

mather:

*A global business
consultancy specializing in
applied analytics & subscription
pricing yield optimization*

mathereconomics.com

About Us

Mather Economics is an expert in subscription pricing optimization. We are helping wineries maximize their direct-to-consumer revenue with predictive analytics and targeted communication strategies.

Wine Market Update

Many wineries are finding that direct to consumer (DTC) sales are an opportunity to grow revenue while establishing direct relationships with their customers.

Managing customer relationships requires tools and capabilities few wineries have today. Mather can provide these capabilities with flexible, reasonable costs. And, we are fun people to work with!

Let us help you solve these common challenges:

- ▶ Personalization of your customer communications to grow engagement
- ▶ Proactive retention campaigns to lower club churn
- ▶ Pricing supported by economic analysis of customer price elasticity and market factors
- ▶ Allocation of marketing to channels that yield the highest return on investment
- ▶ Forecasting of revenue, sales volumes, and costs

Mather Economics' data-driven business services are helping wineries increase client revenues, reduce member churn and grow club membership.

Mather's services and expertise across various industries will help you reach your goals.

- ▶ Price Elasticity Estimation and Pricing Optimization
- ▶ DTC Member Customer Lifetime Value (CLV) & Reacquisition Modeling
- ▶ DTC Member Churn Prediction & Retention Tactics
- ▶ Campaign Optimization & A/B Testing
- ▶ Customer Data Resolution

1803

Average # of Club Members

\$237

Average Spend for Club Allotment

25%

Average Annual Cancellation Rate

31

Average Tenure Months for Club Members

PRICE OPTIMIZATION
\$

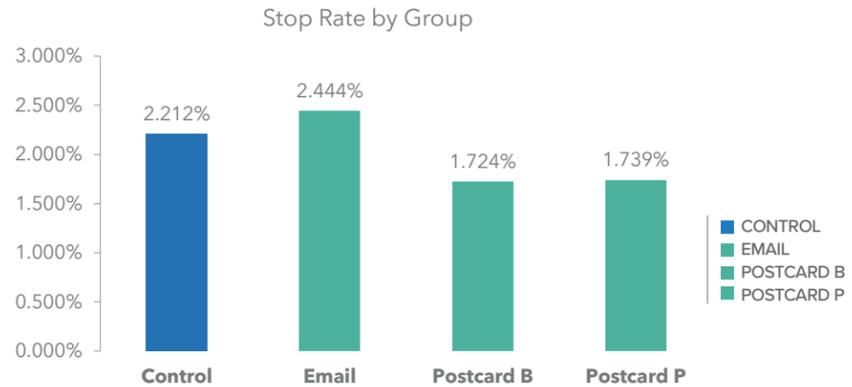
CHURN PREVENTION

MEMBER REACQUISITION MODELING



Optimizing the Membership Lifecycle

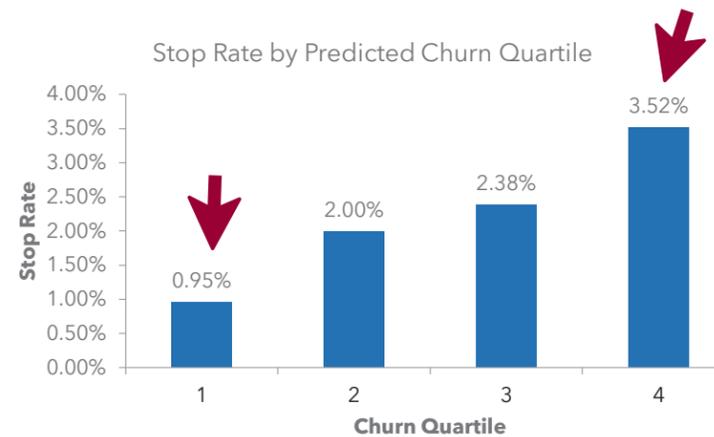
Using Mather's analytical modeling and services, we can help evaluate the impact of churn mitigation applications by measuring the cancellation rates of different applications versus a control group, which receives no incremental touchpoints.



Understanding the performance of these campaigns provides insight into how to optimize efforts for future marketing activities.



Applying Predictive Models to Reduce Churn



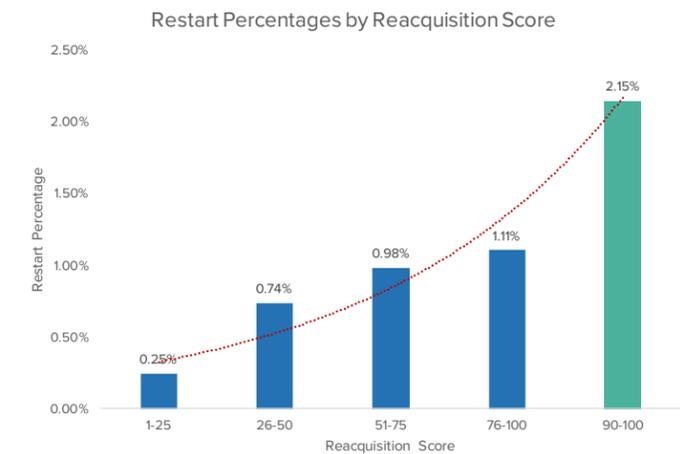
Once members are scored for their predicted churn risk, out-of-sample testing allows for validation of the model by tracking the actual cancellation rates of members by their predicted score. Members are grouped into quartiles of predicted risk. Understanding the risk profile of individual members allows for prioritization of retention efforts.

Understanding the risk profile of individual members allows for prioritization of retention efforts.

CASE STUDY

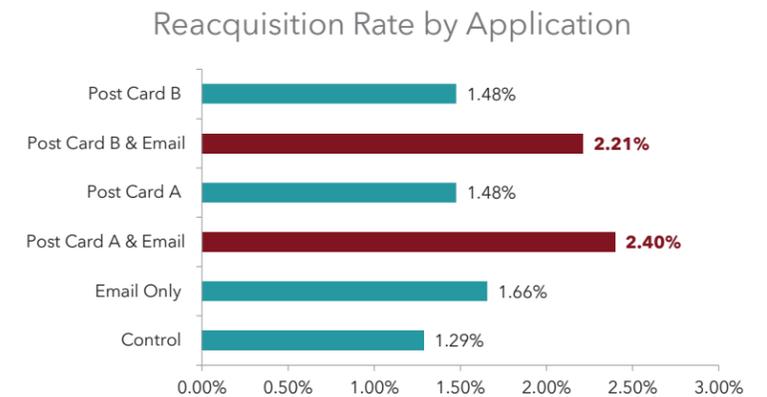
Winery in Paso Robles, California

Mather combined data from a winery's club membership history and customer purchase behavior to create a scoring system that optimized club member reacquisition campaigns.



Results from email and post-card reacquisition campaign, 2020

Improving the Efficiency of Reacquisition Campaigns



Email helped drive incremental reacquisitions versus a control group in the test above. Additionally, we found that groups that received a direct mail postcard and a follow up email were reacquired at a significantly higher rate than those that received only an email or direct mail piece.

“Our ongoing relationship with Mather has been enlightening. We were excited to see the success of our reacquisition campaigns.

You put so much energy into new club sign ups, this is a way to work with the contact list you already have.

Carol Rounsaville | General Manager
DENNER VINEYARDS

mather:

10:1 Our typical client engagement provides a 10-to-1 return on investment. We provide revenue growth while lowering risks from pricing actions.

200⁺ Mather works with organizations across multiple industries to help them adapt and expand their business models during this time of digital disruption.

\$6B⁺ We manage customer analytics and revenue yield management for over 200 clients with over \$6 billion in annual revenue and 30 million customers.

18 Founded in 2002 by Matt Lindsay, Ph.D. to apply microeconomics and predictive modeling to business clients. Globally recognized as a leader in subscription price optimization.

The Press Democrat

We are pleased to work with The Press Democrat team for over five years on consumer revenue optimization, churn reduction strategies and digital engagement transformation goals.

SIXMILEBRIDGE



eleven



Google

San Francisco Chronicle



Bloomberg

THE WALL STREET JOURNAL.
WSJ



The New York Times



CONTACT US FOR A
NO-OBLIGATION DISCUSSION

MATTHEW LULAY M.S.

Managing Director
(678) 585-4132

matthew@matherconomics.com

BOB TERZOTIS

Executive Vice President
(719) 237-2684

bob@matherconomics.com

matherconomics.com