

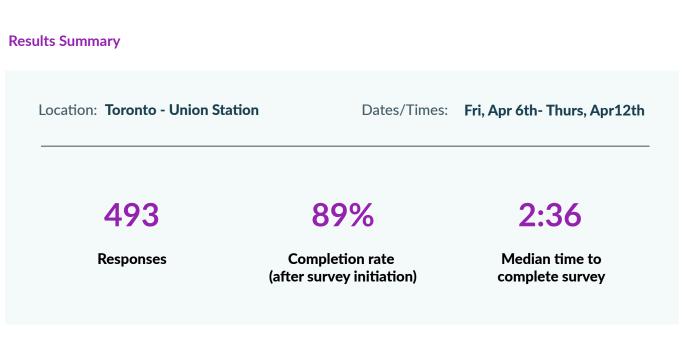
CHATTER RESEARCH: SAMPLING FEEDBACK AS A PRODUCT DEVELOPMENT TOOL

Chatter Research at the Pure Leaf Tea Pop-Up in Toronto

Experiential marketing, from small in-store sampling promotions to big pop-up events, is a popular way to test out customers' reaction to new products. For food brands, understanding what a customer thinks about a new product is critical to increasing sales upon launch. But how do you know if your event is having the desired effect? Are your efforts really working towards key strategic objectives?

In April 2018, Chatter Research partnered with Samsung and Unilever for a sampling campaign at Union Station in Toronto, Canada. Union Station, Canada's busiest transport facility, is where thousands of commuters are either rushing to arrive at work or home within a timely manner. The challenge facing Pure Leaf and Chatter was to engage as many people as possible with the few moments they had. Using Chatter Research's AI, text-to-reply customer intelligence technology, 493 samplers answered a total of 10 questions about their experience at the pop-up event within 5 days.

At the Pure Leaf Tea pop-up event, our customer feedback collection resulted in insights which can be applied to similar pop-up events and future in-store product testing.



Within the duration of the sampling event, Chatter Research was able to collect feedback from a total of 10% of all people who engaged with the pop-up space.

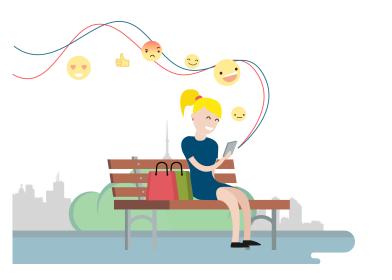


How to Gather In-Depth, Specific Feedback From Sampling Events

Chatter Research uses a sophisticated and humanized AI to increase survey response rates, automate business communications, and draw immediate insights. Currently servicing over 1600 locations, Chatter Research enhances the customer feedback experience by making surveys as engaging and conversational as possible for the end consumer. In doing so, Chatter is able to effectively gather rich qualitative and quantitative data for key stakeholders in the company to utilize when making decisions regarding sales, retention, and loyalty.

Chatter Research's AI-powered algorithm scans text message responses from customers to help merchants understand what is most important from a consumer perspective. It categorizes and quantifies this conversational feedback, allowing the merchant to understand the most pressing issues and improvements. Additionally, the ease and immediacy of text messaging increases the volume and accuracy of responses.

How to Enable More Detailed Feedback



- Have customers trigger surveys themselves (we use a QR code) so they are prepared for the questions
- Deploy surveys right away
- Use conversational format (think "focus group at scale")
- Use a non-intrusive, familiar medium like text messaging
- Harness conversational AI technology to ask the right questions and dig into customer insights

SMS (text messaging) is particularly effective in understanding how customers are truly feeling. After giving someone free products during sampling events, customers will often respond with, "thank you" and say they enjoyed the sample. But how do you know if they are just being polite? Do they like it enough to buy it? By sending surveys to samplers through their phones, we offered a private, immediate, and more convenient method for people to provide their feedback. This gave us true insight into their tea preferences.

Best practices for successful pop-up sampling events, according to Chatter's data

The feedback we gathered from the Pure Leaf Tea Pop-Up led to the following advice for those launching future sampling events:

• If possible, give customers the option to directly purchase the product being sampled.

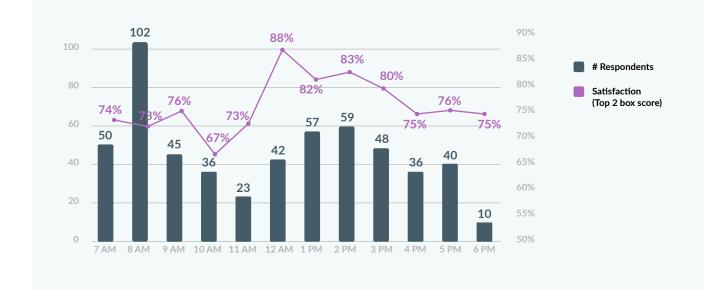


- Make the sample portable so the line can keep moving and people can go about their day (in this case, customers suggested closed cups).
- Take steps to keep food/beverages at the right temperature.
- Be sure to stock extra product so customers still have options at the end of the day.
- Allow samplers to try multiple samples, if there is more than one product available.

Does traffic impact satisfaction during sampling events?

The most common hypothesis in regards to foot traffic is that busier spaces and longer lines yield decreased satisfaction. Chatter Research's data found that this was not the case – in fact, the opposite may be true. Overall, there seems to be little correlation between satisfaction rates and traffic based on the Pure Leaf Tea data.

Satisfaction did fluctuate based on time of day, but comparative data from other pop-ups are needed to understand whether this is a customer insight or a result of the service given on particular days.



Results by Time of day

Using customer feedback to help suppliers predict demand

Pure Leaf Tea offered a variety of products during their pop-up event. Along with helping them to understand the effectiveness of their experiential marketing, customer feedback also helped to measure the customer response to different flavours and predict which would be in higher demand on the shelves. To provide valuable product-specific insights, Chatter Research asked samples to share the flavours they

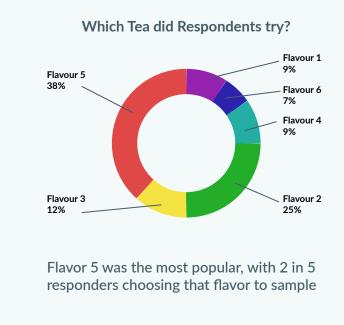


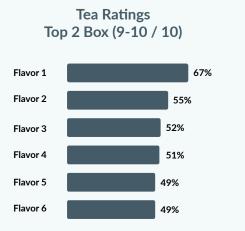
tried and how much they liked them. This led to interesting product-specific insights, including:

• The flavour which had the highest number of high ratings (9/10 out of 10) was only selected by 9% of people. Although the flavour may not be the most popular upon launch, this data alerted Unilever to the fact that it may have more return buyers over time.

• Two of the six flavours made up 63% of all samples. Assuming availability of all products was the same, this demonstrates that Unilever can expect high demand for those two products.

Results by Product Sampled





Flavor 1 had the highest rating of the teas, with more than 2/3 of respondents that sampled it rating it a 9 or 10 (out of 10)

What is the impact of pop-up sampling events?

Brands like Pure Leaf often run several campaigns and sampling events simultaneously, which can make it difficult to measure the effectiveness of their efforts. Customer feedback offers insight into how customers' impressions and understanding of the brand shift following this interaction.

In this case, over 9 in 10 respondents reported they were more likely to buy the product after taking a sample. Many added that they wished there were additional ways to purchase the product at the pop up event, helping Unilever and Samsung identify a possibly untapped revenue stream.

Should other food and beverage brands like Pure Leaf do more pop-up sampling events?

The information we gathered from the Pure Leaf experiential marketing campaign showed a very positive impact from customer samples and interactions. Like any marketing campaign, it should be measured based on ROI indicators and customer behaviour following the interaction. However, the immedi-



customer feedback suggests an extremely positive brand experience in this case.

Chatter Research's feedback gave Pure Leaf Tea more information than "good or bad." It offered sophisticated data about their brand impression as well as the effectiveness of different variables: specific brand ambassadors, time of day, day of the week, number of products sampled, and types of products sampled. The information gathered can be used to optimize future campaigns as well as measure the effectiveness of this pop-up event.

For Pure Leaf Tea, customer feedback turned a marketing tactic into a virtual focus group. Storefronts which run these surveys consistently can gain valuable, ongoing insights into their products, tactics, and customer service to make meaningful changes. The ability to filter customer intelligence data by date, time, region, and other factors allows management to clearly understand the effectiveness of short-term promotions, staffing choices, and more. Whether it is a short-term event or a long-term business, AI-powered customer feedback is certainly the wave of the future.

For more information on Chatter Research's AI-powered customer feedback technology, visit www.chatterresearch.com.