

Improving your winegrape sales in a difficult market

Guidelines for growers

These guidelines have been produced by WGGA based on conversations with a number of growers¹ from different regions, who have found ways to be successful sellers in a “buyers’ market”. The common theme is finding ways to add value, rather than being a “price-taker”. Whether you are growing high yield, commercial quality fruit or low yield, premium fruit, whether you are in a warm inland region or a cool/temperate region, most of these guidelines can be applied.

Please note that this document does not constitute specific marketing advice, and may not suit every grower. The experiences of other growers are shared to offer others something to try.

Assess your position first

Before you spend time and money on marketing your grapes, take a good hard look at the block to see if it is worthwhile marketing it. Alternatively, would it be better to top-work or remove the block altogether, rather than wasting more resources on it? Ask yourself the following questions:

- ✓ Is the vine and trellis health good enough in this block for say the next 5-10 years - that is, am I making a long-term investment in a long-term product?
- ✓ Is this variety right for my area and soils – that is, will there be a good customer base for it?
- ✓ On basic analysis of my costs, can this block be profitable at reasonable market prices?

Stand out from the crowd

Find your point of difference and emphasise it. Is it

- ✓ consistency,
- ✓ early ripening,
- ✓ quality,
- ✓ a special clone or variety,
- ✓ location,
- ✓ vineyard protection protocols,
- ✓ the family history....?

Look for opportunities to enhance your business by creating and building on a point of difference.

Market your product

Sell an “image” or brand – rather than just grapes. For example, consider creating a name and a logo and then display it on your vehicles, shirts, hats etc. A professional appearance sells the message that you are a professional supplier. For a relatively small investment, you can get assistance to create a website with the same brand image and information about your grapes, your vineyard, its history and its owners. You can include the names of wine that the fruit has gone into or anything else that contributes to your story. Don’t get carried away, though – it is important to set a realistic marketing budget and stick to it.

¹ WGGA would like to thank Anthony Scholz and Bob Reichstein in particular for sharing their experiences.

Collect and provide information

- ✓ Keep maturity testing results for each block over time and turn them into graphs and tables.
- ✓ Create a short information sheet or even a newsletter² on your vineyard: location, soil type, varieties grown, management methods... everything you have.
- ✓ Bring in an independent assessor to give you a quality assessment at vintage time (this can also be useful in the case of a dispute).
- ✓ Consider using computer software such as GrowData or VineBiz to keep records of your vineyard performance – eg irrigation, fertigation, cash costs, yield, prices paid – over time.

Invest in technology

Take the “guesswork” out of growing grapes by investing in technology and equipment such as soil moisture monitors, or even a weighbridge. The benefits and savings will justify the investment, as well as providing you with a point of difference that can help you impress potential buyers and stay ahead of your rivals.

Actively seek out potential buyers

- ✓ Don't wait for buyers to come to you. Work out who you want to sell to and contact them.
- ✓ Spread your risk: try to secure at least three regular buyers. Look for wineries that have signed the Code of Conduct and are known to be fair to their growers and willing to work as partners with them.
- ✓ Face-to-face contact is very important. Be prepared to put in time and money initially to knock on doors. If they aren't interested, leave them a card, resume, newsletter or information sheet and follow up later.
- ✓ Even if a winery isn't looking for your product, you can still invite them out to your vineyard to see for themselves how the vineyard is run and what practices are been adopted. They still may not buy your grapes in the short term, but you are building a relationship for the long term.
- ✓ Be persistent: you need to allow up to several years to build relationships with purchasers – it will not happen overnight.
- ✓ Once you do find someone who is interested, you can expect to start with one year contracts, and to have a less strong bargaining position; keep an eye on the future and be willing to make some concessions initially while you build trust and familiarity.

Aim to put yourself in a position where the winery wants you – not the other way around.

Build and maintain relationships with your customers

Be willing to work with your winery. Use the principles of good customer service.

- ✓ Prove yourself accessible and pleasant to deal with – responsive to winery's requests and willing to discuss things openly.
- ✓ Fill in your spray diary on time and get your Entwine certification.
- ✓ In terms of vineyard management, different wineries may want things done differently. Insist on clear, consistent guidelines but then be willing to follow them (within reason!) and help the winery to achieve its objectives. Discuss with your off-taker how your effort will be rewarded.
- ✓ Follow up with the winery after vintage and get feedback on how things went from their point of view. Make this a part of your normal business practice.
- ✓ Think smart: how can you add value that is greater than the cost?

² The Barossa Grape & Wine Association has a template available that growers can personalise.

Make it a partnership

- ✓ Wineries are also finding marketing tough in the current environment. Challenge the traditional demarcation that is expected between the grower and the winemaker and work with your winery to achieve the finished product.
- ✓ Try to have some understanding of what happens to your fruit once it arrives at the winery – eg by participating in wine tastings, winery visits and grower days.
- ✓ Get to know the different winery representatives: winemakers, viticulturists, GLOs.

Get involved in your region

Join committees, promotional or special interest groups in your region, attend workshops and participate in field days to get known and meet potential buyers – as well as improving prospects for your region as a whole. You will be seen to be someone proactive, willing to learn and willing to contribute. The information you receive helps you stay ahead of the game, while getting away from the vineyard can also help you to keep your spirits up in difficult times.

Stay positive

Sometimes when things are really tough it is hard to motivate yourself to keep going in the face of knock-backs. Someone on the sidelines cheering you on can make all the difference. This could be a professional – eg a local consultant, a mentor within the industry such as an industry association officer or GLO, or a trusted friend/family member.

Believe in what you are doing and be serious about doing the best you can. The rest should follow.