

# OUR APPROACH TO MEASURING CUSTOMER SATISFACTION

Our goal at Coca-Cola Europacific Partners (CCEP)<sup>1</sup> is to create value for all our customers through the strength of our portfolio, our great drinks and the quality of the service we provide. Our operating model is customer centric and focused on delivering the best service to our customers.

As the world's largest independent Coca-Cola bottler we work with a huge range of customers – from the smallest local convenience stores and cafés, to the largest supermarkets and venues – from

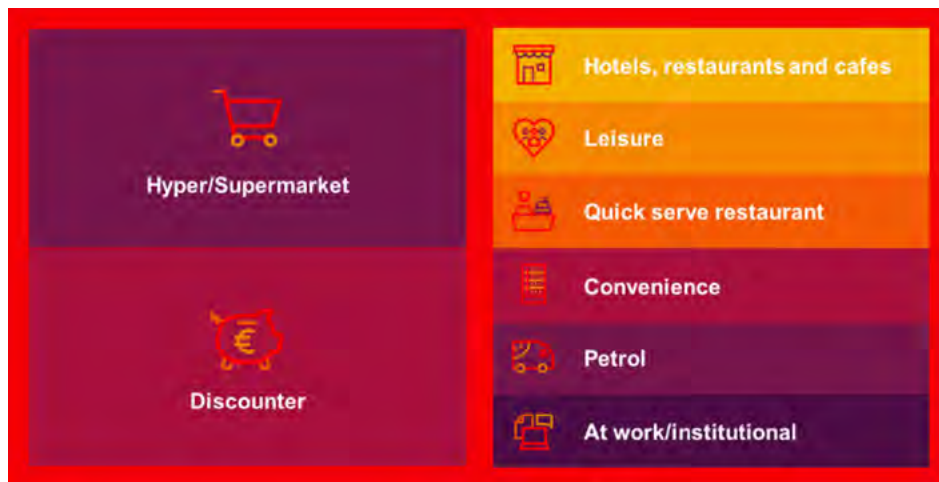
national to regional accounts as well as independent outlets, to get our great products to our consumers.

As markets come out of COVID-19 and the away from home (AFH) channels have started to reopen, CCEP has been focusing on supporting customers throughout this transition period with field support coupled with strong activation in outlets to help drive footfall into customer outlets.

With such a wide array of customers from retail to AFH, it is vital we take a bespoke, channel-specific approach to serving our customers. To enable this approach, we think about our customers in the following clusters:

Each of these different clusters requires a different approach to enable our customers to grow. Our customer partnership model, with this segmented approach, allows us to access powerful insights from customer data which support tailored execution plans. Customer data analytics allow us to understand the challenges and opportunities that our customers are encountering. We can easily identify development areas which will help us to better serve our customers, partner and capture growth opportunities.

As a result, we also use several different measures to understand the quality of the service we provide and how satisfied our customers are.



## CUSTOMER ENGAGEMENT

Customers are at the heart of our business, and we work closely with them on many different levels. Our frontline field sales teams visit customers every day to support them with in-store execution, while country General Managers regularly engage with customers on product strategy and planning, along with senior members of the sales teams.

1. In May 2021, Coca-Cola European Partners completed the acquisition of Coca-Cola Amatil, becoming Coca-Cola Europacific Partners (CCEP). We are working to update our sustainability action plan targets to cover our combined business, including Australia, the Pacific and Indonesia (API), by the end of 2022.

# MEASURING CUSTOMER SATISFACTION

## Our retail customers

Our retail customers include the shops, stores and businesses that sell our drinks to consumers for consumption later at home. They represent a huge part of our business, and we measure their satisfaction through the Advantage Group Survey.

The survey covers 90% of our retail customers<sup>2</sup> and asks them to rank CCEP's performance across a variety of critical partnership areas including strategy, operations, customer service, marketing, innovation, people and sustainability.

We measure ourselves against our ambition to be our customers' number one supplier within the beverage industry and fast-moving consumer goods (FMCG). The survey covers eight of our nine markets in Europe (GB, France, Belux, Netherlands, Germany, Sweden, Portugal and Spain).

Due to the impact of COVID, customer requirements for support increased with two markets (France and Germany) being more challenging. In 2020, CCEP continued to offer the support to customers and listen to their needs.

In 2021, the CCEP cross-market score rebounded back to 2019 levels; securing #1 positions within FMCG across GB, Netherlands and Sweden:

Satisfaction KPI	2019	2020	2021
Average Customer Ranking number (from 1 to 15)* on FMCG	5.8	6.5	5.6

\* Average score from our EU markets where we measure overall customer satisfaction (1=best score).

2. ~20% in Germany.

3. NielsenIQ FY21 data for GB, France, Germany, Belux, the Netherlands, Sweden, Norway, Spain, Portugal, New Zealand and Indonesia. IRI FY21 data for Australia.

4. This data covers CCEP's European markets only; Source: NielsenIQ GTC FY21 data for GB, France, Germany, Belux, the Netherlands, Sweden, Norway, Spain and Portugal.

## Our 'Away from Home' customers

The AFH channel refers to those customers where consumers purchase our drinks to enjoy at a venue or away from home. It includes bars, restaurants and cafes as well as workplaces and other institutions, like schools and colleges.

To measure the satisfaction of our AFH customers, we regularly engage with them to gather feedback.

In 2019, we launched a satisfaction survey among our AFH customers in Europe that we cover with our field sales teams. The survey aims to capture their expectations and feedback regarding our commercial approach. The insights we gather help us to identify opportunities and enable us to take the appropriate actions to enhance customer satisfaction.

This survey helps us to:

- understand what determines a healthy customer relationship in the AFH channel, what drives superior customer experience and the weight of the different factors that influence it
- measure the health of CCEP's relationships with its AFH customers and the position against key competitors in each market
- identify the critical moments in the Customer-Supplier relationship and the optimal contact channels
- define clear action points to achieve a 'simply brilliant' customer experience that drives Relationship Health

Due to COVID-19 restrictions we were unable to complete a customer satisfaction survey across the AFH channel in 2020. Hence the results cover only 2019 and 2021. In 2021, we extended the scope of the survey to include all Spirits, Coffee and Beer suppliers, including small local businesses.

In addition to the AFH customer satisfaction survey, we also created a bespoke survey for users of our European AFH online customer portal to evaluate their satisfaction and to understand how they want to interact with CCEP using our existing contact channels and the future functionalities, services and solutions we could offer as part of our technology development roadmap.

The portal allows customers to easily and quickly order our products, manage invoices and contact us. The survey in 2021 covered over 9,800 direct and indirect customers.

Of these customers, 80% indicated that they were satisfied with their experience of using the portal, and over 71% said it made it easier to do business with us.

# MEASURING VALUE CREATION

## Measuring value creation for our customers

Creating value for our customers is a core part of our business and one of our primary objectives. We work with NielsenIQ and IRI<sup>3</sup> – retail and consumer data and insight providers – to measure how much value we create for our customers, and how our individual brands support this value creation.

In 2021, across all our territories in Europe and Australia, the Pacific and Indonesia (API), we created **€14.4bn** in value across our non-alcoholic ready to drink (NARTD) categories for our customers in the Home Channel, a year on year increase of **€733m**.

In Europe, CCEP has four brands appearing in the top 10 NARTD brands ranked on absolute value growth with Monster being #2, Coca-Cola Zero #3, then Coca-Cola Original Taste and Fanta.<sup>4</sup>

## Measuring how many customers we visit each day

Much of our ability to create value for our customers depends on the quality of the service we provide and how we execute in the market. Our focus in delivering this is to ensure our frontline sales teams are visiting and engaging with customer regularly – which we measure by tracking the number of customer visits we complete each day.

In Europe, we have about 1,500 sales representatives in the AFH channel who conduct 12-13 visits per day. This means that we visit more than 18,000 accounts daily and have more than 390,000 interactions with our customers on a monthly basis.

In addition to our Field Sales teams, we also interact with our AFH customers via our call agents and digital teams, as part of our Omni-Contact (Face, Voice and Digital) strategy.

Within the Home channel, we have about 900 sales representatives covering 55% of the retail outlets, with an average of 6.5 visits per day.