

Abstract Thesis Steven Duintjer

How wine shops need to adapt their marketing mix in order to increase online sales

MOTIVATION:

In my professional role as marketing manager for a franchise group of fine wine shops, Henri Bloem's Wijnkoperijen, I felt the urgency to investigate how fine wine shops can find a satisfying position in this online market. Obviously, fine wine shops do not have the same marketing budgets as the large wine retailers have, so another approach is necessary. If they don't, they will risk losing market share and, in the worst scenario, will have no future at all.

OBJECTIVE AND METHODS USED

The wine business in The Netherlands is a very traditional business. Especially the fine wine shops are far behind when it comes to online marketing. At the moment, the Dutch online wine market is dominated by a few players, all with the same business model. Key players on the Dutch online market are E-Lucious (wijnvoordeel.nl), Gall&Gall and Wijnbeurs.nl, where the first takes an online market share of 50%. The main focus is on discounts and volume sales. Wine platform Vivino, which is also highly active in The Netherlands, also plays an important role in online wine sales.

The research for this thesis was based on four items:

- Desk research
- Interviewing online wine buyers
- Interviewing experts in online retail
- Survey among wine lovers

Desk research was done first in order to get a clear view of the Dutch online wine industry. After that, I interviewed experts in the online wine industry which gave me an idea of their business model and goals. To get a first impression of the customer's needs, I interviewed five private online wine buyers and questioned them about their likes and dislikes in online wine shopping. These interviews founded the base of the survey amongst 25.000 wine lovers. I also interviewed an expert at a large online fashion retailer, to learn from their 'do's and don'ts' in online marketing.

CONTENT

In order to get a better view on how the Dutch online wine market is set up, the marketing mix can be explained by using the '7-P's'. In the thesis, the current marketing mix of key online players in the business will be displayed, as well as the current off-line marketing mix

for fine wine shops. Also, the new online marketing mix for fine wine shops will be added to the overview as a result of the survey.

As mentioned above, the online wine market is dominated by a few large wine companies. But these companies do not fit in the category 'specialist wine retailers'. Most fine wine shops in The Netherlands are joined in a group or franchise formula. Prominent organizations are Les Généreux, Henri Bloem, Grape District, De Gouden Ton and De Wijnkring. All these formulas are operating more or less in the same way and position themselves as fine wine shops. To get an insight in their current and desired position within the market, an analysis of strengths, weaknesses, opportunities and threats will offer a solution.

Based on the SWOT analysis, the unique selling points for fine wine shops can be formulated. The challenge for the wine specialists is to expand their usp's in order to increase their online market share. Together with the results of the interviews and survey, a new marketing mix for fine wine shops can be formulated.

CONCLUSION

Based on all the information received and the conclusions made, the new marketing mix for fine wine shops can be filled in. With this approach to the market, fine wine shops must be able to distinct themselves from the large online wine retailers and find their own position in the online market of wine.

Fine wine shops need to offer more visual information about the wines. This can be done, in corporation with the wine producer, by making short videos about the winery and its wines.

Fine wine shops need to invest more in collecting data, in order to understand the customer's needs and act on that by personal advertising.

Fine wine shops must inspire the customers. This can be done by promoting one single wine at the time on their website. The promotion must include a story from the wine maker, a food pairing suggestion and a price offer.

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