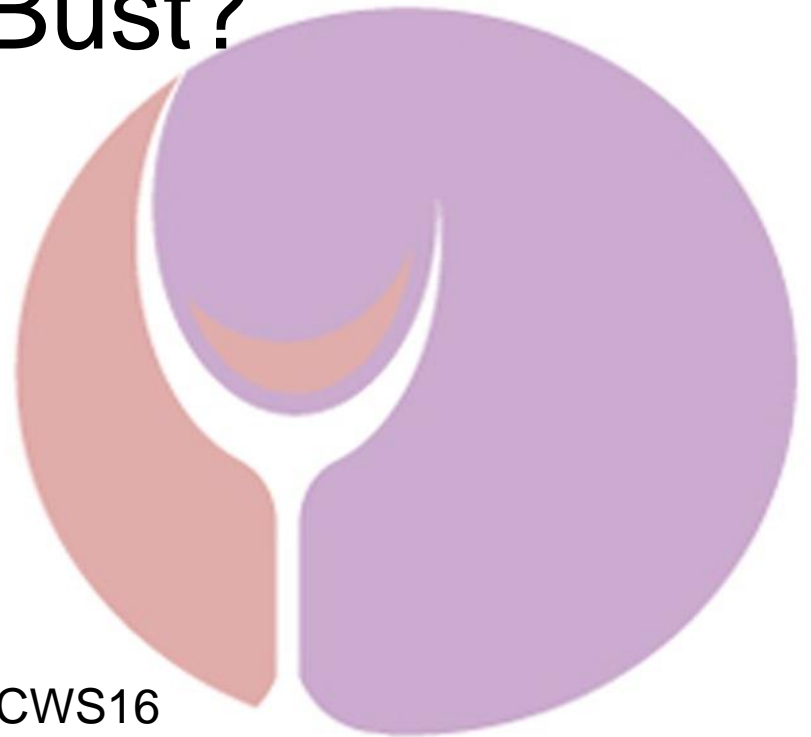


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# Multi-Location Tasting Rooms: Boom or Bust?



@DTCWS #DTCWS16

# SPEAKERS

- **Damien Wilson** – Hamel Family Chair, Wine Business Institute, SSU, Session Moderator
- **Laura Booras** – General Manager, Riverbench Vineyard and Winery
- **Wendy Keefer** – Director, Napa Valley Education Center and Tasting Room, Mira Winery
- **Quinton Jay** – Managing Director, Bacchus Consulting Group and Proprietor, Bacchus Wine Shop
- **George Blanckensee** – Director, DtC and Hospitality, Château Montelena



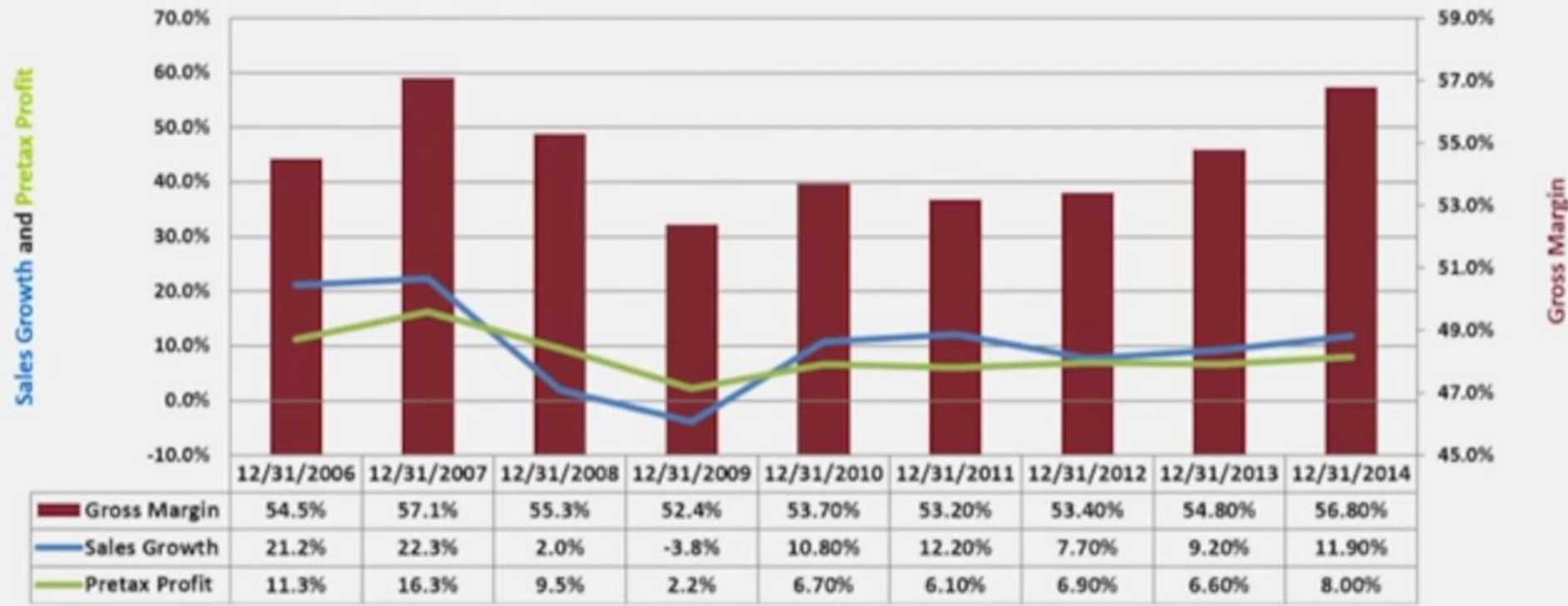
# AGENDA – Another Tasting Room?

- Tasting rooms considerations
  1. Location
  2. Finance
  3. Operations
- Because DtC is not only beneficial for new wine businesses





# Winery Profitability



Source: Silicon Valley Bank Proprietary Research





## Laura Booras – Riverbench V&W

- Location is Everything
  - Strategic fit
  - Alternative?
- Assumptions and Evaluations
  - Implementation Challenges
  - Staffing and Overhead Variation
- Leveraging the two locations







## Wendy Keefer – Mira Winery

Reiterating the importance of location in communicating authenticity

- Importance of Traditions in the offer
- Multiple locations
- Unconventional locations
- Evaluating your Initial Assumptions
- Opportunities in your Tasting Room due to being non-traditional
- Take-away for Tasting Room pioneers





# Quinton Jay – Bacchus Consulting Group

Three categories of Consumer

## 1. Third Party Purchaser

- Needs non-consumption appeal

## 2. Drinker

- Wine is enjoyment and social

## 3. Enthusiast

- Wine is integral to lifestyle

Remember that your tasting room needs to operate as a standalone business unit...





# Visitor Motivations

## SECONDARY TASTING ROOM

	Tourist Attraction Urban	Wine Region Urban
Description	Winery opening the a 2 <sup>nd</sup> Tasting Room in San Francisco or Sausalito.	Winery located in a beautiful remote location in the Wine Country. The Winery needs more traffic for its DTC business.
Aesthetic	“Bringing the Wine Country to ....”	“Bringing the Winery to customers...”
Wine	Consumer friendly wines and Wine Club Only Wine	Winery only and Wine Club Only wines
Perceived Experience	“I am glad we know this winery and will go visit it on our next trip”.	“I am glad we got to know this winery and willing to trek to their remote location next time”.





# George Blanckensee - Château Montelena

## WHY A REMOTE TASTING ROOM?

### The Hidden Costs of Shared Facility Tasting Rooms

- Focus on the Bottom-line, not just the idea
- The case of comparing SF and Napa
  - Compensating staff
  - Operating variations
  - Managing the staff adjustment process

Collaborative Tasting Rooms – a final word...



# Intimate or Cozy?



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# George Blanckensee - Château Montelena

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# TAKEAWAYS

- Tasting rooms offer a huge opportunity with the increasing bottleneck in distribution, and labor intensity
- Treat the concept like a separate business
- Location, innovation, customer segment and reputation are just some of the reasons to consider a second room
- How will the model evolve?
  - Opening hours
  - Communication channels
- Decision to open a second tasting room should focus on the net generation of business



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THANK YOU

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