

ACROSS THE DITCH WITH MISHA WILKINSON

NEW THINKING FOR NEW BRANDS

“So here’s a great idea—let’s plant a vineyard and make wonderful wines and live happily ever after.” We’ve heard it all before—nothing new, right? But the reality is it’s not that easy. MISHA WILKINSON shares some ideas on how she’s building a new brand from New Zealand.

Most people wanting to own a vineyard start with a romantic idea of making great wine and assume that if it’s great, it will sell itself. Yeah right! How many people start their ‘vineyard project’ (as we have always called our venture) with a marketing plan? And if not, why not?

My husband and I are marketers, and for us it seemed like the logical thing to do—even before choosing which plot of land on which to establish our vineyard. Unless we knew where our markets would be and what they would be drinking 10 years down the track (and at what price points), then how could we possibly choose the right patch of land and know how much we needed to plant?

To accompany that marketing plan, a 10 year financial outlook was required to

understand exactly how long the investment period would be, so we could avoid one of the most common vineyard diseases, undercapitalisation. We needed to know at least when we would be likely to break even—which by the way seems to be around that 10 year mark.

We’re in our eighth year of the wine project (counting from the physical start of installing the irrigation system) or 10 years if you include the two years it took to find that perfect piece of land and develop the marketing, business and financial plans. Over these years I could count the occasions on one hand when I’ve heard the term *marketing* used correctly with respect to the wine business. My disclaimer here is that my cohorts are generally small-sized vineyards predominantly in New Zealand—although I’m not sure our geographic location makes too much difference.

My understanding of marketing is around the *market*—i.e. which *market* you wish to be in, and within that *market*, at what price point, against which competitors, at what outlets and with which varietals. It's what they call a *market-led* approach. Unfortunately a lot of the wine industry is product-led, for example, "Let me create a great product and then when I've done that I'll do some 'marketing' and will be able to sell it." But they don't really mean *marketing*, they're talking about trade shows, trade tastings and customer visits. You might argue that some of those activities possibly fit under a 'marketing communications' banner, but without going into a semantics debate, the point is these activities are sales activities and there's a whole lot more that goes into building a successful brand.

Marketing just isn't something you tag on to the end of the wine-creation process to sell the product—it's the research, analysis, positioning and financial modelling that you do before planting your first vine.

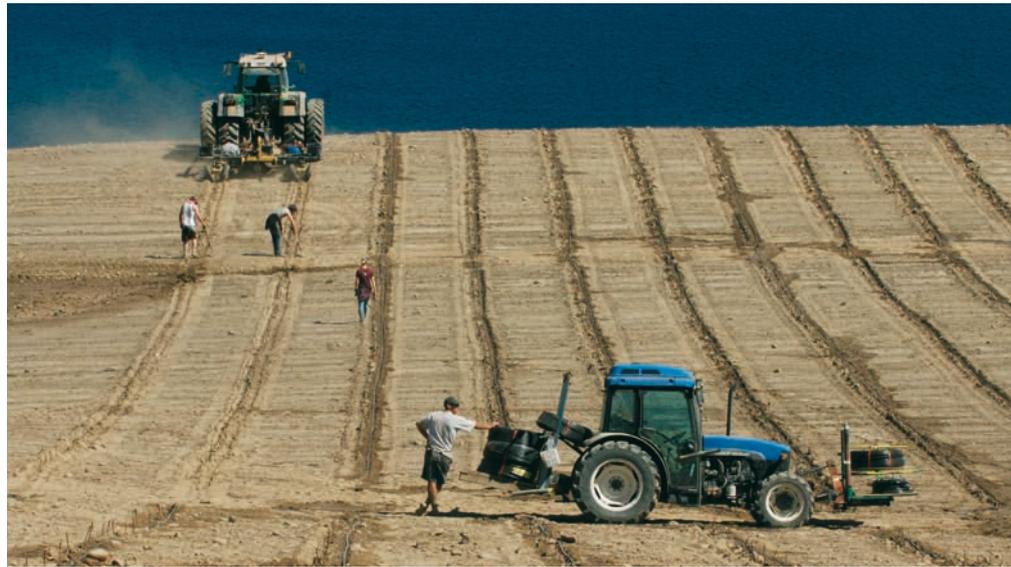
Following are three practical examples of activities we undertook in building our brand that may provide some new thinking or inspiration—even if you're a small producer!

THE COACHING TEAM

The most exciting time—or the most scary depending on your persuasion—is deciding on your brand name and designing that all-important wine label. Many wineries simply pick the nearest dry river, cloudy bay or craggy range to name their wines; for some it's a case of consulting a thesaurus of clever or unusual words that are 'trademarkable'; and for others they just leave it to the local design firm, who get around to it after they've created the new brands for Boo's Liquor Shop, William the Concreter, Florist Gump or MillionHairs Dog Salon.

There may be some great names that emerge out of any of these processes, but how does one know? You need to test a brand name to really understand if it's going to work. It's not a case of just asking Auntie Margaret what she thinks, we're talking about real testing in the markets in which you're planning to sell your wine, but being able to do it without a corporate marketing budget.

A year after our vines were planted, we



Early days of planting at Misha's Vineyard with the view towards Lake Dunstan. Photo: Tim Hawkins.

set up what we called the 'brand panel'. We recruited 25 people globally to be part of a group to provide feedback, opinions and preferences about our brand image. The group comprised wine retailers and executives from wine distribution companies, wine collectors, wine writers, a wine marketing consultant, a consulting winemaker and a couple of design and advertising professionals.

Both men and women of different age groups participated and we had representation from Australia, New Zealand, Singapore, Japan, Hong Kong/China, the US and the UK. Many people were recruited after meeting them just once at a wine event, as we attended many events in the early days to build our network. A few of those we recruited we knew quite well, but there were also a couple we had never met and were simply referred to us by friends.

Most people who were approached readily agreed to be part of the panel as they felt it would be fun to see a brand created. Once recruited, emails were sent with a little information about us and then we started asking for feedback on our brand name and design. The results were that our initial brand name tested very positively, but our first two rounds of label designs didn't hit the mark. We changed to a new design agency and over the next couple of rounds of feedback over several months, a label was chosen almost unanimously by the panel and, strangely enough, it wasn't our first choice for a label design.

The collective results of the feedback

were always provided to the panel after each round of testing so they could see how their feedback was shaping our decisions. Our brand panel became our coaching team as they provided many suggestions and support and lots of encouragement through the process.

And of course, some time later, they were the first ones to see our final product—and taste it. Over the 18 months we used the brand panel, only three people dropped out.

We have ended up with a label that has received accolades in our target markets and portrays our brand in a way we set out to achieve. The additional benefit is we have a group of people who have some 'skin in the game' and have become our brand advocates. Given the influence of many in this group, we have had enormous unsolicited help in matters of translation of marketing materials, finding distributors, getting retailers to stock our wines and many word-of-mouth recommendations for our wines long before they were commercially available.

The best thing of all, this process cost nothing—but it did require some good communication skills, quite a bit of time and a rigorous marketing process that we adhered to strictly.

PRACTICE MAKES PERFECT

Things can only improve when you practise. So if you're planning to work with a bottling plant for the first time; 'dress' your bottles for the first time; work with your winemaker for the first time; and even order barrels from overseas for the

first time, there's a lot that can go wrong.

In the early stages of setting up our vineyard we regularly surveyed wine on shelves and noticed that many producers changed label designs, bottle types and even brand names in their first few vintages. Looking at a shelf of wine with two or three vintages and seeing the various tweaks in design that each year had brought, was not the way we wanted to build our brand so the only way around it was to do a practice vintage.

The philosophy we established for our vineyard project was 'no compromises' and our decision from the outset was not to crop any fruit from our vines until they were four years old. However when the vines were just three years old we found a particularly good corner of the vineyard and let a few rows produce fruit. We harvested 1.5 tonnes of Pinot Noir in late April 2007.

We went through the entire process of making the wine—all 900 litres of it—using three new (but well-conditioned) French oak hogsheads. After a year in oak and a winter in tank the time had arrived for capping and gowning and our 100 cases of Pinot Noir were adorned with their new regalia. Now we had something in a bottle that we could take to potential distributors, retailers, sommeliers and consumers in various markets to get their feedback on our packaging. We also used those interactions to discuss the market in general, pricing and opportunities they saw in the market. It's great to be able to talk to the people that are potentially going to be buying your wine when you don't have anything to sell—then they don't see the desperation in your eyes!

There was certainly a cost in making this first trial wine but this was the start

of our serious marketing campaign to launch our brand—and it was a year ahead of having commercial volumes of wine to sell. When we went back to many of those people the following year, we were greeted like old friends. Better still, many felt they had been part of our 'brand creation' process and so wanted to help us even more. The benefit was enormous and we were lucky that 2007 happened to be such an exceptional vintage in Central Otago as the wine received very positive accolades as well! By the way, we called our trial Pinot Noir 'The Audition'.

PLAYING TO YOUR STRENGTHS

There's a lot of marketing speak about your competitive advantage or your USP (unique selling proposition) or more plainly put, the stuff about your brand that makes you different—and better! Some of your special attributes may be evident at the outset of your vineyard development, some will emerge during the development and even when your brand matures. But at the beginning, when you're introducing your new brand to a potential distributor, you need to provide some compelling reasons as to why they should even listen.

Some vineyard owners think because they won a gold medal in a wine show, that they now have a premium brand and something unique. That's not what I'm talking about with this unique proposition stuff and, anyway, almost everyone is bound to get a gold if they enter enough competitions.

We decided early on that the small patch of Central Otago we selected for our vineyard was unique. Everyone will tell you that their piece of dirt is unique, but we believed ours had some special attributes being on the edge of a beautiful

lake and rising from 200 to 350 metres above sea level with some dramatic slopes, including one section we call the 'ski slope'. So we claimed it as 'the world's most spectacular vineyard'. If people overseas are buying expensive Pinot Noir, I'm sure they're happier knowing it came from a spectacular vineyard. Of course it's a big claim, but why not take the high ground—as long as you can deliver on it.

And delivering on it is exactly what we did. Right from our ground-breaking ceremony, we had a professional photographer take photos of the vineyard. It's now been six years that Tim Hawkins, our photographer, has come to the vineyard many times each year to capture significant milestones, or days with magnificent skies, perfect lake reflections or when there's snow blanketing the vineyard. And over the years, these photos have been emailed out to friends, media and an ever-growing list of industry contacts.

The point here is we decided our vineyard location would be a key differentiator for our brand, and so invested in professional photography from the beginning, and as a result we've had a lot of success getting our brand known in various markets. Before we launched our wines we had been on the cover of four magazines and featured in many more. Along with this of course was some serious effort in PR activities, but it was the visuals that pushed those stories to the cover. The first brand impression of a really spectacular vineyard is not a bad place from which to begin.

The purpose of this example is to explain how important it is to know what makes you different. At a marketing session during last year's New Zealand





The team at Tucker Creative in Adelaide who worked on creating the Misha's Vineyard branding. Photo: Tucker Creative.

Wine Exporters Conference, wineries were asked to state what made their brand different and unique. Few could do this, and those that could stated attributes that any number of vineyards in the room could have also claimed, for example, “we produce award-winning premium wines”, or “our wines are made in the vineyard”, or “we're a family-owned vineyard” or other such claims that cause the eyes to glaze over.

We have identified four things that set us apart as a brand, but whether it's one or two or even five things that you 'own'

in terms of unique positioning, my advice is to invest in them and then play to those strengths. And if you haven't got that 'elevator pitch' sorted, then you're in for a serious brainstorming session.

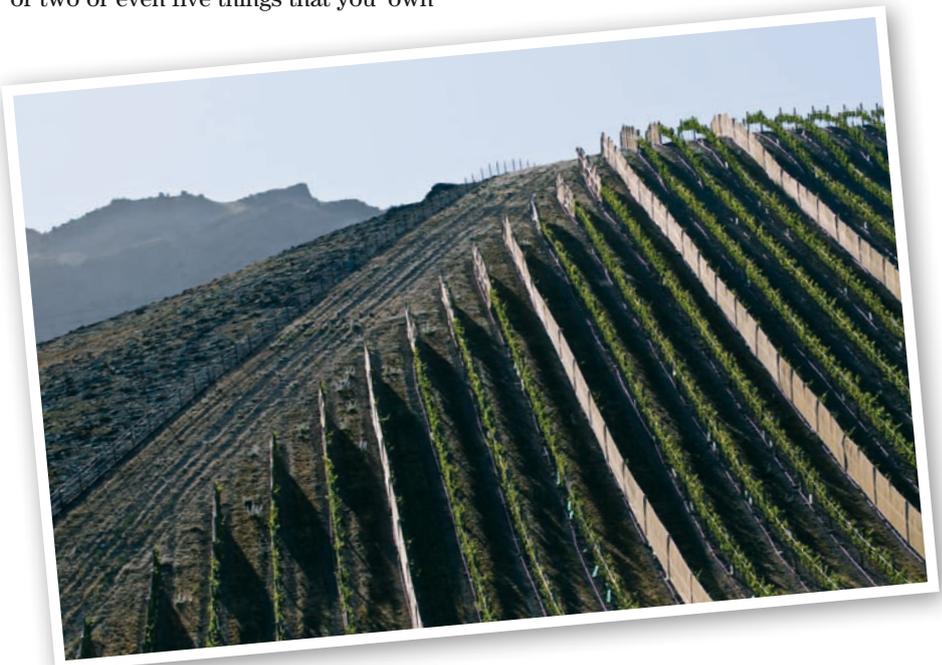
The cost to identify your strengths and develop a unique set of attributes for your brand—free! Then it's up to you to decide which ones you might invest in to leverage your position.

WHAT RUBBISH

There will be those reading this who say, “What rubbish—we were successful and we didn't do any of those things.” I'm not denying there are brands out there who got lucky due perhaps to a first-mover advantage or a happy sequence of events that resulted in some great wins. As they say, there's more than one way to skin a cat—just ask my poodle! My examples are meant to provoke thinking and if this piece provokes just one “aha” (one of those moments when a light bulb goes off in your head), then it's been worth the time you invested to read this. (And by the way, it's been free—well, except the subscription cost!).

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Misha's Vineyard at the base of the Dunstan Range. Photo: Tim Hawkins.



This is called 'ski slope'—for obvious reasons! Wind cloth is on every fourth row to protect from the Spring winds that come down Lake Dunstan. Photo: Tim Hawkins.