

The Modern Consumer

DTC WINE SYMPOSIUM 2020

WINE **DH** RECT

THE WINERY'S CHAMPION

Rabobank issues a clear and direct warning to wine brands:

“Every year, millions of consumers start shopping for food and beverage products online...If the alcohol industry does not act quickly, their brands will be left out of this important relationship-building process. In essence, e-commerce could become a wedge separating alcohol brands from their consumers.”

-Rabobank | Raboresearch , “The 2020 Alcohol Ecommerce Playbook”

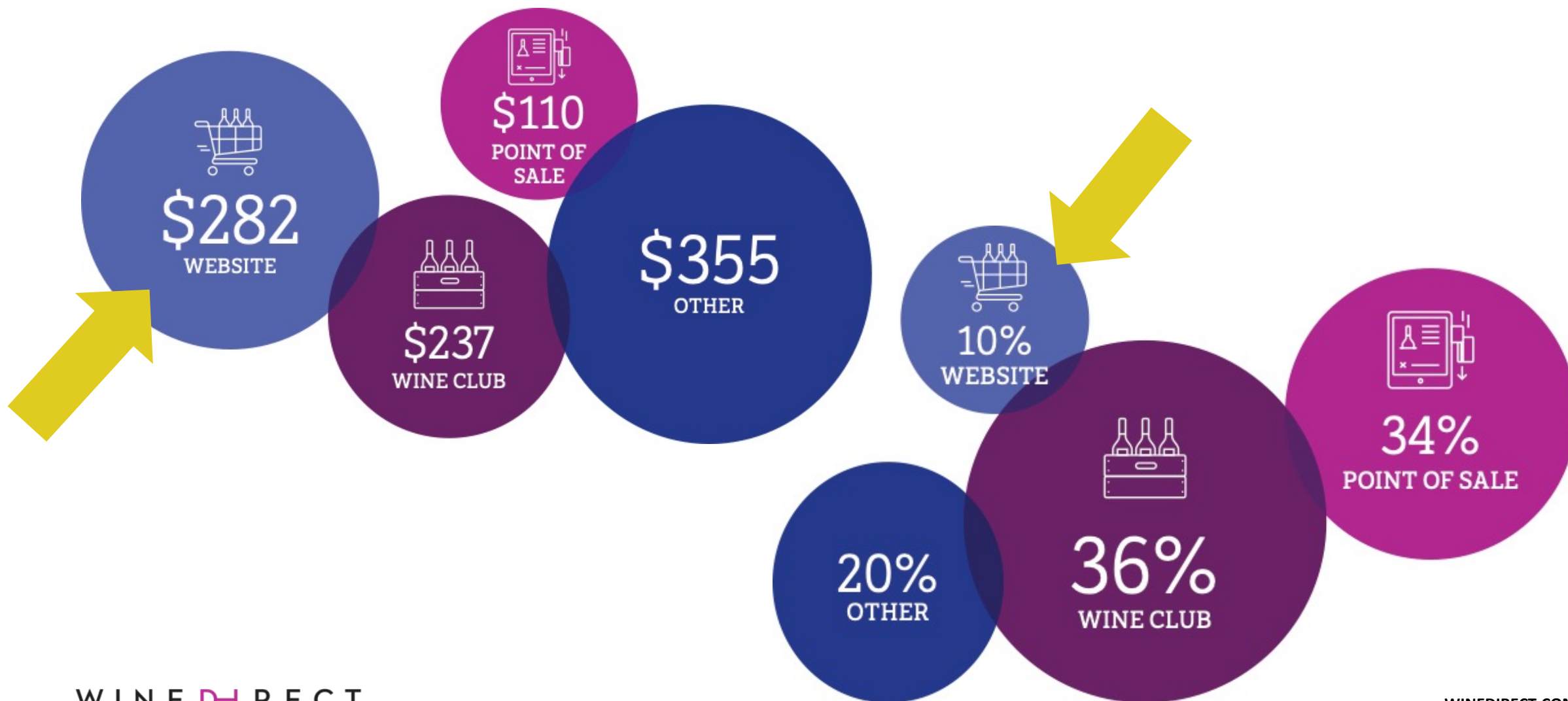


WINE DIRECT



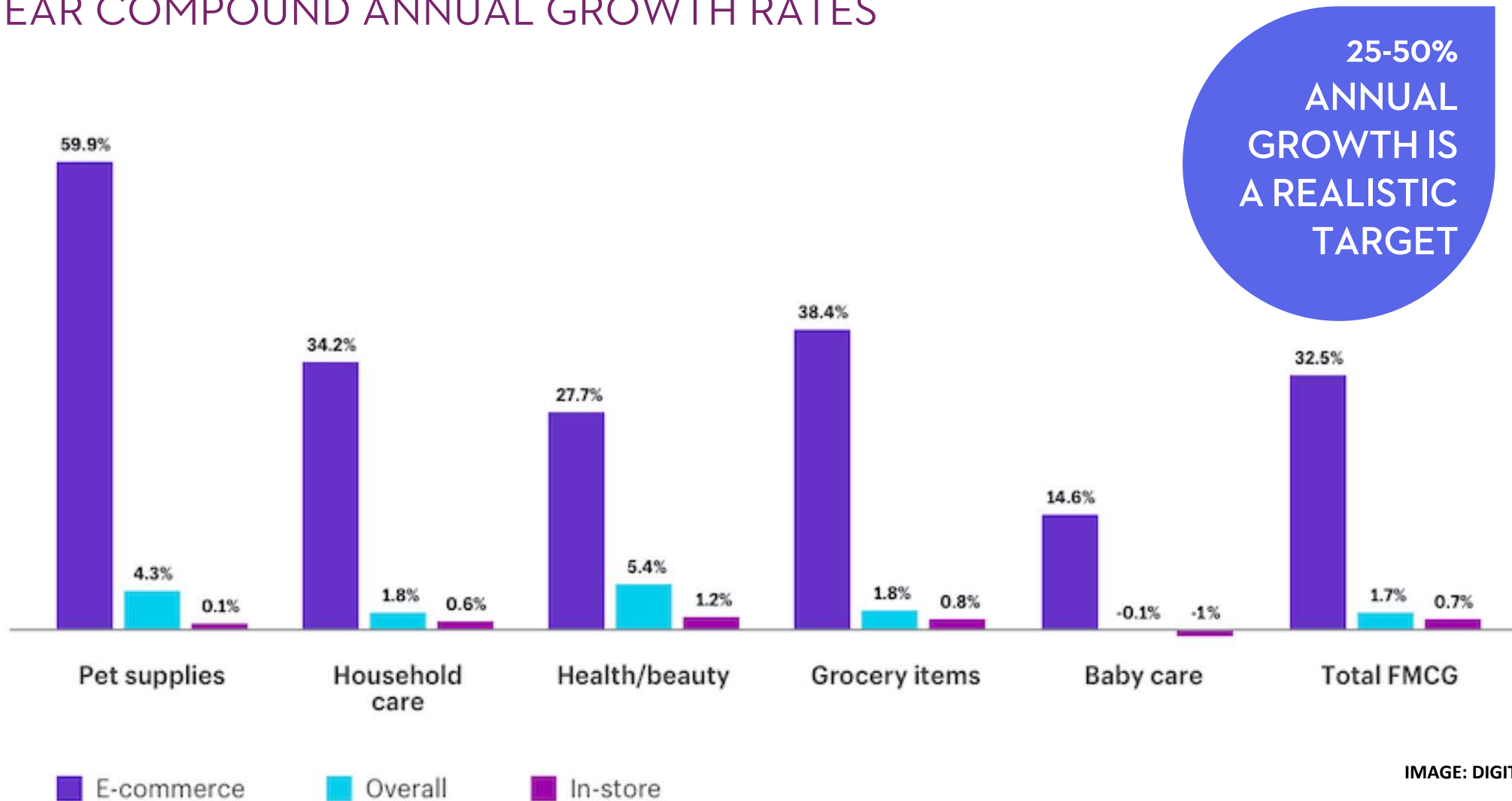
With higher average order value than wine club, **online sales** are the biggest opportunity for **wineries selling DTC** today.

Online sales represent your most leveraged DTC growth opportunity

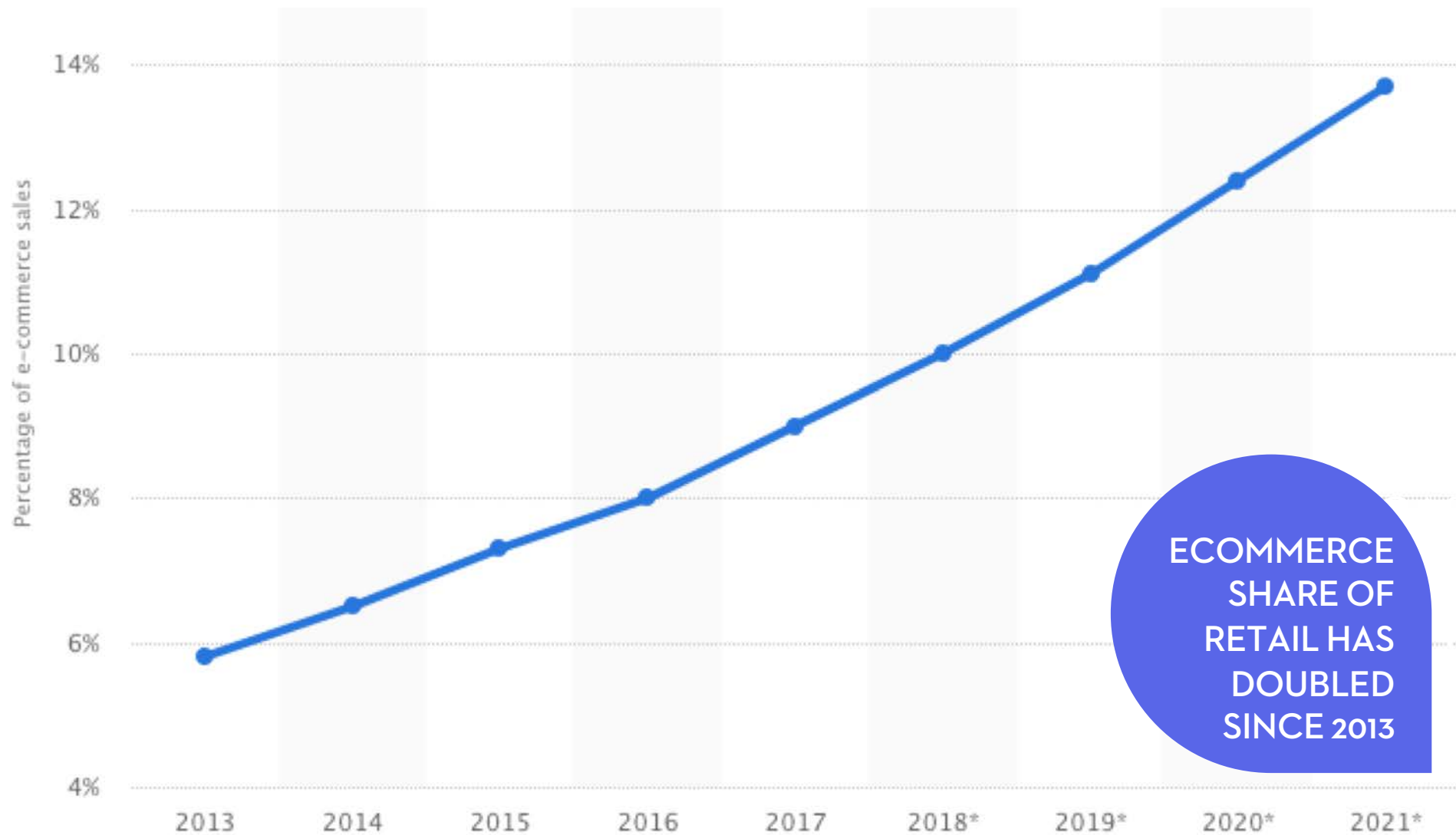


Grocery is one of the fastest growing CPGs online

3-YEAR COMPOUND ANNUAL GROWTH RATES

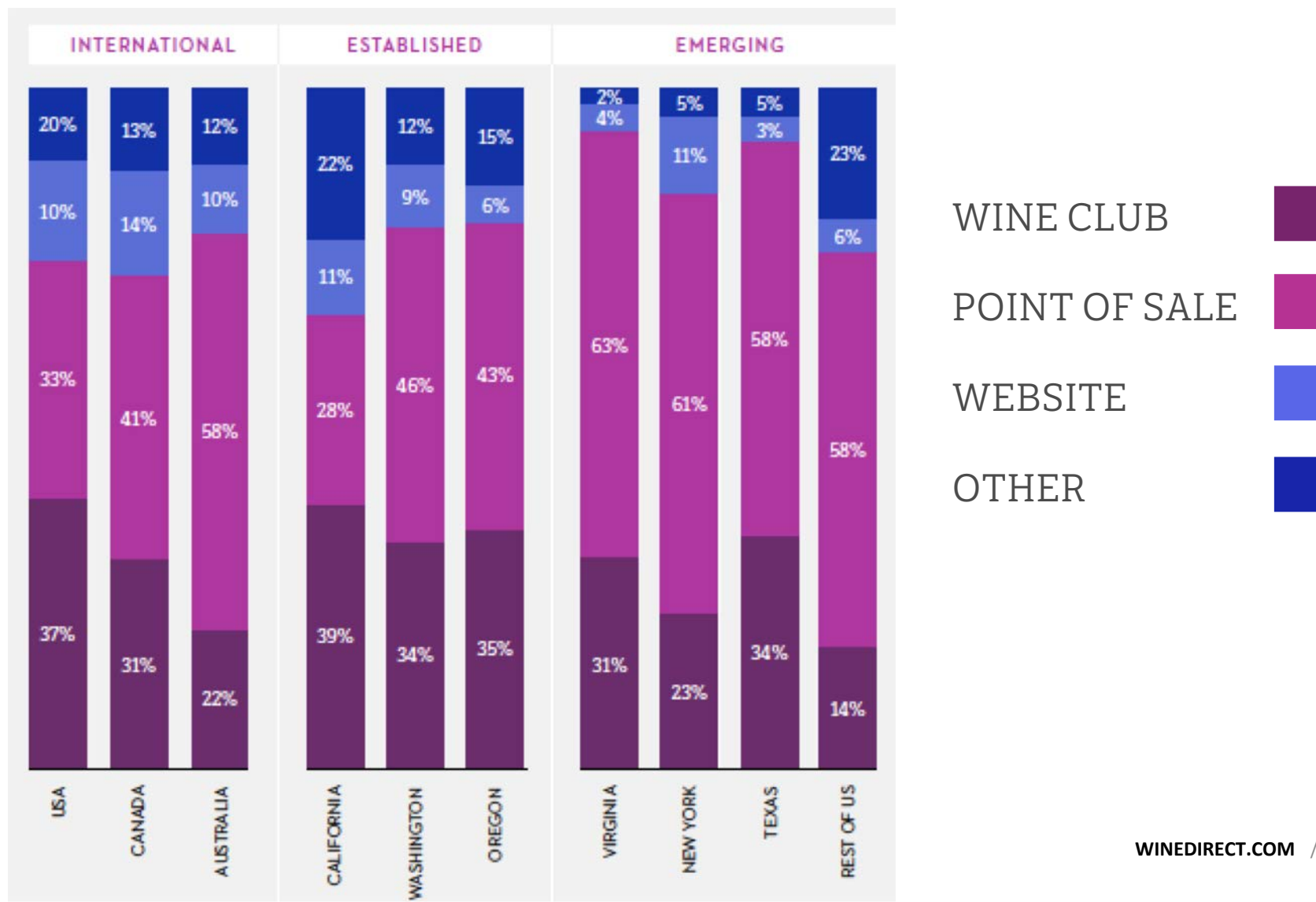


Ecommerce sales across all categories since 2013



Most economical way to grow your DTC business

ECOM IS
10%
OF SALES
FOR MOST
WINERIES.

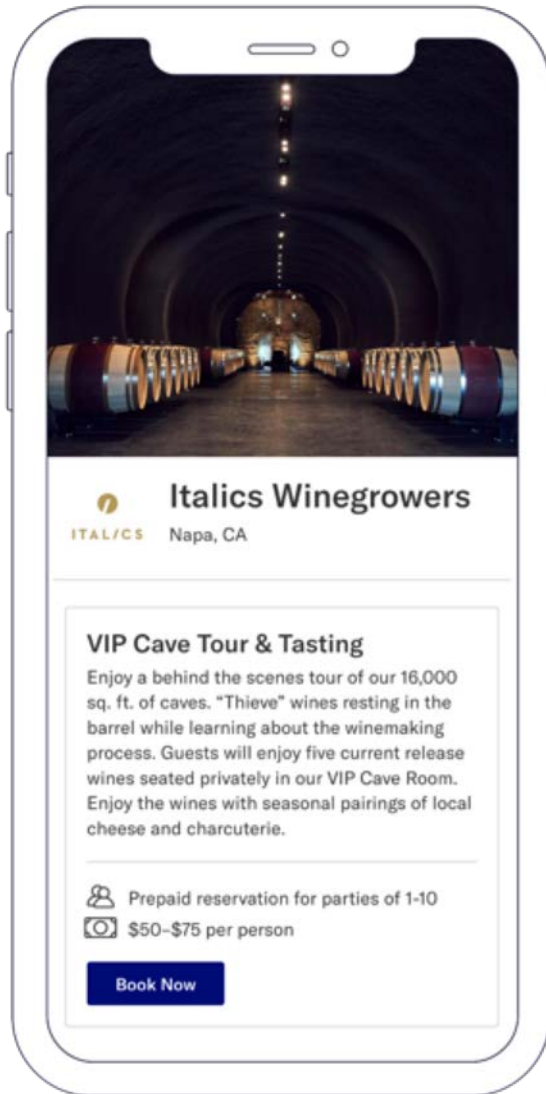


BUILDING TASTING ROOMS AND PROVIDING AN “EXPERIENCE” IS EXPENSIVE

The background image shows the interior of a rustic, industrial-style bar. Several patrons are present, some standing and talking, others seated at a long bar. The bar has a dark, metallic finish and is equipped with various bottles and bar tools. A prominent sign above the bar reads "LUBRICATION" in large, white, block letters. To the left, a circular neon sign with a clock face and the words "MOTORCYCLES" is visible. The overall atmosphere is casual and social.

+2,500
new TRs
since 2013

Ecommerce
requires a
focus on DTC
operations



WHY CONSUMERS ABANDON YOUR BRAND



Success often requires a few DTC upgrades

HERE ARE A FEW OFTEN OVERLOOKED, BUT MISSION CRITICAL DETAILS A SUCCESSFUL ECOMMERCE BUSINESS MUST FOCUS ON.



COMPLIANCE

New and ever-changing requirements impact online sellers including ADA, and PCI Compliance.



SECURITY & PRIVACY

Sensitivity and liability related to consumer privacy is at an all-time high (see CCPA in CA).



FULFILLMENT SERVICES

Same-day shipping, 24-7 package updates, customized unboxing experiences and branded packaging are now requirements.

Balancing sustainability with ecommerce growth

- Sustainability is a top concern of many consumers purchasing direct from wineries.
- Last mile delivery and packaging are main factors contributing the the carbon impact of ecommerce growth.

<https://www.winedirect.com/about/giving-back>

WINE **DIRECT**



**CARBON
NEUTRAL**
SHIPPING

Come visit the WineDirect Lounge

- Learn more about upgrades to the WineDirect ecommerce platform.
- Meet members of our Customer Success and Professional Services team.
- Find out why sustainability needs to be a core element of fulfillment services in 2020 and beyond.

WINE DIRECT



3 Ways to Grow YOUR ONLINE SALES

With a higher average order value than wine club, **online sales are the biggest opportunity** for wineries selling DTC. Use these tactics to boost your winery's ecommerce revenue today.

Collect

Don't be afraid to ask winery visitors to provide their email addresses.

Train

Ensure your team is educated not only on selling wine but prioritizing customer data collection.

Incentivize

Offer your hospitality staff special perks or rewards for the number of emails they collect.



Collect email addresses in your tasting room



Improve your email strategy to retain customers

DTC GROWTH



Consider your customer's buying journey

Drive Awareness

Emails are a low-cost way to keep your brand top-of-mind once customers leave the winery.

Use Best Practices

Send emails more frequently. Make sure they're mobile-friendly and audience-specific.

Deliver Value

Offer exclusive promotions and perks. **Hint:** Buyers prefer shipping incentives to wine discounts!

Think Holistically

Your customers will buy wine through various sales channels (club, tasting room, online).

Segment Strategically

Identify customer types (1st time buyer, repeat buyer, member). Move each type to the next buying phase.

Use Every Channel Available

Keep your brand consistent across social and traditional media platforms.



The Modern Consumer

DTC WINE SYMPOSIUM 2020

WINE **DIRECT**

THE WINERY'S CHAMPION

Agenda

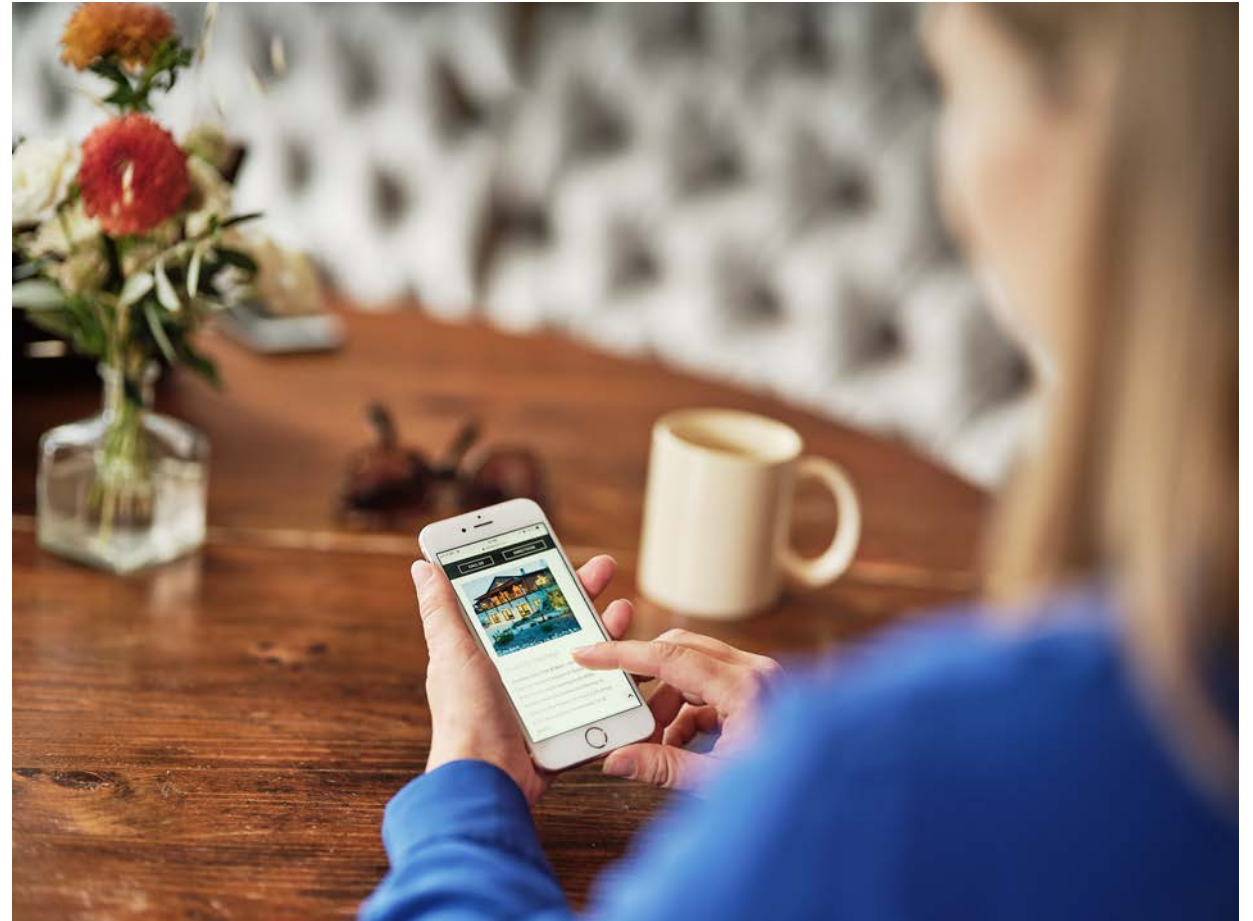
- Who is the Modern Consumer?
- Customer Acquisition Strategies
- Importance of Mobile
- Content & Email Marketing
- What Makes a Good Offer?
- Q&A

Who is the modern consumer?

AND HOW DO THEY WANT TO BUY?

Know Your Customer: It's All About Mobile

- Clean, simple, sharable, content-rich experiences that mobile-first are required.
- Ecommerce experiences should be familiar—not novel.
- Websites not optimized for mobile are experiencing lower conversion rates and higher bounce rates.



Vivino Wine Consumer Study

WHAT DO WE KNOW ABOUT TODAY'S CONSUMER?

- Around-the-clock-shopping
- Consumers are in control
- Omnichannel shopping
- Content consumers
- Global experience
- Collaborators
- Socials sharers

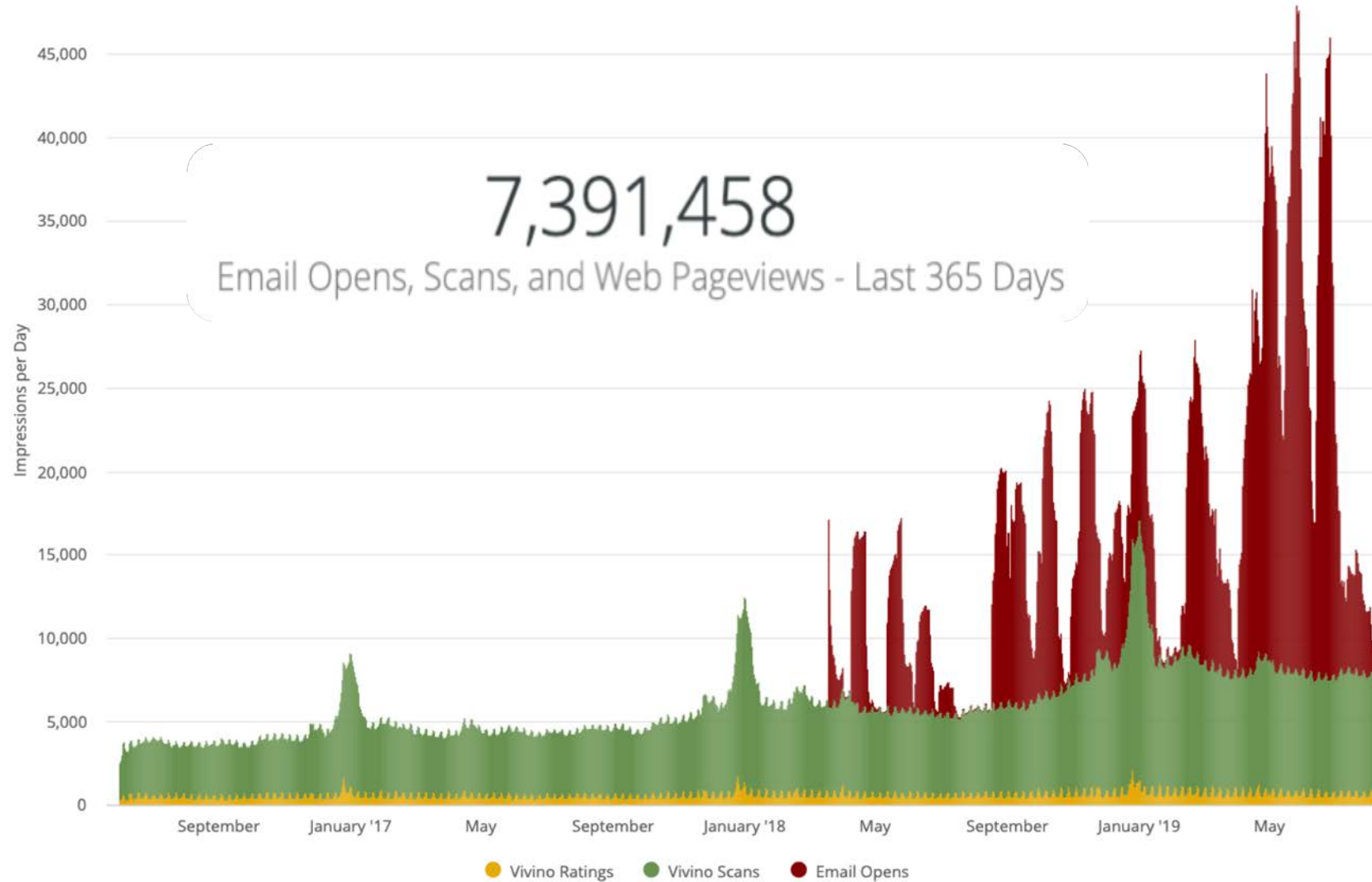
HOW CAN WE MEET THEIR EXPECTATIONS?

- Be relevant – driven by technology
- Create trust and engagement
- Offer seamless experiences – personalized, convenient and fast
- Delivery on price / quality promise
- Demystify product through education and direct path to purchase

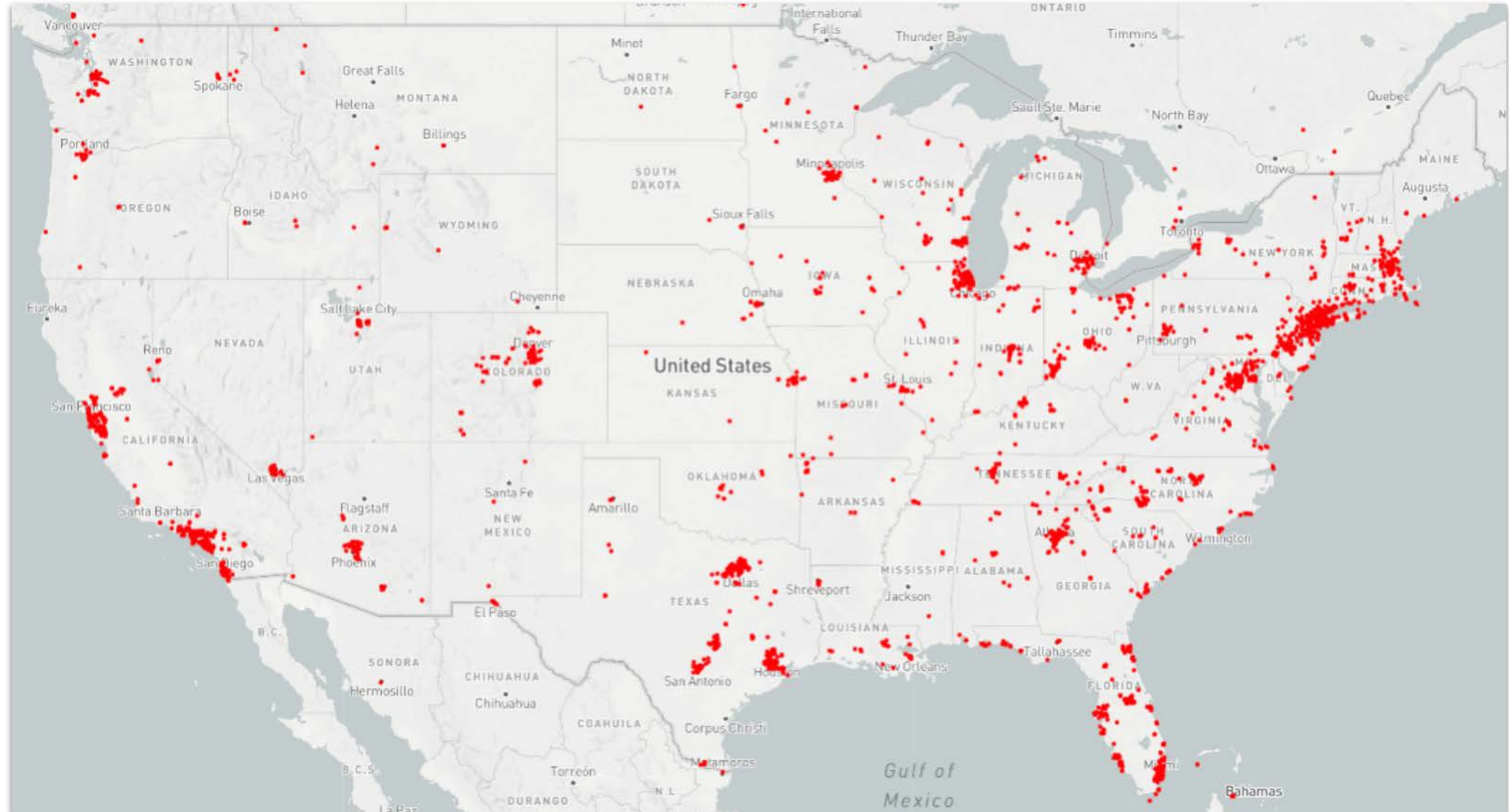
Know Your Customer: Using Data

- Understand your target
- Identify your gaps
- Analyze the buyer
- Analyze your competition
- Develop unique brand strategies
- Localize and personalize points of engagement
- Address user expectation for quality, speed and price
- Evaluate progress with real-time data

PORTFOLIO LEVEL ACTIVITY ON VIVINO PLATFORM

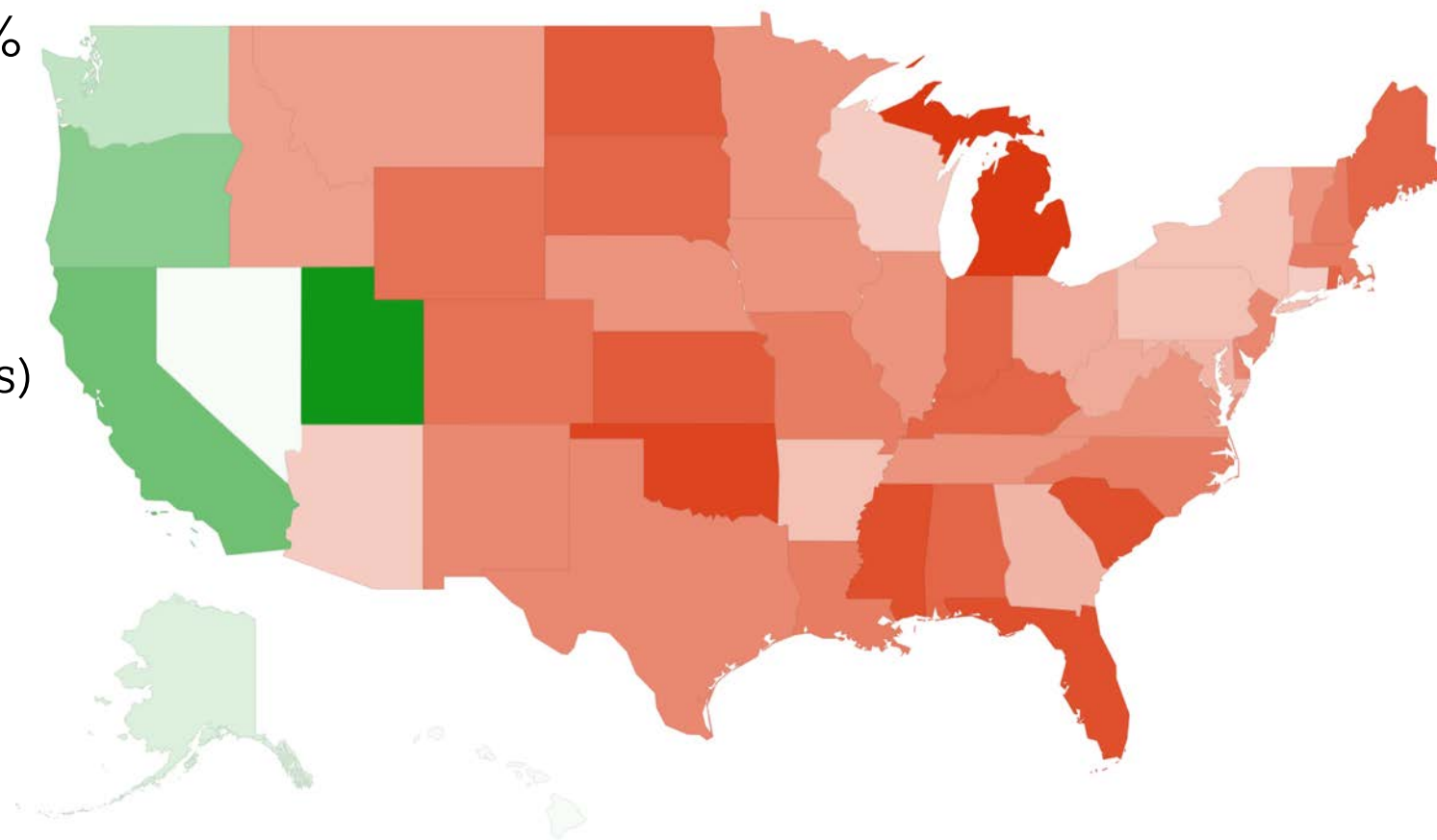


SCAN DATA FOR SINGLE SKU

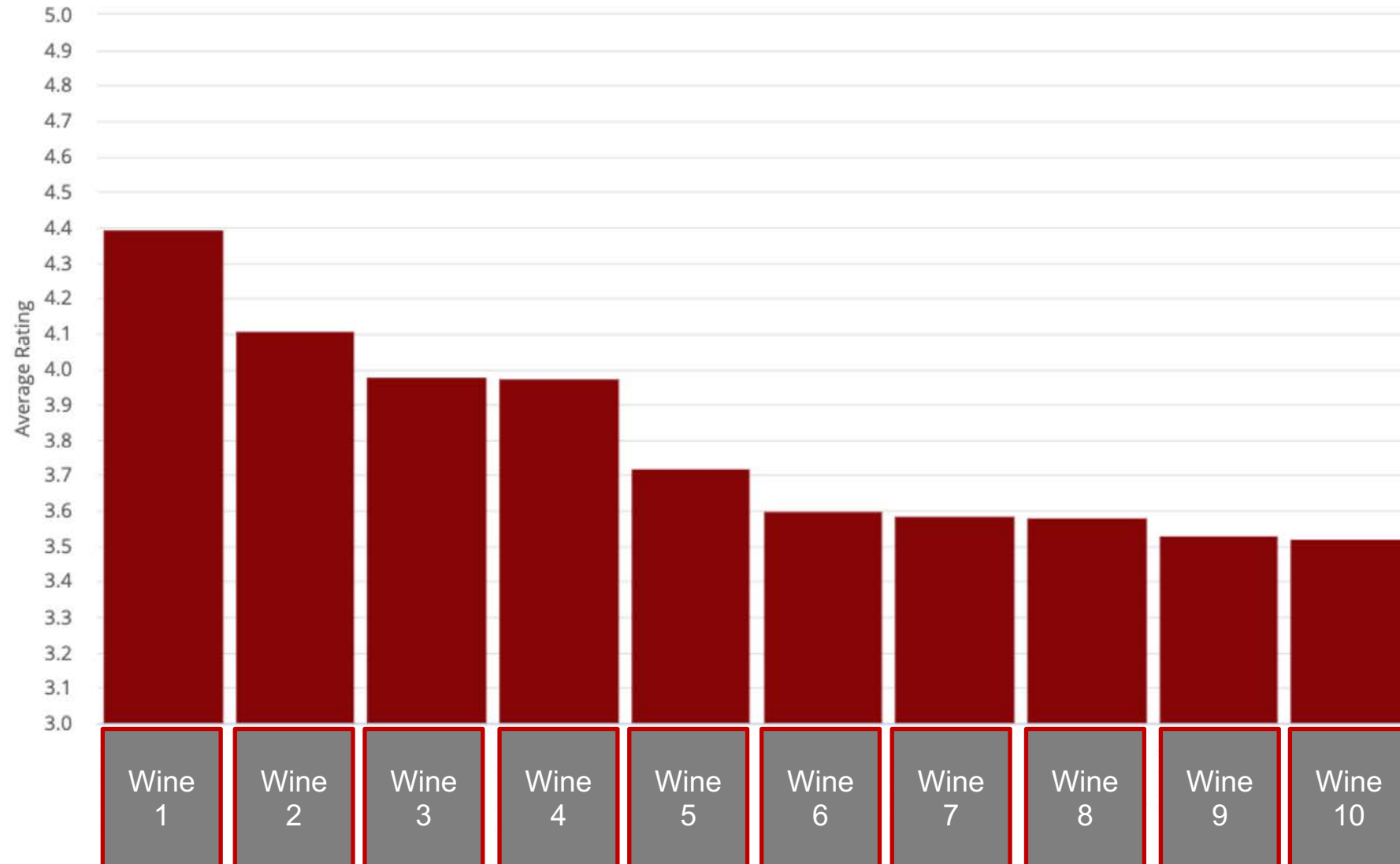


MARKET SHARE DATA FOR SINGLE SKU

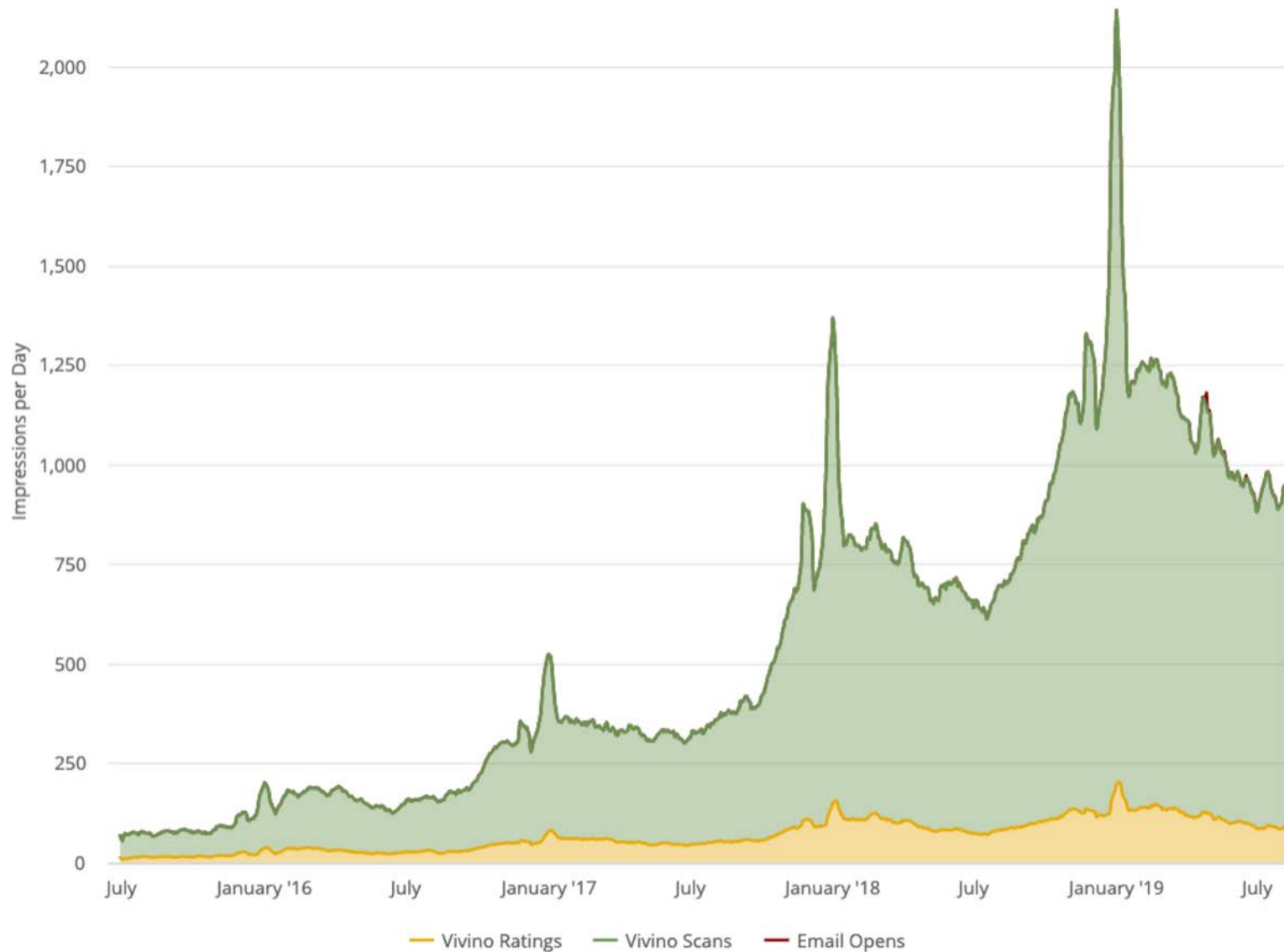
- California is by far your largest market and accounts for 40.6% of your US Scans
- X Brand's National Market Share is 3.6%
(% of Total Napa Valley Wine Scans)
- Darker Red = Market share below national average
- Darker Green = Market share above national average



RATINGS FOR INDIVIDUAL WINERY LABELS FROM SINGLE BRAND



GROWTH OF SINGLE BRAND ON VIVINO PLATFORM SUPPORTED WITH DIRECT MARKETING



99%
YOY Global Scan Growth

3.84
Average Rating

Customer Acquisition Strategies

ENGAGING BUYERS ON & OFFLINE

Digital Advertising is no longer DIY

CHALLENGES

- Increasing complexity
- Need for multiple channels (PPC, remarketing, social media, content)
- Hard to evaluate results
- Success metrics aren't always black & white
- Budget

POTENTIAL SOLUTION

- Form a marketing collective with like minded brands
- Split the cost of sophisticated marketing partners
- Promote your region / group plus individual brands

Think outside the box

IT'S NOT ALL ABOUT DIGITAL

- Who is your ideal customer?
- What do you want them to do?
- How can you create trial with discounts?
- How can you reach your target customer at the right time?

WITH SO MUCH EMPHASIS PLACED ON DIGITAL, THE “REAL WORLD” IS MUCH MORE WIDE OPEN TO CREATIVE MARKETING.

- How can your product enhance another product's sale while targeting your ideal customer?
- Be prepared to capitalize on that introduction.

ASTOR & BLACK LUXURY LIFESTYLE PROGRAM



**LUXURY IS
A LIFESTYLE**
WE CAN HELP YOU
DRESS THE PART



ASTOR & BLACK



**COMPLIMENTARY
SUIT CERTIFICATE***

How to Redeem Your Certificate

1. Please register your certificate by completing the short form located at:
www.astorandblack.com/BMW.
2. Enter Promotional Code: **BMWSUIT**. You will then need to enter the **SOURCE ID** as well as the Certificate ID located on this side of your certificate.
3. An Astor & Black Professional Clothier will contact you as soon as possible to schedule an appointment.

SOURCE ID:

CERTIFICATE ID:

*See back for details.

Leverage Vivino for Brand Awareness

WHO WE ARE: THE WORLD'S LARGEST WINE COMMUNITY

42M

App users

1.1B

Bottle scans

225,000

Wineries

150M

Ratings

11.9M

Wines

2M

Wines
explored daily



Leverage Vivino for Brand Awareness

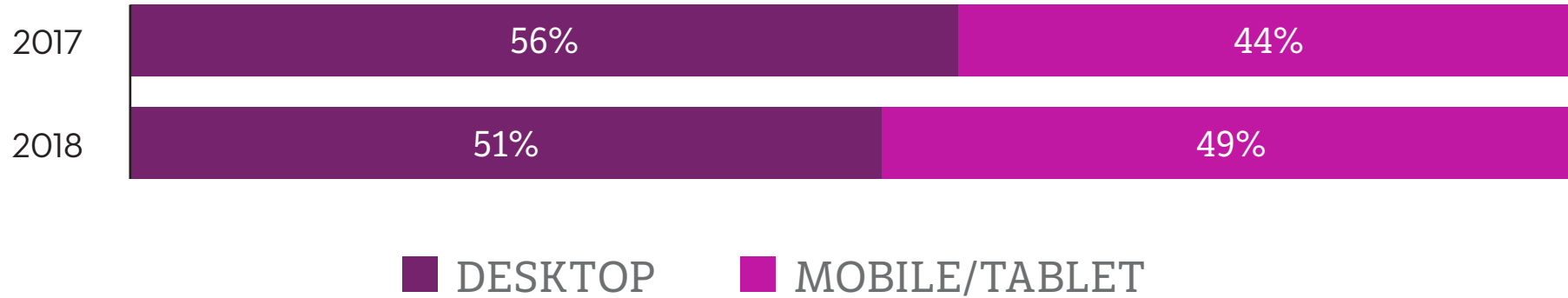
WHAT WE OFFER

- **Marketplace:** Make your wines available to millions of wine lovers globally
- **Branding:** People are scanning your wine, share your story
- **Data:** Identify your gaps with real data of 1 billion scans
- **Sales:** Drive incremental sales in 17 countries supported with direct marketing

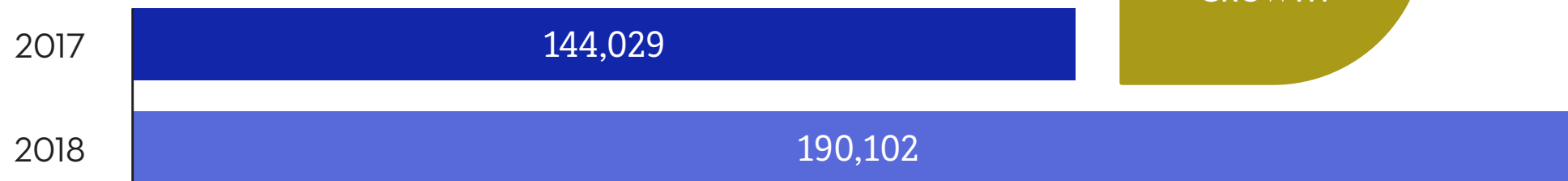
Importance of Mobile

MOBILE COMMERCE IS HERE

MOBILE TRAFFIC



MOBILE ORDERS

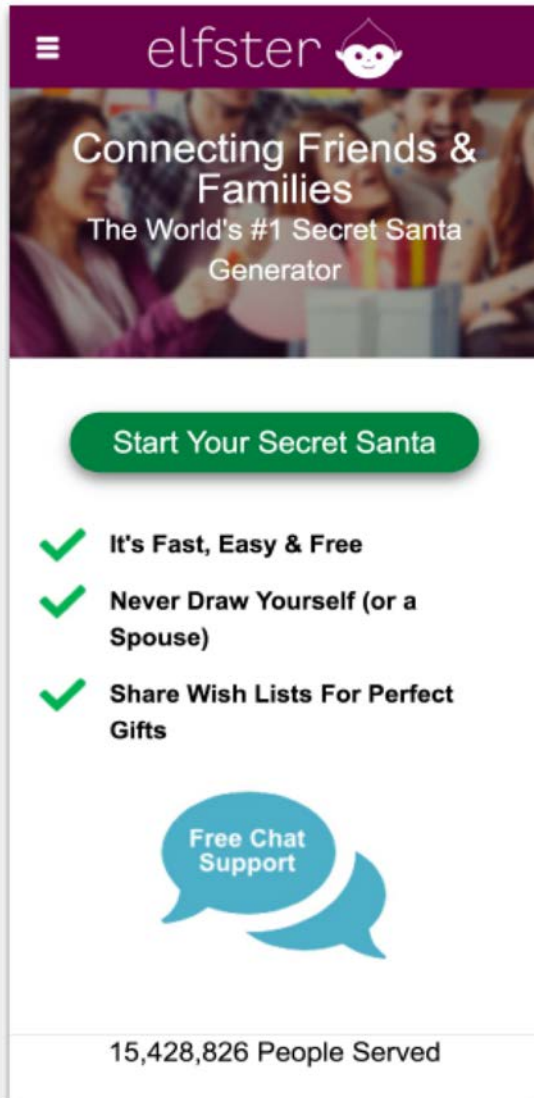


30%
GROWTH

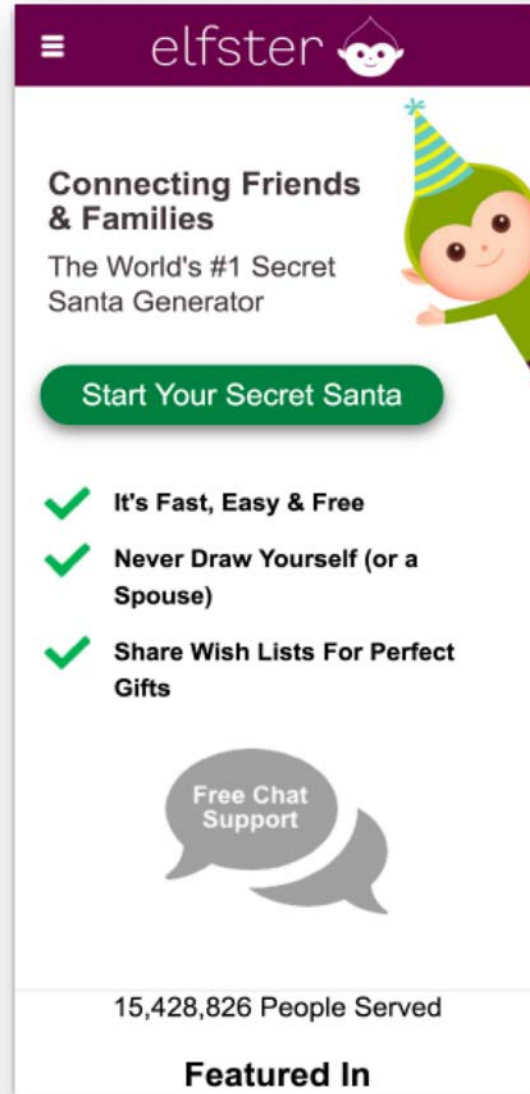
Source: 2019 WineDirect DTC Sales Report

RELENTLESSLY PURSUE BETTER PERFORMANCE

ORIGINAL MOBILE LP



NEW VARIATION

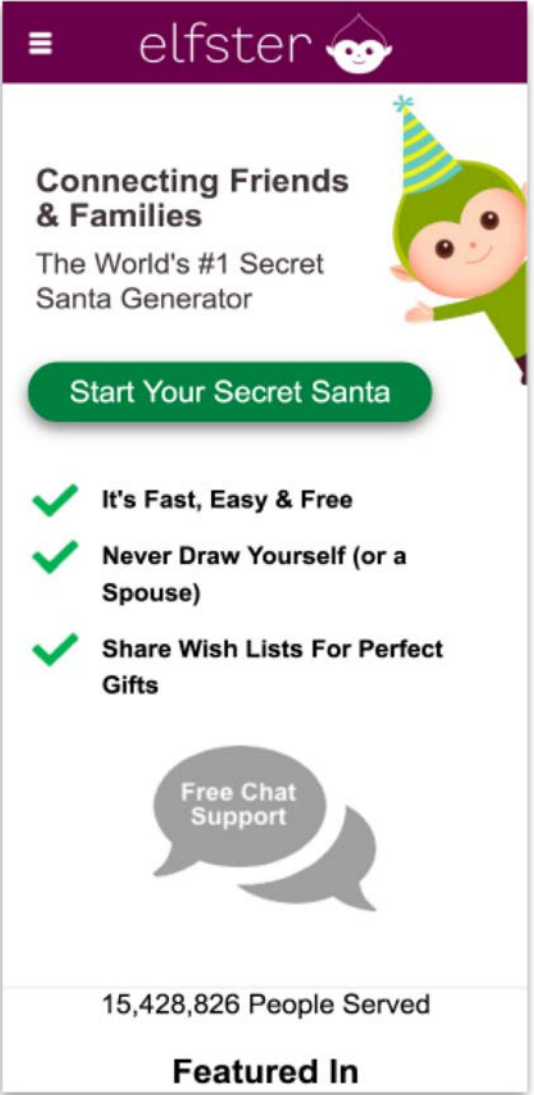


Performance Improvement

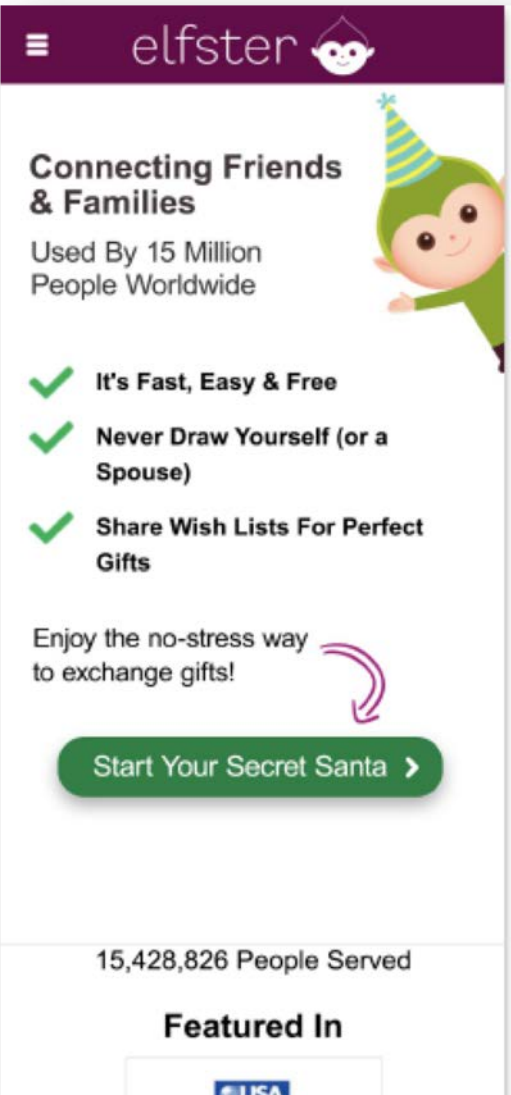
29.48% Increase in mobile group creations.

RELENTLESSLY PURSUE BETTER PERFORMANCE

WINNING VARIATION



NEW VARIATION

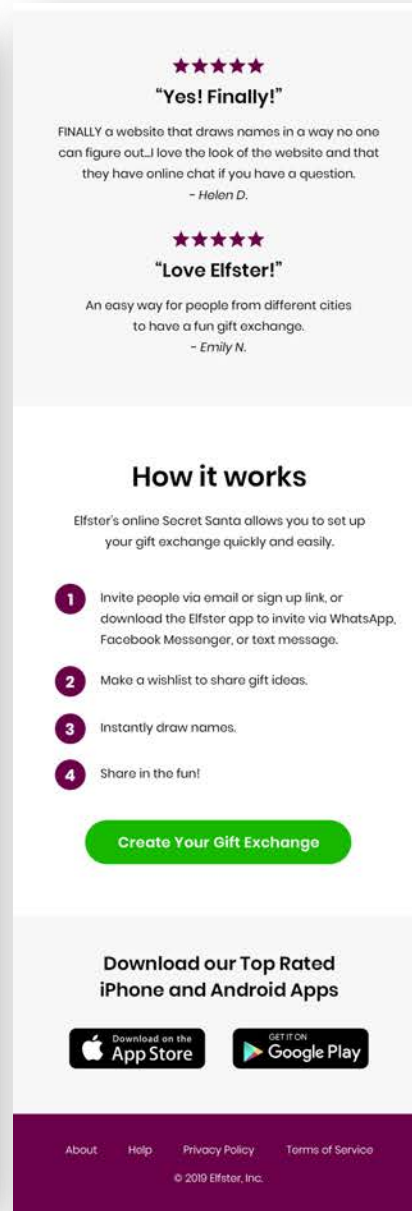
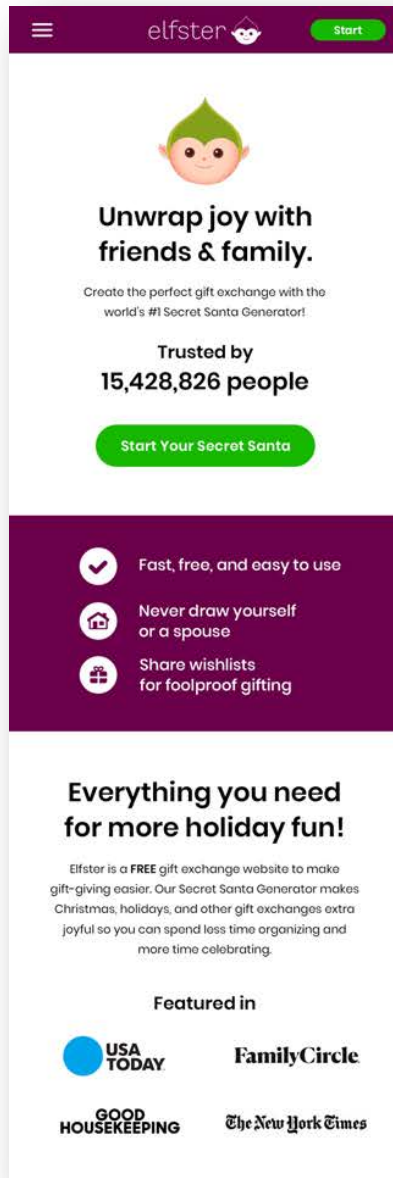
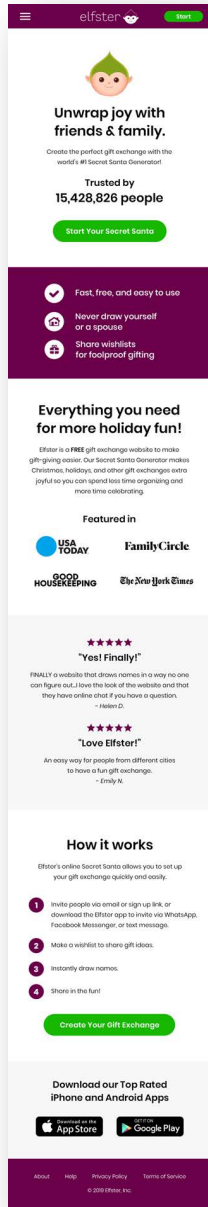


Performance Improvement

28% Increase in mobile group creations.



RELENTLESSLY PURSUE BETTER PERFORMANCE



Performance Improvement

+50% Increase in mobile and desktop group creations.

Content & Email Marketing

Database Fracking

REEVALUATE EVERYTHING YOU'RE DOING

- Cadence
- Creative
- Content
- Calls-To-Action
- Create triggered emails

Put yourself in your recipient's inbox.
If you're bored, so are they!

If you're not excited to share your next email, that's a problem.

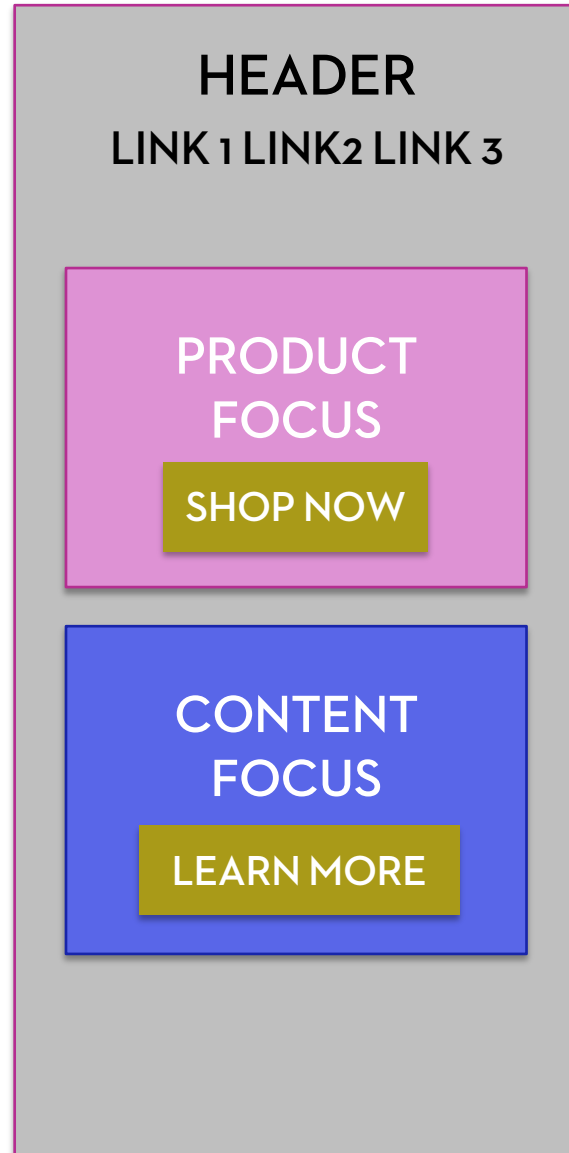
Consider co-email marketing partnerships. Create a dual benefit with an adjacent winery and co-market it to both databases.



Keep it Different

- Email Marketing is a relationship with .. **PEOPLE**.
- **Predictability is death**. Mix it up, but in a structured way.
- Invest your time, or money, in good content to share. The bar is low.
Phone videos are good enough.
- **Don't be afraid to collaborate**. Work with complementary partners.
- **Videos/blog posts** of founders/ winemakers/ vineyard managers, etc.
talking about something exciting to them.

Keep it Different

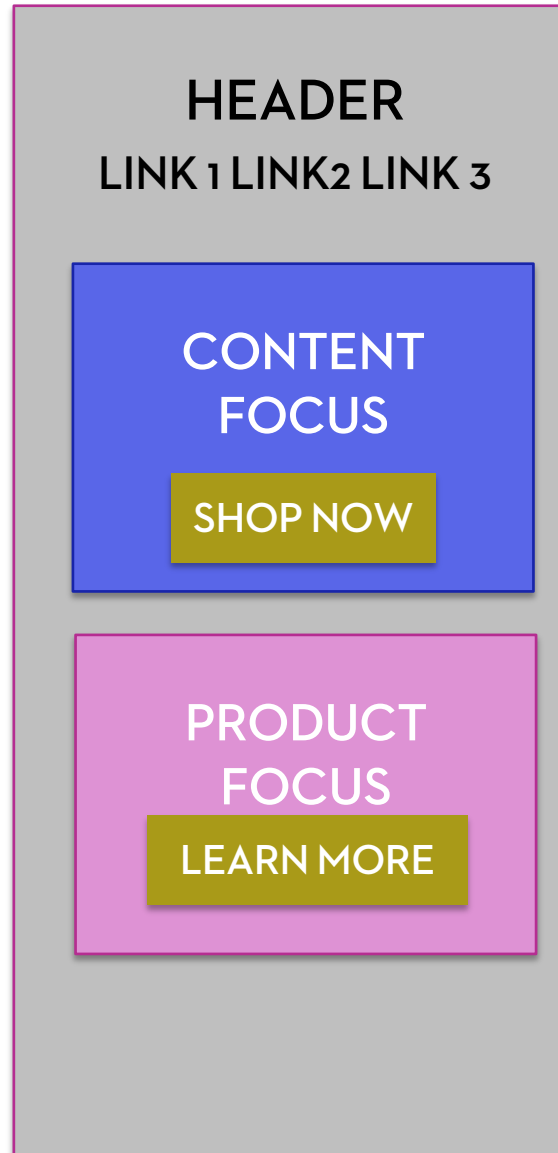


Wireframe 1: A gray container with a header section containing 'HEADER' and 'LINK 1 LINK 2 LINK 3'. Below the header is a pink box labeled 'PRODUCT FOCUS' with a yellow 'SHOP NOW' button. Below that is a blue box labeled 'CONTENT FOCUS' with a yellow 'LEARN MORE' button.

HEADER
LINK 1 LINK 2 LINK 3

PRODUCT
FOCUS
SHOP NOW

CONTENT
FOCUS
LEARN MORE

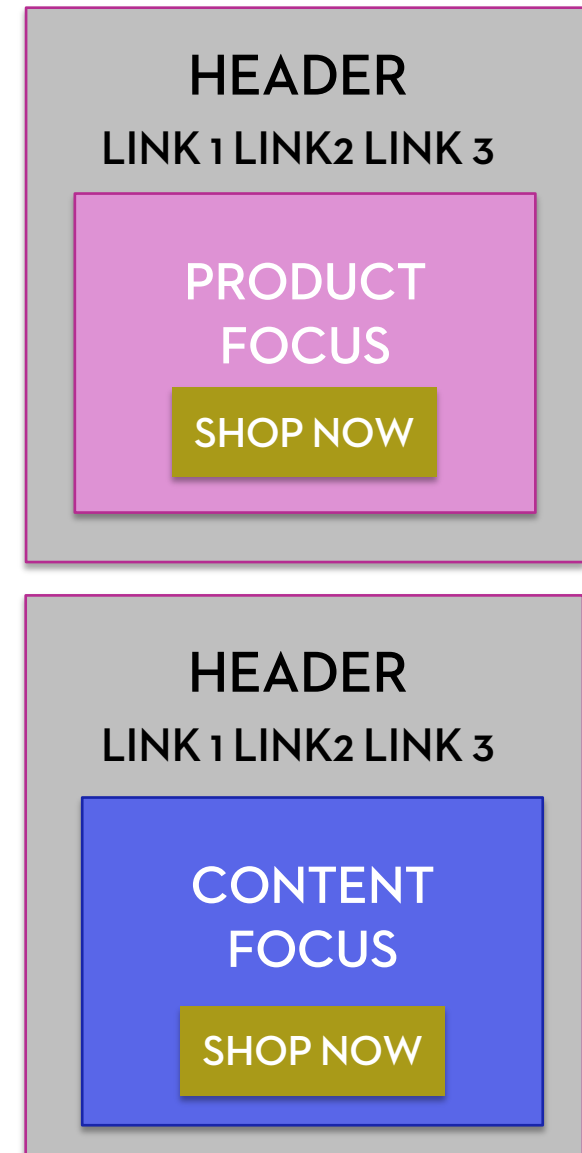


Wireframe 2: A gray container with a header section containing 'HEADER' and 'LINK 1 LINK 2 LINK 3'. Below the header is a blue box labeled 'CONTENT FOCUS' with a yellow 'SHOP NOW' button. Below that is a pink box labeled 'PRODUCT FOCUS' with a yellow 'LEARN MORE' button.

HEADER
LINK 1 LINK 2 LINK 3

CONTENT
FOCUS
SHOP NOW

PRODUCT
FOCUS
LEARN MORE



Wireframe 3: A gray container with a header section containing 'HEADER' and 'LINK 1 LINK 2 LINK 3'. Below the header is a pink box labeled 'PRODUCT FOCUS' with a yellow 'SHOP NOW' button. Below that is a blue box labeled 'CONTENT FOCUS' with a yellow 'SHOP NOW' button.

HEADER
LINK 1 LINK 2 LINK 3

PRODUCT
FOCUS
SHOP NOW

CONTENT
FOCUS
SHOP NOW

VIVINO EMAIL EXAMPLE: ENGAGE

Learn More About a Winery

Vivino Wine Offer Title | [View online](#)
The best wines personally selected and negotiated for you





Cambria
ESTATE WINERY

Wine Spectator
THE TOP 100

2017 KATHERINE'S VINEYARD CHARDONNAY

[Buy now](#)




"Well-structured with a smoky richness to the mineral-infused apple and pear tart flavors. The fresh, spicy finish lingers with a creamy texture."

91
POINTS
S.M. July 2019
Top 100 Wines of 2019

CAMBRIA STORY

Cambria sits on a storied land. With roots dating back to the early 1970s, the Estate pioneered growing Pinot Noir and Chardonnay in the Santa Maria Valley, a region known for its maritime fog, warm afternoon sun and whipping late afternoon ocean winds. Situated in one of the only east-west running valleys on California's West Coast, Cambria's vineyards are planted on a raised riverbed formed during the Pleistocene Ice Age whose ancient soils are studded with fossilized seashells, calcified marine life and over 14 different soil types.



ABOUT THE WINES

Cambria has long been upheld as a producer of premium cool-climate Pinot Noir and Chardonnay. Every wine produced is a single-vineyard offering from our estate, from our flagship wines to smaller lots found at our tasting room. In 2009, Julia's Vineyard Pinot Noir received the coveted Wine Enthusiast "Wine of the Year." Most recently, Katherine's Chardonnay received 91pts from Wine Spectator (Kim Marcus, July 2019).


2017 KATHERINE'S VINEYARD CHARDONNAY

2017 Katherine's Vineyard Chardonnay shows notes of fresh granny smith apples, floral and spice with flavors of pink grapefruit, tangerine, citrus blossom and apple pie, balanced by wet stone. The modest oak influence creates a nice mid-palate, yet flaunts beautiful acidity that carries through the long finish.


3.7 ★★★★★ [Add to Wishlist](#)

[Buy now](#)

★ Among top 7% of all wines in the world (2014 Vintage)






Cambria Wines are proud to be
Certified California Sustainable Winegrowing




**EXPLORE ALL THE WINES OF
CAMBRIA ESTATE WINERY**

3.8
★★★★★
14039 ratings

[Buy now](#)

[FOLLOW CAMBRIA](#)   [STORE LOCATOR](#) 




What Makes a Good Offer?

Vivino Offer: Happy Hour


Vivino Wine Offer Title | [View online](#)

The best wines personally selected and negotiated for you




THE HAPPY HOUR COUNTDOWN

Lorem ipsum dolor sit amet.



XX% OFF




4.2 ★★★★★

Vite Colte
Essenze Barolo
€20,00 €14,95

Shop now

XX% OFF




4.2 ★★★★★

Vite Colte
Essenze Barolo
€20,00 €14,95

Shop now

XX% OFF



4.2 ★★★★★

Vite Colte
Essenze Barolo
€20,00 €14,95

Shop now

Key Takeaways

- Leverage data to understand your customer
- Your website is an extension of your physical winery
- Optimize everything for mobile – and keep optimizing
- Keep your emails varied and personalized
- Content is king: it's all about storytelling & engagement
- Be relevant & timely



Thank You!

QUESTIONS?

WINE **DIRECT**

THE WINERY'S CHAMPION