

WINE

Allow wine to truly benefit your business

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Who is this person talking wine?

Owen Ward Wine Consultancy was established to deliver wine business strategies and specialist wine training to hotels, restaurants and bars, increasing average spends and boosting profits for my clients.

For the last 15 years I have been structuring wine lists for hospitality businesses. These have significantly increased the average spend per head for my clients, whilst delivering interesting wine lists for their customers to enjoy.

I can deliver these increases without the need for my clients to change suppliers, increase their entry level price point or verbally upsell wines to their guests. I also focus on ensuring my wine list reviews please existing consumers.

With so many concerns regarding fresh food costs and supply at the moment, having a highly profitable beverage range is more important than ever.

Wine is often overlooked...

'We don't sell much wine'

'Our supplier has wine people who do that'

'I can't change my wines, I'm tied'

'We are happy with our wine list'

Each of the statements above are from venues who initially didn't feel a wine list review would be suitable for their business. However, each venue benefitted from an increased average wine spend of around 10% following my review, without changing suppliers

Issues affecting wine:

- Logistics (costs and delays)
- Paperwork (EU documentation)
- Staffing (logistics and warehouse)
- Materials (e.g. glass shortage)
- Limited availability (climate & fires)
- Wine Producers' lost earnings (e.g. South African alcohol ban, during pandemic)

How can you manage the increased costs, logistical issues and demands on wine...

whilst delivering a well priced and interesting wine range for your customers?

How can you manage the increased costs, logistics issues and demands on wine?

- New considerations when choosing suppliers. Which suppliers have smaller minimum orders, allow mixed cases or offer sale and return (vital for wedding and event venues)? Out of stock procedure has also become very important, it's key to ensure your supplier can supply replacements of a similar quality and price if they have availability issues with your listed wines.
- Don't get too attached to particular brands. Unlike spirits, beers and soft drinks, wine generally sells based on grapes and regions, not brands. If a particular wine is very popular with your customers you may worry about dropping that wine from your list. However, this leaves you exposed to absorbing price increases...always have a cost ceiling for key wines!
- View your supplier's full portfolio, not just the list or product they have proposed. Many suppliers push certain brands for higher margin or brand targets.

Delivering a well priced and interesting wine range for your customers

- Not every wine has to earn full margin to make your wine list highly profitable.

Whilst tendering or selecting your wine list, identify key listings that punch above their weight for the price point to allow larger margins for these. 99% of wine lists have almost all volume through just a handful of key products.

- Don't be scared of offering premium wines by the glass, for fear of wastage.

Offering a slightly more limited range of wines by the glass, but including premium options, will limit wastage whilst encouraging a higher spend per head.

- Use a par stock system and order premium wines by the bottle only. A simple strategy, but being sensible with stock holding on premium wines allows for an interesting list, whilst controlling costs.



Know your market

- Study your **average spends** on each wine category, to ensure any new additions to your list truly suit your customer's tastes and budgets.
- Study the **wine lists of your competitors**.

 Knowing how your key wines compare to those of your main competitors is essential, especially in terms of price.
 - Avoid using the same wines as competitors or large retailers. It's always nice to have exclusivity but, more importantly, having different products will avoid easy pricing comparisons from your customers.
 - Same supplier as your competitors?

Ask the question when choosing your supplier and, if you have the same supplier, request key wines that differ from your competitors.

Wine List reviews and specialist wine training to transform your wine profits



www.owardconsultancy.co.uk

owen@owardconsultancy.co.uk