

Facts About Direct to Consumer Wine Sales

Understanding the Economic Impact of the Napa Valley Wine Industry

- The region's wine production has an annual economic impact on Napa County of \$13.3 billion
- Wine-related tourism generates more than \$1 billion annually
- The wine industry generates nearly \$1.3 billion annually in local, state and federal taxes
- The wine industry, directly and indirectly provides 46,000 full-time equivalent jobs in Napa County

The Economic Impact of Napa County's Wine & Grapes. Stonebridge Research Group. October 2012.

2 most important factors for consumers when determining which new wine brand to buy

- Wine tasting event
- Visit to the winery

Source: Merrill Research Appellation Perception Study, September 2011



What Visitors Do In Napa

- The primary activity of visitors to Napa Valley is visiting winery tasting rooms (82.2% of respondents)
- Of those who do visit wineries, 70% are likely or very likely to purchase wine during their visit.



Visit Napa Valley 2012 Napa Valley Visitor Profile. Destination Analysts. 2012.

Direct to Consumer Sales Facts

Among those who visit wineries, 2/3 indicate that a visit to a winery has a strong impact on their likelihood to buy a wine from that winery.

Nearly everyone surveyed stated a winery visit has at least some impact on their purchasing decision.

2/3 of those who have visited a Napa Valley winery state that their visit influences their perceptions of the Napa Valley AVA as well as perceptions of that specific winery.

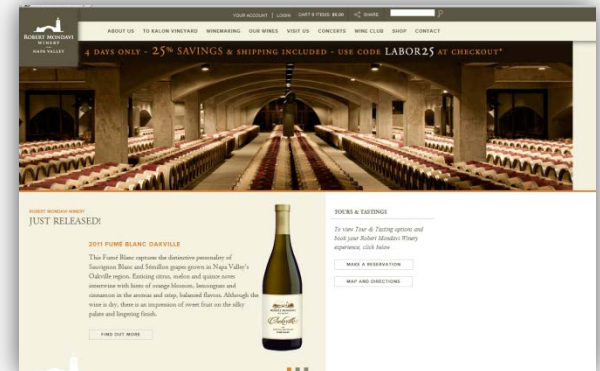
Source: Merrill Research Appellation Perception Study, September 2011



Wine purchased at a winery by wine consumers

- 54% purchased in person at the winery
- 25% purchased through wine club
- 21% purchased through winery website

Source: Merrill Research Appellation Perception Study, September 2011



Direct to Consumer Sales Facts

The value of winery-to-consumer wine shipments outpaced the value of domestic wine exports in 2012, accentuating the importance of the direct to consumer channel.

DTC \$1,465,933,542

Export \$1,430,000,000

**Source: Wine Institute*



Direct to Consumer Sales Facts

With an average shipped bottle price of \$57, Napa Valley holds the lion's share of wine shipped direct to consumer in the US.

One third of total volume
Half of total value

**Source: ShipCompliant and Wines & Vines "Direct to Consumer Wine Shipping Report 2013"*

