

vinSUITE

**Using Winery
Software to
Increase Wine Club
Membership
Retention**

INTRODUCTION

As the industry leader in winery software – eCommerce, point of sale, and wine club management – we at vinSUITE see our clients use various aspects of our technology offerings in different ways, but many of the top selling wineries share similar approaches. We've isolated some of the things they do in their wine clubs to keep their members happy and loyal for longer.

There are several reasons a person might join a wine club – access to wines they wouldn't otherwise get; feeling like an insider at the winery; the additional perks such as discounts, tastings, and special event invites; the ease of having their wine selected and sent to them on a regular basis; having consumed too much wine at the time they signed up; and so on. No matter which combination of reasons inspired them to join, they only stay if they are continuously delighted by their membership. Every shipment presents them with a fresh opportunity to cancel, so wineries have to constantly be working to make each experience better than the last.

According to a 2019 study done by Wine Business Monthly and Silicon Valley Bank, the average winery today receives 36 percent of its sales from the wine club with the average person staying in a club for 30 months. With the decline in tasting room visitors, retaining and growing club membership sales is a necessity. By finding ways to bring more value to their members and keeping them in the club longer, wineries can really enhance their bottom line while also making themselves more attractive to other like-minded customers.

The vinSUITE software makes this task easier by giving wine club managers the ability to collect and analyze in-depth data in order to better understand and cater to customers' wants, buying patterns, preferences for interacting, and more. The outcome is the power to create offerings that excite members, communicate in ways that are tailored and relevant, and increase revenue by making more strategic decisions. The use of technology also allows for both web-based and personal interactions to be convenient and seamless for members while simultaneously increasing efficiencies for the winery. It's the ultimate in knowing more so you can sell more.

The path to longer member retention can be broken down into four main technology supported approaches that all work together:

- 1. Data collection for high-touch, VIP service**
- 2. Analyzing data to understand what customers want**
- 3. Relevant and engaging communication**
- 4. Ensuring all interactions are seamless and easy**

1

DATA COLLECTION FOR HIGH-TOUCH, VIP EXPERIENCES

Using integrated data offers each customer a personalized, VIP experience whether in-person, on the phone, or through the website.

Being able to provide a customer with a stellar experience in the tasting room is usually the first step to getting them to sign up for the wine club. Once they are members, that level of hospitality has to continue to increase. By collecting information in one centralized location, every person the member speaks to will be able to provide them with more personalized service that makes them feel important and appreciated. We know gathering this information takes time which is why the vinSUITE software has been designed to make collecting, storing, and accessing customer data easy. Here are some highlights:

Automatically pull information from a driver license or credit card

With the simple swipe of a card, all of the customer's associated personal contact information can be uploaded into a new customer profile or included in an existing one. Additional details such as a spouse's name, special interests, or notes about the account, as well as preferences such as "only drinks white wine" or "prefers big Cabernet" can be added in a notes section and edited at any time. With a customer account, members can store credit cards and shipping addresses making checking out an easy process.

Store and track past purchases and club memberships

Each customer's purchase history and club memberships is automatically stored in their profile making it easy to answer questions they may have about past orders, their membership, next shipments, or to make suggestions of wine they might like based on ones they've enjoyed before. Lifetime value, purchase frequency, and tenure in the club all help to give the winery employee context of the member they're assisting.

Accessible to anyone within the software system

Whether standing in the tasting room, calling on the phone, or using the website, club members will always be well taken care of by any winery staff with access to the vinSUITE system as data is accessible in real time and integrated across all platforms and programs.

2

ANALYZING DATA TO UNDERSTAND WHAT CUSTOMERS WANT

Dig deep into data to uncover what your club members really want—and then give it to them.

Big data is a common phrase these days and for good reason. By having a wide spectrum of collected information, the opportunities to slice and dice it are endless and invaluable. To avoid analytical overwhelm, parameters should be dictated by goals and measured the same way year over year. Consistency is key here. By digging into the data, wine club managers can find what it is their customers truly want and give it to them. Patterns that are working great can be replicated while offerings or approaches that aren't as successful can be altered. Some ideas worth measuring are as follows:

BEST/WORST SELLERS:

- Clubs by member count
- Clubs by Revenue
- Wines most re-ordered
- Most common add-on to club shipment
- Employee getting most/least sign-ups
- Employee whose sign-ups have longest retention
- By city/state
- By age

ATTRITION:

- Overall rates
- By club
- By age
- Time of year

Perks/Promotion/Communication

Perks: Measure any additional perks offered as part of club membership (i.e. are members taking advantage of discount on other wines, comped tastings, invites to events).

Promotion: Were special promotions such as \$1 shipping or club-only end of vintage specials offered?

Communication: Open rates overall, by age, for A/B testing, response rate of third party solicitation, event attendance, etc.

vinSUITE offers powerful analytical capabilities that help wine club managers know more so they can sell more. All systems are integrated and in real-time with capabilities that allow users to drill down instantly to get a deeper understanding of their business. Intuitive dashboards, charts, and graphs make measuring key performance indicators simple and effective.

3

RELEVANT & ENGAGING COMMUNICATION

Use the customer demographics and sales analytics to understand what your customers want to hear from you and how they want to hear it.

Staying in communication with wine club members in between shipments is important to keeping them engaged. The more value a winery can add – whether that’s with interesting information, offers, surprises, birthday wishes, follow-ups, or pure entertainment – the more likely they are to purchase between shipments, recommend the winery to a friend, and build a deeper connection to the brand. Most wineries have multiple wine club offers which appeal to various types of customers. Each of these groups needs to be communicated to in their own way. Here are some things to consider when conversing with club members:

Segment members and tailor your message

Even within clubs demographics can vary greatly so you may have to break member groups up even further. The more a message can be tailored to the recipient, the greater the chance of it resonating. This is not a time to cast a wide net and hope for the best. Customers are accustomed to receiving highly targeted communications from other businesses they interact with and the wine industry must do the same. Sending members emails that do not appeal to them increases the risk of them canceling their membership and unsubscribing from the email list altogether. A single member can be segmented into several different categories such as by their club, personal demographics, as purchasers of a specific wine or varietal, interest in an event, average yearly spend, etc.

Automate wherever possible

Communicating with members on a regular basis doesn’t have to be cumbersome. vinSUITE allows users to set trigger emails, create email campaigns ahead of time, and track open and click through rates.

Where you communicate is just as important as what you communicate

Although email will probably form the foundation of a winery’s communication with wine club members, it’s important to consider who you are talking to and where they like to converse. A baby boomer, for instance, is often still happy to get a phone call while a millennial prefers to communicate online. Be sure you are using the right channel so your message doesn’t get lost.

4

ENSURING ALL INTERACTIONS ARE SEAMLESS AND EASY

An elegant user experience is critical to keeping wine club members longer.

Everything about a wine club member's experience must be enjoyable. From the visit that makes them decide to join in the first place to every interaction thereafter, things need to be organized, intuitive, and personal. The easiest way for a wine club team to deliver on this is to have one centralized location to manage everything on the back-end and features and functionality that make interacting with the customer smooth. Some tools to help achieve this are:

Automated club processing

With vinSUITE, club processing is quick, easy, and accurate. Our wine club management software is completely customizable to fit any size winery, with capabilities of processing multiple clubs at one time, saving hours of time. Orders can easily be tracked and detailed reports analyzed.

Automatic Credit Card Updater

One of the biggest challenges in wine club processing is expired cards. An average of 15-18% of credit cards in a wine club will be declined because of a change in expiration date or card cancellation. With vinSUITE's automatic credit card update feature that number drops to around 5-6% before anyone's even done a thing, saving time for the wine club staff and making the transition smooth for the club member.

TabletPOS

Adding tabletPOS to the vinSUITE integration allows club staff to provide better service to their members at wine club parties and tasting events. With the same features as the desktop version, the tablet reduces lines, enables guests to stay where they are while checking out, and has access to customer profiles with all the same data such as set club discounts, saved credit card information, and compliance integration.

SUMMARY

Wine clubs are a powerful revenue stream that need to be carefully managed. By using a single, integrated system, managers are able to gain greater insights, make more strategic decisions, and create offerings and experiences for their club members that build loyalty and extend retention. vin-SUITE is an award winning software program that was created by wine industry veterans who wanted to make a system that truly met the needs of those who would use it.

For more information, a product demo, or to talk further about how we can help you manage your wine club and increase member retention, please visit www.vinsuite.com or call us at 707.253.7400.