

November 23, 2015 - Volume 1, Issue 1

WELCOME

Welcome to the first edition of the Wine Marketing Association of Ontario (WMAO) industry newsletter. This communication has been developed to keep the Ontario wine industry (including stakeholders, partners, and wineries) up to date on initiatives that WMAO has developed and executed to drive sales for VQA Wines of Ontario throughout the year.

What is WMAO? The Wine Marketing Association of Ontario is a joint venture between WGAO (Winery and Growers Alliance of Ontario) and WCO (Wine Council of Ontario).

What is WMAO's mission? Our mandate is to increase sales of VQA Wines of Ontario and build the VQA brand. Accessing funds through OMAFRA, VQA Ontario and the Ontario wine industry (through participation fees), we develop comprehensive marketing and PR programs to drive sales of Ontario VQA wines.

The team—Led by Sylvia Augaitis, Executive Director of Marketing, possesses a breadth and depth of industry experience:

Regina Foisey, Senior Marketing Manager **Mike Morrison,** Marketing Project Manager Magdalena Kaiser, Director of PR, Marketing and Tourism Joanna Muratori, PR and Marketing Coordinator

VQA MARKETING COMMITTEE

The VQA Marketing Committee is comprised of dedicated leaders from the Ontario wine industry who provide insight & experience during our planning stages. The Committee includes representation from large and small wineries, the Grape Growers of Ontario (GGO), VQA Ontario and OMAFRA.

2015 Committee members are:

Steve Bolliger, Constellation Brands (co-chair)
Paul Speck, Henry of Pelham (co-chair)
Michele Bosc, Chateau des Charmes
Mary Jane Combe, Grape Growers of Ontario
Danielle Giroux, Colio Estates
Andrew Howard, Creekside
Laurie MacDonald, VQA Ontario
Darryl MacMillan, Pelee Island Winery
Ed Madronich, Flat Rock Cellars
Shari Niles, Andrew Peller Ltd.
Tom Pennachetti, Cave Spring Cellars
Del Rollo, Constellation Brands
Erin Panek, OMAFRA

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WINE MARKETING ASSOCIATION OF ONTARIO INDUSTRY NEWSLETTER

RESEARCH

Over the past 12 months we have conducted foundational research to ensure we are moving in the right direction; fine-tuning our messaging; determining how best to meet our objectives. We conducted a Consumer Discovery Workshop in May of this year entitled, *Exploring the Potential for Ontario VQA Wines*. This information will serve as the under-pinning for our agency to use in the development of future promotion planned for early 2016.

Highlights from the research:

- We have the mission of defining what Ontario VQA wine stands for
- We need to inspire people beyond a functional approach
- We have the opportunity to do so with a consumer that does not harbour negative preconceptions towards Ontario and VQA wines

Ontario VQA Wines are largely past their historical baggage and should not compete on 'Old World Wine' territory. We are unique to Ontario and can stand strong on the world stage.

Guiding Principles for Capitalizing on the Opportunity:

- Link Ontario VQA wines to the adventurous mindset and non-conformist spontaneity which unite so many of today's wine drinkers
- Avoid temptation to compare to old world wines
- Emphasize the self-confident, casually chic, and stylishly informal personality of both Ontario VQA wines and the new world wine culture
- Fuel the desire to explore Ontario VQA wines through the wine drinkers themselves not just 'experts' or 'marketing'
- Reinforce the sense of adventure through all elements of the journey
- Make it easy for wine drinkers to identify Ontario VQA wines
- Give marketing efforts the strong presence needed to build momentum and incite wine drinkers to step out and explore

tuality Alliance

ADVERTISING

During the next few months, we will be working to develop inspiring content that follow the guiding principles to resonate with wine-drinking consumers. By capturing their attention and creating excitement about drinking VQA Wines of Ontario, we can thereby drive sales. Part of the task will include a review of the VQA logo and ensure it remains contemporary and relevant.

Advertising Agency Search

The search for an advertising agency partner to develop the requisite brand identity, creative strategies and communication plans is almost complete. The new agency is expected to be introduced by the end of November. The goal is to develop a major consumer-facing brand with creative and communication initiatives, starting Spring 2016.

SOCIAL MEDIA

Social media, along with PR, is integrated throughout all of our marketing initiatives in order to leverage WMAO-led conversations along with those of all Ontario wineries and other industry stakeholders. Wineries receive weekly updates on how they can support and collaborate with WMAO's social media activities and amplify our collective voice for the benefit of the overall industry. These updates have many valuable details on our social media activities.

Insights and best practices:

- Content related to topical events, online resources and news performed very well, demonstrating that fans appreciate exclusive content and real-time updates from Wine Country Ontario.
- #VQA was our number one overall hashtag, while #OntarioWineWeek and #i4c15 were our most popular program-specific hashtags.
- Highly visual content continues to appeal most to Wine Country Ontario fans. Event photography, landscape imagery andoriginal creative content perform particularly well on all channels.
- Competitive analysis shows that Wine Country Ontario is a leader in social media activity.





currently have over 53,000



Twitter: 15,700 Instagram: 3,385 Combining all channels we

Facebook: 33,966

engaged fans!

SOCIAL MEDIA CONTINUED







Facebook

- 733 "likes", comments, shares & clicks to date.
- 8.5% engagement rate.
- 4,276 people reached.

Twitter

- II7 engagements (retweets, favourites, replies & clicks)
- 2.5% engagement rate.
- 4,730 social impressions.

Instagram

- 136 "likes" to date.
- 7 comments to date

PARTNERSHIPS AND REGIONAL ENGAGEMENT

Part of the strategy is to raise awareness and visibility of VQA Wines of Ontario with Ontarians through PR partnerships and sponsorships throughout the year. This past spring and summer were busy with key events taking place.

Several notable events include:

- Terroir 2015—May 2015
- Terroir Run 2015—May 2015
- Ontario Wine Awards—May 2015
- Visa Infinite Wine Country Series
- I4c—July 2015
- Niagara Wine Festival
 - TD Tailgate Party—June 2015
 - Fall Festival—September 2015
- TIFF PR event—August 2015
- ASADO BBQ at Evergreen Brickworks—September 2015
- Taste—September 2015

What's coming up?

- Niagara Wine Festival and Stakeholders—Icewine Festival 2016
- Cuvee 2016

"14C is the best thing that's happened to the Ontario wine industry since the introduction of VQA. This seminal event puts Ontario Chardonnays on tasting tables cheek by jowl with the best Chardonnays of the world — where they deserve to be - and allows consumers to judge for themselves." Tony Aspler, 2015.

Remember

We are open to discussions with regional groups for local programs/events that are in the works. We can provide support – sometimes financial, but most often in-kind PR and communication support through social media, website event postings etc. Always included is the tourism message and highlight sense of place as a contributing factor to our VQA wine story.

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THE VQA WINE TRUCK

The summer was busy for the VQA Wine Truck. Our mobile pop-up tasting bar attended 6 key festivals in Ontario at London, Toronto, Barrie, Hamilton, Dundas and Etobicoke. In total, the VQA Wine Truck was featured at 20 days of activations, where over 15,000 Ontarians sampled 29,000 one-ounce pours of Ontario VQA wine.

We had 2,800 opt in to our monthly e-newsletter and continued to increase our Twitter and Instagram followers for @TheVQAWineTruck.

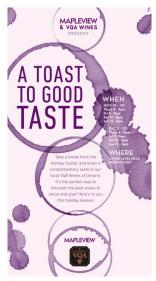
One of the new features of this year's truck was the photo-op stand-in; a 4 ft by 8 ft image (pictured on the right) of two people stomping grapes with the faces cut out.

Visitors to the truck were asked to POSE, SNAP and POST their photo through social media using the #FollowTheTruck hashtag.









Mapleview Shopping Centre Holiday Activation – This holiday season, the VQA Wine Truck experience comes to the Mapleview Shopping Centre in Burlington, Ontario. In partnership with the Mapleview Centre, VQA Wines of Ontario will feature a 'Pop-Up Tasting Bar' in the busy corridor of the mall offering complimentary samples to shoppers in need of a welcome break. It's the perfect opportunity for consumers to experience great holiday entertaining & gift ideas, or to discover something new. The event runs Thursdays to Sundays from November 19th-December 20th We will be driving purchases to the LCBO (located across the street), and promoting online sales to winery websites for delivery in time for the holidays. The event will feature onsite personalities from wineries, garner press and media attention as well as utilize social media to raise awareness. More details will be communicated to the industry in the near future. Complete event details can be found at: www.winecountryontario.ca/tasteontariowine

You can also follow the event through the hashtag #VQA4TheHolidays on social media.

LCBO PARTNERSHIP

The Period 7 Taste Local, Love Local promotion has finished in LCBO stores across the province. The LCBO marketing team and planning committee built on the success of last year's thematic and created programs with the components listed below.

Key components of the program included:

- In-Store VQA Messaging
- Consumer and Media Event
- In-Store Consumer Tastings and Wine Fairs
- Videos featuring Ontario Winemakers and chef, Lynn Crawford
- Advertising
- Social Media
- Licensee partnership and promotion
- Staff Engagement
- Vintages and Food & Drink Magazine



LCBO P7 Results:

Overall, VQA wines were in steady growth mode over all 4 weeks of the period. Over the entire P7 promotion, Ontario VQA wines grew 6.1% vs. year ago.

EMPLOYEE ENGAGEMENT

It has been a busy summer of LCBO employee engagement for staff at all levels.

WOW Leaders Program:

We were able to host the NEW WOW Leaders in Wine Country this past summer, with a group tour to each of the appellations. Executed in July & August, the level of excitement from these groups were great!

For the broader group, we executed in-region sessions that included the **WOW Leader as well as Store Managers** – a key benefit for this year as many Store Managers are new to the board and category. It was a busy time, **during late August with 7 sessions over 3 weeks educating 650 LCBO staff with 58 wines from 39 wineries participating!** Topics of education included: **Comparative tasting – how Ontario VQA styles are comparable to popular Import brands;** Riesling featured with Lunch; Panel discussion by winemakers and principals; Selling skills and sharing knowledge with fellow store staff.

Fun fact:

During the WOW Program, 665 bottles of wine were poured and 980 dozen glasses we rented. In addition, each session had a minimum 15 winery representatives in attendance!

Continuing the momentum and to ensure we have a voice with the WOW Leaders and all store staff throughout the year, we are communicating to stores through self-study modules – these educational pieces will focus on a key varietal/style of wine; highlight VQA appellations and include a knowledge-check quiz to win a prize for each of the staff in the store (one store per region will be chosen).

Other initiatives:

We were able to host LCBO head office staff in wine country. We were also allocated time in front of the District Managers, and key senior staff in operations to highlight the industry and benefits of working collaboratively in training, and promotions.

What's a WOW Leader?

A WOW (World of Ontario Wine) Leader is a CSR in A and B stores and select C stores that has been nominated by their Store Manager and approved by the DM. They must complete the LCBO's product knowledge Bronze, Silver and Gold programs. Responsibilities include: promotion of products; product presence in store; customer awareness; product knowledge; sales tracking; tastings; increasing sales and training.

WINERY ENGAGEMENT

There are many events planned across Ontario featuring Ontario VQA wines throughout the year. We encourage wineries and other stakeholders to let us know of upcoming events (not just as they happen), as WMAO can provide support through media relations, stakeholder outreach and posting of events on the winecountryontario.ca website.

Remember, consumers, media and social media managers visit the events page often to explore topics for stories, posts and to make travel plans.

Wineries can submit events to: www.winecountryontario.ca/submit-event



WINE MARKETING ASSOCIATION OF ONTARIO INDUSTRY NEWSLETTER

TRAVEL GUIDE

The 2015 Wine Country Ontario Travel Guide continues to be popular at wineries and travel centres. A half-million copies were inserted into the *LCBO's Food & Drink Magazine* summer issue, and distributed to other locations to drive tourism to Wine Country. If you need more guides for your retail space, please contact: info@wmao.ca.

Contest: New for 2015 was the inclusion of a contest. The objective was to gauge the performance of the printed piece in driving traffic to wine country. The first contest ended September 30th and we received over 4,300 ballots from Ontario wineries. A winner was chosen October 30th from Bath, Ontario, who visited Prince Edward County multiple times this summer. Our part of the grand prize, she is looking forward to discovering the Niagara wine region.

Website and mobile app: The website is a popular tool with over 200,000 visitors per year. We are exploring a refresh of the website to coincide with the consumer-facing campaign launch in 2016. The events page is one f the top 5 most visited pages and wineries are encouraged to post events year-round.





SIGNAGE

The Wine Marketing Association of Ontario works closely with TODS regarding signage. We have area profile signs in Niagara and Lake Erie North Shore as well as mainline signs in Prince Edward County. We also hold trademark to Wine Route and oversee its use across Ontario. We are exploring options for new signage locations in all regions, as well as the need to refresh the existing signs over the next 18 months.

TOURISM RESEARCH

Annually, we conduct tourism research onsite at wineries to help better understand the wine tourist. This year, we conducted customer intercepts at multiple wineries over a 4 week period across all regions. This allows us to compare and understand the needs of each region. Key findings for this years research includes:

Visitor Estimations:

Based on extrapolations made from data collected during intercept surveys, Statistics Canada, online polling, and traffic counts,
 Innovation Research estimates the annual number of unique visitors to Ontario wineries at 2,692,964.

Visitor Type:

- 83% of visitors to Ontario wineries are Ontarians themselves. 19% of these are local, and 64% are from the rest of Ontario.
 - Of Ontarian visitors, 42% come from the GTA which constitutes 37% of all winery visitors.
 - 7% of visitors come from the rest of Canada.
- 10% of visitors are international. 24% local and 60% from the rest of Ontario.
- On average, the GTA represent 24% of all visitors to Ontario wineries.
- 10% are international visitors, of which, an estimated 9% of all visitors come from the US.

Winery Experience:

- It's most common to visit wineries with a significant other (65%).
- Most visitors travel by automobile (86%).
 - Cycling is most common among international guests; Tour buses are most common in NOTL.
- Leisure/entertainment (50%) is the most common reason to visit a winery, followed by obtaining wine not available in local retailers (18%).
- A plurality of visitors (34%) spend 15 to 30 minutes at a winery and 73% purchase wine to take home.
- 63% of visitors are first-time visitors; wineries in LENS are most likely to be visited multiple times.

Winery Trip Planning:

Past experience (29%) is the most used planning tool, followed by word-of-mouth (25%).

Wine Country Experience:

- Majority (71%) of wine country visitors would return to Ontario wine region within a year.
- Ontario wineries receive strong recommendation with a net promoter score of +58%.

Estimated Spend:

- The estimated spend by out-of-town visitors is on average \$326.48 per trip.
- The estimated average spend at any given winery is \$49.88; broken down to \$39.62 on wine bottle purchases and \$10.26 on food/beverage/retail/tastings.

PUBLIC RELATIONS

The objective for PR activities are to support the goals of the VQA Wines of Ontario and Wine Country Ontario programs in a fully integrated way. Target audiences include media from the GTA, National and International (wine, lifestyle and travel) including bloggers. PR efforts include outreach to key influencers including industry, stakeholders, government, trade and wine educators in order to stay connected and update them with consistent communication in order to help share the VQA and Wine Country Ontario stories.

Our collective and long-term PR efforts continue to raise the profile of Ontario VQA wines and our wine region and each year we continue to build on these successes. Ontario VQA wine and our region have been highlighted in key top publications locally, nationally and internationally in wine focused pieces along with travel, food and lifestyle. Year to date, we have over

172 million media impressions in all streams of media worth millions of dollars in ad value. Influencers influence influencers and ultimately consumers.

Recent media:

London Trade and Media event in UK - May 2015 EPIC FAM Tour - May 2015 Stuart Pigott - May 2015 National Wine Awards -17 Judges from across Canada—June 2015 Tiffany Leigh - June 2015 Jamie Goode - June 2015 Matt Kramer - July 2015 Carolyn Hammond—July 2015 Alder Yarrow—July 2015 Patrick Desy—July 2015 Craig Pinhey - July 2015 i4c 2015 - 30+ media in attendance Rebecca Leung - August 2015 Amy Rosen - August 2015 Bill Zacharkiw - September 2015 New York - Travel Massive - NYC - October 2015 Florence Fabricant—October 2015 GO Media with CTC—October 2015 New York Tasting – Michael Madrigale, NYC November 2015

"Ontario wines are the epitome of cool climate, which puts them right on the cutting edge. I'm anxious to taste the latest, as quality keeps surging, seemingly with every new vintage."

Matt Kramer, Contributing Editor, Wine Spectator Magazine













TRADE RELATIONS

WMAO continues to work closely with local trade in order to raise awareness and increase the presence and image of Ontario VQA wine within the licensee channel to spark pride, ambassadorship and trigger purchase. Programs include a multi-pronged approach whereby we work to influence key buyers and influencers through various communications and by providing opportunities for them to taste VQA wine at events and in wine country.

- WMAO worked with Terroir 2015 on their Wine Educational Workshops where key influencers from Ontario's
 hospitality trade were in attendance. Workshops highlighted the quality of VQA wine and featured core varieties. Plans
 for Terroir 2016 are under way.
- Key trade was hosted at i4c at various elements of the weekend including the trade focused tasting on the Friday. Additionally, WMAO organized a Magic Bus with sommeliers from the GTA to attend the Friday Educational Sessions that were focused on Chardonnay and where Ontario Chardonnay was featured. Positive feedback from attendees including those from Anne Martin, Maple Leaf Sports & Entertainment Partnership.
- Plans are in place to continue to bring a Magic Bus of Toronto sommeliers/buyers to the Expert's Tasting at Cuvée
 2016. This initiative has helped to build confidence in Ontario wines with this audience.
- The recently revamped "We Love Wine Country Ontario" program for restaurants continues to add new restaurants to the list. Restaurants are especially excited about having the plaques again as they are being displayed in their establishments. Regular communications with this group of loyal VQA purchasers provides toolkits for their staff.
- WMAO is working to review additional ways to engage with licensees which will be amplified upon the launch of any new branding planned for the spring of 2016.
- A Toronto trade tasting is under development for February, 2016.





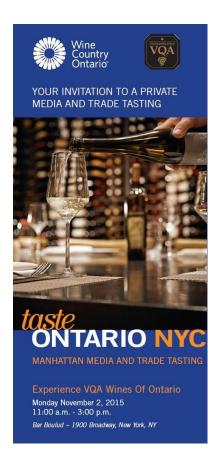


EXPORT AND INTERPROVINCIAL

New for this year is the transition of OMAFRA's (OFEX) responsibility of Ontario Wine Export initiatives over to the WMAO team. This transition continues to evolve as we collaborate and integrate initiatives with OFEX and other stakeholders that touch export related activities.

Plans are in place to continue on with key initiatives such as ProWein 2016 and other international and interprovincial activities, some of which are dependent on funding approval from AMP (Federal Agriculture Marketing Program Grant) to be approved in December. Export and Interprovincial initiatives are closely integrated with WMAO's PR goals.

- WMAO has hosted key trade and media from abroad including those from the U.S., China, Hong Kong and the U.K. including writers that contribute to Decanter Magazine, Wine Spectator and the New York Times.
- Most recently, we organized the *Taste Ontario! NYC* in November at Bar Boulud where we had close to 80 attendees of top media and trade including *Wine and Spirits Magazine*.
- Look for the December 2nd Export Seminar for wineries exporting or planning to export with a primary focus on China and the U.S.
- Interprovincial activities have included FAM trips over the past six months with key inbound media and trade from Quebec, Nova Scotia, B.C., Alberta and Manitoba.
- A Quebec media/trade activity is under development for 2016.
- WMAO is working closely with the CVA and other provincial stakeholders to develop a new Canadian Wine Regions Brochure.





Florence Fabricant of the New York Times tastes Ontario VQA wines at the Taste Ontario! NYC event on November 2nd, 2015

WINE MARKETING ASSOCIATION OF ONTARIO

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The Wine Marketing Association of Ontario is dedicated to promoting the VQA wines of Ontario - both the vintners and the unique qualities of our authentic VQA wines that are made exclusively from 100% Ontario-grown grapes.

Wine Country Ontario is dedicated to promoting Ontario's winegrowing regions - from the wines and wineries themselves to the complete experience of each destination: local cuisine, year-round activities and warm hospitality.







How to connect with us:

Wineries - Want to know how to participate in programs? Make sure you are receiving the WMAO Winery Newsletter sent each Wednesday. This where we outline opportunities for wineries to participate, as well as update on initiatives that are taking place. To be added to the list or confirm you are on the list email: info@wmao.ca

Our door is always open and we're available to chat. Anytime you have a question or concern, please don't hesitate to give us a call.

Upcoming industry business events

- WMAO campaign launch overview January/February 2016
- Wine Industry INSIGHT Conference March 1, 2016

NEXT ISSUE

Look for the next issue April/May 2016. It will include updates and highlights of initiatives between November 2015 and April 2016 as well as an overview of the consumer-facing campaign planned for Spring 2016.

Stay tuned!