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Wine Retailing

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Men vs. Women in Selecting Wine

80% of wine buyers are women. A recent article published by Emerald Group (Women wine consumers: information search and retailing implications) examined the differences in how men and women select wine.

It turns out that both men and women view wine as a



high risk purchase. They want to avoid being embarrassed in front of business associates or friends.

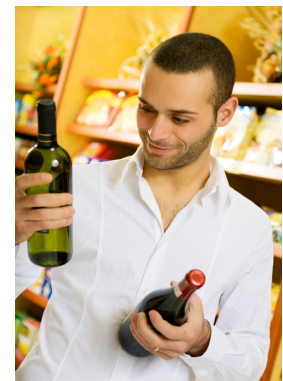
Both men and women manage the risk by getting information at the point of purchase—which is where 70% of the purchase decisions are made.

The sources of information tend to differ, however, for men and women. Men have a stronger tendency to read reviews and even books. Whereas women will look more closely at the labels and shelf tags.

Both will rely on country of origin in the absence of other

information. Men are more likely to walk away without making a purchase.

What does this mean for retailers? Have the information available for both men and women at the point of purchase, and make it easy to find.



Customer Loyalty to Your Store

When consumers find a toothpaste or a soda they like, they stick with it. The same is not true for wine.

With thousands of wines to choose from and with wine being more of an adventure than other products, consum-

ers are willing to try different brands much more frequently. In fact, with so many brands, it is often difficult for the consumer to remember the name of the brand they liked.

Consumers will, however,

stick with a **retailer** that helps them get the right wine for the occasion.

While consumers have lower loyalty to the wines themselves, they have strong loyalty to their wine retailer.

Your Customers Are Uncomfortable

70% of wine shoppers are uncomfortable selecting wine.



Wine is actually a higher risk purchase than almost every other product. Since shoppers are often buying a wine they have not had before, there is risk that they will not like it and therefore have wasted their money and wasted an opportunity to enjoy a bottle of wine!

More importantly, as wine is often shared with friends or family, there is the risk

of “blowing it” – purchasing a wine that the guests do not care for or that does not match the meal. Whoever brings the wine has an opportunity to be a hero or a schmuck!

Retailers who can increase shoppers’ confidence in their purchases will enjoy customer loyalty.

“How long do consumers tend to store their wines? Not years, months or even days. The answer is hours!”

Wine Shoppers Buy for the Moment

We have seen that for most consumers, the average time from purchase to consumption of a wine is measured in hours, not days, months or years.

The purchase is often made for an occasion - a near-term dinner or a party, not to add to the shopper’s wine cellar. Therefore,

retailers who can help shopper buy the wine that is right for the occasion will enjoy repeat business.

Shoppers will consider price, quality and value important. But getting the right wine for the immediate occasion is paramount.



Your Customers Are Online

Online wine sales is currently a small portion of the industry. However, it is growing rapidly, and online retailers can provide information and selection tools not naturally available to traditional retailers. However, traditional retailers

are actually in a great position to compete. Even if they do not wish to sell their wines online, traditional retailers can still post information about their wines, so shoppers can discover and peruse them. If done right, tradi-

tional retailers can offer the best of both worlds: the ability for consumers to get information online and the convenience of purchasing the wine at the store in order to have it right away.



Wine Shoppers Have Impressive Carts



Shoppers who buy wine tend to fill their carts and spend more than other shoppers.

A recent study by BMG Online First found that wine buyers are typically higher income, have higher education levels and tend to buy healthier foods than other shoppers.

Most important, wine buyers typically fill their carts more than other shoppers.

Often, they are buying wine for a specific occasion. And they need everything else for the occasion: cheese, meats, sauces,

the list goes on.

Supermarkets who can keep wine buyers coming back will enjoy higher sales not just of wines but other products as well.

Further, retailers who can let shoppers know which products such as cheeses, meats or sauces, match their wines will drive sales of complementary products.

As consumers have shunned restaurants in favor of cooking more meals at home, wines with strong positions in supermarkets have prospered."

Jan 29, 2009, PressDemocrat.com

Quick Quotes and Headlines

Liquor store merchants are forming a coalition to battle Gov. David Paterson's proposal to expand wine sales to food stores. *Jan 28, 2009; Crain's New York*

"Supermarket brands are benefiting from people's changing eating habits. As consumers have shunned restaurants in

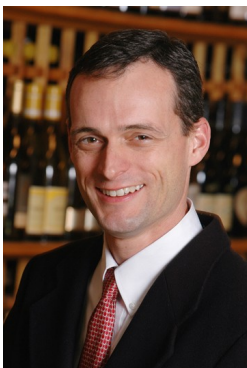
favor of cooking more meals at home, wines with strong positions in supermarkets have prospered." *Jan 29, 2009, PressDemocrat.com*

IRVING, Texas — Supermarkets and convenience stores that apply for a permit will now be able to sell beer and wine here. *Jan 14, 2009, Supermarket News*

Sake consumption surges in U.S. with import of premium versions, education. *Jan 21, The Canadian Press*

"An effort to allow grocery stores to sell wine is expected to return to the Legislature this session" *Jan 2, 2009, Nashville Business Journal*

Ron Edwards, David Gold Begin Wine Talk Radio



Master Sommelier Ron Edwards and Veteran Talk Show Host David Gold team up to launch Wine Talk Radio.

The show is fast paced, a little irreverent and most certainly real. Listeners will be able to get solid information that will make them more confident consumers.

Fun is the name of the game, as the hosts discuss great quality and good value wines.

Catch the show at 4pm on Saturdays on 530 WTCM in the Traverse City, Michigan area.

Interested advertisers may call Rick Gold of Media Pros and More at 248-737-0719.





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Uncork your wine sales potential!

This newsletter is produced by BuyersVine Inc.

BuyersVine Selector helps shoppers find just the right bottle of wine in your store. Since it's web-based, customers can use it at home or in the store, as they search for wines based on Grape, Region, Food, Characteristic or Price.

Shoppers are more confident in their wine selection after using BuyersVine. It is effective in helping retailers improve wine sales, build customer loyalty and attract higher spending wine customers.

To continue receiving an electronic copy of this newsletter or to find out more about BuyersVine, call us at 312-388-0466 or email us at info@buyersvine.com

She's the One!

By Ron Edwards, MS

When *Jane Shopper* walks in, do you think to yourself, "There she is, my next best customer!" In this challenging market, you should.

Your leadership is the key to seizing each opportunity to create a loyal customer. Loyalty driven shopping environments generate long term, *relational* business.

Customer Perception: Your store must be clean, warm and well organized. Warmly lit stores with rich colors create a comfortable hominess. *Comfortable* people linger and buy more wine!

Rock Stars One and All: Never underestimate the power of know-

ing your customers by name and preference. Retail shoppers are starved for people who care about them more than the phone, the computer, the visiting salesman and most certainly more than the other employees.

Wine is So Confusing: Contrary to popular myth, shelves lined with wine are not *friendly*! Subdivide by some logical grouping like grape type, organize the wines by price, create effective signage,

break up the shelving, pair up wines with take home meals and do not offer selection overkill.

Create Confidence: The "easy" factor is accurate, easily accessed information. An educated, sales oriented wine professional is a nice touch, but might not be an option. What your customers are craving is "self-propelled" information that makes them look *smart* and feel confident.



Ron Edwards is a Master Sommelier who partners with restaurants, hotels and retailers to create consumer focused beverage programs. Improve your business by contacting him at 231-675-1312 or www.ronedwardsms.com