

**DTC Commerce Trends
That the Wine Industry
Should Pay Attention To**



Track: Sales / Marketing
2:30pm - 3:30pm

Conference Track
Presented by:



MODERATOR



**Amanda
Diefenderfer**
Proprietress / Big Red
Marketing



Jim Agger
Senior Vice President,
Ecommerce / WineDirect



Brent Bellm
CEO / BigCommerce



John Keleher
Founder / Community
Benchmark



WELCOME!

ROUNDTABLE DISCUSSION TOPICS:

Today's Connected Consumer - Key Trends

Top DTC Wine Commerce Strategies

Top Digital Personalization & Conversion Tools

Top e-Commerce Reengagement Strategies

Audience Q&A

Today's Connected Consumer - Key Trends

Recently, there's been a growing shift in alcohol sales strategy from distribution models to direct-to-consumer at a rate never seen before.

Let's talk about today's "connected wine consumer" and key trends that have shaped e-commerce demand over the past four years.

SATURDAY, MARCH 20TH, 10AM (PST)

Registering for the ride will enter you for a chance to **WIN** a Clif Family cycling swag bag!

TUNE UP! WITH CLIF FAMILY FOR A VIRTUAL **TUNE UP!**
TUNE UP! BIKE RIDE, CULINARY DEMO AND WINE TASTING

Don't forget to use our Hashtag #TeamClifFamily on the Peloton Leaderboard so we can be sure to give you some high fives.

YoY Net Sales Growth by Channel (Q3)

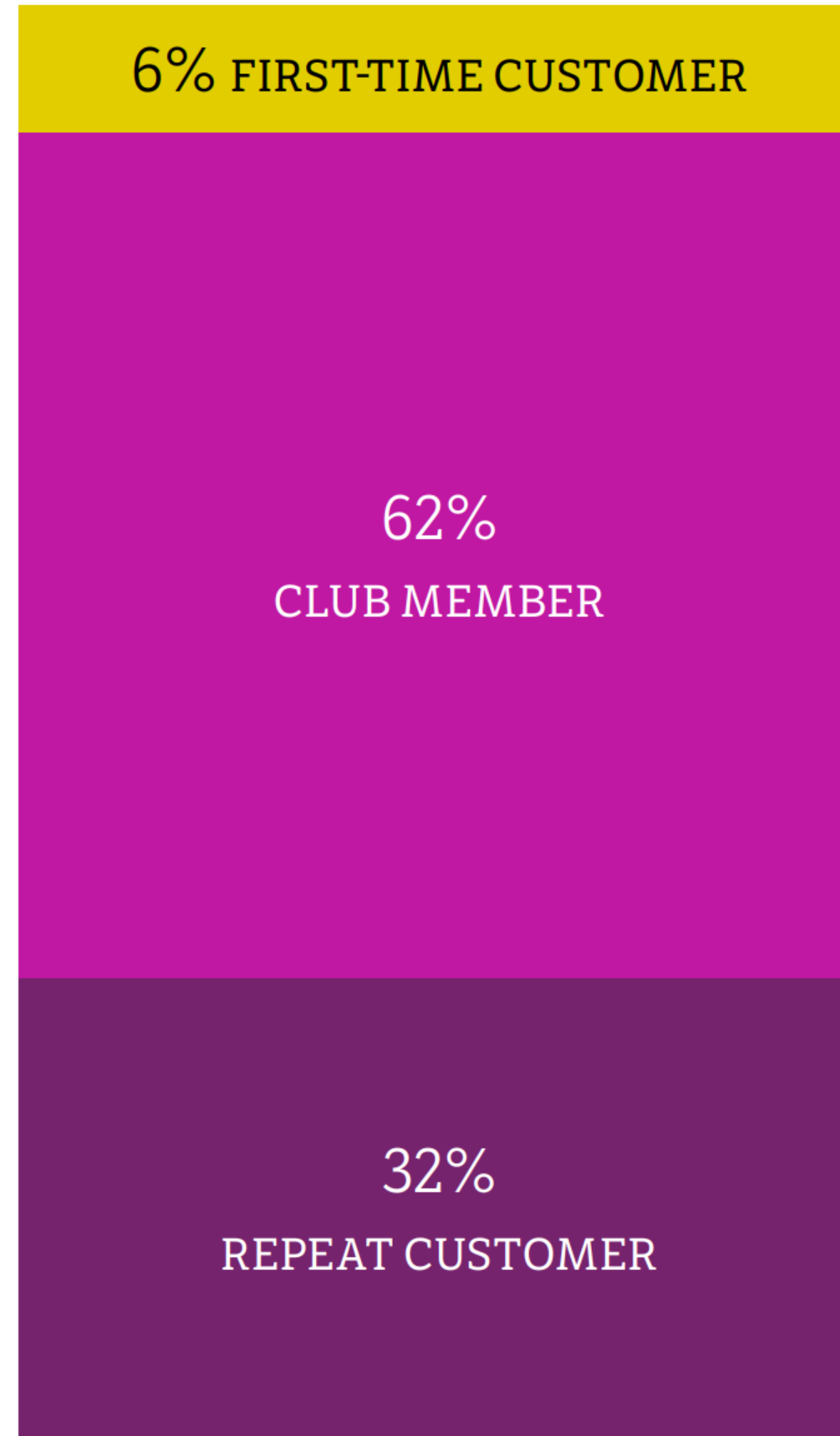
	2019	2020	2021	2022
ALL	5%	2%	25%	-4%
CLUB	7%	10%	20%	8%
POS	5%	-20%	50%	-11%
WEBSITE	2%	113%	-21%	-14%
OTHER	4%	10%	15%	-6%

YoY Cases Sold Growth by Channel (Q3)

	2019	2020	2021	2022
ALL	11%	19%	7%	-9%
CLUB	9%	18%	12%	1%
POS	10%	-5%	22%	-16%
WEBSITE	18%	206%	-31%	-15%
OTHER	15%	28%	-4%	-9%




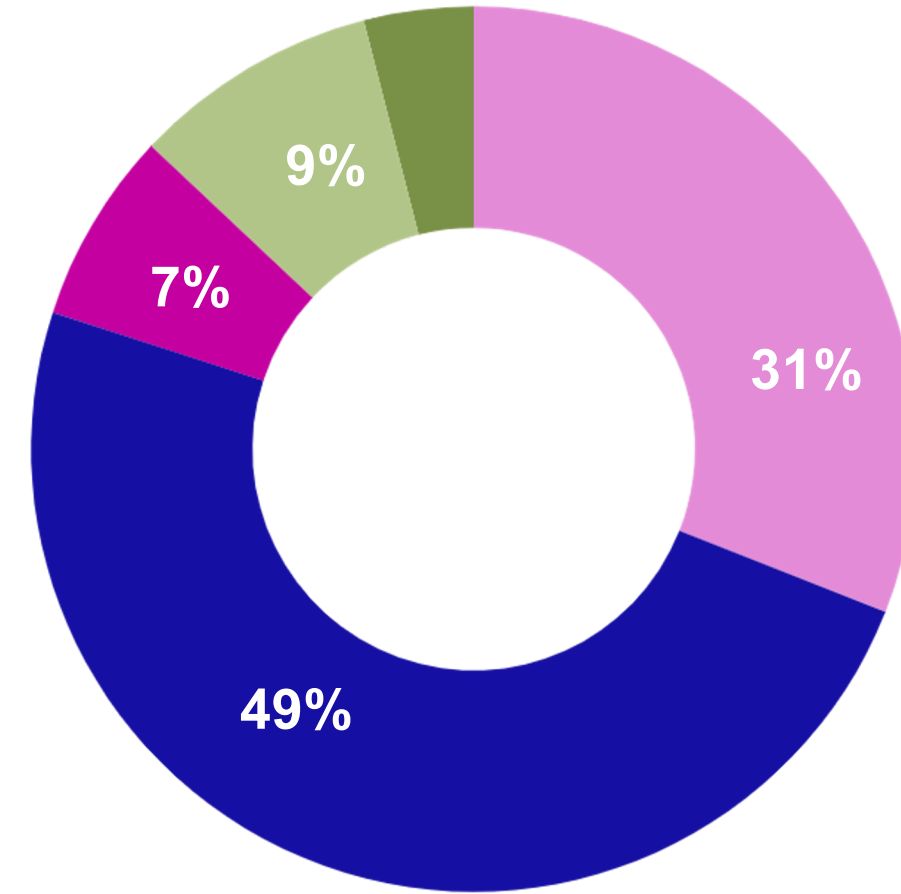
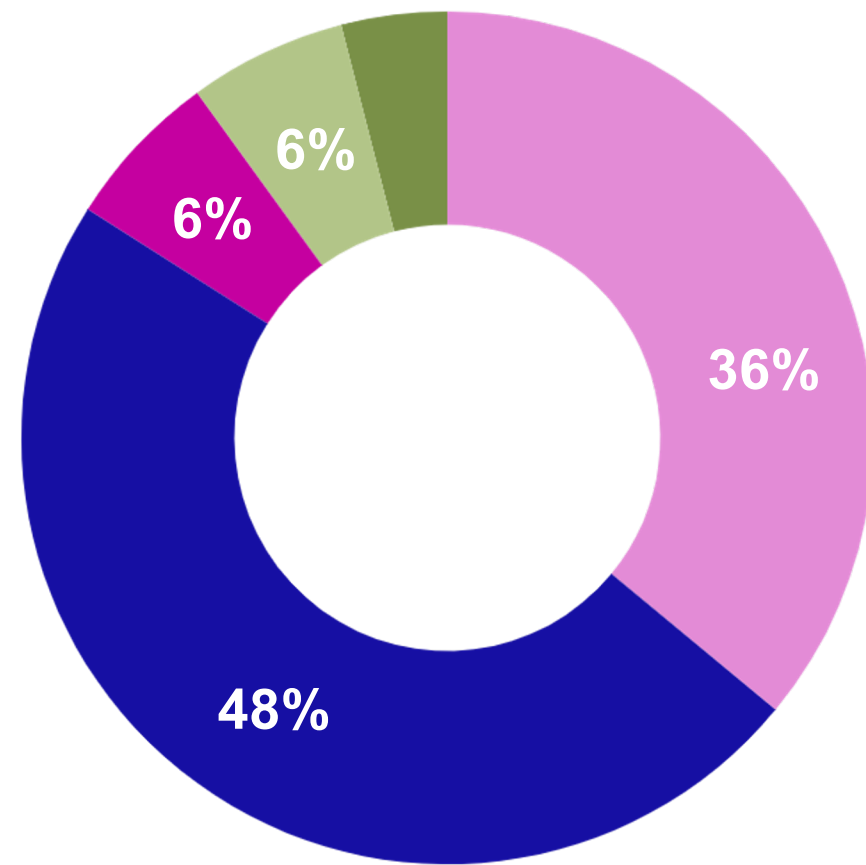
94% of buyers are known, repeat buyers



2022 Year To Date DTC By Channel: “Digital is 12%-15%”

 **Less than 5,000 Cases**

 **Greater than 5,000 Cases**



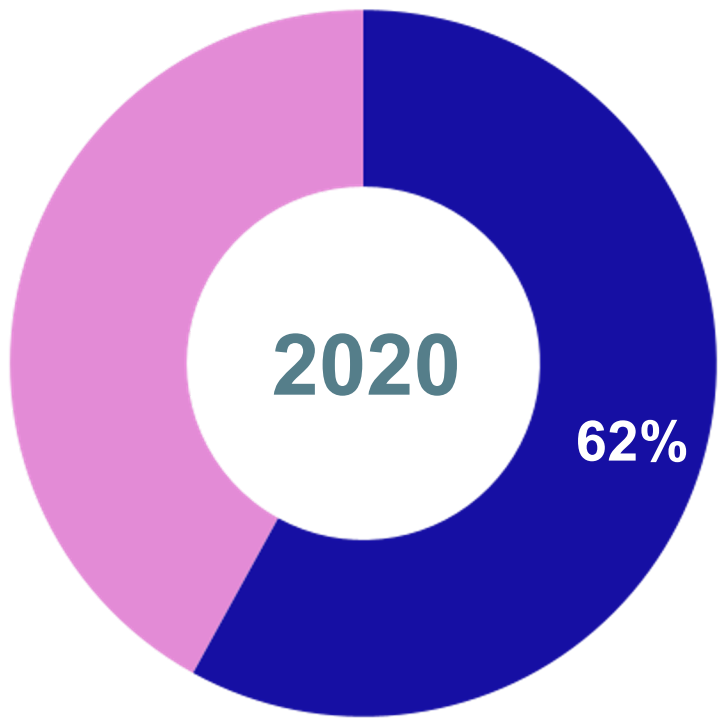
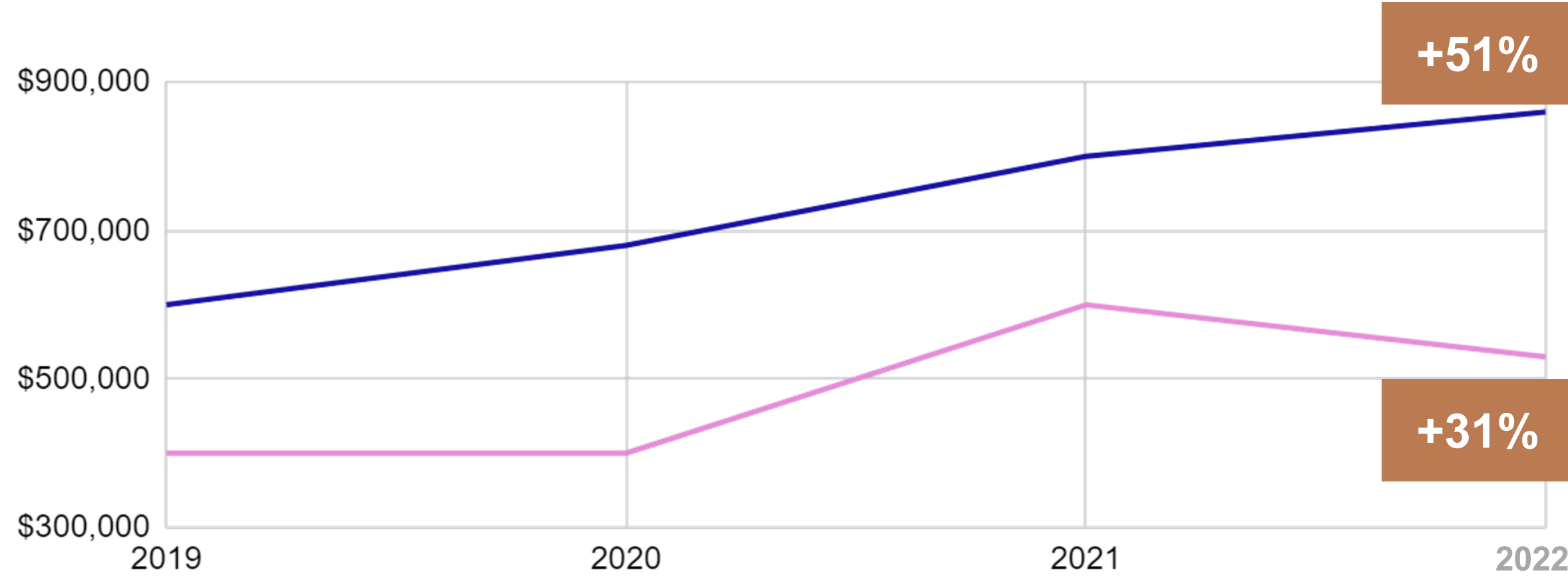
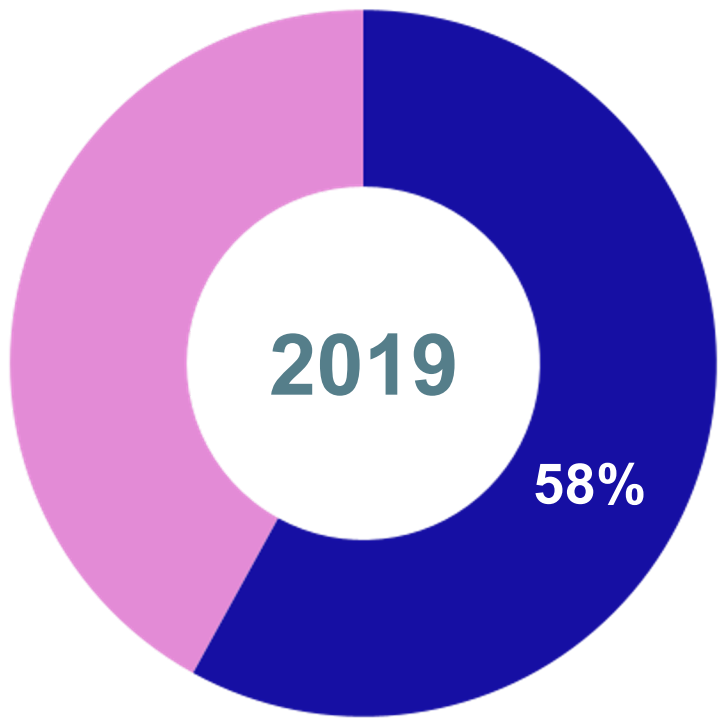
 Tasting Room  Club Allocation  Outbound Phone  Website  Events & Other



Most of DTC & DTC Growth From Club Members

Revenue Growth By Member vs. Non-Member

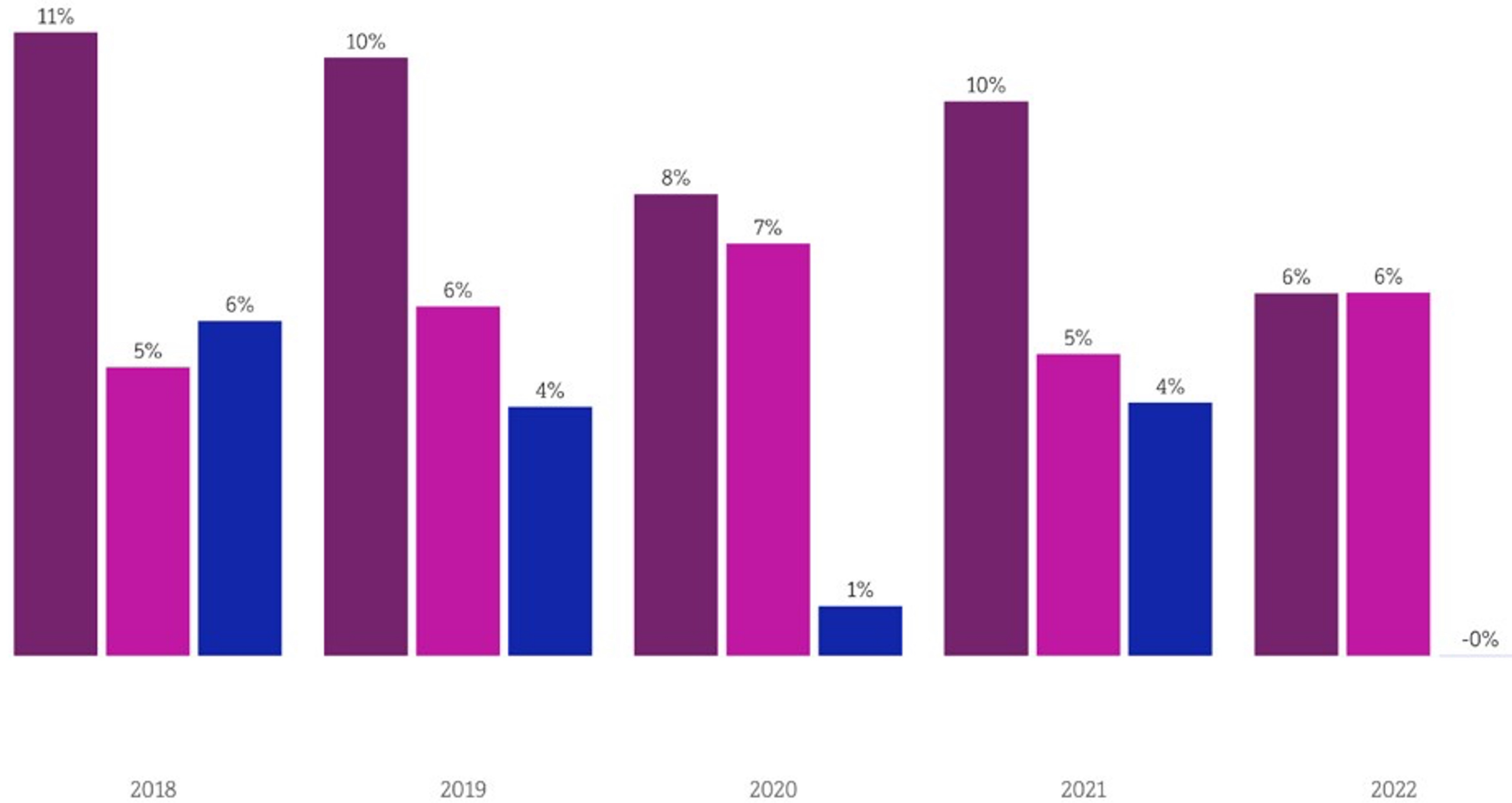
*Wineries less than 5,000 cases



Member Revenue Non-Member Revenue

Wine Club Memberships Growth Rates Since 2018 (Q3 in isolation) - US

■ Avg Qtr Sign Up Rate ■ Avg Qtr Attrition Rate ■ Avg Qtr Growth Rate

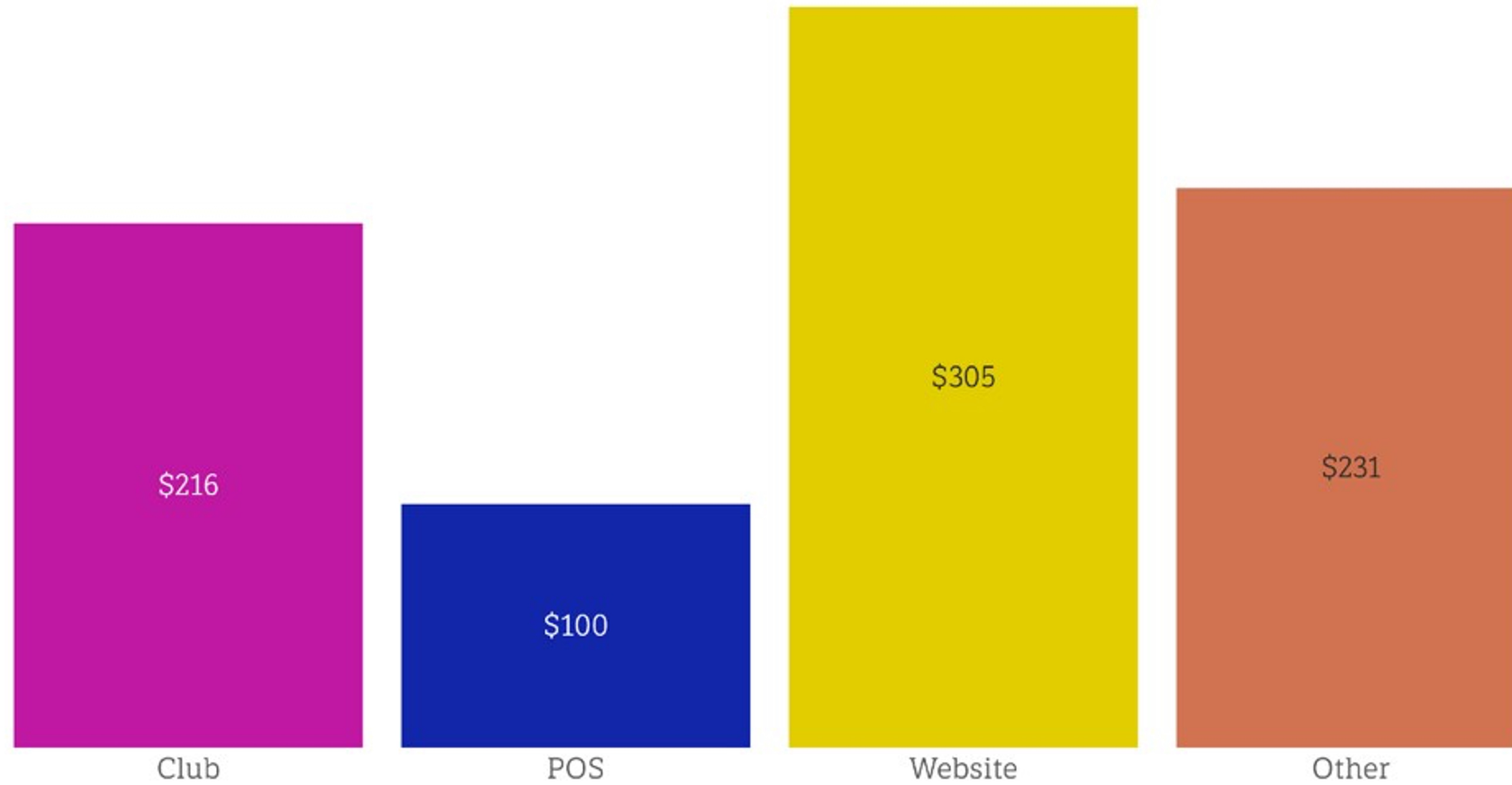


WINE DIRECT x ENOLYTICS

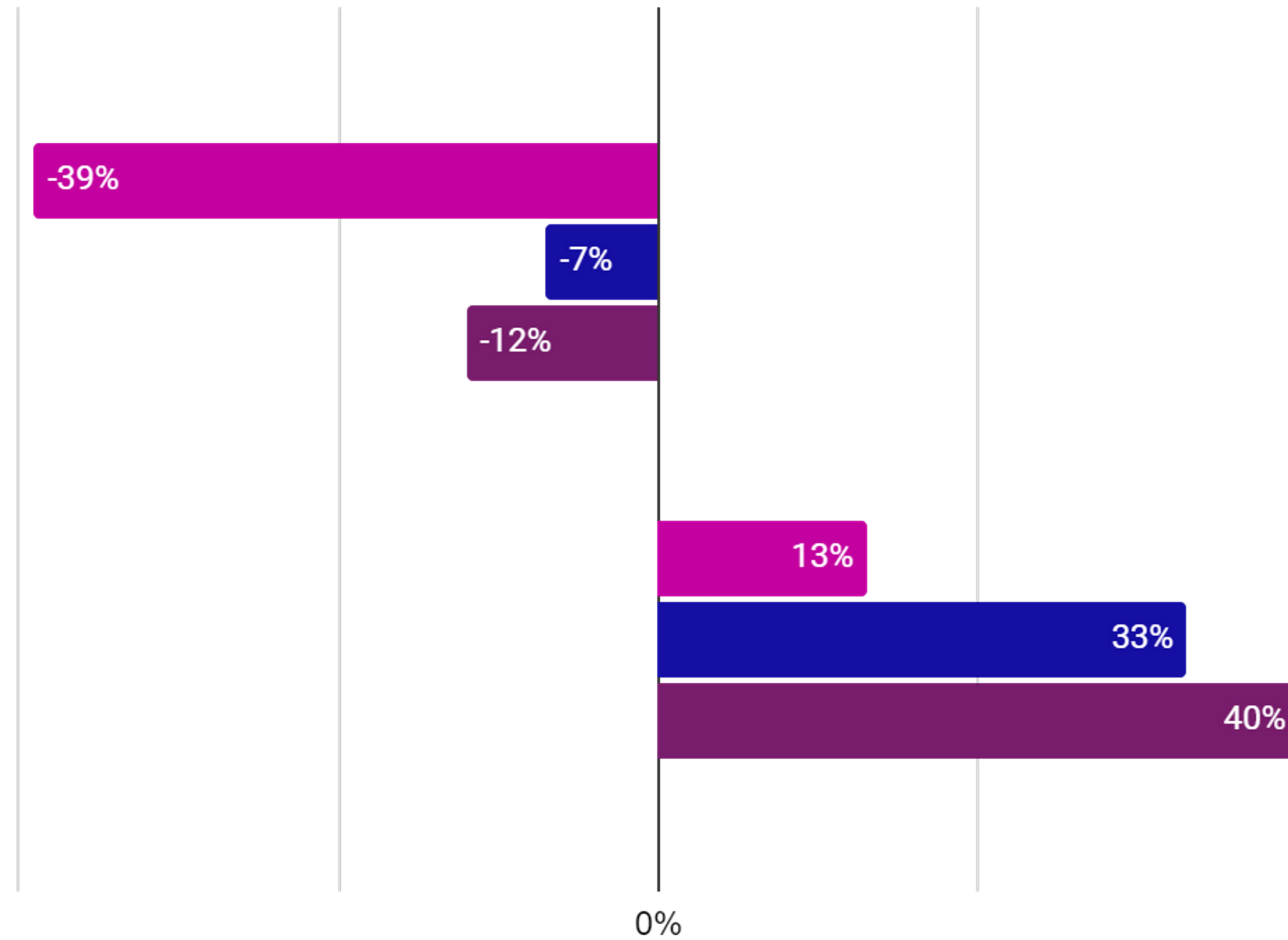


2022-Q3 DTC Impact Report

2022 Average Order Value by Major Channel (Q1-Q3) - US



Tasting Room: Volume & Value vs. 2019

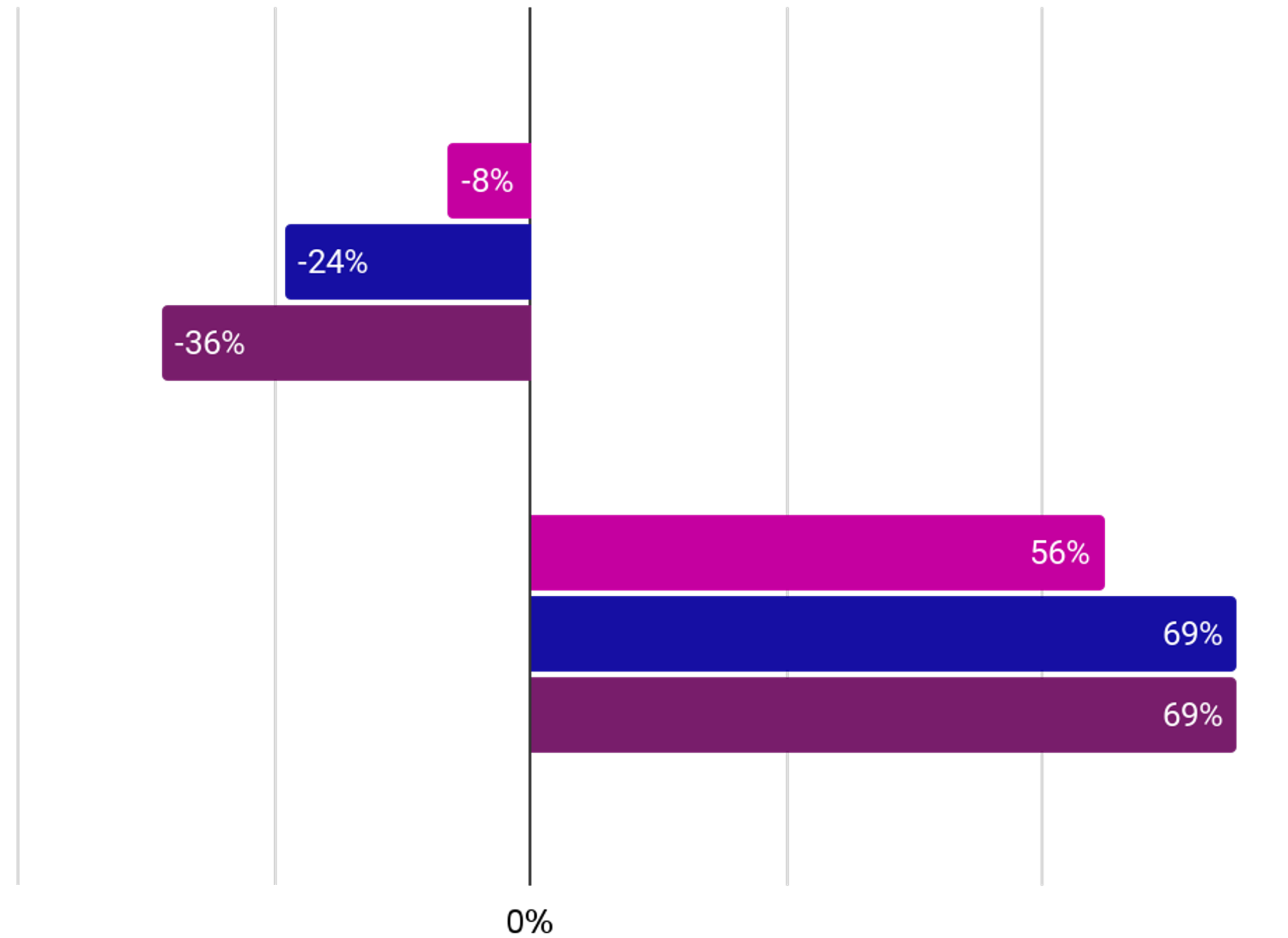


2020

2021

2022

Outbound Phone: Volume & Value vs. 2019

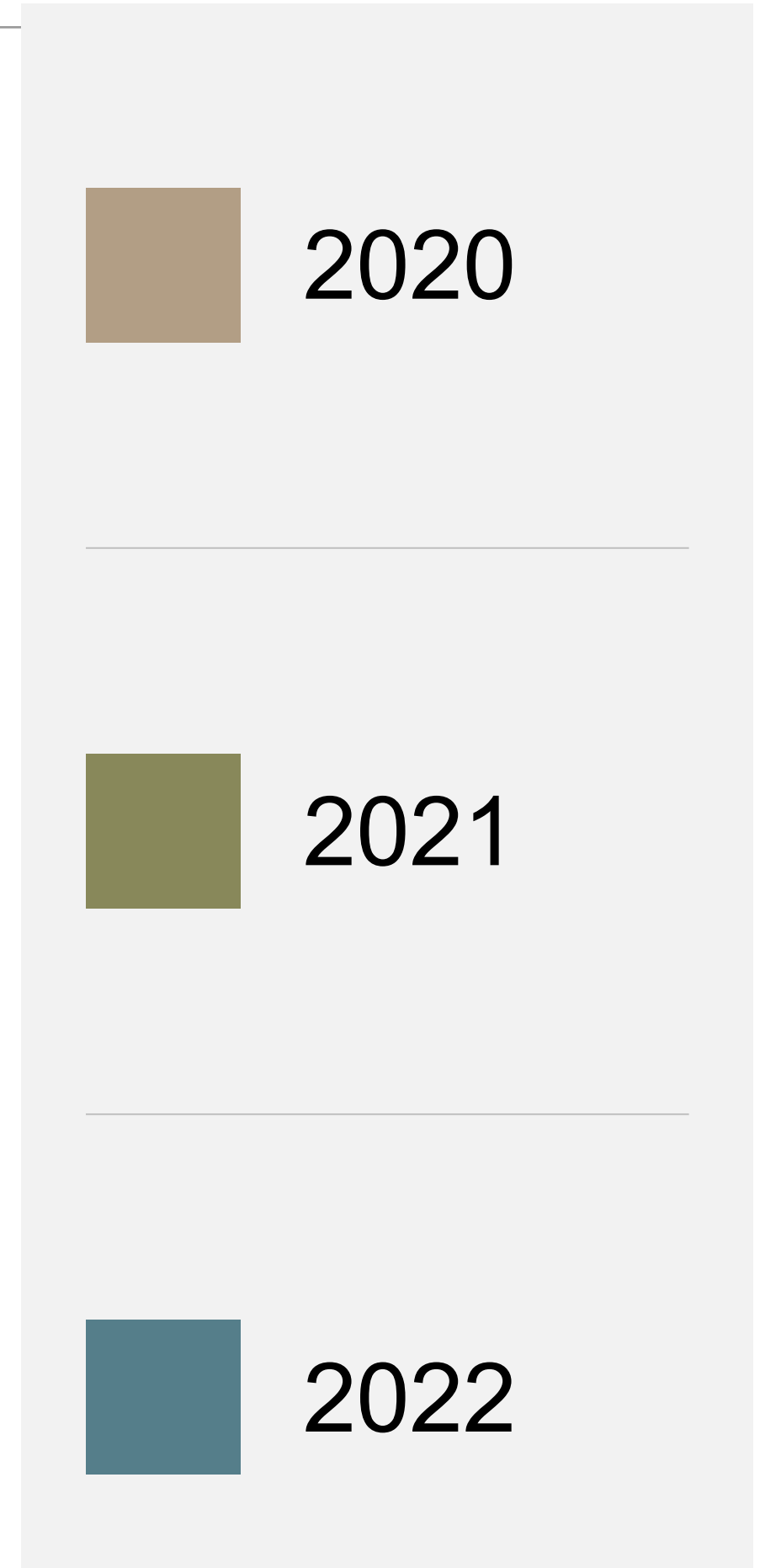
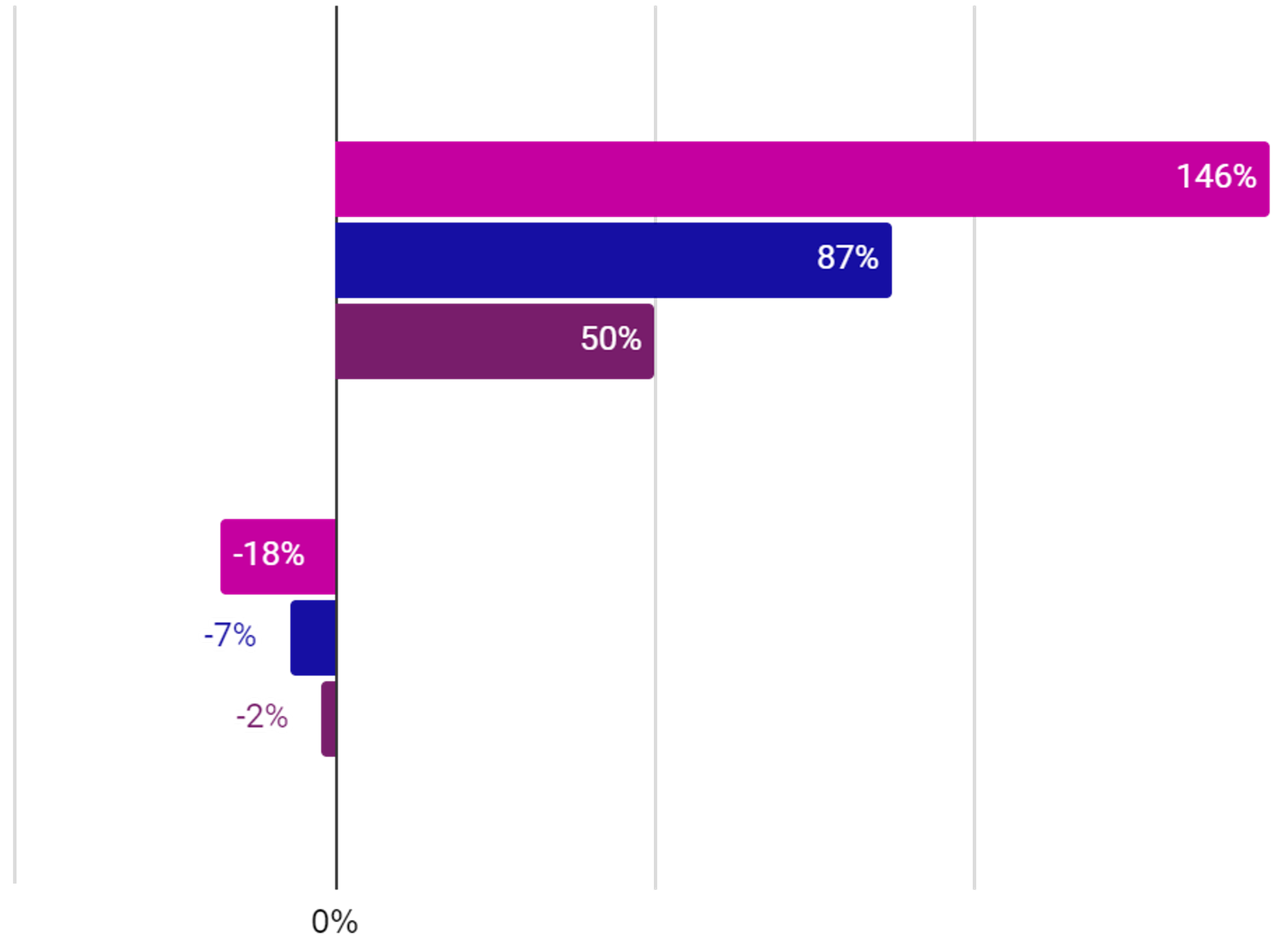
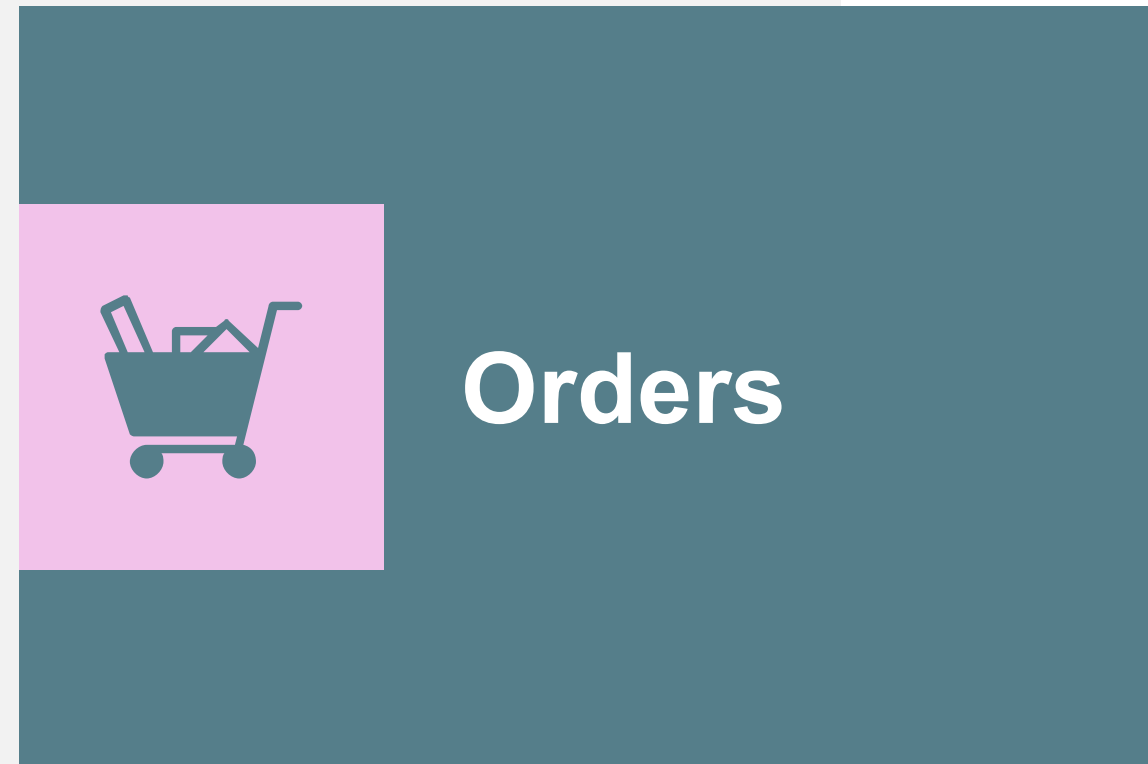


2020

2021

2022

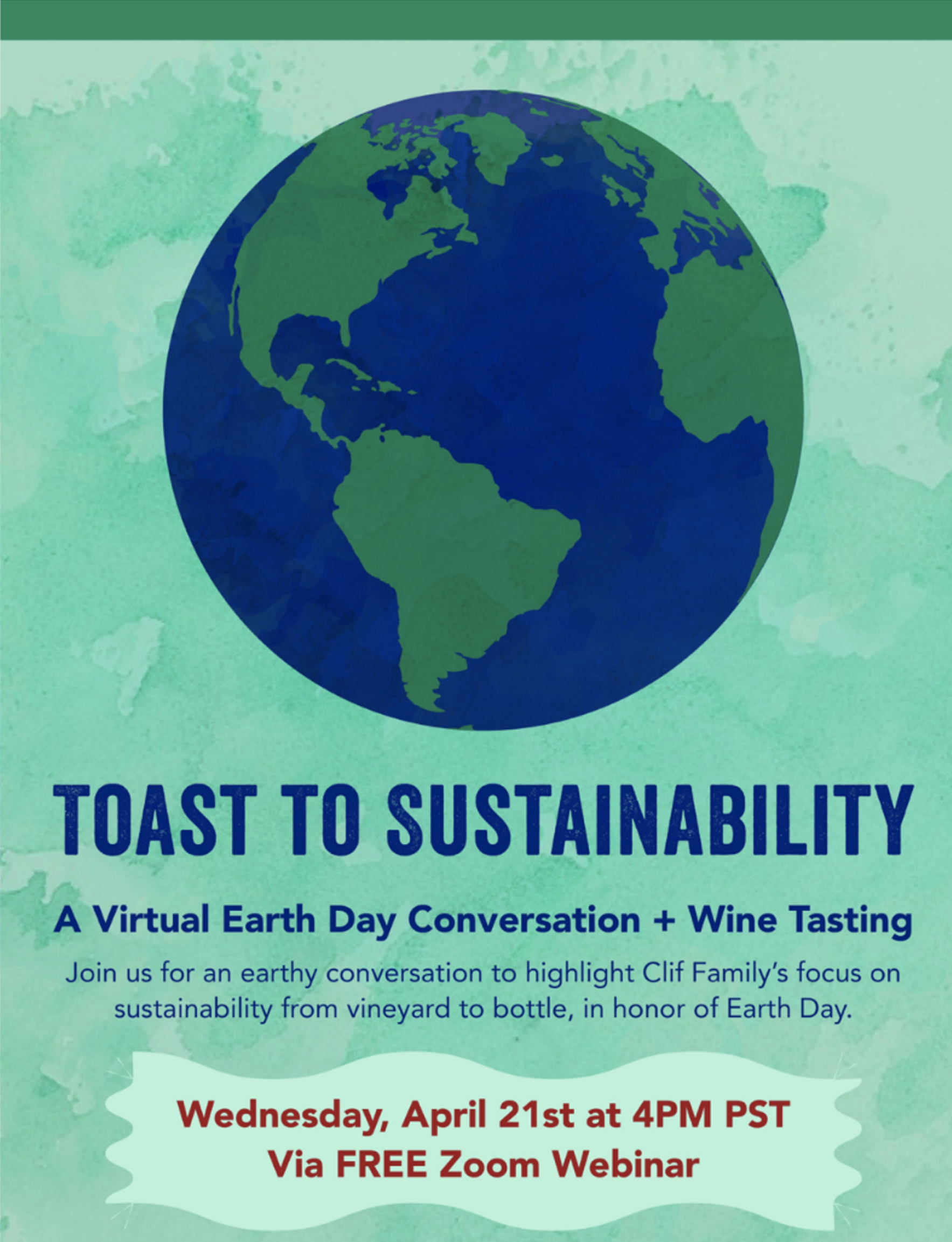
Website: Volume & Value vs. 2019



Top DTC Wine Commerce Strategies & Case Studies

New sales models require distinct strategies for continuing to reach target audiences and growth goals. The 2020/2021 pandemic forced the launch of virtual tasting programs, private client services and other high-touch sales programs beyond the tasting room.

Can each of you share examples of how your clients have stepped up their direct wine sales strategies to stay relevant with today's wine consumer?



TOAST TO SUSTAINABILITY

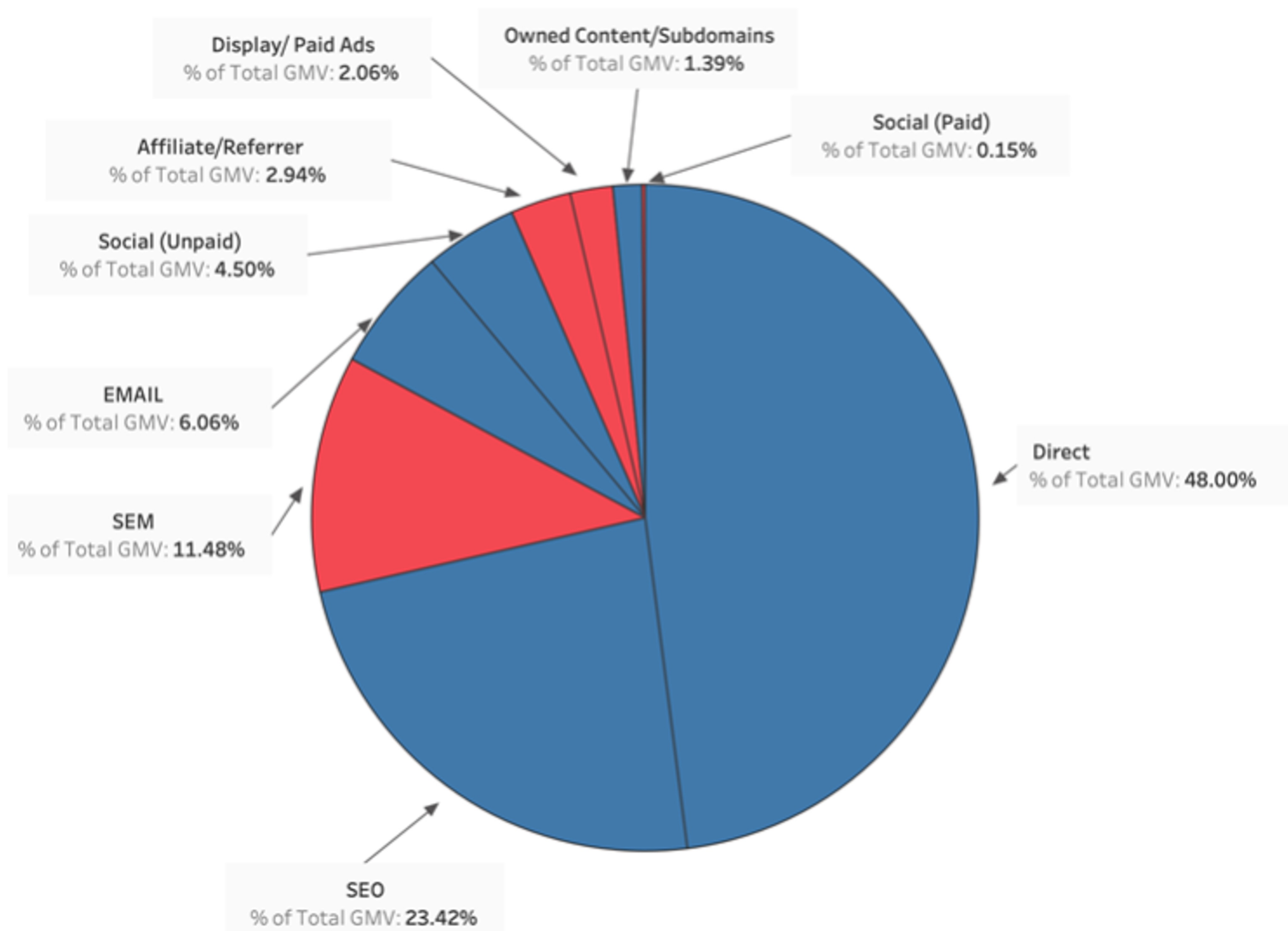
A Virtual Earth Day Conversation + Wine Tasting

Join us for an earthy conversation to highlight Clif Family's focus on sustainability from vineyard to bottle, in honor of Earth Day.

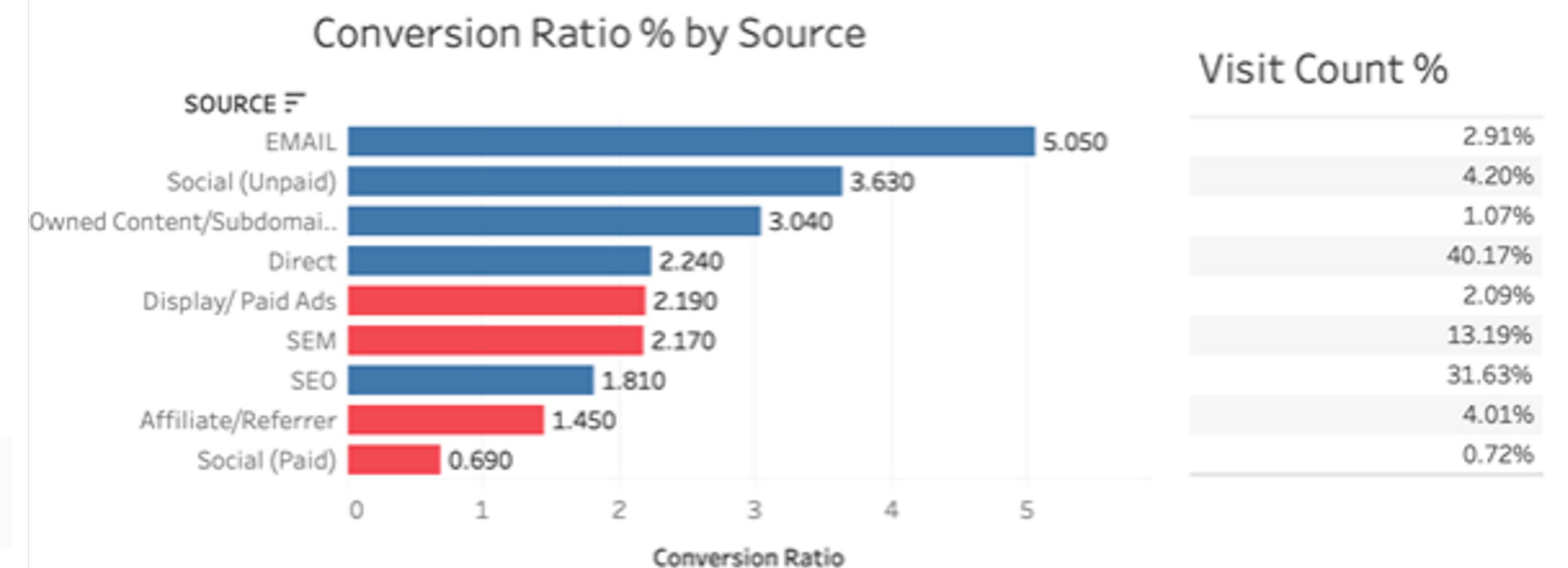
Wednesday, April 21st at 4PM PST
Via FREE Zoom Webinar

Food & beverage stores source <50% GMV directly. SEO outweighs paid sources. Email, social, content convert best.

GMV % by Traffic Source - Oct '22



Visit to Purchase Conversion Ratio by Traffic Source - Oct '22



Source: 2,500+ BigCommerce global food & beverage merchants, October '22

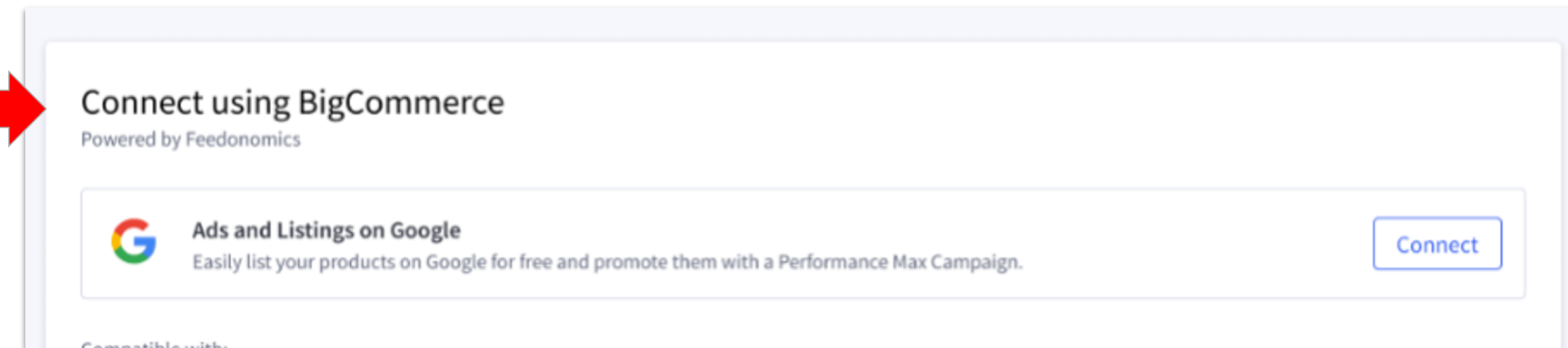
Note: Food & bev stores outperform global averages on unpaid social by 3.3x.
 Food & bev stores outperform global averages on email by 1.6x.
 Food & bev stores source 9% less GMV from paid sources (16% vs. 25%).

SEO/SEM: how to take advantage of Google Ads & Listings

Options

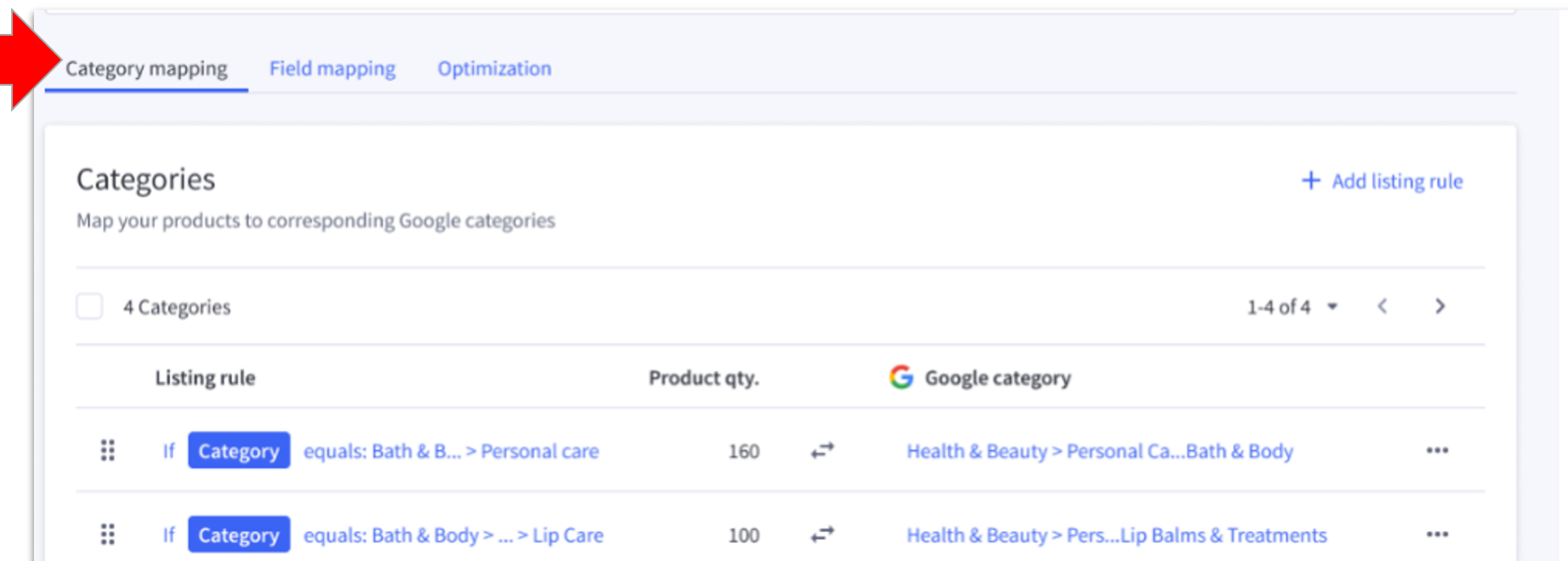
Integration

1. **Direct / automated by platform**
2. **Direct / automated by an app**
3. **Manual via G Merchant Center**



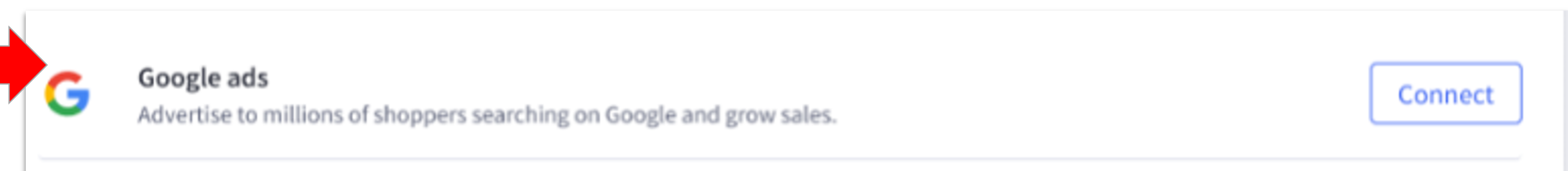
Optimization (categories, fields, titles)

1. **Feedonomics**
2. **Manual via G Merchant Center**



Utilization

1. **Free listings: Shopping tab, search, images, Youtube**
2. **Ads: create/edit/optimize, Performance Max Campaigns**
3. **Google Analytics 4**
4. **Google Trends**



Google Shopping goal: optimized free + paid listings that compete favorably with retailers and competing products

Transformed Data Row




Preview product on:

Google Shopping


Desktop

Original



The Prisoner Wine
Company Red...
\$150.00
The Prisoner Win...

On Hover



The Prisoner Wine
Company Red Blend Duo
2021 Gift Set, 750ml
\$150.00
The Prisoner Wine
Company



Raw titles (parent_title) vs. Optimized Titles (title)

row	image_link	parent_title ↓	title
43 🔍		2021 UNSHACKLED SAUVIGNON BLANC CALIFORNIA	The Prisoner Wine Company Unshackled Sauvignon Blanc California 2021 White Wine, 750ml
53 🔍		2021 UNSHACKLED PINOT NOIR	The Prisoner Wine Company Unshackled Pinot Noir 2021 Wine, 750ml
45 🔍		2021 UNSHACKLED CHARDONNAY CALIFORNIA	The Prisoner Wine Company Unshackled Chardonnay California 2021 Wine, 750ml
58 🔍		2021 The Prisoner Red Blend Duo	The Prisoner Wine Company Red Blend Duo 2021 Gift Set, 750ml
39 🔍		2021 SYNDROME ROSÉ NAPA VALLEY	The Prisoner Wine Company Syndrome Rose Napa Valley 2021 Wine, 750ml

Facebook preview

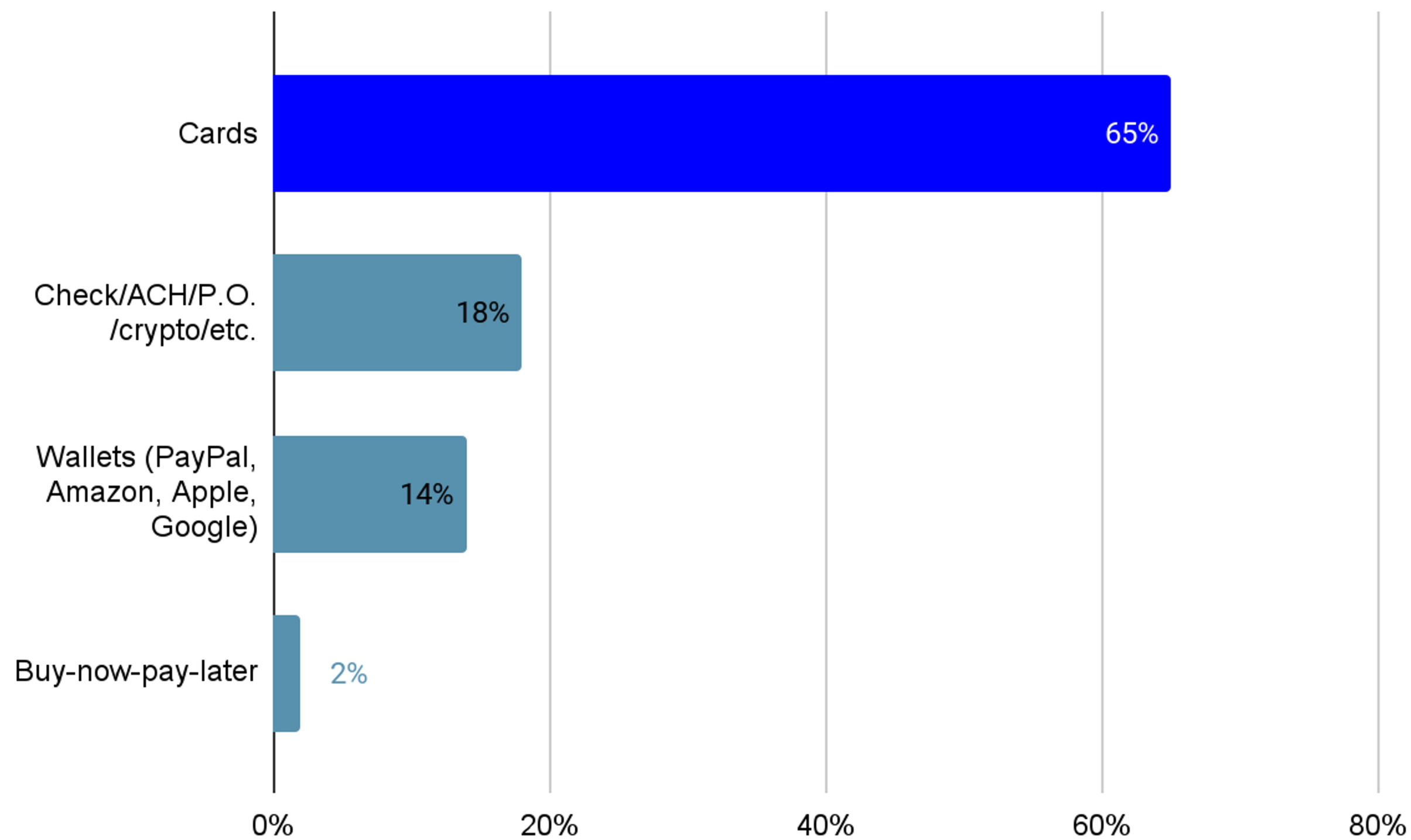
- Raw vs. Transformed
- Optimizations of title using rules to insert product nouns, keywords, size,

[Step through Transformations](#)

	Transformed	Raw
row	1024	1024
image_link	 https://dsi2vjvztwiuk.cloudfront.net/website/products/131326/bottle/784777/original.png	 https://dsi2vjvztwiuk.cloudfront.net/website/products/131326/bottle/784777/original.png
title_opt	Frank Family Pinot Noir 2021 Red Wine Napa California 750 mL Wine Library	
title	Frank Family Pinot Noir Wine 2021 Wine Library	Frank Family Pinot Noir 2021

Typical winery checkouts lack payment methods used by Y%

US ecommerce payment breakdown



Sample winery checkout

No wallets at top (PayPal, Apple Pay, Google Pay)

Checkout

Already have an account? [Member Login](#)

* Indicates a required field

Delivery / Pickup Information

Signature is required for delivery

Shipping Pickup

Credit cards-only at bottom of checkout

Payment Method

Credit Card Gift Card

Secure Payment
The security of your sensitive information is important to us. When you enter sensitive information, we encrypt that information using secure socket layer technology.

VISA SECURE ID Check
MasterCard
AMERICAN EXPRESS
DISCOVER
SafeKey
ProtectBuy

*Card Number

Card Number

69.1%

\$0.78

Email Capture Rate in the Tasting Room
(Top Performers)

Sold Online For Every \$1 Sold in the
Tasting Room
(Top Performers)



15%

5.9x

Winery Websites That Include Personalization

Conversion Rate For Winery Websites That Use Personalization



Top Digital Personalization & Conversion Tools

Recently, there's been a growing shift in alcohol sales strategy from distribution models to direct-to-consumer at a rate never seen before.

Let's talk about today's "connected wine consumer" and key trends that have shaped e-commerce demand over the past four years.

SHOP LOGIN

Jordan

For Your Holiday Table



Dear Sandra,

'Tis the season for holiday get-togethers and dinner parties. We want to make sure you have everything you need to make this season one to remember. Don't forget to place your orders by next Thursday, November 18, for Thanksgiving delivery.

Enjoy **free shipping** when you spend **\$300 or more** on any combination of wine, culinary products and accessories.

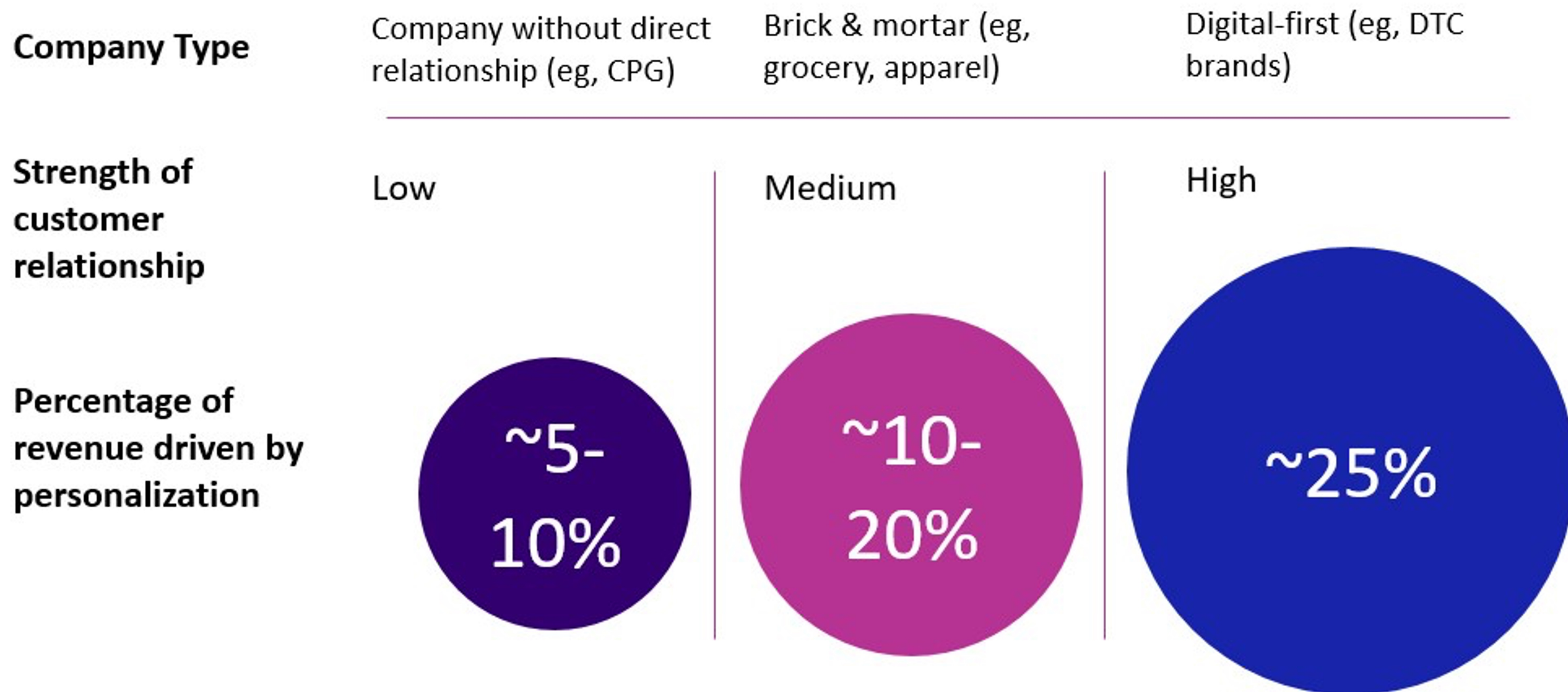
SHOP HOLIDAY GIFTS

Power of Personalization

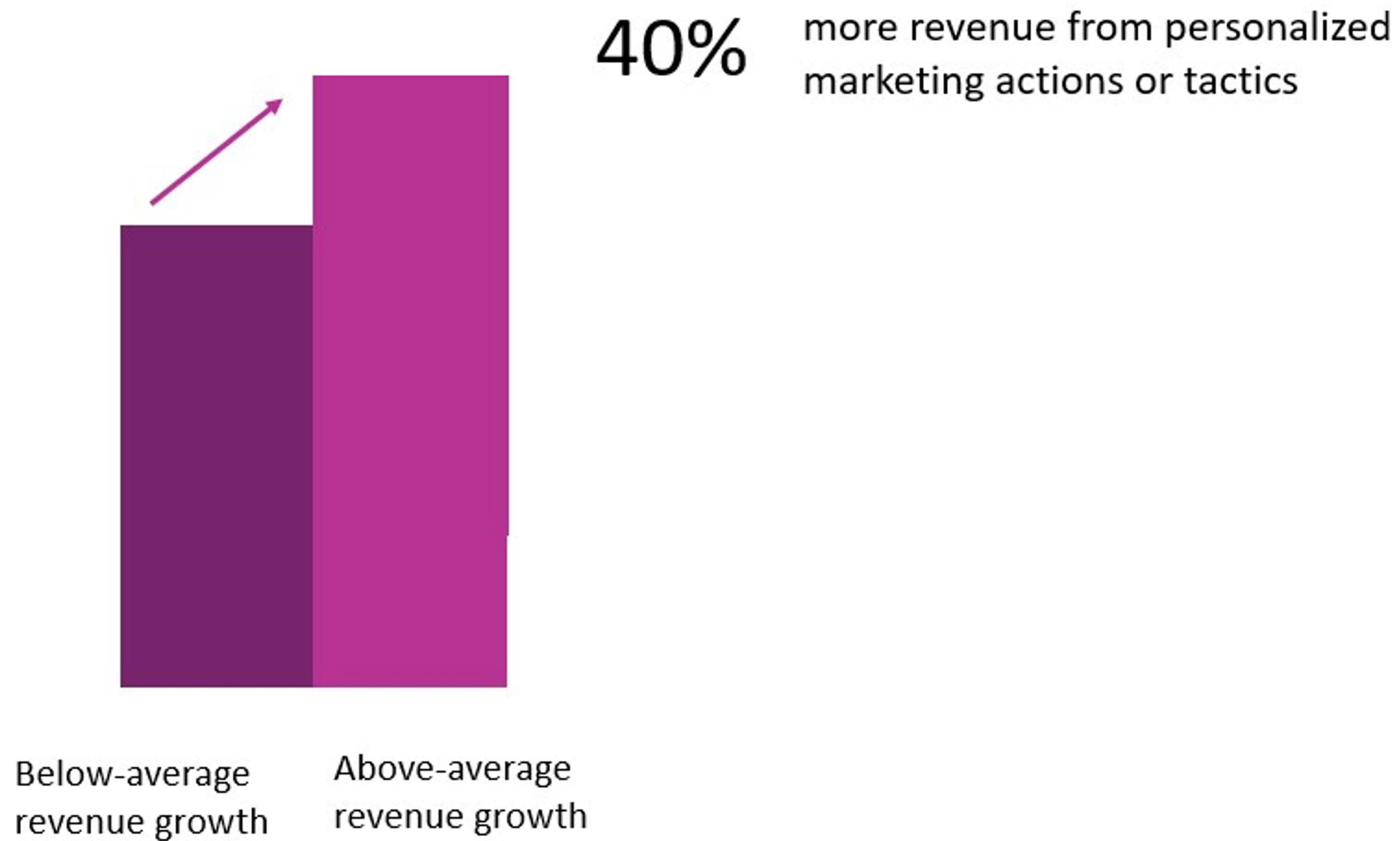
- 71% of consumers expect companies to deliver personalization interactions.
- 76% get frustrated when this doesn't happen.
- If consumers don't like the experience they receive, it's easier than ever for them to choose something different.



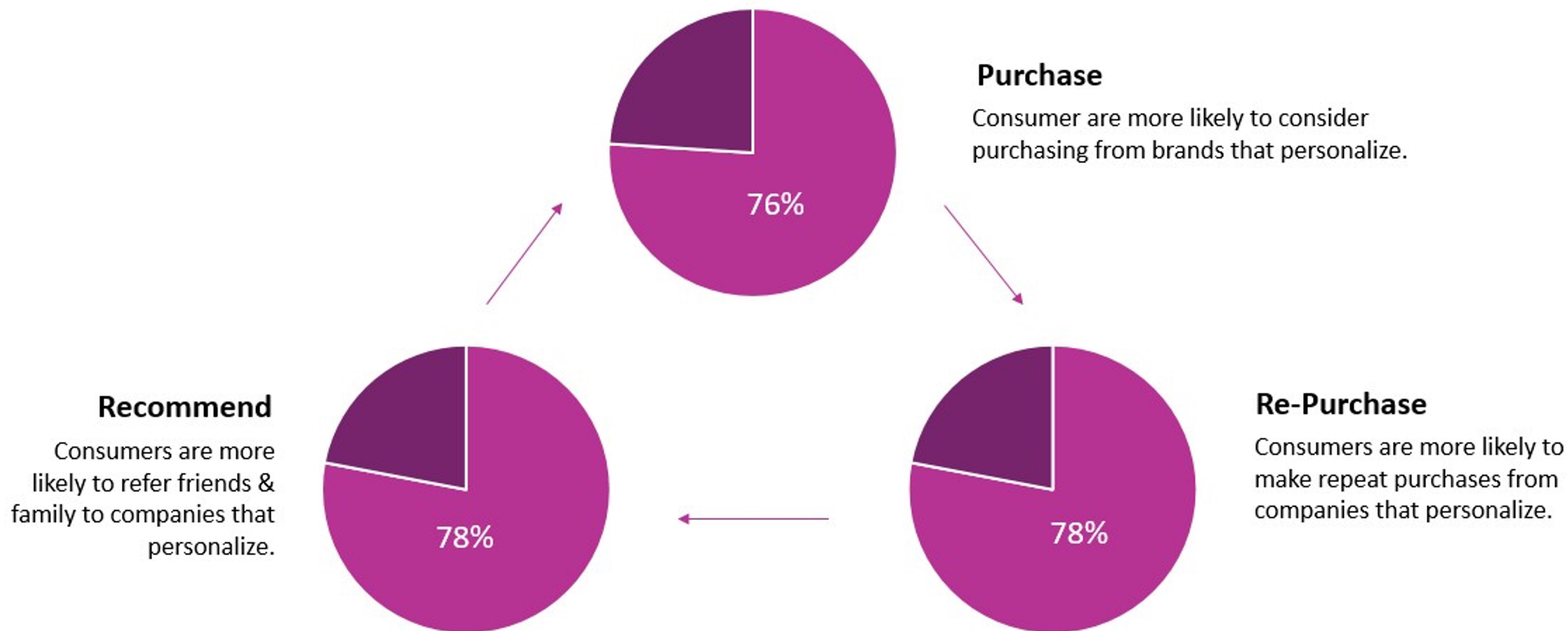
Digital-first companies drive more revenue from personalization



Personalization helps you grow



Personalization influences buying behavior



Vivino - how Feedonomics onboards wineries + retailers



- △ Vivino asks Feedonomics (FDX) to onboard a new winery or wine retailer
- △ The merchant provides FDX data from their source(s): warehouse inventory source, website scraping, ecomm platform, etc., and FDX in turn formats and normalizes the data
- △ Data is imported and then optimized to meet Vivino's requirements; all the listings from all merchants are consistent across Vivino
- △ The newly optimized catalog is imported into Vivino
- △ Data is regularly synchronized between the merchant's data source and the marketplace

Top Winery e-Commerce Reengagement Strategies

Let's wrap up today's discussion with examples of how high-performing wine brands are leveraging "Reengagement Sales Strategies" to get to the second sale and also retain long-term loyalists.

How do winery teams form communities based on like-minded interests, lifestyle data points, etc. - AND remain engaged with these key brand loyalists leveraging the various digital tools available today?



Hi Sandra!

I would like to invite you to a [virtual wine tasting](#) with yours truly...

That's right! I'm excited to launch an entirely new [on-demand digital tasting experience](#) just for you—it's the next best thing to being here on DAOU Mountain.

Here's how it works. Just acquire our three-bottle virtual tasting collection and I'll take it from there with a [guided tasting video](#). I will lead you through each wine in your collection, discuss wine terminology, and share family winemaking stories about my father Daniel and uncle Georges.

New Report Looks at the Rising Influence of Online Communities

By [Andrew Hutchinson](#)

Published Feb. 24, 2021



Nov 29, 2018, 12:31pm EST

Why Building Community Is Critical To Your Brand's Success



Paulina Karpis 

ForbesWomen

brunchwork cofounder/CEO. Reinventing business education.

Almost half of Americans feel alone and isolated, according to a [2018 study by Cigna](#). Though it may surprise many, the Cigna study suggests that the use of technology and social media has minimal influence on a person's feelings of isolation.



PRODUCTS WE LOVE

A Toast To Giving Back: Wine Companies That Donate to Charity

BY LISA MATTSON

Wineries that Let You Drink for Good

BY JESSICA RITZ



1849 Wine Company's bottles at the LA Art Show, served as a fundraiser for St. Jude Children's Research Hospital / Photo courtesy St. Jude Children's Research Hospital

Home

What Gives? Ways Wineries Participate in Philanthropy

FEBRUARY 04TH, 2019

BY MICHAEL CERVIN

Wine Producers, Growers, & Labels



WHAT ARE GREAT WINES SUPPORTING GREAT CHARITIES?

We all love to be a part of giving and the wine community is especially generous, dedicating themselves to a wide range of charities. So what are great wines supporting great charities? We searched out the wines that best embody the spirit of giving and show how through an incredible diversity of passions we can all help make a difference.



Food and Wine Pairing Tool

Suggested Wine Pairings for over 100 foods.

Choose food type

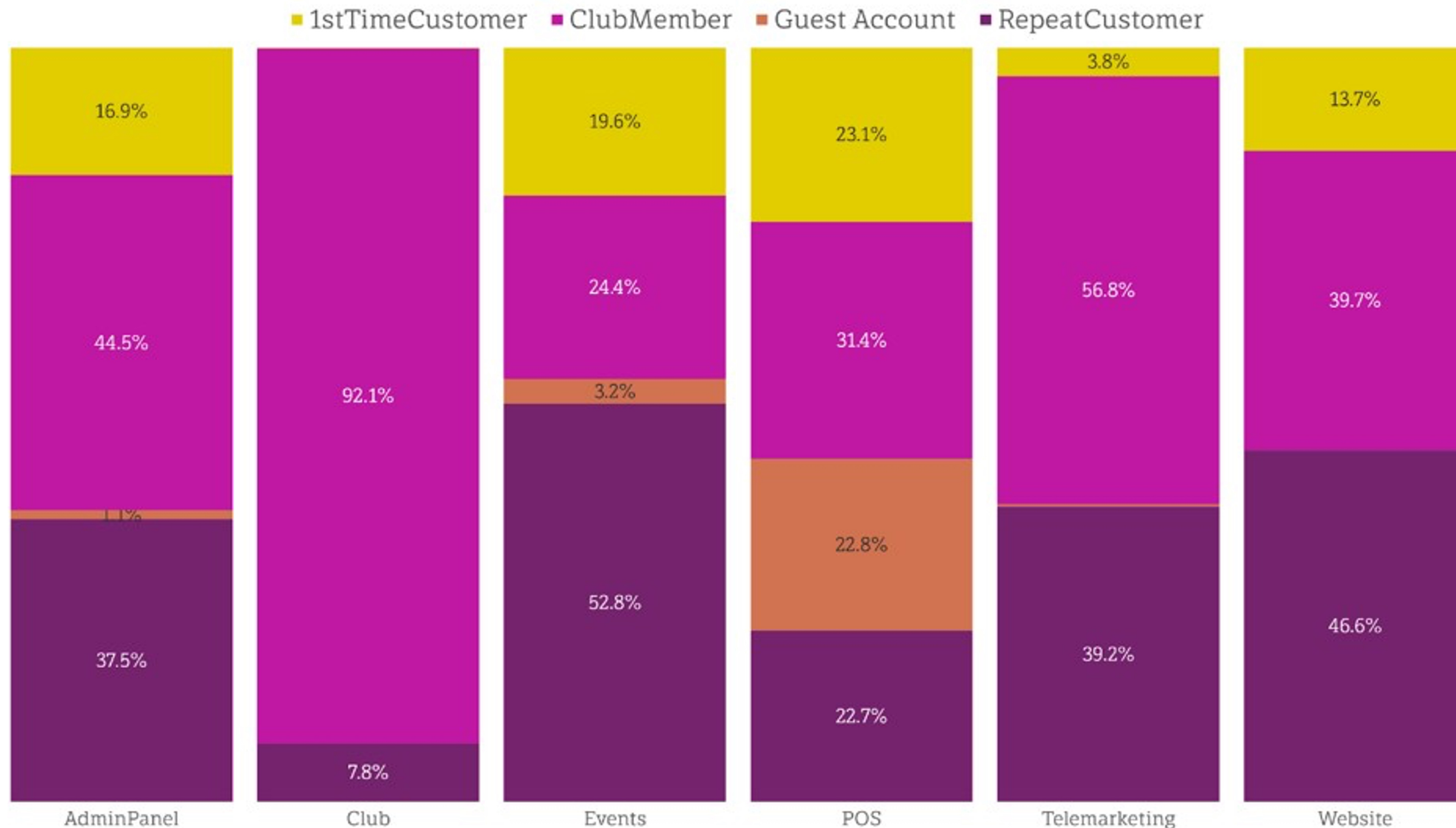
- Any -



Apply

Small-Batch
Wines
**TASTE
BETTER**

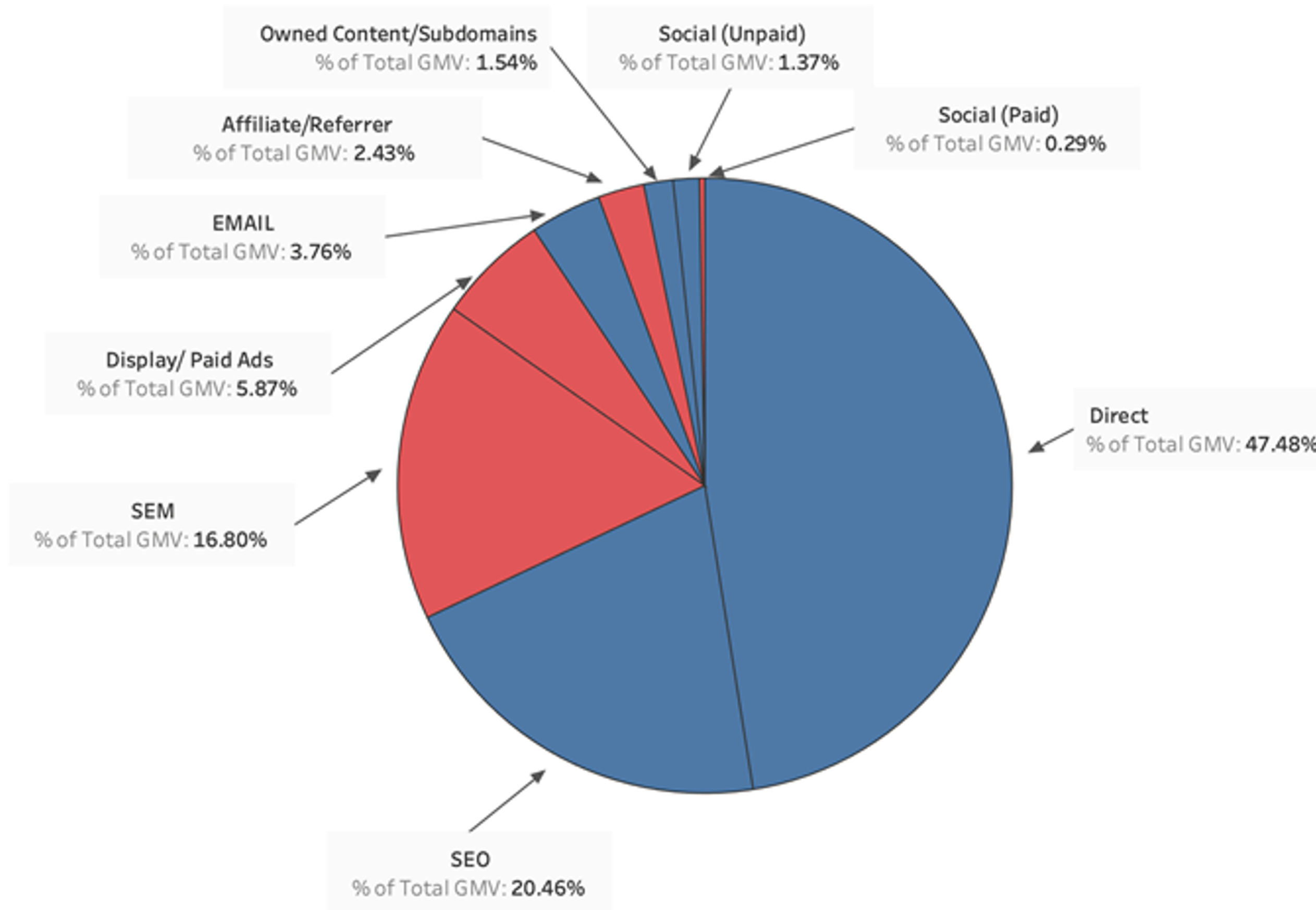
Channel % Net Sales By Contact Source 2022 (Q1-Q3) - US



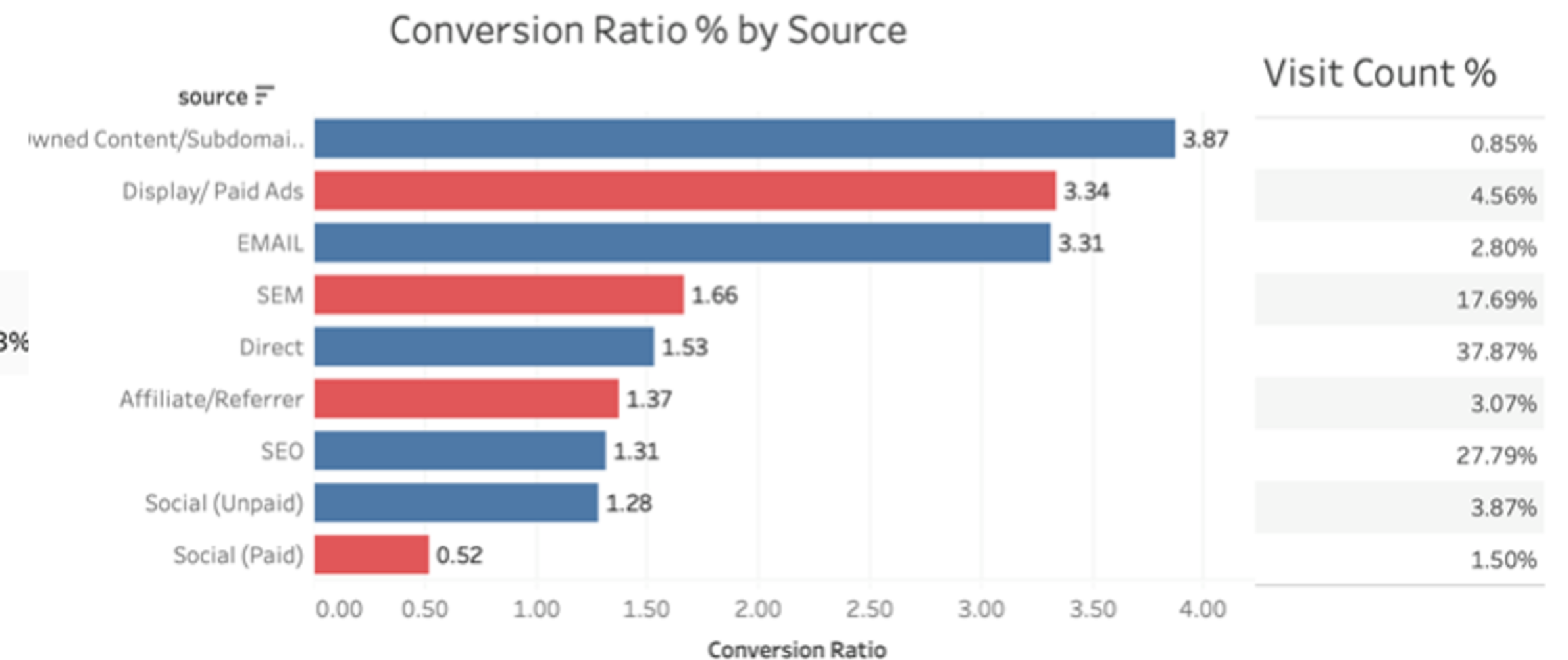
Half of ecommerce GMV sourced from 3rd party websites.

Underutilized content marketing has highest conversion rate.

GMV % by Traffic Source - Oct '22



Visit to Purchase Conversion Ratio by Traffic Source - Oct '22



Audience Q&A

This is your time!





THANK YOU!

CONTACT DETAILS:

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brent.bellm@bigcommerce.com

johnk@communitybenchmark.com

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