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E-Marketing

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R·I·T

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E-marketing - defined

- Internet marketing, web use, email, wireless, management of customer data, and electronic customer relationship management systems.
- In a nutshell interacting with potential and present customers electronically.
- The goal is to support marketing activities designed to acquire and retain customers.
i.e. drive sales





Why all the attention to e-commerce?

- It's now legal to sell wine online.
- Internet sales of wine continue to grow and hold immense room for growth.
- *Can be 3 times more profitable than wholesale distribution channel.* - Scion Advisors





What is the **primary** design of your E-marketing strategy?

- Marketing and Information
 - Make people aware
- Generate visits
 - Motivate people to come
- Generate sales
 - Motivate people to buy
- Don't have one?





Do you need to focus on them all?

- Depends on capacity!
- What is the outlook of your current sales channels?

% sold through 3-tier system

% sold direct

- Tasting room
- Wine club
- Website





The role of E-marketing

- Providing Awareness
- Generating winery visits
- Generating sales





Awareness

- Marketing and Information
 - Nuts & bolts - where, when and how
 - Telling your story
 - Celebrating Success
 - Serving the Trade
 - Updating





Generate Visits

- Connecting with potential visitors
Wow their my style
- Inspiring them to come
An event is happening
- Giving them a reason
Something is new





Generate Sales

- Using the internet to drive sales
 - 3-tier system Sales
 - Direct Sales
 - What's the difference?





How does buying wine online fit wine consumption?

- Impossible to taste online!
- Is wine an impulse or next meal/celebration purchase?
- Shipping costs & impact on perceived value
- Delivery Time
- Best fit - Collectors?





How do visitors buy wine on the web?

- *Testing the waters first before they become regular users.*
- *It's different from the tasting room experience -- your building a relationship with a virtual customer.*





Using your website to drive 3-tier system sales:

- Basically - How to find your wine again once its been tasted and enjoyed?
 - Your webpage:
 - Provide links to retailer and distributors
 - Make it specific - zip code searches





Servicing 3-tier system sales

- Where to find retailers & distributors
- Information for retailers & distributors
 - Shelf Talkers
 - Tasting Notes
- Understanding if your driving visits to them are they doing the same to you.





Using the internet to drive Direct Sales

Reaching the customer - you need an
electronic address:

- Email
- Collecting them at the winery
- Collecting them online
- Collecting them at off site events
- Don't forget the events you don't run
- Always ask for permission





Capturing Visitor Contact Information at the winery or in-person

- Train and reward staff to capture data
- Motivate visitors to want to give you contact data
- Only ask for data that you will use
- Manage and Analyze Data:
 - Update
 - Classify
 - Use Moderately





Capturing Visitor Contact Information on your website

- Make it easy
- Show benefit
- Give options
- Provide trust
- Offer an out





How to make people aware of your web address:

Make sure your Web site address is on:

- back label and cork
- business cards and letterhead
- press releases and media kit
- shelf talkers
- order forms
- telephone answering message
- reprints of reviews and ratings
- radio/print/TV advertising
- *anything* that people take away with them (even embroidered on the back of your logo hats).

The winery Website Report





Communicating with your customers Electronically

- Timely
- Sparingly
- Relevantly
- When it adds value!
- When it makes sense!
- Customize it!





E-commerce Metrics

- E-mail blasts
- Sell wine
- Increase number of orders
- Increase Ave \$ per order
- Increase Ave \$ per bottle
- Attract online visitors
- Collect Contact Information
- Conversions to customers
- Conversion to Wine Club





What is the internet wine buying experience?

- Customer Engagement Cycle
 - Awareness, Consideration, Inquiry and finally Purchase
- Post -Internet Experience





How to generate internet sales:

- Make it easy to purchase - the fewer the clicks the better.
- Make it easy to reorder - create a profile.





What should an internet consumer expect?

- Internet in general:
 - Secure transaction
 - An email conformation of order
 - Delivery notification
 - Receive what they ordered
- Wine purchase specific
 - Adult Signature = delays in delivery
 - Weather/Temperature = reduced quality
 - High cost of shipping = poor perceived value

NO!





Post -Internet Experience

- Wow making a purchase on the web was easy now what?
- Provide customers with realistic expectations of the experience prior to the purchase.
- Keep them informed along the way.
- Follow up with them.





Managing Delivery Issues

- Adult Signature “Tag”
- Weather & Temperature concerns
- Avoid negative surprises





Overcoming the perception of high shipping cost:

- Don't just show a % quantity discount
- Instead calculate and show the per bottle savings.
- Per bottle costs \$28.90 vs. \$15.43
- Quantity Discount + Shipping
- Consider required minimums





What does your website say about you?

- Upscale?
- Professional?
- Unorganized?
- Inviting?
- Interesting?
- Budget?
- Inexperienced?





Does your website communicate the message you want?

- Is it customer focused or winery focused?

“We only ship in cases because of our packaging”

“sold out stop back later”

“if you want to know your shipping cost email us”

“To place an order for shipment, please print the mail order form and complete. Then fax your order to...”





Common Website Mistakes

- The obvious – errors
- Too many bells and whistles
- Poor quality images and reproductions
- Difficult to navigate
- Doesn't match your winery product
- Fails to delivery value
- Ability to “purchase” lost





The Good, the Bad and the Ugly

- The Good

<http://www.winebyjoe.com/>

- The Bad

<http://nakedmtnwinery.com/>

- The Ugly

<http://www.heritagewine.biz/>

- The Undecided?

<http://www.pepi.com/>





Look outside the industry for best practices

- What can you learn from Amazon.com?
- Delmonte Spa - Men





Amazon.com

- <https://www.amazon.com/>
- Wish list
- Recommendations
- Inventory of past purchases
- Share with others





Delmonte Spa - Men

- Value added approach – Educating the consumer to reduce risk & intimidation.

<http://www.delmontespa.com/>





E-commerce Service Providers

- Buy, Build or Subscribe?
- Subscribe
- The costs and benefits





E-commerce service providers

VinterActive LLC

9940 Starr Road - Suite #130
Windsor, CA 95492
www.vinteractive.com

Spider ITX

South Hill Business Campus
950 Danby Road, Suite 106 · Ithaca, NY 14850

<http://www.spidergraphics.com/>

Nexternal

New Canaan, CT
(866) 436-8479
www.nexternal.com

eWinery Solutions

1957 Sierra Ave.
Napa, CA 94558
<http://www.ewinerysolutions.com/>

Cultivate Systems

550 Gateway Drive
Suite 102
Napa, CA 94558
<http://www.cultivatesystems.com/>

