



Wine Industry Technology Symposium



# ***The 5 Habits of Highly Successful Wineries***

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## “Habits”

*Common perspectives, strategies and tactics employed by wineries with successful direct-to-consumer programs.*

*What works?*



## The 5 Habits of Successful DTC Programs:

1. Relentless Data Collection – Bill Murphy
2. Commitment to Customer Service – April Sutton
3. The Brand Experience – April Sutton
4. Setting Metrics and Standards – Lesley Russell
5. Consistent Execution - All



## Habit #1:

# Relentless Data Collection

*Collect names for consumer mailing list at every consumer touch point. Collect customer-level transaction detail.*



## List Sign ups in the Visitors Center

- *Information Collection Cards: Clear, Simple, Concise*
  - First/last name
  - Physical mailing address
  - Email address
  - Daytime telephone number
  - Optional Questions: Varietal preference, birthdate, etc
- *Info Cards: Multiple, Easy-to-see Locations*
- *Incentives: Consider contests*
  - “Sign up, get a corkscrew” or “how many corks in the jeroboam?”



## Sign ups in the Visitors Center

- *Bottom Line: Prospective Prospects Shouldn't Leave Visitors Center as Such*
- *For consideration: Kiosks? Leased lists?*



## Sign ups Online

- *POV: The winery website is a funnel*
- *Funnel consumers to take specific action, in priority order:*
  - Sign-up for Mailing List
  - Subscribe to Wine Club
  - Buy wine



## Transaction-level Detail

- *Track and collect individual customer transactions from visitors center, club, telephone, email, website, etc.*
- *What % sales from each?*
- *20/80 Rule:*
  - Identify behavior of top buyers
  - “How do we get other 80% to act the same way?”*





## Transaction-level Detail

- *RFM Analysis:*
  - Recency, Frequency, Monetary Value
  - Segments customers by revenue deciles
  - Surfaces low-hanging fruit
  - Leads to discussion of appropriate strategies: offers, timing
  - Common Finding: Just one more purchase!



## Habit #2:

# Commitment to Customer Service

*Management is committed (really)  
to providing professional customer service*



## Commitment to Customer Service

- *Guest Expectations and then some...*  
Give them more than they expect. Customer or Guest?  
Create a welcoming environment for your guests
- *Adequate Staff*  
Make sure you have enough staff to serve customers  
Need to continue top-notch service during peak hours
- *Doing a Little Extra*
- *Customer Retention – “touches”*  
Keep ‘Em Coming Back



## Commitment to Customer Service

- *Turning “bad” into “good” (a.k.a. Complaints)*  
Listen, agree, take the blame, offer solution  
Convenience or options ~ Lead to more business
- *Quality product, quality service, quality team, quality consistency*  
Before, during and after...ongoing  
Invest in good training for your employees  
Practice the Golden Rule

***Get to know your members on a personal level which will in turn provide customer service that is over the top!***



## Habit #3:

# Focus on Brand Experience

*Good wine quality is expected,  
but we compete on many more levels  
than just what's in the bottle*



## Focus on Brand Experience

- *Sell Brand, Not Wine*  
Differentiation
- *The Lifestyle Concept at Justin Vineyards & Winery*  
The JUST Inn, Deborah's Room, Wine Society Lounge,  
Tour Program



## Focus on Brand Experience

- *Delivering an Experience*  
“Inner” self ~ Emotional footprint
- *Branding from the Inside Out*  
Aligning employees with brand to create customers “magical moments”

***Create memorable experiences that reach guests  
on a personable level***



## Habit #4:

# Setting Metrics, Standards

*What gets measured, gets done*





## Wine Sales

- *Wine Sales by Channel*  
By P&L and Customer Type  
Revenue, Avg. Disc, GM, Contribution  
Product by channel
- *Wine Sales by Customer*



## Conversions

- *First touch point to database*
- *Channel to purchase and membership*
- *Campaign to purchase and membership*

***Attribute each sale to a customer***



## Retention

- *Club growth & cancellations*  
Average tenure of cancels  
Declines
- *Value of one member*  
Cost to acquire, break-even revenue, LTV
- *Recency*  
RFM scores, migration, campaign impact



## Habit #5:

# Consistent Execution

*Don't be wowed by tools –  
get focused on your game plan*



## Concluding Points

- *78% of U.S. market is now legal for direct-to-consumer wine shipping*
- *We are years away from market saturation*
- *Consumers want to hear from you*
- *You have the tools, technology, know-how*
- *All it takes is commitment and good execution!*