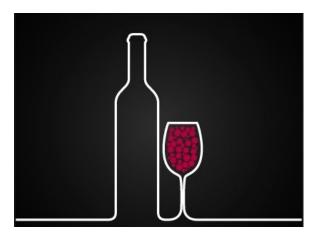


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WINE REPORT

A Gameplan and a Shortcut within a traditional industry primed to blast off w/ proper planning & smart strategies.

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Establishing Thoughts

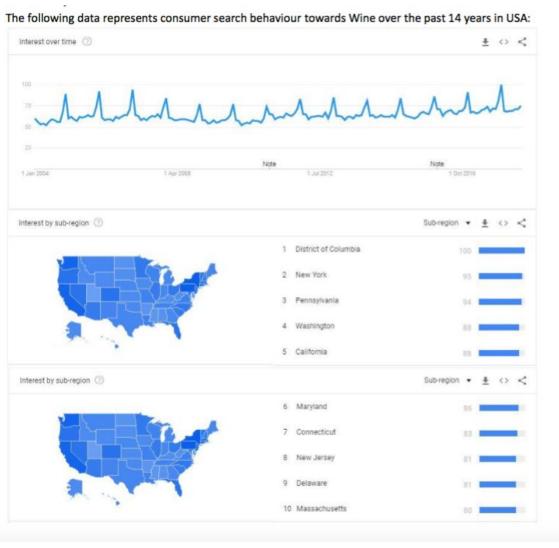
In order to make a good strategy, it is important to first understand consumer behaviour towards your products, in the online realm, within the geography you wish to operate in.

Further, once a trend is established we will understand which marketing channels to activate based on the industry standards as defined by your competition.

Trend Analysis

The following data represents consumer search behaviour towards Wine over the past 14 years in USA:

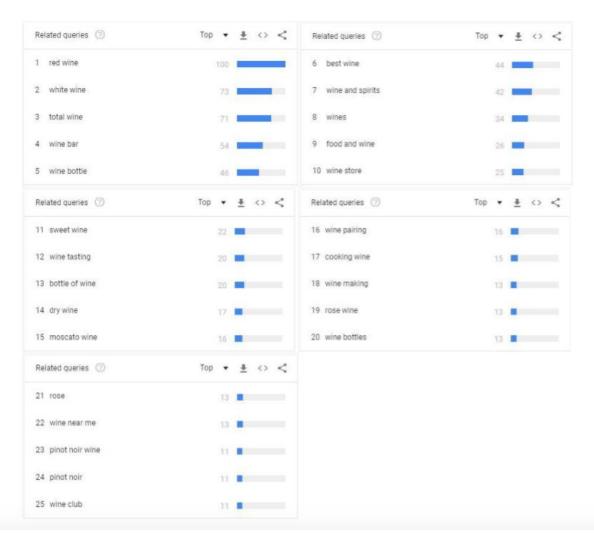
There is a pronounced increase in demand for wine in December. The search trend for wine has always been high and has climbed even higher over the past 5 years which indicates this to be a very "in demand" and lucrative product to sell. The top 10 states showing highest interest in wine are shown below.



The top 10 geographies shown above should be the focus of a new brand or existing brand's marketing efforts as these geographies are showing most potential of

"interested consumers". So all one needs to do is target them via advertising and immediately start to see conversion. Now let's have a look at how the competition is targeting these consumers.

Let's see if we can find a product based demand breakup by looking "related queries" graph:



Red wine is most in demand followed by white wine. There is a strong generic search trend of people looking for the "best wine", indicating that a content lead marketing strategy will work really well to attract customers. There is a strong trend of searches for "food and wine" pairings indicating that wine tours explaining such pairings will do extremely well or well formulated articles explaining the concept will attract lots of visitors to websites. While the rest of the trends are too low, they still indicate a great demand for wine related things such as wine tastings, how to cook with wine, how to make wine and even people looking to buy wine from a store nearest to them. There is

a well distinguished variety of "sub demands" to the overall demand for wine. This is an extremely lucrative product to sell as it can be associated with lots of services to be "up sold" to a consumer such as vineyard tours, wine tastings, wine based cooking classes and how to make your own wine classes.

Competitive Analysis Traffic, Engagement & Benchmarks

In order for a brand to be considered business efficient in the online realm it should drive at least 30,000 visitors per month. Anyone driving below this number is considered irrelevant. For a brand to dominate sales, they should be dominating all columns or success metrics (bottom graph). In this case there is nobody dominating all metrics in the bottom graph. Only two brands are driving sufficient traffic to be considered statistically relevant for analysis and these are KJ and 19Crimes. Both these brands have really high bounce rates nearing 65% on average which indicates that people usually do not like the website but the 35% that do like it, visit through more than 2 pages and spend about 2 minutes on the website on average. This indicates that even though the industry presents a huge potential in terms of sales and audience engagement. The brands in the competitive set are not successful in capturing the essence of the industry enough to be able to entice the end consumer to stay for longer. Both the graphs shown above together indicate a growing industry where people haven't really caught on to buying Wine products online, otherwise we would have seen much better numbers. It will be easy for you to carve out a niche here if you go about advertising correctly. Be very sure that advertising will be imperative to successful brand positioning and sales conversion.

In order for you to be successful you should reach the following metrics by the end of the first year:

- At least 30,000 visitors per month
- At least 2 minute avg. visit duration
- At least 2 pages visit per visit
- 50% bounce rate meaning 50% retention after the first page has been viewed

Before we move forward it is important to understand the 7 main traffic generating channels in any industry, make sure to understand them thoroughly before beginning the next analytics section.

Channels

- **Direct traffic:** This is when people directly visit a website by putting its web address in the browser. This kind of traffic is indicative of how strong a brand is in any arena. If most people visit a website directly, it means that this is a very well known and established brand.
- **Mail Traffic:** This is a form of promotions where monthly mailing campaigns are established by a brand to maintain and increase brand recognition levels. It is imperative for a brand to stay at the top of its consumer's minds by repeatedly putting out its marketing collateral in front of them to see.
- **Referral Traffic:** This is the traffic that is brought in via other websites or influencers in any arena. For example, if local news outlets or related bloggers feature a brand name on their site, then this brand gets traffic redirected from these influential websites to its own website. For this reason an influencer activity and media outreach are two important methods of getting referral traffic.
- **Social Traffic**: This is the traffic that comes from all social media channels. It is imperative that quarterly "branding campaigns" are implemented across all social media channels for any brand. This branding isn't valid in all industries and this is highly specific to working well for only certain niches properly.
- **Organic Traffic:** This is the traffic that comes in via search engines such as Google, Bing and Yahoo or any other local search engines. This is why SEO is important and this is why a "blog" is necessary to be operated on any brand's website.
- **Paid Text Ads:** This is the first part of a Google Ad-Words campaign. This is the non display segment where one bids on the most valuable keywords related to their brand and related to the consumers needs.
- **Display Ads:** The second part of Ad-Words where relevant images are involved and the ads are called "display ads".

Keeping these terms in mind, let's move on to the marketing mix on the next page:

Marketing Mix & Demographics







The first graph shows how traffic is driven by your competition (bar graphs) as compared to the beverage retail industry (the blue shaded background). This graph indicates why it is so tough to acquire customers. Please note that even in the entire industry there is an "old school" ways of doing things in Wine sales. It is an exhausting process of establishing distribution channels and most of the work is completed offline

through event marketing, schmoozing, who you know, shelf placement, point of sale display racks, display ads in expensive lifestyle magazines like Wine Spectator, Town & Country, Sunset, ets. Currently the only two channels that work well are organic and direct traffic. Both these channels are only established once a brand has already gained significant awareness. This means that you will have to put in an insane amount of advertising money into offline channels such as strategic partnerships and distributor/re-seller development and wait for at least 6 months to a year for the awareness to slowly develop and start showing online. The marketing strategy for anything wine related currently is an alarming 70% offline and 30% online. The online part is to be referral marketing via influencer marketing and PR features and the offline part has to be strategic partner development for offline marketing collateral distribution, product distribution and re-seller development.

In all our research Wine could be the most "stuck in the 1970s" niche we have come across. You almost have to have significant brand awareness to keep your head above water. But it doesn't have to be this way.

How We Rocket You to the Top. 3 STEP GAMEPLAN even when established brands are killing it.

There is a smart way to even the playing field using **SWINGMAPS** technologies.

1.) ControlCENTRAL

Your Control Center would allow you to message consumers directly to their phones, email addresses or popular social media campaigns.

2.) **Pixy**

We draw polygons around wine venues that point to social media and devices for people that are in proximity of food and wine events & wine retail.

Source -https://www.swingmaps.com/pixy

3.) APP / Gamification / Food & Sex Sells

Most of the wine manufacturers are lagging or under-performing in with social media. As you can see from the graphs most of the web traffic is coming from organic means whereas most emerging industries see huge spikes in web traffic coming from social and referral channels. A wine manufacturer that is first to market with a "gamification" strategy or an app that would pair w/ food recommendations, dating or even pair wine

with sexual encounters - would see higher engagement and growth via social and referral channels.

In a world of distraction, Gamification as a marketing tool has proven to increase top of mind, engagement & return business (loyalty)

GAMIFICATION APPS - LEAPFROG OVER EVERYONE



SEE HOW THE BIG DOGS USE GAMIFICATION?

- Fun
- Creates Engagement
- way to stand out

-wine apps and guerrilla marketing are smart strategies such as seem with the 19 crimes wine app. These strategies can work to create relatively inexpensive shortcuts vs. all the exhausting & expensive SEO and traditional marketing campaigns. The research indicates the best practices for anything wine related has to be a strong and smart mix of offline and online. The two need to reinforce each other. The online part is to be referral marketing via influencer marketing and PR features and the offline part has to be strategic partner development for offline marketing collateral distribution, product distribution and re-seller development. While there is no gender difference in interest towards such products, there is a sharp age difference with the 25 to 34 year olds showing the most interest in such products/services.

Let's see how the other digital channels are to be activated.

Referral Traffic

The idea behind referral marketing is to get relevant links to your brand. In your case, it would be getting referrals from food blogs, food reviewers, shopping websites, food based influencers' online presence, travel/lifestyle magazines, news/media websites etc. If you look closely you'll see that your competition set is getting a lot of relevant traffic from relevant categories already. You have to jump on this and get as many relevant referrals as fast as possible and the best 2 ways to do this is via monthly PR activities and monthly influencer marketing activation.

Your immediate strategy should be to diversify your referral efforts into 2 parts the first focusing on SEO link juice and the second focusing on getting relevant referrals from industry influencers. A list of all websites that your competition gets traffic from has been provided to you to get ideas from.

Quarterly PR activities and influencer marketing based referrals are very strongly suggested for you because the more authoritative a referral is the better your brand is perceived to be. Referrals should also be received based on audience interests, for this purpose let's have a look at your ideal audience profile:

Audience Analysis

People who have indicated interest in Wine, Winery, Vineyards and Food & Wine in USA. For interest based targeting, the audience's interests are showcased on the next few pages:

Top 100 organic Keywords for each brand have been provided for you to see what they each rank for, what their brands standing is in the minds of the organic consumer.

Social Media Landscape

Twitter, Youtube, Facebook, Reddit & Instagram are the suggested platforms for any brand in this industry. All these platforms except Reddit let you include influencer marketing efforts. Reddit is important because it has a highly specific wine based community for you to engage, for example check out these threads:

https://bit.ly/2Kznhci, https://bit.ly/2u92Ace & https://bit.ly/2KKQwlj. Here is the parent thread for all things wine: https://www.reddit.com/r/wine/

Here is an example of Youtube influencer activation by Kendall Jackson: https://www.youtube.com/watch?v=YHM2EqUtUpc.

Suggested platforms to activate: Facebook, Twitter, Instagram, Youtube & Reddit

- Facebook, Twitter & Instagram: post 3 times daily, build a community of at least 10,000 people via paid likes so that they become your organic reach for the future these have to be relevant people not randomly bought traffic so please reach out to an experienced ad manager. Instagram & Twitter would be a copy of the same posts, minimum community needed of 5000 followers. Influencers for these platforms can be found via www.influence.co & www.tapinfluence.com.
- YouTube: Only to be activated via influencer marketing. YouTube influencers can be found via www.famebit.com & www.neoreach.com
- Reddit: You will need to strategically seed questions or solutions on relevant threads in order to get forum search traffic, example link already provided above.

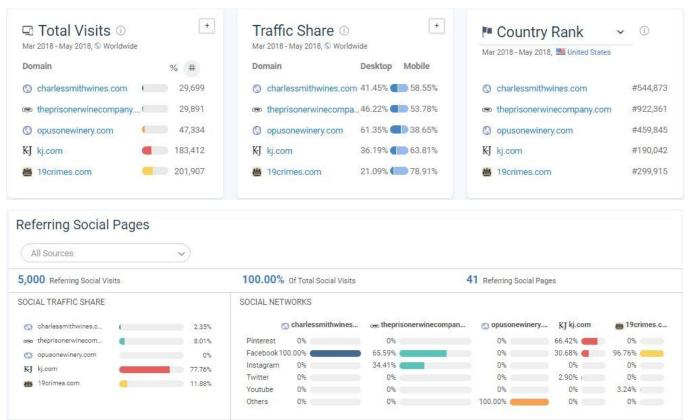
Other Strategies

- Your primary aim should be brand awareness and by the same logic your first goal should be to achieve 30,000 visitors per month number within 6 months. This is to be done by activating offline referral and online influencer channels channels as already seen above.
- Gamification, App Development, Social Media: You need to strategically activate social media as per the social section keeping in mind that a large and loyal community is your most important asset.
- **Blogging**: The organic part of your brand repositioning will be content lead, without great content you position yourself well. You need to have a very frequently updated wine based blog on your website. Have a look at KJ's blog: https://www.kj.com/blog. You need to have similar content up on your own blog on a monthly basis focused only on wine, in order to be considered an authoritative figure in the industry. You cannot always only rely on influencers as eventually you've to become an influencer yourself.
- Influencer marketing needs to be activated, Suggested Reading on Influencer marketing: http://bit.ly/2vrG4wO & http://bit.ly/2vvoKWc. Platforms have already been suggested, influencers can be reached using those platforms. Influencer channels to be used: Youtube videos, Twitter & Instagram Posts and Facebook brand mentions. Campaigns are to be developed only for branding. Discount based campaigns can also be developed based on your pricing model.

- Referrals & Strategic Partnerships: Offline & Online activation via strategic partnerships all across USA is of the utmost importance, this involves interest based targeting using the interest chart shown in the audience analysis section. The better your referrals are the better the outcome will be.
- **SEO:** It is important to maintain a high ranking when people search for products related to your brand, for this purpose running monthly SEO activities is imperative and cannot be skipped.

Activating all these things together should get you up to speed in 6 months and by the end of 1 year you should see yourself reaching the metrics specified in the engagement section.

CHARTS & GRAPHS:





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