

This document provides answers to some frequently asked questions that LCBO Convenience Outlets (LCOs) have about new LCBO processes being introduced in spring 2024.

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General

What are we doing?

We are launching a new online ordering eCommerce site — wholesale.lcbo.com — and enhancing how orders are fulfilled and supported by the LCBO. This new site will be the only way for LCOs to order from the LCBO.

Why are we doing it?

Currently, LCOs have different experiences with the LCBO depending on their fulfillment centre. This experience varies in the way orders are placed as well as processing lead times, delivery and support.

Our process enhancements will provide more consistency and improve our customers' experience by offering easy ordering, streamlined fulfillment, and enhanced support.

What is changing? What are the benefits?

Easy ordering & real-time inventory visibility

- Order from your assigned depot via wholesale.lcbo.com
- View up-to-date inventory, including the number of products available at your designated depot.

Greater flexibility through reduced lead times

 Orders will be processed within two business days and shipped thereafter, which means that LCOs can benefit from reduced order lead times. Speak to your Client Service Coordinator for more information.

Visibility into order status and scalable delivery fees

- Notifications at each stage of the ordering/fulfillment process
- Delivery fees will be adjusted; they will now be determined by order quantity e.g. the more you order, the cheaper the freight rate.

Credits in the one platform

• Credits will be paid to your LCBO eCommerce account instead of Versapay.

A single point of contact with expanded support

- The <u>Customer Care</u> team are the first point of contact for website or order enquiries. They are available Monday to Saturday via live chat, help form or phone.
- Your Client Services Team will continue to support your fulfillment, delivery and business enquiries via lco@lcbo.com.

What isn't changing?

- The LCO catalogue will remain, and it will continue to be reviewed periodically.
- Minimum orders will remain in place.
- You will continue to receive deliveries as per your current schedule.
- The returns process will remain the same, leveraging the B2B Claims app.
- Your Client Service Team is available to support you.

What date is the site launching? When will the process changes come into effect?

We will be launching the site and related process changes in spring 2024. We will keep you informed as we approach the launch.

Product catalogue and ordering

Can I increase my orders from once a week to several times a week?

No, we are only able to deliver once a week. Also, ordering a higher quantity less frequently will result in a more competitive freight rate. Speak to your Client Service Coordinator for more information.

Can I order less frequently when the store is not as busy?

Yes, you can reduce the number of orders as required. In fact, by ordering higher quantities, less frequently, you can save on overall delivery fees.

Will we be able to see the available stock before we process the order?

Yes, you will be able to see how much product is available before ordering. It is one of the many benefits of the new eCommerce site.

Will this platform help with 'out of stock' item issues?

You will now have visibility of out-of-stock items prior to ordering.

Will we have an expanded product selection when we order online?

The product catalogue is not changing, and you will have the same product selection as you do today. Any future updates to the catalogue will be communicated by your Client Service Coordinator.

Will the ordering platform provide rankings and information to boost your sales during peak sales periods?

At this time, the platform will not rank products based on sales. Your Client Service Coordinator can help you secure the right product selection for your business.

Currently we can order 15 cases of products not listed in the catalogue, will this continue?

We will continue to accommodate demands for special orders.

Why can't I order less than the 30-case minimum?

Ordering 30 or more cases provides operational efficiencies for the LCBO. It also benefits LCOs, since you can benefit from cheaper freight rates by ordering higher quantities, less frequently.

How can I check the status of my order?

You will receive notifications at each stage of the buying journey – from order confirmation through to when your order is ready to be shipped. You will also be able to check your order status via wholesale.lcbo.com.

Processing and delivery

What does two-day processing time actually mean?

Once an order is received, the depots will take up to two business days to process your order and it will be shipped thereafter. This will reduce order lead times for many LCO customers.

The time it takes to ship from the depot to your business will not change.

Contact your Client Service Coordinator for further details about what this will mean for your delivery.

What happens if one of the processing days is a statutory holiday?

It may take longer to receive your order, so we encourage you to plan accordingly.

Why are we increasing delivery fees?

LCBO works with third-party distribution partners to provide delivery services for LCOs. Today, LCOs are charged a flat rate delivery fee (regardless of order size); this has not been updated in four years, and market rates have since evolved.

When we launch the new eCommerce site, the delivery fee will be based on order quantity. You can benefit from lower delivery fees by ordering a higher quantity, less frequently.

What are my new delivery fees?

Your delivery fees will be automatically calculated as part of the checkout process. You will receive a letter containing your updated delivery fees.

Will we continue to prepay for our deliveries before receiving our shipments?

Yes, you will now pay via wholesale.lcbo.com and then your order will be processed and delivered.

Will the increase in delivery fees mean margins on the products will be increased?

There is no change to LCO discount rates. LCOs can actually benefit from cheaper freight rates by ordering higher quantities, less frequently.

Will I be notified when a delivery is taking place?

You will now receive notifications at each stage of the ordering process, including order confirmation, when your order is ready to be shipped. Your shipping times will not change.

Will my delivery date remain the same?

You will be notified if your set delivery dates are changing.

Can I change my delivery day?

Scheduled delivery days ensure the optimal efficiency of delivery routes. Requests can be made through your Client Services Coordinator.

Will there be any changes to the third-party delivery companies?

No.

Payment and claims

Claims will be processed faster?

Yes, claims will be processed faster due to enhanced processes.

I have company credit; how do I use it?

You can use company credit during the checkout process in wholesale.lcbo.com on your next purchase.

What measures has LCBO taken to ensure my personal and payment information is secure when I shop online?

Protecting the personal information of our customers is a top priority for the LCBO. All licensees will pay via wholesale. Icbo.com, but through the same payment system as today: Versapay, which is a third-party application for billing and payments.

Support and information

How do I work with my client service representative going forward?

Your Client Service Coordinator will continue to support your fulfillment, delivery and business enquiries via lco@lcbo.com.

How do we find out who our Client Service Coordinator is?

Please reach out to lco@lcbo.com.

Does lco@lcbo.com replace the convenience outlets email?

Yes. While both inboxes remain active for the time being, we encourage you to use Ico@Icbo.com going forward.

Why is Customer Care the initial contact for transaction-related enquiries?

Our Customer Care team assists retail customers with transactions on lcbo.com every day. They will now bring this expertise to LCOs. A benefit of Customer Care support is that that they have extended hours — they are available between 8.30am to 6pm on Monday to Friday and between 9am to 6pm on Saturday. They can be reached via live chat, phone or email.

When will I learn more about how to use the eCommerce site?

We want to make sure that you have all of the information you need to transition to the new site. In late January - early February, you can expect to receive an invite to a website demonstration.

Where can I go for more information?

Information about these changes will be posted to doingbusinesswithLCBO.com/LCO.

If you have questions that have not been answered, please use the <u>following form</u> and we will update our FAQ on this site or reach out to you individually as required.