



Marketing Proposal for



by

Eagle Marketing Firm

Eaton MVCTC FFA - Ohio

OH0075

2018



Product Description

Two couples, Mark and Angela Zbodinski and Jim and Beth Meeks, got to know each other during their time spent together on a Farm Bureau council. Building friendship through agriculture and a common engineering background between the husbands, the idea of a winery was soon initiated. In 2014, the couples purchased what was known as Oklahoma Schoolhouse No. 4, a 1890 brick schoolhouse, and remodeled it into the alluring Olde Schoolhouse Vineyard and Winery that it is today. As observed and researched by our Eagle Marketing team, we have identified no competition of similar quality and atmosphere within 25 miles of the Olde Schoolhouse Vineyard and Winery location.



The winery creates a fun atmosphere, perfect for adults, kids, and even limos!



Our marketing team helping to bottle wine.

Besides having a beautiful facility in which to serve their wines, the winery also has an on-site lab and production facility where they create and bottle their award-winning, great-tasting wines that keep customers coming. The winery produces over 20 different wines, from dry to sweet, along with a wine slushie that is a popular favorite. They offer cheese trays, but do not serve any other type of food therefore creating their open food policy, where customers are welcome to bring in picnic baskets or order local fare to enjoy with their wine. Currently Olde Schoolhouse wines are available in 40 retail locations throughout Southwest Ohio, and can be shipped to 36 states.



The lab used to create award-winning wines.

Market Analysis

Client's Status in Current Market

Olde Schoolhouse Vineyard and Winery offers a quality product in a friendly atmosphere with a unique historical setting that is located off of I-70, one of the busiest interstates in Ohio. The winery has entered 22 wines into competition, with 21 receiving medals (4 Bronze, 10 Silver, 5 Gold, and 2 Double Gold). An excellent product paired with a unique and convenient location has allowed for a lot of the Olde Schoolhouse Vineyard and Winery's marketing to occur through word of mouth. Other marketing strategies in use include Facebook, with approximately 5,000 followers, a website, setting up booths at wine festivals, purchasing advertisements in the Sip Magazine, and getting the product onto Ohio retailer's shelves. As mentioned earlier, the Eagle Marketing team notes no competitors within 25 miles and as shared by the owners - a great symbiotic relationship with other Ohio wineries on the various wine trails has helped them in the current market.



Olde Schoolhouse Vineyard and Winery set-up at various wine festivals annually.



Trends in the Industry

Wine Trail: With 208 wineries in Ohio, one trend that many have taken advantage of is the creation of wine trails, where consumers can go from one winery to the next sampling and buying wine (“Number of Wineries”).

Buy local: There is a movement to buy products, even drinks, that are local and healthy, even inspiring a new group of people called locavores who do just that. Branding like “Ohio Proud” and “Locally Made,” specifically “Preble Roots” for our county, are definitely trending across all industries, and wine is not excluded.

Unique experiences and products: Long gone are the days of simply going to a winery to drink wine. Now entertainment and events add to the atmosphere of friendship and joy, such as live music and canvas painting. Also, new products like wine slushies create new demands for products that simply weren’t there before.

Buyer Profile and Behavior

When talking with the owners of Olde Schoolhouse Vineyard and Winery, they were able to give Eagle Marketing a general buyer profile and behavior description simply from their own observations as well as data from the Square program that gains information from credit card users. They said that customers of the winery were typically 40-59, 75% female, learned about the winery from friends, visited once a month, and visited other wineries at least once a year. Surveys were distributed to winery customers and the results are presented in the Primary Research Result section of this proposal for a better understanding of buyer profile and behavior.

Competition’s SWOT Analysis

Competitor	Strengths	Weaknesses	Opportunities	Threats
Barefoot (representing nationally sold wines) 	- Strong brand awareness - Affordable, some bottles less than \$6.00 (“Barefoot”) - Easy access with internet and retail availability	- Considered a “cheap” wine - Not local	- Creation of a “deluxe” or superior line of wines promising better quality at a higher price - Location that sells this type of wine with various events	- Economy downturns - Rise in awareness of negative impacts of alcohol - Buy local movement
Dom Perignon (representing “high-end” wines) 	- Deemed a “fine wine” - Strong brand awareness	- Not local - Pricey, some bottles costing as much as \$500 (“Dom Perignon”)	- Serve at high-end events - Create location to host functions and serve wine at	- Economy downturns - Rise in awareness of negative impacts of alcohol - Buy local movement
Vinoklet (representing other Ohio wineries) 	- Local - Fun atmosphere, with many different events - Serves food as well	- Limited brand awareness - Pricey, with a meal and bottle of wine costing approximately \$40	- Expand menu options to include cheaper items - Host more events	- Economy downturns - Rise in awareness of negative impacts of alcohol

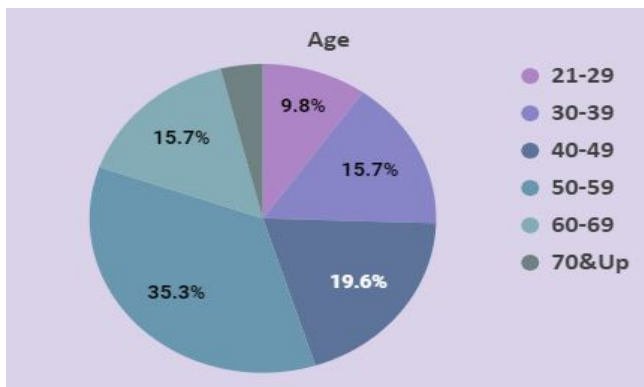


Client's SWOT Analysis

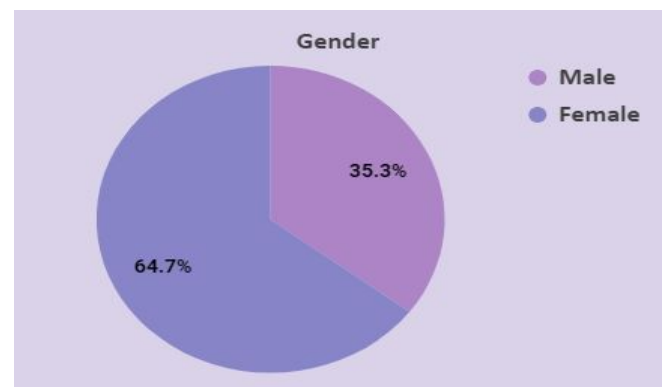
Client	Strengths	Weaknesses	Opportunities	Threats
Olde Schoolhouse Vineyard and Winery 	- Local - Unique setting - Easy access from I-70 - Open food policy	- No food served - Limited brand awareness	- More niche products similar to their holiday basket - Host more events - More advertising	- Economy downturns - Rise in awareness of negative impacts of alcohol

Primary Research Results

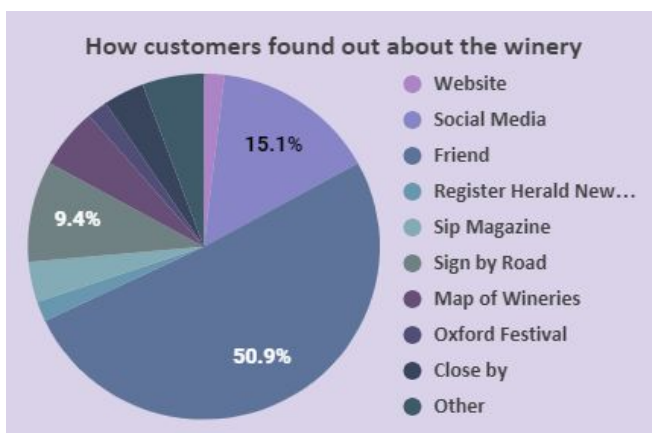
From a survey distributed to Olde Schoolhouse Vineyard and Winery customers (over 60 respondents to provide this initial data), the following results were gained:



Nearly 55% of the customers are 40-59 years of age.



Nearly 2 out of 3 satisfied customers are female.

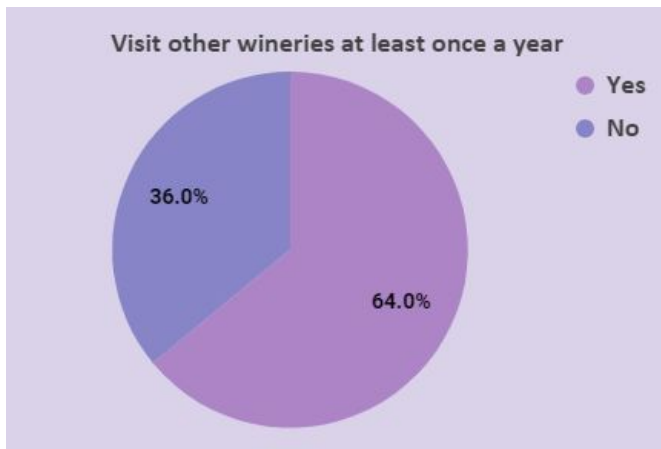


Over 75% of customers found the OSHV&W via a friend, social media, or the property signage.

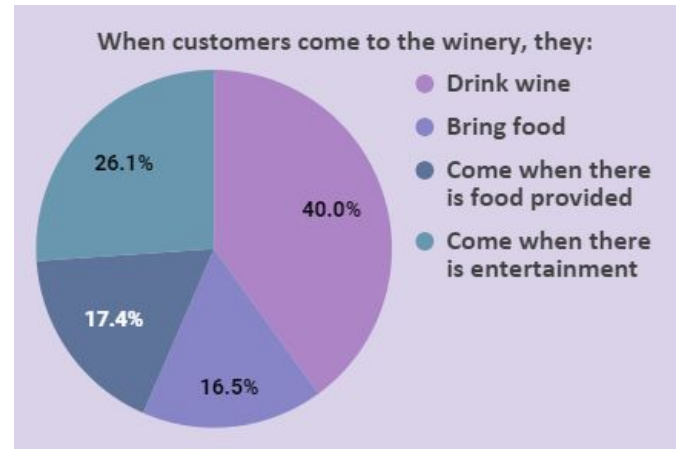


Almost 50% of customers visit weekly or monthly.





36% of customers are devoted OSHV&W locavores.



Customers come for the wine, the open food policy, and entertainment.

Business Proposition

Mission Statement

Olde Schoolhouse Vineyard and Winery puts practice and passion into every grape in their vineyard and every bottle of wine in order to create progress in an age-old industry; that which will continue to flourish for generations to come and create an inviting atmosphere allowing for true enjoyment of their passion: wine.

Key Planning Assumptions

- Olde Schoolhouse Vineyard and Winery will be able to acquire enough material and human resources to continue to grow in volume at a manageable rate of 25-30% per year for the next three years.
- Olde Schoolhouse Vineyard and Winery will meet the requirements for some of their products to be labeled as “Ohio Proud” and “Preble Roots.”
- Repeat customers will continue to visit on a regular basis.
- Current profitable engagements that the Olde Schoolhouse Vineyard and Winery is involved in, such as the Preble County Cork Festival, will continue to be profitable.

Short-term Goals to be completed over the next year

- Be able to label at least one product as “Preble Roots” by February 1, 2019
- Be able to label at least one product as “Ohio Proud” by March 1, 2019
- Create new niche products, such as a wedding basket and a collector series, and start sales by April 1, 2019

Long-term Goals to be initialized and taking effect over the next three years

- Grow in volume at a manageable rate of 25-30% per year for the next three years; through expansion of retail outlet sales; increasing by 20 locations per year.
- Increase brand awareness by 10% per year in a 25 mile radius of the location by using local cable, radio, and gas pump videos as event sponsoring spots.
- Invest in expanded print media brochures and fellow vineyard and winery relationships to capitalize on wine trail participants and co-marketing by March, 2021.



Target Market

The primary target market, as shown in the ***Buyer Profile and Behavior*** and ***Primary Research Results*** sections consists of middle-age local females along with those individuals and groups who appreciate the opportunity to participate in wine trail experiences. The secondary target market is the creation of an expanding retail market for those who appreciate a quality wine at a reasonable price.

Strategies and Action Plan

Product

- 20 handcrafted wines, ranging from dry to sweet
- Wine slushies that are a cool, refreshing, and very tasty treat
- Coordinated wine trail travels with collector items for experience remembrance
- Specialty baskets, including expansion of holiday baskets and new wedding baskets
- Creation of a “Covered Bridges of Preble County” wine collector series for the 8 covered bridges

Price

- \$5-\$7 for a glass of wine
- \$5 for a wine slushie
- \$12.99- \$24.99 for a bottle of wine
- \$35.99 for specialty baskets
- Packaged soda, water, and juice drinks along with various sized and priced cheese and cracker combos

Place

- Olde Schoolhouse Vineyard and Winery, north of Eaton, Ohio just off of I-70
- Expanding from 40 to 100 plus retail locations across Ohio
- Available to be shipped to 36 states

Promotion

- Digital Media:
 - Continue the use of Facebook, Instagram, and the company website.
 - Add the use of Snapchat, Pinterest, and links to related websites where voids exist.
- Print Media:
 - Continue advertising in Sip Magazine, expand brochure distribution, emphasize wine trail inclusion.
 - Submit articles to various newspapers about the success of events like the Preble County Cork Festival.
 - Create and distribute through local food establishments “Sticky Coupons” applied on takeout boxes for 50% off of cheese & cracker combos (this offering is allowed as free/discounted wine is not permissible).
- Other media:
 - Add certifications important to locavores starting with Preble Roots and Ohio Proud.
 - Add more onsite holiday events and include a guest book register for emails and monthly drawings.
 - Advertise on local cable, regional radio, and gas pump screens when important events are coming up; like the Preble County Cork Festival or as an included sponsor of high attendance events.
 - Generate an agriculture success story involving our Farm Bureau member clients in the Ohio Farm Bureau’s award winning magazine: ***Our Ohio*** to feature the Olde Schoolhouse Vineyard and Winery.



Position

Olde Schoolhouse Vineyard and Winery aims not only to position itself as an example of quality wine that dedicated wine trail followers will be delighted to find, but also serve as a pleasurable environment with friendly staff, an open food policy, a unique setting, and events and entertainment that will keep customers coming. This winery is set apart from others by its award-winning wines, creative ideas, such as wine slushies, a welcoming environment, and ease of access, as it is right off of I-70. Marketing that will promote brand awareness compiled with creative ideas and events will put Olde Schoolhouse Vineyard and Winery at the top of any Ohio winery list.

Projected Budget

Income	Current	Year 1	Year 2	Year 3
Sales (Bottles)	28,000	35,000	43,750	54,688
Ave. Retail \$/Bottle	\$15	\$15	\$15	\$15
Ave. Wholesale \$/Bottle	\$10	\$10	\$10	\$10
Currently 70% Retail Sales (Change -5%/yr)	\$294,000	\$341,250	\$393,750	\$451,176
Currently 30% Wholesale (Change +5%/yr)	\$84,000	\$122,500	\$175,000	\$246,096
Specialty Basket / Series Sales	\$6,900	\$14,400	\$21,600	\$28,000
Gross Income	\$384,900	\$478,150	\$590,350	\$725,272
General Expenses				
Property & Overhead	\$55,000	\$65,000	\$75,000	\$85,000
Owner Income & Labor	\$150,000	\$165,000	\$181,500	\$199,650
Raw Material Input	\$74,000	\$92,500	\$115,625	\$144,531
Bottles, labels, etc.	\$56,000	\$70,000	\$87,500	\$109,375
Existing Marketing	\$7,000	\$7,350	\$7,700	\$8,050
Total General Expenses	\$342,000	\$399,850	\$467,325	\$546,606
Marketing Plan Expenses				
Digital Snapchat/Pinterest/Web Presence Labor		\$1,300	\$2,600	\$3,900
Print Media Expansion and Distribution		\$1,000	\$2,000	\$3,000
"Sticky Coupons" and Related Discounts		\$3,500	\$4,000	\$4,500
Preble Roots & Ohio Proud Certifications		\$50	\$50	\$50
Guest Book Monthly Drawings		\$300	\$300	\$300
Event: Local Cable, Radio, & Gas Pump Ads		\$5,000	\$5,000	\$5,000
Expand Specialty Basket / Series Creation	\$2,688	\$5,600	\$8,400	\$11,200
Total Marketing Plan Expenses to meet Sales Goals		\$16,750	\$22,350	\$27,950
Total Expenses	\$344,688	\$416,600	\$489,675	\$574,556
Net Profit	\$40,212	\$61,550	\$100,675	\$150,716
Return on Investment (ROI)	11.67%	14.77%	20.56%	26.23%

*Sources for information in table: ("Join Ohio Proud"), ("Preble Roots Sign Up").



Evaluation

Benchmarks and Alternative Strategies

Benchmark 1:

Expand on initial success of Holiday Gift Baskets by adding an additional 200 specialty (wedding / holiday) baskets and pilot “Preble County Covered Bridges” collector series bottles each year with profitable pricing over expenses.

Measure this with records kept of sales in QuickBooks.

If this benchmark is not met, consider discontinuing this product or advertising it more.

Benchmark 2:

At least one “Preble Roots” and one “Ohio Proud” product by February and March, 2019 respectively.

Measure this with records kept of which products are labeled as “Ohio Proud” and “Preble Roots.”

If this benchmark is not met, then evaluate what needs to be done to meet it, and do so as soon as possible.

Benchmark 3:

Wine in at least 20 additional retailers per year.

Measure this with records kept of current retailers.

If this benchmark is not met, then assign someone to research and contact possible retailers.

Benchmark 4:

Maintain a growth in volume of 25-30% per year.

Measure this with records kept in QuickBooks.

If this benchmark is not met, evaluate advertising practices and find new avenues or improve old ones to be better able to connect with potential and returning customers.

Benchmark 5:

Maintain a record of onsite visitors through the Guest Book and collection of ongoing surveys.

Review and analyze customer profiles and visits monthly to gauge current marketing efforts.

If this monthly review/analysis is not performed, then assign specific employee monitoring and reporting to owners.

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