

ADDING MORE VALUE TO THE TRADE



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A wine seminar in Bordeaux brought together experts from fields as diverse as logistics, marketing, HoReCa and production. They presented effective ideas on how to build value into the wine business. Such people add tremendous value, so should the wine trade be trying to attract more of them?

People who are attracted to a wine career tend to share a certain number of characteristics. In general, wine people are very big on hospitality. They're generous with time and knowledge. And they approach their work with passion. Indeed, demonstrating a passion for - and a deep knowledge about - wine is often the key trait that people need to demonstrate when they're looking for a wine job.

But in an increasingly tough world, the wine trade will increasingly rely on a different type of expertise. What it needs now is to develop a new breed of wine professional.

A Wine MBA

One organisation that has made it their business to arm wine professionals with new skills is the BEM Management School in Bordeaux, which offers a Wine MBA (soon to be a Wine and Spirits MBA). In June, BEM presented a full-day seminar in honour of the Wine MBA's tenth anniversary, bringing together major wine industry figures to discuss common trade problems and how to solve them.

Paul van Gils, the global operations manager for the supply chain management division of JF Hillebrand, outlined how taking an integrated approach along the supply chain could result in less stock sitting around in warehouses in export markets, potentially saving producers tens or even hundreds of thousands of dollars.

Professor Larry Lockshin, professor of wine marketing at the University of South Australia, discussed how the wine trade was losing considerable amounts of money by ignoring infrequent buyers. He presented proven ways to engage reluctant buyers, from making wine labels easy to read, to putting more information on the retail shelf.

The very charming Gerard Basset MW MS Wine MBA, who had been awarded an OBE the previous week, shared some simple things sommeliers could do to inspire customers, from encouraging people to take their unfinished bottles away with them, to putting a range of inexpensive wines on the list, so people don't feel cheap for not ordering top wines.

When it comes to engaging people through digital media, William L. George, the president and CEO of TWIST, a company with expertise in high-end wine e-retailing, had a lot to offer. He said that despite the recession, the premium and super premium segment is where the fastest growth in wine is at the moment, and outlined ways that producers could better serve it, such as offering advice, storage and financing options.

Another interesting presentation came from Richard Sagala from the SAQ, the Liquor Control Board in Quebec. He talked about SAQ's 'Find Your Taste Tag' campaign, which encourages consumers to identify the style of wine that most appeals to them. Once the 'Taste Tag' has been uncovered, the consumer can then choose wines that are grouped under that profile. Supported by a witty advertising campaign, the initiative takes the fear out of choosing a wine or trying something new.

And those were just a few of the ideas on offer.

It's complex

If 'simply, simplify, simplify' was the message of the day, something else became clear as well: it takes a lot of expertise to simplify something as complex as wine. Only an expert who has studied logistics in depth can find ways to simplify the supply chain, while putting together a campaign like 'Find Your Taste Tag' takes exceptional marketing skills.

Those are the sorts of skills that the wine trade needs urgently. Unfortunately, while the wine trade has been very good at creating wine experts of all stripes, from wine educators, sommeliers and retailers, to PR professionals who live and breathe wine, it's been less successful at nurturing great brand managers, marketing professionals and strategists, who are as comfortable with a balance sheet as they are with evaluating a wine. There are, of course, shining exceptions to this, but in general it would be fair to say that wine education has taken priority over wine business skills.

Understanding wine will remain critical for everyone engaged in the business. In the past decade, some major corporations got badly burned when they tried to treat wine as just another fast moving consumer good. Wine is, after all, an artisanal product that comes with unique challenges, and anybody who works with it needs to recognise that.

But the trade urgently needs a wider range of skills to draw upon. BEM's Wine and Spirits MBA is one part of the solution. After the seminar, former students milled around sharing success stories, of businesses they'd started and plum jobs they'd landed, making it clear that their studies had paid off both for them and for the wine trade.

However, the wine trade also needs to think about how it can attract talented people from other industries, who can bring a whole new skill set with them. In the end, it's much easier to teach a financial or a digital professional about wine than it is to teach a wine lover about balance sheets. ■