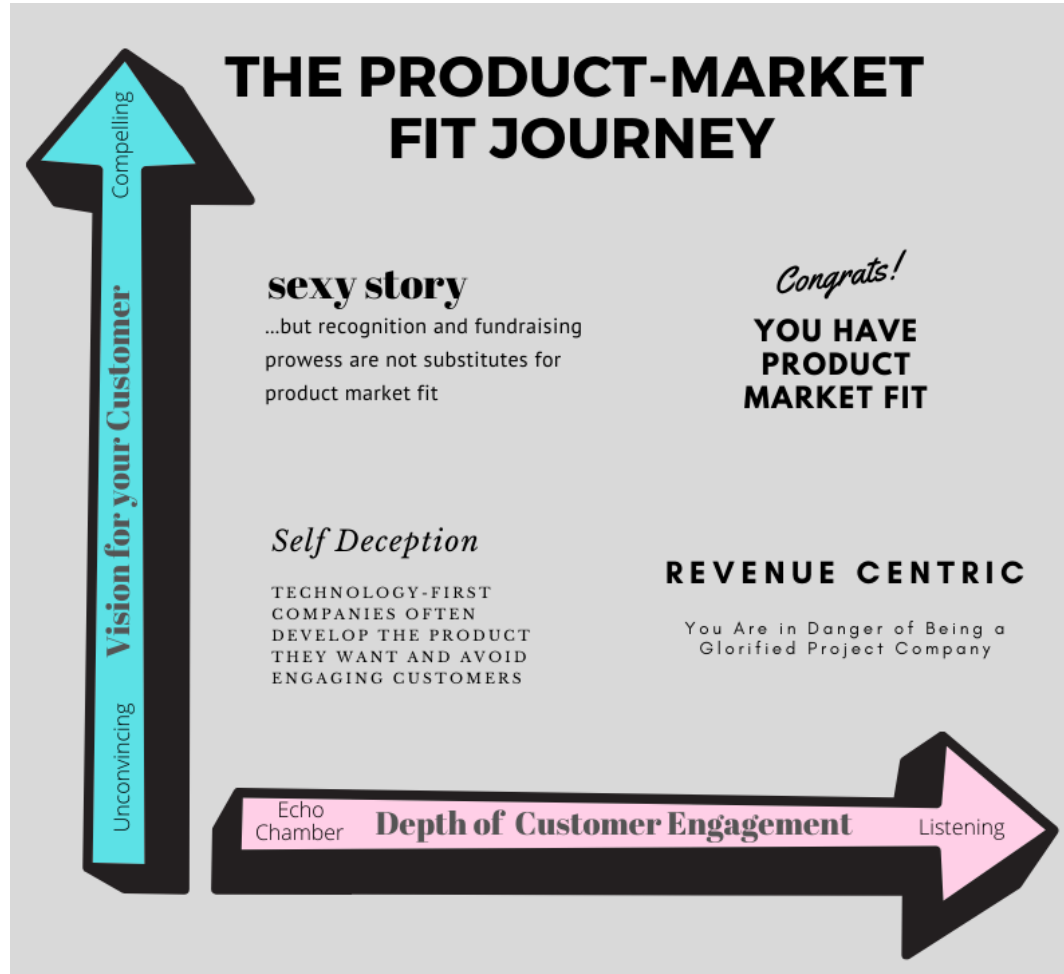


CONSUMER MENTALITY





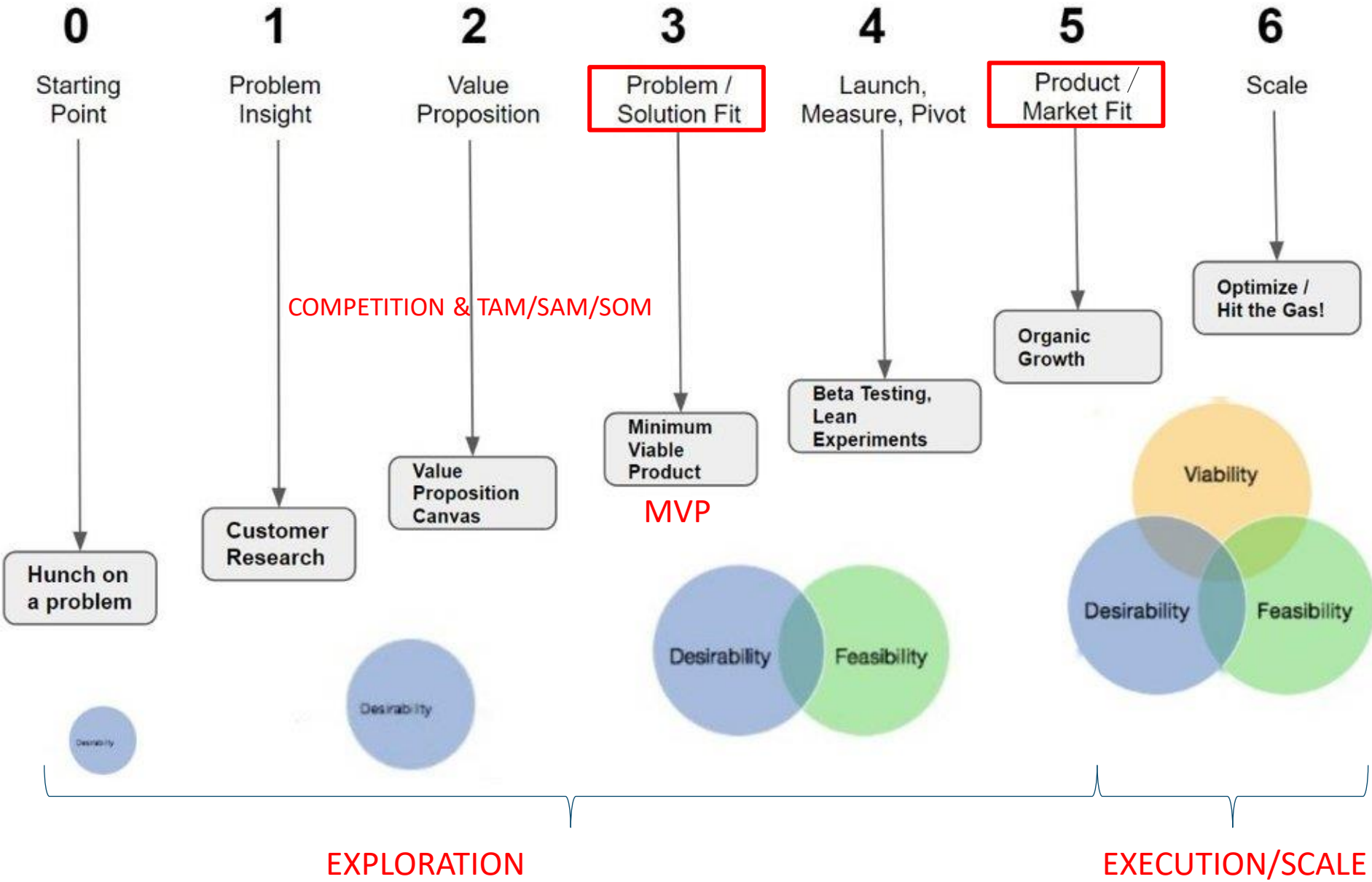
Avoid the Echo Chamber Trap



Some startups engage with themselves and perhaps fellow startups, overconfident in their understanding of the target customer.

If they *are* engaged with customers, they are likely preaching to the choir or else speaking to the wrong ones, those too weak and compliant to have or express their own coherent views.

RECAP OF PROCESS – EXPLORATION TO EXECUTION/SCALE



Business Model Canvas vs Business Plan

The 9 building blocks of your business. Each component of the business model contains a series of hypotheses to test along the way. Once you've tested, done MVP & are sure you have a Product/Market fit, then move on to full Business Plan.

<p>KEY PARTNERS</p> <p>Who are our key partners? Who are our key suppliers? Which key resources are we acquiring from our partners? Which key activities do partners perform?</p>	<p>KEY ACTIVITIES</p> <p>What key activities do our value propositions require? Our distribution channels? Customer relationships? Revenue streams?</p>	<p>VALUE PROPOSITIONS</p> <p>What value do we deliver to the customer? Which one of our customers' problems are we helping to solve? What bundles of products and services are we offering to each segment? Which customer needs are we satisfying? What is the minimum viable product?</p>	<p>CUSTOMER RELATIONSHIPS</p> <p>How do we get, keep, and grow customers? Which customer relationships have we established? How are they integrated with the rest of our business model? How costly are they?</p>	<p>CUSTOMER SEGMENTS</p> <p>For whom are we creating value? Who are our most important customers? What are the customer archetypes?</p>
<p>COST STRUCTURE</p> <p>What are the most important costs inherent to our business model? Which key resources are most expensive? Which key activities are most expensive?</p>	<p>KEY RESOURCES</p> <p>What key resources do our value propositions require? Our distribution channels? Customer relationships? Revenue streams?</p>		<p>CHANNELS</p> <p>Through which channels do our customer segments want to be reached? How do other companies reach them now? Which ones work best? Which ones are most cost-efficient? How are we integrating them with customer routines?</p>	
<p>COST STRUCTURE</p> <p>What are the most important costs inherent to our business model? Which key resources are most expensive? Which key activities are most expensive?</p>		<p>REVENUE STREAMS</p> <p>For what value are our customers really willing to pay? For what do they currently pay? What is the revenue model? What are the pricing tactics?</p>		

Overview of Le Grand Courtagé Market Analysis & Summary of Opportunity

*Created in the early days of business.
Provided to give an example of how we
looked at the Marketplace and Competition.*

IMPORTS

35% Ttl US Wine Sales, could reach 50% by 2025
+6% growth in French Sparkling Sales

PREMIUM WINES

+11.6% Growth in >\$15

187ML

+2.3% growth
Very few wineries produce small formats
Even fewer produce Rosé minis
Rise in 'Grab n Go' purchases

COCKTAILS

LGC's lighter profile & price point capitalize on growth trend

LE GRAND COURTÂGE



SPARKLING ROSÉ

+16% growth

LOW CALORIE

+40.3% increase
LGC has approx 100 calories/glass

SPARKLING WINE

+8% \$ growth in 2017
\$15-20 fueling category
25% of US Consumers now order Sparkling 1+x/month

MILLENNIALS

24% of Import Sales
21% of Sparkling Consumers

LGC IS AT THE INTERSECTION OF TRANSFORMATIONAL TRENDS

Le Grand Courtâge is a differentiated sparkling wine in an attractive, growing category.

With the domestic and global growth interest in wine, and sparkling wine quickly growing, there is a large and growing market opportunity.



Domestic U.S. Wine Market	
Immense Market Size	\$40B Annually
Wine Consumers	100M (largest globally)
Wine Consumption	380M Cases Annually. At appr 13L/capita (vs. 45-50L/capita in parts of Europe)
Per Capita Consumption	+34% Growth last 10 Yrs.
Global Wine Market	
Consumption	3B Cases Annually
CAGR	+1.3% Annually last 5 Yrs.
Market Share Growth Projections in next 3 Yrs.	4x in China and India, and 2x in Britain and the U.S.

SPARKLING WINE MARKET

**TAM = 240M+ Case/Yr
Globally**

**LGC's SAM: 0.2-0.4%
of TAM
= 500K-1M Cases/Yr**

LGC's SOM:

**10% of SAM = 0.5%
= 100K Cases/Yr within 5 Yrs.**

We've tried to be extremely conservative in projecting what % of the market we can own.

We believe this can be a 500K-1M Cs/Yr. brand, but are only projecting 100K for investment purposes

TAM – Total Addressable Market

SAM – Served Available Market

SOM – Serviceable & Obtainable Market

Sparkling wine case sales grew 5x faster than still wine, with Rosé and LGC's price category helping drive that growth.

Segment	\$ Value % Change	Volume % Change	Average Price
Ttl Sparkling	+7.0	+4.9	\$11.39
<\$9.99	+3.1	+0.8	\$6.78
\$10-\$14.99	+11.3	+9.3	\$11.72
\$15-\$19.99	+9.9	+7.3	\$16.82
\$20-\$24.99	+2.2	-0.3	\$22.34
\$25-\$59.99	+6.0	+5.2	\$42.68
\$60+	+3.3	+8.2	\$100.62

CATEGORY GROWTH		
	\$ Value % Change	Avg Price
Champagne	+3.2%	\$50.14
Rosé	+8.0%	\$17.88

MARKET DRIVERS

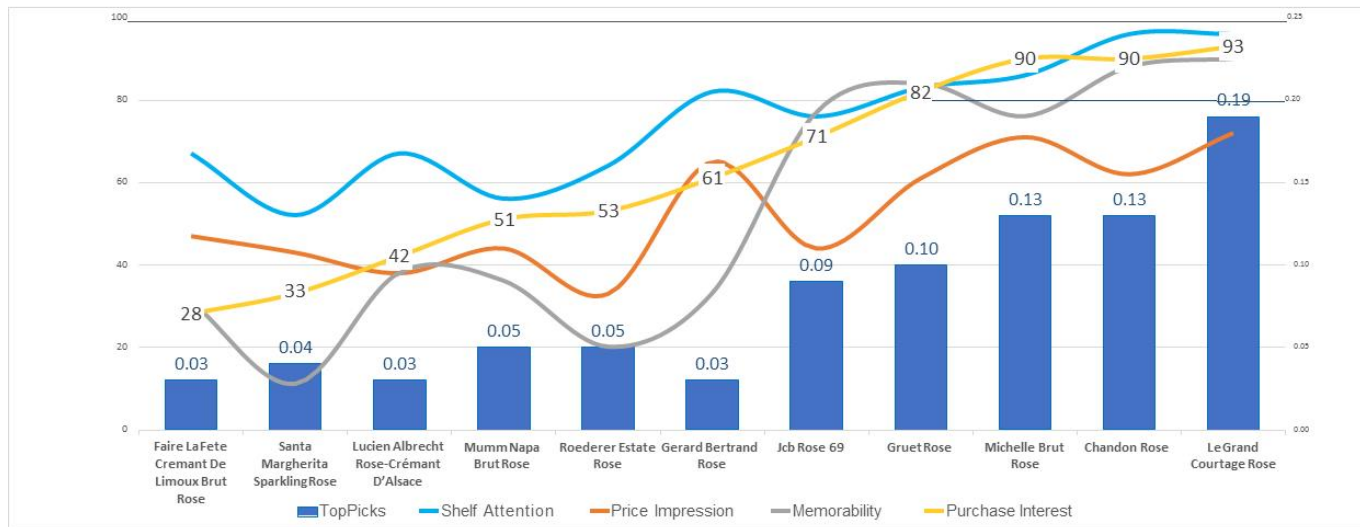
- LGC's core competition is domestic sparklers and Prosecco. LGC is not as light and sweet as a prosecco but it is not as dry and yeasty as a champagne.
- Prosecco helped grow category due to its price point and lighter flavor profile, but French bubbly benefits from the champagne halo effect.
- There is vast price segmentation in the sparkling market (under \$10 or over \$30+). Greatest growth in mid-range, but few French offerings in this \$12-20 range.
- Rising global demand for 'champagne' combined with the limited size of the Champagne region is increasing prices.
- *No brand in the non-champagne French market has gained mass (national) market appeal and consumer name recognition, presenting a significant opportunity.*

Region	Product Name	Avg Price
Italy	La Marca Prosecco	\$ 14.00
Italy	Zardetto Prosecco	\$ 12.00
CA	Sofia Blanc de Blancs	\$ 17.00
Italy	Santa Margherita Prosecco	\$ 19.00
New Mexico	Gruet Brut	\$ 17.00
France	JCB Cremant	\$ 20.00
CA	Chandon	\$ 19.00
CA	Gloria Ferrer	\$ 19.00
France	Lucien Albrecht Crémant d'Alsace	\$ 18.00
CA	Mumm Napa	\$ 20.00
CA	Schramsberg – Mirabelle	\$ 23.00
CA	Roederer Estate – CA	\$ 22.00
	Competitive Set Average	\$ 18.33
	Competitive Set Median	\$ 19.00
	Le Grand Courtâge	\$ 18



Retail Assurance Study
Sparkling Rosé

All Respondents



RESEARCH RESULTS

- Among 447 survey respondents across all US states, Le Grand Courtage Brut Rosé ranked highest in all criteria, including Shelf Attention, Price Impression & Purchase Interest. 93% Purchase Intent,
- Consumers perceived LGC Brut Rose pricing at \$26.75, over \$3 higher than closest competitor.
- LGC differentiates itself from the competition with strong visual appeal (**65%+ of U.S. purchases are based on packaging**), combined with balanced taste and an exceptional value. 187ml bottles offer a unique selling position since few exist on the market.

***Remember that
there are no
'overnight successes'***

