

Commerce⁷

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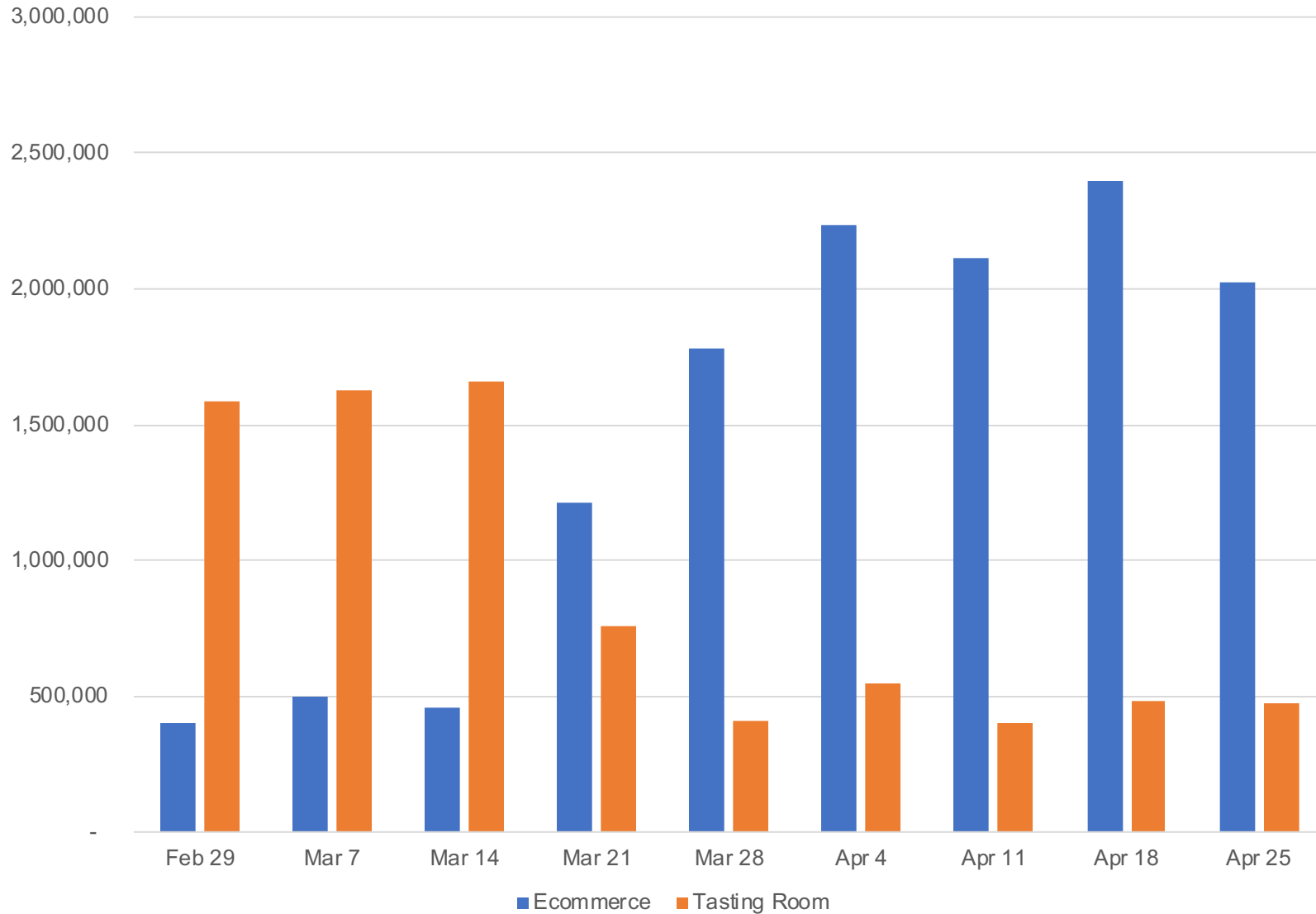
Covid-19's Impact on Commerce7 Wineries

In order to better understand the impact Covid-19 has had on the DTC industry, we've taken a look at some of our internal data to pull out insights and trends.

There are a few key things to understand regarding the context of our data and insights.

- There are 273 wineries on Commerce7, we only pulled data from wineries who have been live and selling on our platform since January 1st, 2020.
- The majority of our winery clients are based in California, but wineries from all around the world (Australia, South Africa, Europe, etc.) contribute to this data.
- We classify a tasting room sale as any sale that is generated on our point of sale system. We classify an ecommerce sale as any sale that is generated on a website (club sales are not counted towards either the ecommerce or tasting room channel).

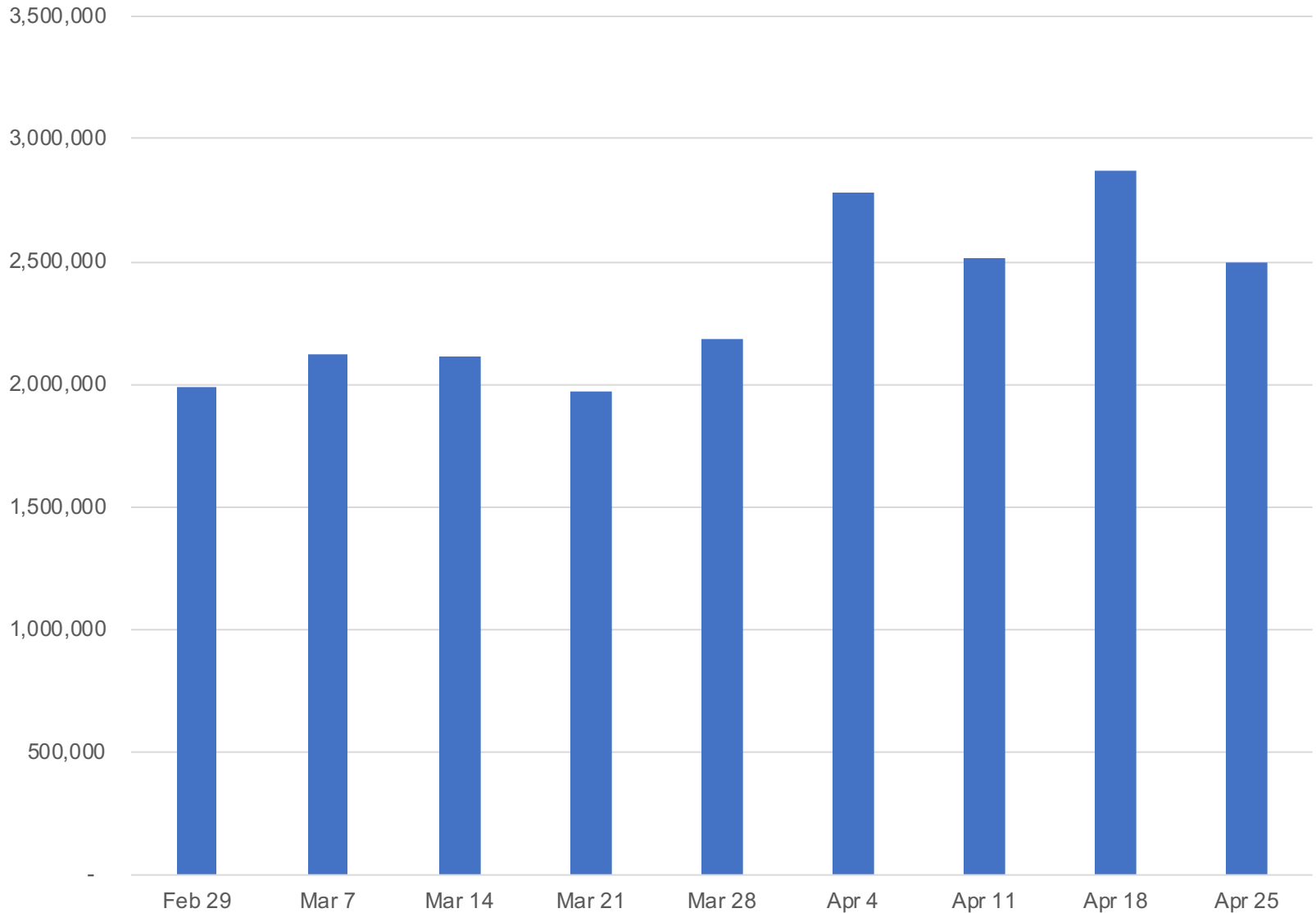
Week over week tasting room and ecommerce sales



Wineries have seen a dramatic channel shift from tasting room sales (in orange) to ecommerce sales (in blue) in a very short time.

This graph represents total ecommerce and tasting room sales of wineries on the Commerce7 platform. (No club or telesales).

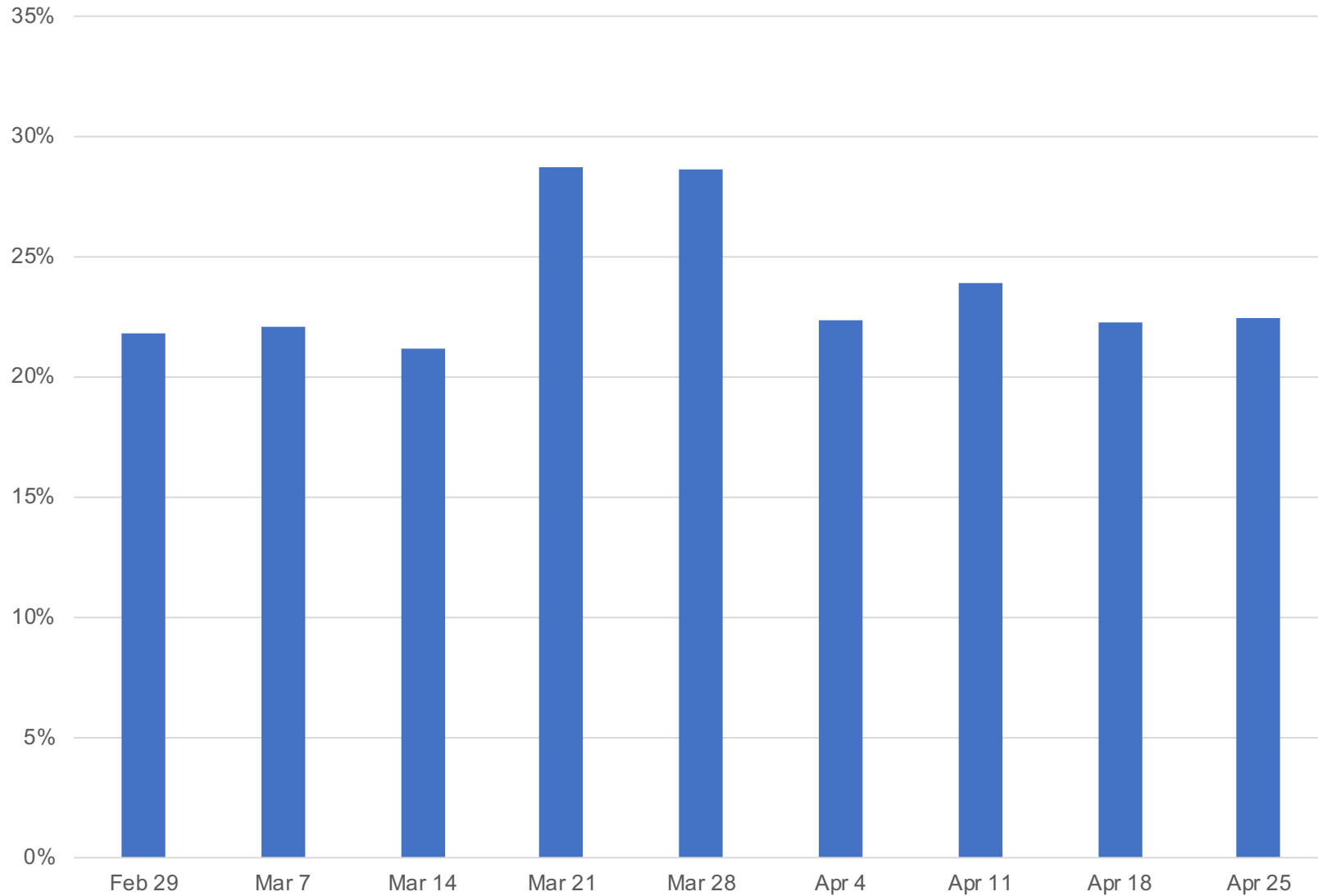
Week over week combined ecommerce and tasting room sales



Net sales for wineries are slightly up from pre-covid.

This graph represents total ecommerce and tasting room sales of wineries on the Commerce7 platform. (No club or telesales).

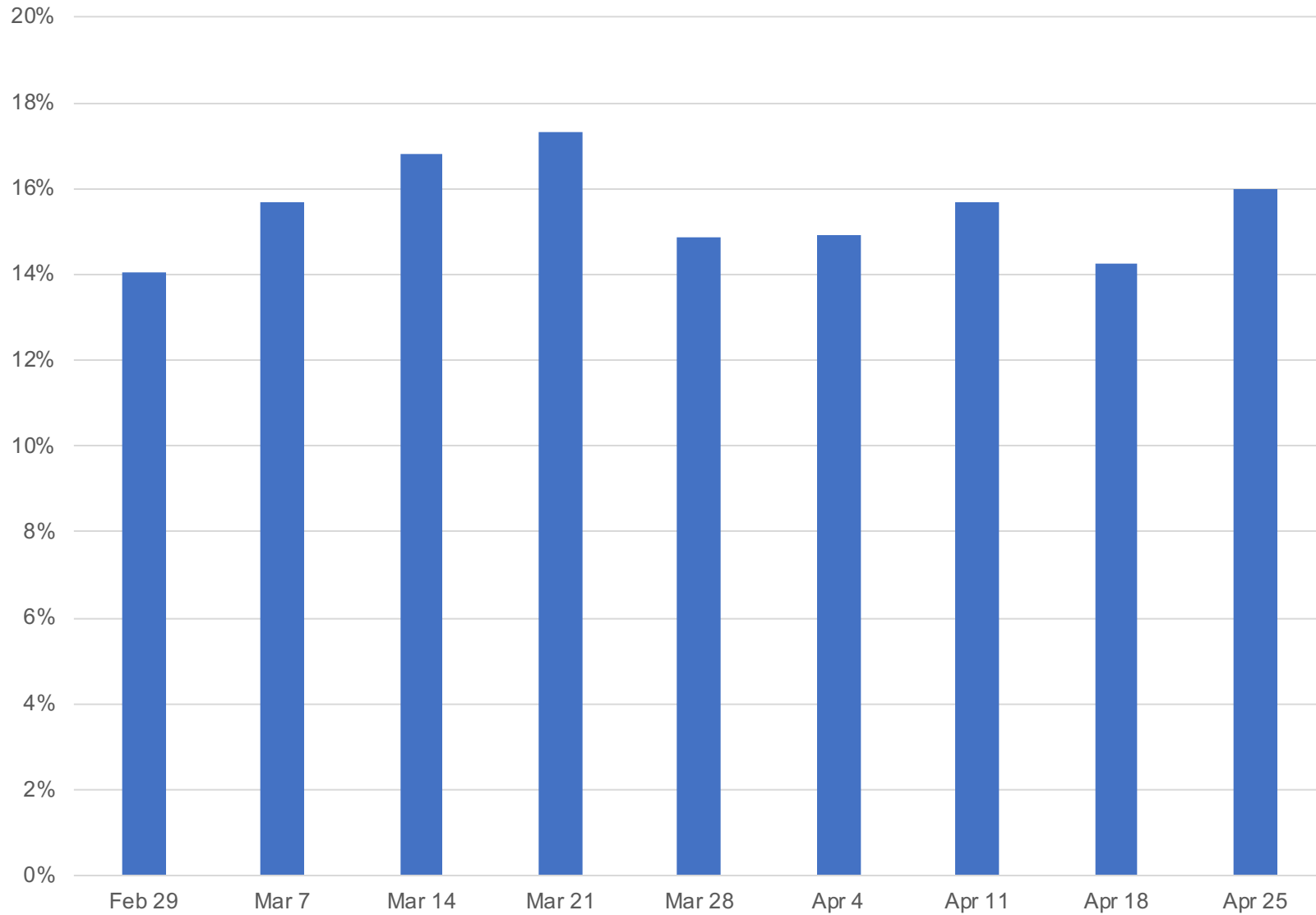
Percentage of sales attributed to club members



The percentage of sales attributed to club members hasn't changed during covid.

This graph represents the percentage of ecommerce and tasting room sales that are attributed to club members.

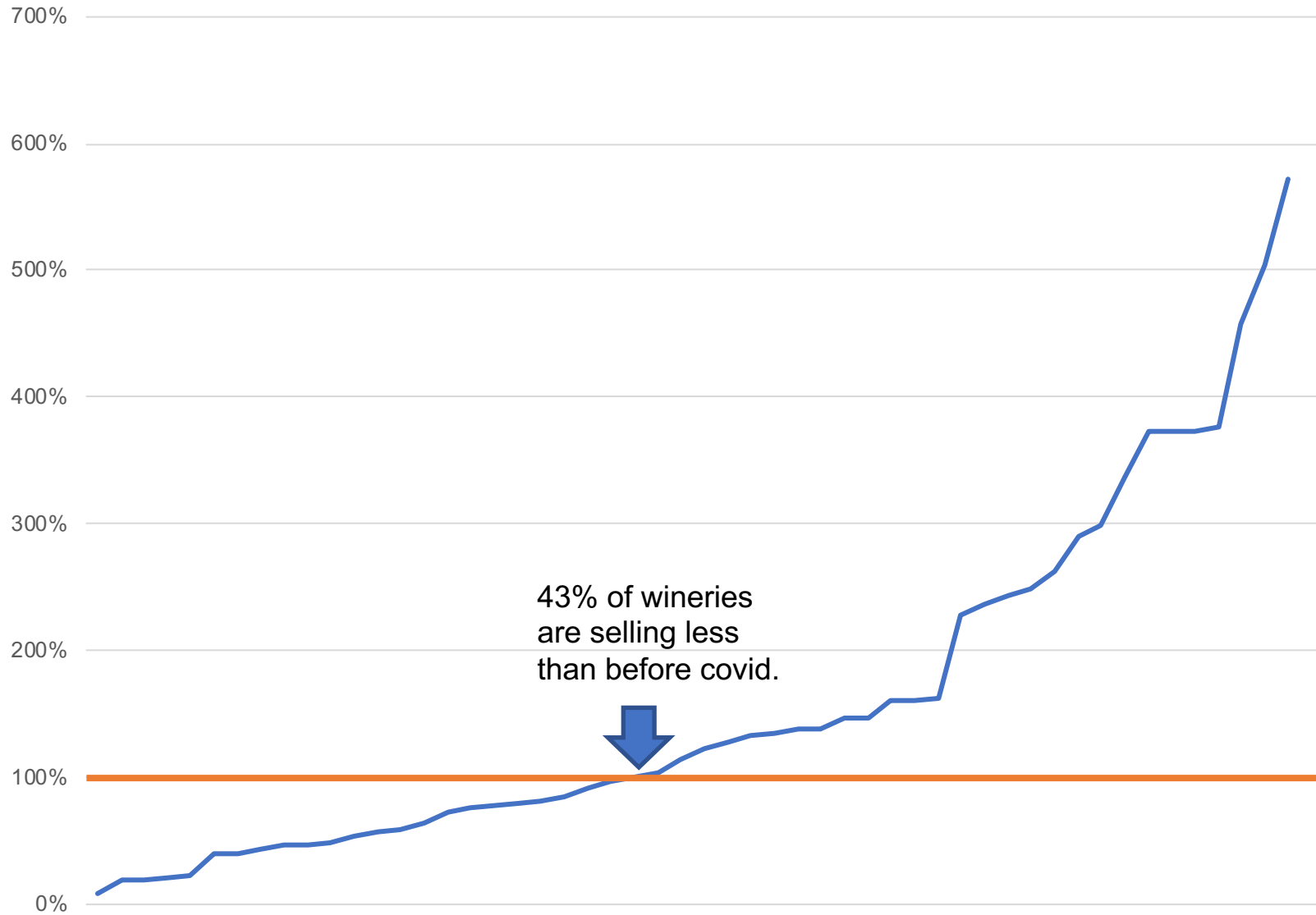
Week over week average discount given



Average discount size given by a winery hasn't changed during covid.

This graph represents the average discount size.

Percentage growth / decline seen 4 weeks after March 22nd

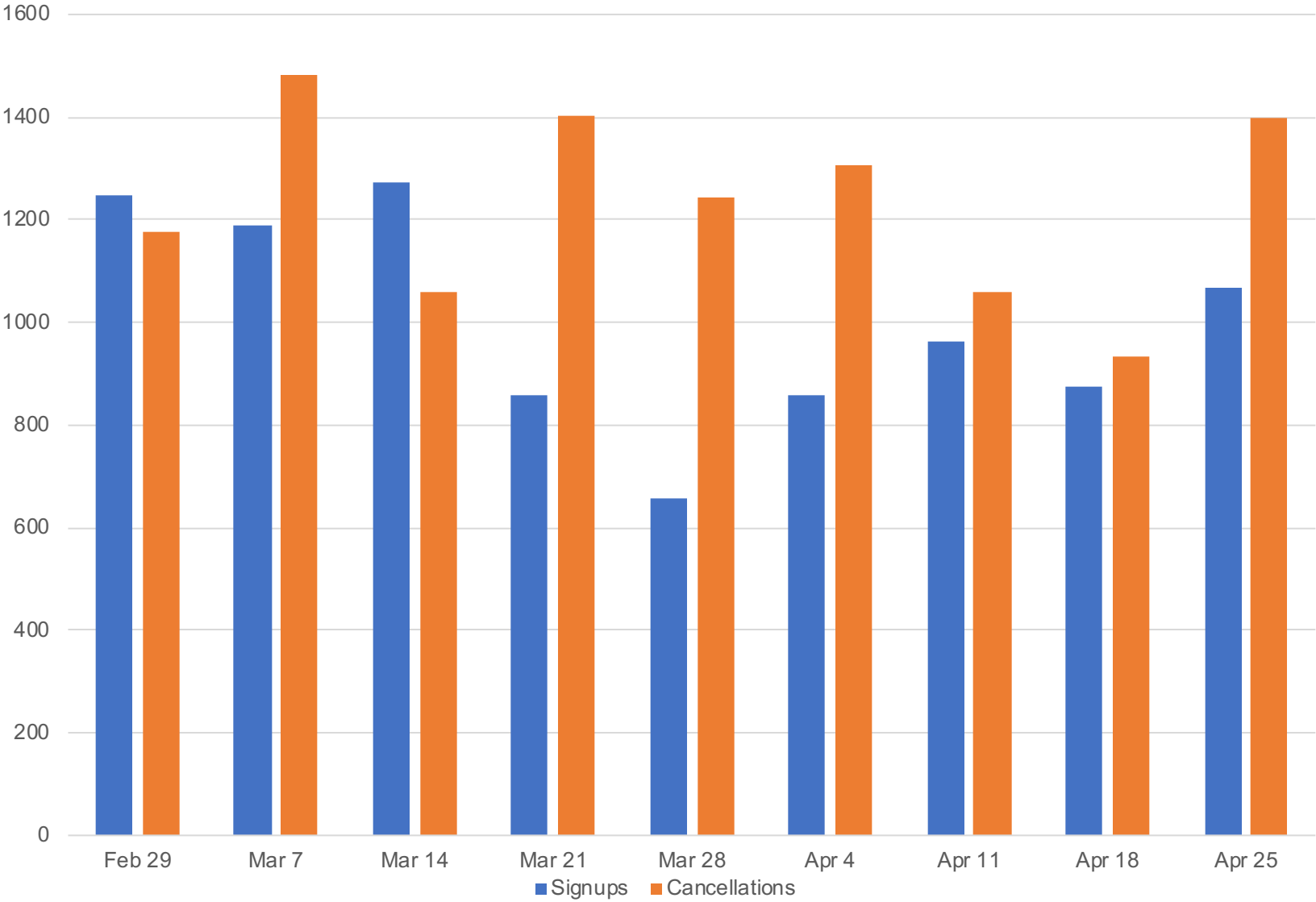


Although net sales have increased, not all wineries are selling more.

When look at wineries selling more than \$10,000 in a 4 week period after March 22nd (vs the 4 week period before March 22nd), 43% of wineries have seen sales decline while 57% of wineries have seen sales increase.

This graph represents ecommerce and tasting room sales only (no club or telesales).

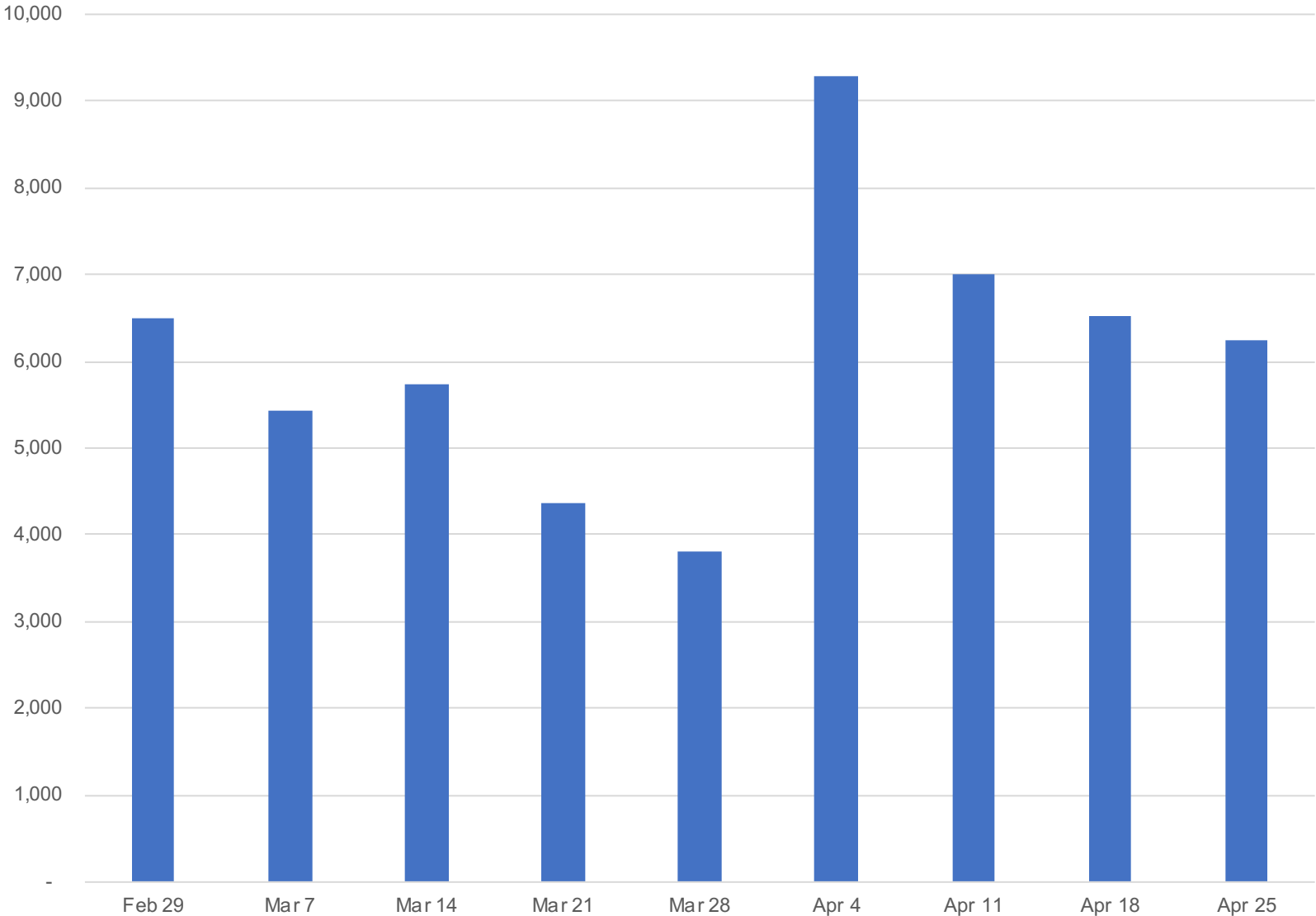
Week over week club signup and cancellations



Without tasting rooms open, club cancellations (in orange) are outpacing club signups (in blue).

This graph represents total club membership signups and cancellations week over week.

Week over week customer acquisition



Wineries continue to gain new customers.

This graph represents new customer acquisition week over week.

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