



The Business of Making Wine Workshop



July 18, 2009

Marketing Boutique Wineries





Key Elements for Success

- Vision
- Marketing Strategy
- Appropriate Tactics
- Execution



Market Analysis

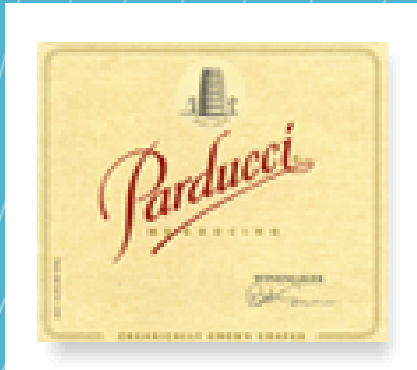


- Demographic Trends
- Consumer Trends
- Food and Wine Trends
- Economic Trends
- Competitive Review
- Research

July 18, 2009



Trends to Consider



- Demographic Trends
 - Baby boomers
 - Growing ethnic mix
 - Gender
- Health and wellness
- Energy costs/food costs
- Environment: sustainability
- Local foods
- Internet – e-commerce
- Psychographics
 - Dual income households
 - Millennials
 - Empty nesters



Sales Vs Marketing Orientation

- A selling orientation focuses on production
- A marketing orientation focuses on the customer

“The aim of marketing is to make selling superfluous.”

Peter Drucker



Branding Your Winery



- Why Brand?
- Brand Strategy:
 - Awareness
 - Associations
 - Perceived Quality
 - Customer Loyalty
 - Brand Assets
- Trade Dress
- What is Your Brand Promise?



Your Customer Market Segmentation



- Finding a market
- Identifying a niche
- Defining and targeting the market --- who is your ideal prospect and how do you reach them?



Bringing the Farm to Market

Market Segments for Wine

<i>Market Segment</i>	<i>Cons. Share</i>	<i>Purch. Share</i>
Overwhelmed	23%	13%
Enthusiasts	12%	25%
Image Seekers	20%	24%
Savvy Shoppers	15%	15%
Traditionalists	16%	15%
Satisfied Sippers	14%	8%

Source: Constellation Wines, Project Genome, 2008.



Four Ps of Marketing



Key Elements of your Marketing Plan

- Product
- Price
- Place
- Promotion



Developing a Positioning Strategy

1. Determine the market: what is my customer profile?
2. Identify competitors: primary and secondary
3. Determine how consumers evaluate options
4. Learn how competitors are perceived
5. Identify gaps in positions held
6. Plan and carry out the positioning strategy through marketing communication
7. Monitor the position



Positioning Strategies

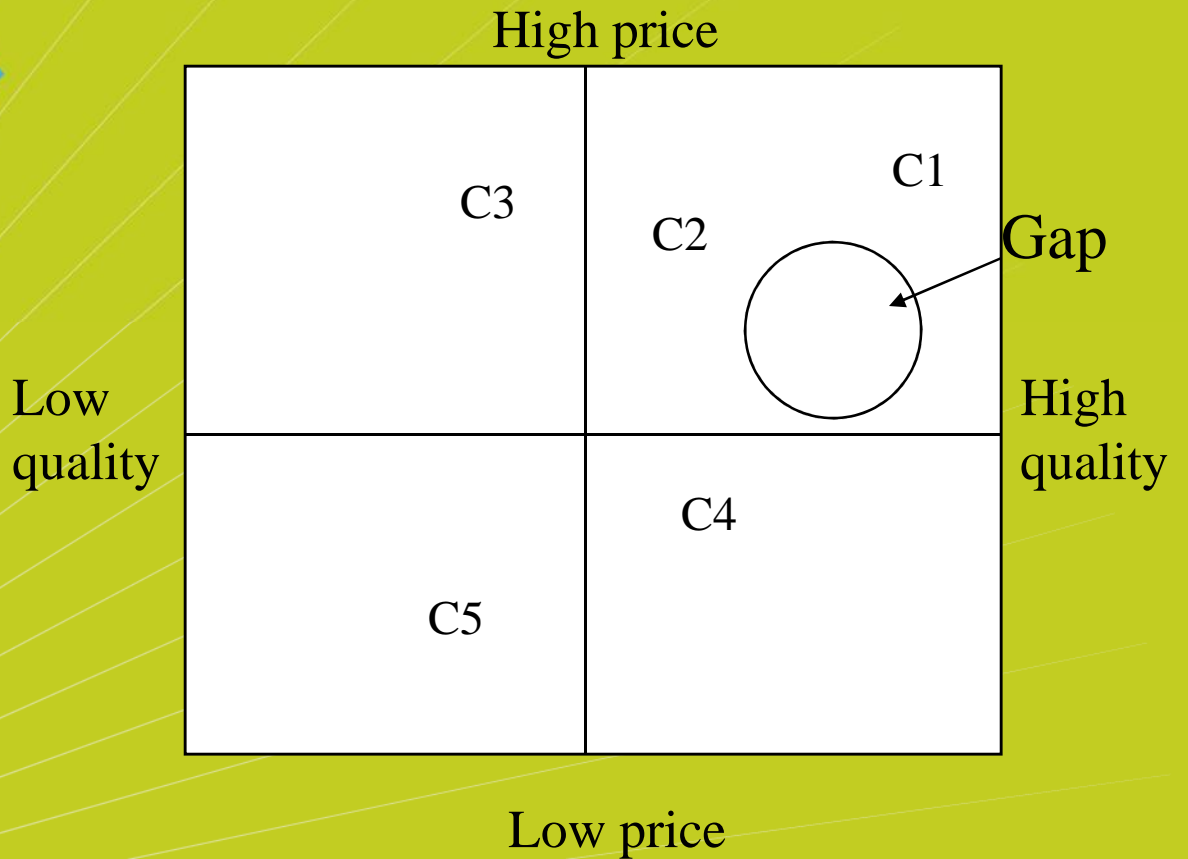


- Product attributes: Citrus notes, oak flavor, geography or AVA, growing methods, unique blend, winemaker
- Benefits, problem solutions: low calorie, low in sulfites, less alcohol, higher in antioxidants, sustainability
- Price and quality: price as a signal of high quality
- Image: unique bottle, interesting label, unusual or irreverent name
- Specific use: pairing with foods, for special occasions
- Product user: endorsed by celebrity chef
- Against a valued competitor
- Positioned in relation to other kinds of product: like a chardonnay, merlot, cabernet sauvignon



Positioning Your Product

Finding the
Meaningful
Gaps





Price

- Cost analysis
- Competitor surveys
- Product positioning
- Pricing strategy



Bringing the Farm to Market

Place



- Traditional distribution channels.
 - Retail
 - Foodservice
 - Cost of distribution
- Direct Marketing channels
 - Direct store, pub delivery
 - Tasting room
 - Wine clubs
 - Phone ordering
 - E-commerce

July 18, 2009



Promotional Mix



Communicating
with Your
Target Customer

- Advertising
- Sales Promotion
- Public Relations
- Selling Strategy
- Direct Marketing Media



Advertising



- Bottle and label
- Story of the wine, grapes, winemaker, awards
- Brochures
- Posters or hand outs
- Display signs
- Display materials.
- Shelf talkers, table tents
- Bottle neckers
- Print ads
- Web site, blogs, newsletter
- Videos
- Give aways or logoed items



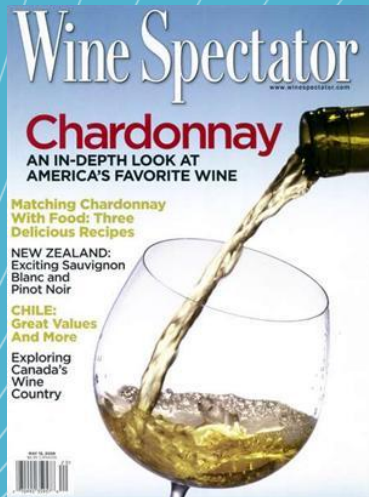
Sales Promotion



- Tasting events
- Price promotions
- Fairs, events and trade shows
- Winery tours
- Winery dinners
- Cross promotions
- Agri-Tourism



Public Relations



- Press kit
- Press releases
- Media relations/events
- Community relations
- Donations to charities
- Networking
- Trade associations
- Entering contests

July 18, 2009



Sales Strategy



- Sales presentations
- Sales meetings
- Sales incentives
- Tastings
- Selling at trade shows
- Strategic selling --- large accounts



Direct Marketing Media

- Catalogs
- Mailings or E-Mailings
- E-Commerce on web site
- Customer relationship management (CRM)
 - Lifetime customer value
 - Building your customer data base
 - Two way exchange



The Marketing Process





Questions?

July 18, 2009