

Presentation for South of Temperance

Date of presentation



BUSINESS MODEL

New store opening plan



Points of discussion

New store opening plan

1. The **types of roles** we propose to set up in each retail store based on the store sales volume.
2. The **number of managerial employees** we propose to have.
3. The **types and number of non-managerial employees** we propose to have.

Store opening plan: pre 60-day launch

Before the launch of the retail store, there are 4 main operational steps that need to be completed:

STEP 1



**Senior Retail
Operations Manager**

The **Senior Retail Operations Manager** and **HR department** prepares a detailed 60-day plan for recruitment, training, and store set-up.

STEP 2

60 - 40 days pre-launch



**Local Recruitment
Manager**

The **Local Recruitment Team** will scout, hire and interview local candidates for roles of Store Manager, Assistant Manager, Floor Manager (Key Holder), Curators.

STEP 3

30 - 10 days pre-launch



**District Manager
+
Store Manager**

Each **District Manager** and **Store Manager** will job-shadow an existing Store Manager in the same market.

The training of the first **District Manager** and **Store Manager** will be provided by:

- A 3rd party **consultancy** that already operates a cannabis retail store in Canada.
- South Of Temperance **marketing** and **HR** department.

STEP 4

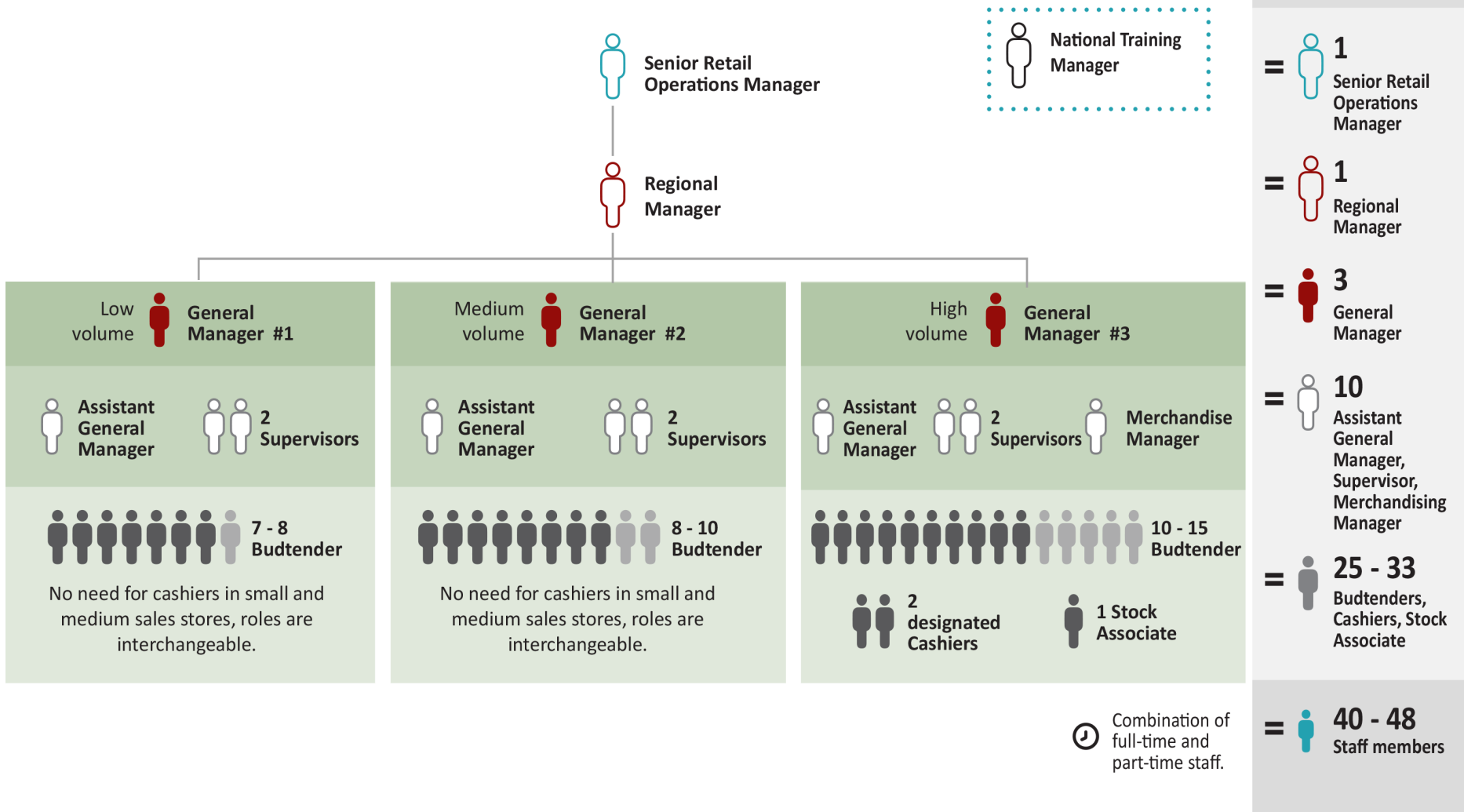
30 - 0 days pre-launch



**Training
Manager**

Pre-launch, the **Training Manager** implements the training and compliance framework for each store position listed in step 2.

Organizational chart



Curator's persona characteristics

EXPRESSION

Do they have a unique style?
Are they well groomed and put together?
Do they have any style inspirations?
What brands do they love?

PASSION

Do they have a passion for the cannabis culture?
Do they have any hobbies they are passionate about?
Do they volunteer or work with any causes/charities?
Are they driven and motivated?

PERSONALITY

Are they persuasive but also empathetic?
Are they confident and charismatic?
Are they outgoing?
Do they like to help other people?

SMARTS

Are they uber-organized?
Do they love numbers and problem solving?
Do they have street smarts?
Do they like to read?

Customer experience



Customer journey overview

A customer's experience starts **just before they enter** the store and ends when our customers **get to their destination and enjoys their purchase**.

At each touchpoint with you, **ensure their experience is curated to their needs**, to create **lasting and memorable moments**.

By following the 8 steps on the next slide, you will create repeat-clientele while maximizing sales.

Detail of the customer journey

AGE GATED AREA / SECURITY
Create a great impression of our store, brand, culture. Be proud!
Set the tone for the experience.



1. GREET (Host)

Greet customers with a **warm and authentic welcome within the first 3 seconds** of entering.



2. VALIDATE (Host)

All customers must provide a valid provincial photo ID (even if this is a repeat customer and is well known). **Greet them by name.**

5. THE ART OF EXHIBIT (Curator)

- **Walk your customer around the store.** This is your chance to really engage and provide outstanding customer service while taking them on their experience.
- Provide product knowledge to highlight features and benefits. Offer suggestions for pairing.
- Try to offer different options: the original (what the customer came in for), the core (a proven seller), the enhancement (the best version/up-sell).
- **Create that 1-on-1 authentic experience.**



8. EXCEEDING EXPECTATIONS (Cashier/Host)



- You did it! Now leave a great and lasting impression!
- Ensure their order is **accurate**.
- **Thank your customer** for joining you in the store.
- Maximize the last moment.
- Invite your customer to come back and visit, guarantee tomorrow's sale.



10. Customer AT HOME

- The experience ends when our customers get to their destination and **enjoys their purchase.**

1

2

3

4

5

6

7

8

9

10

3. GREET (Curator)



- Once the customer is past the security, the Curator **greet each customer for the second time** – this lets them know you are ready to help whenever needed.
- **Create a connection** by initiating a natural conversation. This does not have to be about the store.

4. ENGAGE (Curator)



- Confidently approach and **exchange names**. This promotes a customized retail experience.
- Learn about your customer. **Ask open-ended questions** – a “yes” or “no” question will result in a yes/no answer.
- Help by **educating them on our products**. Listen actively, watch body language, and listen for verbal cues.
- **Determine their needs**. Whether they're an experienced user or brand new, this is your time to shine with all your **charisma and knowledge**.
- Create excitement! **Share product highlights and tips.**



SELF SERVICE: If the customer is self-servicing at the kiosk, this step should be performed **once they have placed their order.**

6. ENCOURAGE (Curator)



- Overcome your customers objections, **reaffirm** their purchase.
- **Be transparent and honest** in your encouragement.

7. THE SALE (Curator)



- You've come this far, now close the sale!
- **If possible, walk the customer to the cashier** – if one is designated.
- Provide a warm **hand-off to the Cashier** by introducing them by their name.

9. FAREWELL (Host)



- After the purchase has been made, the host **thinks the customer** for visiting the store.
- This is the last interaction for every single customer and **should be memorable.**

Pillars of a positive customer experience

A customer's experience is defined by a set of interactions known as *pillars*.

Our pillars are **based on our pride** and are easy to follow and they're how we create **memorable** and **lasting experiences** for our customers.

1. REPRESENT

- Your personality, charisma, charm and wit is why you are here! Show it off and **be present with your client.**
- Create a **welcoming environment** through eye contact and body language.

2. INTERACT

- You are the face of the brand – and when you love the brand, **you are proud** and want to share our brand story.
- Be **authentic** and **transparent**, connect with your clients **honestly** and create emotional **connections that compel your clients to return.**

3. CREATE

- We've created a beautiful space and thought of every small detail. From the design of the store, to our curated selection of product, to the music we play – go ahead and **show it off.**
- Create a **positive, vibrant** and **welcoming** environment that customers can feel.

4. VALUE

- Always value the choice your customer took to visit your store.
- **Manners are always in style, so be polite, kind and helpful.**
- Value your customers time by **educating** and **serving** them in the manner they wish.

5. GO BEYOND

- Create that lasting impression with your customer and **give them an excuse to come back.**
- Go beyond to create that memorable moment and great experience, that's why we're here!

Customer service model

By offering a **wide range of services**, we guarantee and maximize present and future sales. We provide dynamic services, paired with exceptional customer service, allowing us to go above and beyond to exceed our clients needs.

SERVICE	WHAT	WHEN	HOW	WHY
Holds	Client asks for an item to be set aside for them so they can purchase later that day.	Items can be held until close of the same day .	- A client calls the store and asks for an item to be placed on hold for them. The item they request must be available and in stock. - The Curator that answers the call, will fill out a hold tag with the clients information and their employee ID. - If the client does not pick up the item by the end of that business day, the item must be taken off hold at close and accounted for in the next day's inventory.	- Holds allow our customers the confidence of knowing the product is available in our store. - Holds also allow a customer ease to get to our store when it is convenient for them.
Order pickups	Client chooses an item they would like from the serve- serve kiosks .	During store operational hours .	- Client will place an order at the self serve kiosks throughout the store. - The order will ping on the Cashiers computer, where the cashier will then proceed to package the order. - Once the order is ready, the cashier will notify the client and proceed with payment.	- Order pickups allow experienced clients who know what they want, an easy way to purchase. - Order pickups also allow for fast service during peak business hours.
Order online	Client places an order online which will then be picked up from the store .	Orders can be placed online 24/7 , however, fulfillment will take place during store operational hours .	- Curators are responsible for checking the POS system to ensure all online orders are being fulfilled. - Once an online order has been placed, the order will be picked, from the store inventory and packaged up. - An online delivery tag will be created (or generated) and placed on the package with the customers information (full name, phone number, email). - The package with the tag will then be placed in the safe storage area until the customer comes in to pick up the item. - When the customer comes in store to pickup, the cashier must validate that it is the same person that placed the order by check a valid piece of ID.	- Online orders secure a sale when a client is not able to come into the store right away to make a purchase. - The customer can secure the product they want before it sells.

Labour model

Scheduling - final schedules will be shared with all employees 1.5 weeks in advance

When an employee is hired, they will be required to fill out an availability form stating which days they are available for employment and how many hours they can work, based on their status of part time or full time.

All employee's availability forms will be inputted into a mock schedule to be used as a base schedule week over week.

Monday

- The Store Manager will be required to adjust the mock schedule to include any approved vacation requests or day off requests that were submitted 2 weeks in advance.
- The Store Manager is in charge of ensuring that there is enough coverage for all operational hours the store is open. If a request is approved, but there is not enough coverage, the Store Manager is responsible for making a contingency plan.
- The Store Manager will send the mock schedule to their District Manager for reviewal by Monday end of day.

Tuesday

- The district manager will review the store schedule to ensure the following:
 - All operational hours are covered.
 - There is at least one top performer scheduled during all peak business hours.
 - The mock scheduled is analyzed based on the daily optimization schedule report.
 - There are enough overlapping shifts to cover all lunch hours.
 - All positions are accounted for (Greeter, Curators, Managers).
 - All peak hours of business are sufficiently staffed to ensure a great customer experience and maximize sales.
 - There is enough management coverage on the floor during administration tasks (inventory counts etc.)
 - All employees have a fair number of open, close and weekend shifts.

Wednesday

- The District Manager will have a one-on-one call with the Store Manager to review the mock schedule and discuss any discrepancies'.
 - The Store Manager will make any necessary changes to the schedule.

Thursday

- The final schedule will be approved by the District Manager.
 - The final schedule will then be sent to the Store Manager to post for all employees for the following weeks shifts.

Labour model (continued)

Adjustments to live-scheduling

- The **Store Manager and District Manager will have a daily call** to discuss the days sales and trends.
 - If the store is seeing a downtrend in sales to their daily set target, the Store Manager is responsible for communicating the causes and potential solutions.
 - We **do not cut hours when sales are down**, however, there is always work that can be done to keep all employee hands busy.
 - When the store is up-trending to their daily set target, the Store Manager will assess if more hours need to be added by:
 - Calculating the percentage to which the store is up-trending.
- Example:** Daily Target is \$10,000 and 30 hours are scheduled for the day.
- By 1pm, the store is already at \$4,000 in sales. (The store is trending 40% up to their daily target).
 - Daily store hours can be increased by 50% of the sales trend.
 - Therefore, an additional 6 hours may be added, **ONLY** if needed and approved by the District Manager.
 - Extending current employees already working their shifts.
 - Adding additional coverage by calling in a new employee.

Labour model (continued)

Vacation requests:

1. All employees must notify the Store Manager of any vacation requests or day off requests a minimum of **2 weeks** in advance.
2. All requests will be on a **first come, first serve basis**.
3. Vacation requests will follow the below guidelines
 - There can **only be 1 manager on vacation** at a time.
 - Manager vacation requests will also need to be approved by the District Manager.
 - Full time Curators can overlap their vacations by 2 days maximum.
 - If there is a discrepancy where 2 full time employees would like to request the same time off (including the the 2 day maximum overlap for budtenders), it is their responsibility to **create a mock schedule** to ensure all their shifts are covered. This means reaching out to all employees to ensure no other employee is requesting time off and to see if any part time employee can work extra hours to cover shifts during their time off.

Sick days

1. If an employee is feeling ill and needs to call in sick during their regular scheduled shift, the following guidelines will apply:
 - A minimum of **8 hours' notice** is required before each missed shift.
 - The employee is also required to **try and find coverage** for their shift, by contacting other employees within their store, or district (pending the District Managers approval)
 - Should the employee be sick for a period longer than 3 consecutive days, a **doctor's note** will be required.

Industry turnover

1st month:

2nd month:

3rd month:

4th month:

Source:

Customer education and engagement



Promotional zine – *in-store*

The small runs give these publications a collectible aspect, feeling more premium in a world of online accessibility.

The Zine has been elevated – a status symbol that **shows someone's interests and tastes** while alluding to a certain **subcultural intellectualism**.

Out of store engagement

- Send out current store **music playlist**.
- Email **digital** version of **Zine**.
- **Upcoming special events**: store opening, launch party, partnerships.

In-store education

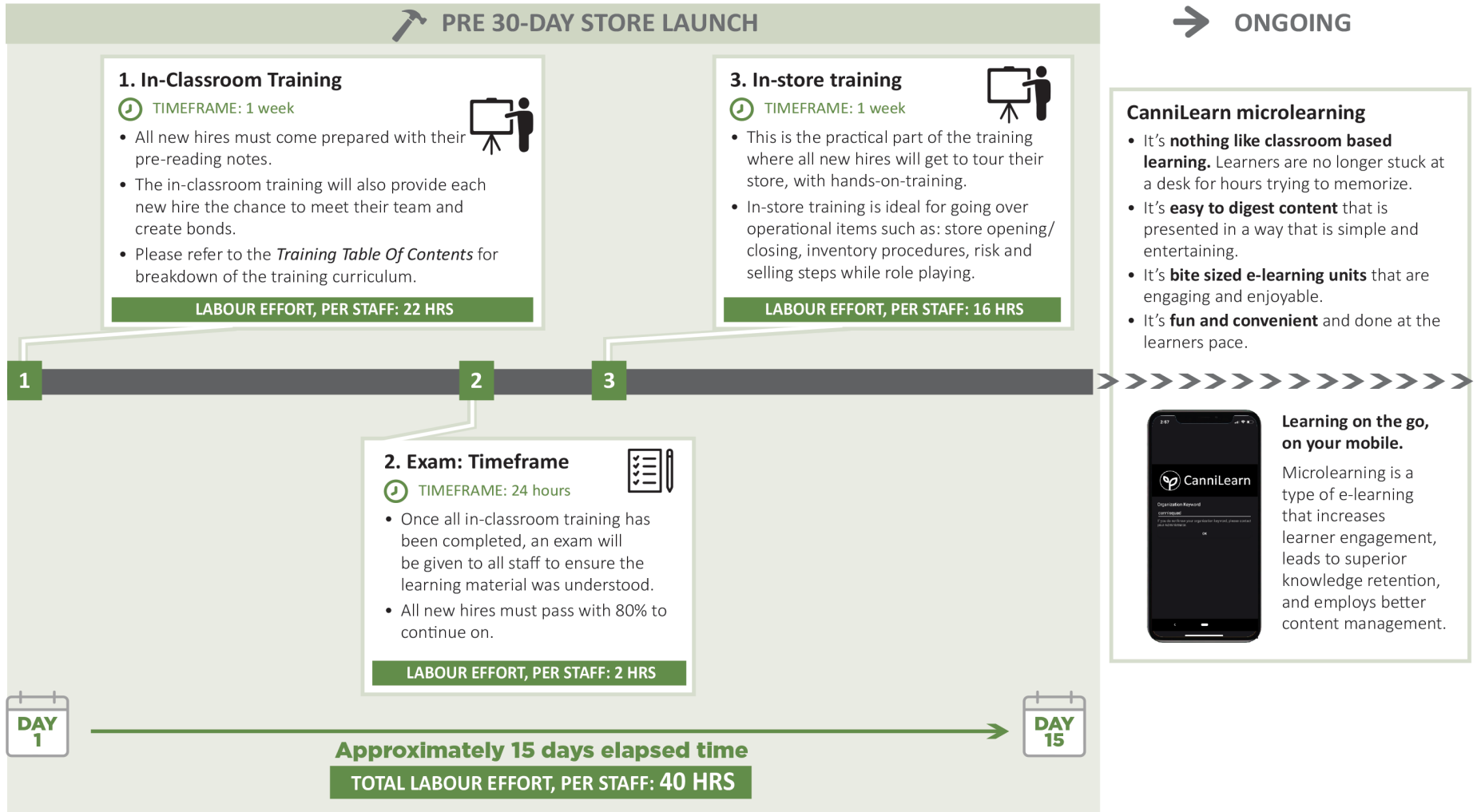
- **iPads** loaded with **product info + menu** items. Interactive and engaging.
- **Printed brochures and flyers** around the store and for take-home.
- Curators act as **living teachers** who can spark conversations, educate, and upsell.

HUMAN RESOURCES AND TRAINING

Training overview



Training journey



Training: table of contents

MODULE 1 Culture and brand

Who We Are
Our Vision
Our Mission
Our Values
Why Choose South of Temperance

MODULE 2 Health and Safety

Health and Safety Policy Occupational Health and Safety in the Workplace

- What the Law Requires
- Duties of Your Employer
- Your Responsibilities
- Your Rights
- Alcohol and Drug Policy

Workplace Violence and Harassment

- Workplace Harassment Scope
- Bill 168 – A Respectful Workplace
 - Types of Violence and Harassment
 - Prohibited Behaviors
 - Discrimination
 - Harassment
 - Workplace Sexual Harassment
 - Psychological Harassment (Bullying)
 - Not Harassment

- Impact of Violence
- Domestic Violence
- Poisoned/Hostile Environment
- Bill 132 – Prevent Sexual Violence and Harassment in the Workplace
 - What is Not Sexual Harassment
 - Types of Sexual Harassment
 - #MeToo Movement
 - Defining the Workplace
 - Roles and Responsibilities
 - Raising a Harassment Concern
 - Reporting a Concern
 - Investigation Process
 - Confidentiality

**AODA – Accessibility for
Ontarians with Disability Act**

- Why Have an Accessible Business

MODULE 3 Retail Store

Location
Hours of Operation
Point of Contacts

MODULE 4 Our Customers

Customer Journey –
Servicing Steps
Pillars of a Positive
Customer Experience

- Accessable Environment
- The Workplace
- Liability
- Definition of Disability
- Problem Accessing Service
- Serving People with Disabilities
- Support for People with Disabilities
- Personal Assistive Device

WHMIS

- Main Parts of WHMIS
- WHMIS GHS Labels
- Safety Data Sheets
- Hazards
- Your Right to Refuse Unsafe Work
- Safety Rules and Tips
- Hazard Warning Signs
- Accident Investigation Policy

Environmental Policy

MODULE 5 Cannabis Knowledge

What is cannabis?

- About Cannabis
- How Cannabis Works
- What Makes Up Cannabis

Types of Cannabis

- Indica
- Sativa
- Ruderalis

Cannabis Classification

- Dried Flower:
 - Cannabis Indica
 - Cannabis Sativa
 - Cannabis Ruderalis

- Pre-rolls
- Capsules
- Oils
- Edibles
- Topicals

Cannabis Anatomy

- Parts of the plant and their uses: Cola, Bracts, Trichomes
- Terpenes

Cannabis Guidelines

- Understanding Potency
- THC
- CBD

- Edibles
- Oils
- Topicals

The Science Behind Humans and Cannabis

- Cannabis Receptors
- How Cannabis Changes Humans
- Making the Right Choice

Effects of Cannabis

- Short-term effects
- Long-term effects

MODULE 6 ID Checks

MODULE 7 Types of IDs

MODULE 8 Proper Handling of IDs

MODULE 9 Point of Sale

Tenders
Maximum Sales
Checkout
Returns/exchanges
Merchandise “holds”
Employee Purchases

MODULE 10 Inventory

Daily inventory counts
Weekly inventory counts
Monthly full inventory counts

MODULE 11 Risk

Employee Bag Checks
Incident Log
Visitors

MODULE 12 Safety Procedures

Difficult Customers and
Situations
Refusing a Sale
External Theft
Shoplifters

MODULE 13 Opening and closing procedures

Curators
Management

Culture and mission/
vision/values will be
addressed in each
module. This will bring
each team member back
to who we are and what
makes us special.

HUMAN RESOURCES AND TRAINING

Employee development + engagement programs



Our guiding principles

Our success comes from our agents.

Our guiding principles outline how we should treat each other to create a supportive and collaborative culture of excellence.

“It’s about who you are as a person”

– these are our guiding principles.

Our guiding principles will be used for rating quarterly evaluations with a **rating system from 1 - 10**. In addition to being rated on their Sales Per Hour (SPH), staff are also rated based on our guiding principles.

Our guiding principles + SPH = outstanding performers

Our guiding principles (continued)

- 1. Value Performance:** To be the best, you need the best. We understand that acknowledging **great performance leads to a motivated strong team**. Each agent should be treated as a valued member of the team. Together we become better with higher expectations, recognizing and rewarding top performers.
- 2. Go Higher:** Success means always aiming higher, recognizing that **being successful requires continuous improvement**.
- 3. Be an Entrepreneur:** We are all entrepreneurs and **encourage innovative ways of thinking**. Do you have an idea? Share it! There is no idea that is too small.
- 4. Clients First:** Customers are the **reason** we're here and do what we do. Long term relationships are critical to our future success. Go the extra mile to make our clients happy. **Provide world-class service.**

Our guiding principles (continued)

5. Inspire to Motivate: You are a key team player. Use your **strength to inspire** others, motivate them to **strive for their personal best**. When we feel inspired any challenge is possible to break down. Everyday we create emotional connections with agents, helping them to do their best and be their best.

6. Speak Candidly: Open and honest dialogue is the key to great relationships. It fuels effective collaborations – constructive criticism provides the feedback we need to **learn from our mistakes and get better**. We think before we speak, and understand how our communication impacts others.

7. Have a Heart: Creating a kind, compassionate work environment enhances all our lives. **We value a positive atmosphere** – treating others how we want to be treated.

8. We are a Team: A team is more powerful and valuable than any one individual alone. **Come together to work towards common goals**. Contribute collaboratively and build an environment everyone feels welcome in.

Leadership awards



This will be a quarterly award based on evaluation scores.
10 awards available.

Examples of awards:

- Highest performing Curator
- Highest performing Store Manager
- Outstanding leadership award
- Employee with the highest amount of referrals
- Highest rated employee within the Guiding Principles

The key to these awards is the **exclusivity**. Just because you are performing well does not mean you qualify for the award. **What are you doing to go above and beyond?**

EMPLOYEE DEVELOPMENT

Your Say surveys



We care about how you feel, your development with the company, and your feedback.

Our “Your Say” surveys allows our staff to anonymously evaluate the company and let their voice be heard.

Through **short quarterly surveys**, we give our agent a chance to **voice their opinions**. These can be multiple choice questions (ranging from “strongly disapprove” to “strongly agree”) on key aspects: **work environment, culture, career opportunities** etc.

Employee engagement program: *The Event Series*

This is a series of events that unite our staff across all divisions, and even across cities, as one.

The series **promote work/life balance** along with an opportunity for **staff to come together to mingle and have fun.**

Some examples for The Event Series:

- Yoga in the park
- Cooking classes
- Spin classes
- Movie under the stars

Employee engagement program: *Let's give back*

The best way to **create and promote a great work culture is through unity on a common goal.**

If there's anything progressive individuals can all agree on, it's that they love to **get involved, give back, and have their voices be heard.**

Every year we choose to support one charity.
An example is “**The purple shoebox challenge**”.
At the end of the day, it feels good to help others in need, and unites the company as one.

Customer engagement + touchpoints



Concepts for events:

Customer engagement + touchpoints

Education



Create **Lunch & Learn** sessions (conversation hub) where staff would educate clients on the benefits of medical and non- medical cannabis.

In-store conversations, trivia, and email opt-ins for more information to keep South of Temperance top of customer's mind.

In-store **Apothecary Lounge**: a fun and interctive, yet clinical-like booth with video and literature.

Social



Store openings party: experiential event specifically tailored to the store location and customer demographics.

The Wellness collective: a mobile interactive setup that visits local merchandizers such as **yoga studios**, private **clubs**, **smaller events** (not festivals).

Organic social tactics (example: **sharing store music playlist**) to encourage amplification through sharing.

Giveaways



Give out **gifts, swag**, for visiting the store.

Giveaways will be **relevant to the market** and the store's age demographic.

Data collection



Email collection during store visits to encourage social engagement.

PRODUCT AND SUPPLY CHAIN Scheduling



Schedule optimization

Schedule optimization is used to:

1. Maximize sales
2. Lowers labour costs
3. Ensures top talent is scheduled during peak hours
4. Helps analyze hours of operation for each location allowing adjustments based on customers needs.
5. Allows us to see sales trends and patterns



Proposed store hours

Monday - Wednesday: 11am – 9pm

Thursday - Saturday: 10am – 10pm

Sunday: 11am – 7pm

3 Shifts/day (morning, mid-day, evening)

Store coverage

Minimum 1 Manager + 2 Curators during non-peak hours

Minimum 1 Manager + 3/5 Curators during peak hours

Minimum 3-hour shifts for all staff



Schedule optimization (continued)

Time of Day	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
10am - 11am							
11am - 12pm							
12pm - 1pm							
1pm - 2pm							
2pm - 3pm							
3pm - 4pm							
4pm - 5pm							
5pm - 6pm							
6pm - 7pm							
8pm - 9pm							
9pm - 10pm							

Index		# of employees required
	\$0 - \$2,000	3
	\$2,000 - \$5,000	3
	\$5,000 - \$8,000	4
	\$8,000 - \$11,000	6
	\$11,000 - \$15,000	7

PRODUCT AND SUPPLY CHAIN **Inventory**



Inventory process



Daily counts

Daily count sheet of all cannabis products completed at **closing** and **opening** of the store. Store Manager or designate **ensures counts reconcile prior to opening** and validates to inventory management software and POS. Any discrepancies are advised to your District Manager, who then reports it to the head office.



Weekly inventory counts

Reconciled inventory counts from all shipments received weekly are entered into the inventory management software. This is scheduled for Mondays and to be done by the Store Manager.



Monthly full inventory counts

These are managed by Store Manager and are to occur after close on the last calendar day of each month. Once counts are completed, they are to be entered into the inventory management software prior to opening on the first of each month.

SOUTH OF
TEMPERANCE
CANNABIS CO.

Continued on next page



Thank You