

WINES & VINES

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Wineries Use Data to Build Sales

Speakers at Oregon conference to focus on customer loyalty
by Peter Mitham



"In a down economy, having good loyalty from your customers is important," says Andrew Kamphuis, president of Vin65.

Roseburg, Ore.—Oregon's wine industry, like many, has long discussed ways to grow its share of national and international sales. Yet one of the most valuable assets in the campaign may be languishing on hard drives in tasting rooms and cellars across the state: customer data.

Knowing who customers are is fundamental to understanding and planning the growth of any business, but for the wine trade a knowledge of customers is critical because of the intensely personal nature of responses to the product.

"I see large enterprises with four million names in their database, but never ever sending an e-mail out," said Andrew Kamphuis, president of Vin65 in Abbotsford, British Columbia. "And I see people that have a day timer, and they go through and they put everybody in a black book, and they go through their list and they call people and they act on them."

It's the latter companies, the ones that act on the information they've gathered, that stand the best chance of building relationships with customers and thriving in a challenging economy," said Kamphuis, whose company helps wineries manage customer relationships. "In a down economy, having good loyalty from your customers is important."

The value of being able to build and manage that kind of loyalty is reflected in the announcement last week that Napa-based WineDirect had purchased Vin65, in large part to enhance its online marketing and e-commerce activities. Vin65 has been providing its hosting platform to WineDirect's clients since June 2010; the acquisition means Vin65 will now operate directly under the aegis of WineDirect.

Conference in Roseburg

Kamphuis stresses that managing customer relationships should be part of a winery's attitude more than a question of particular software. It's a message he'll be taking to Oregon next week, when he's speaking at the Southern Oregon Wine Marketing and Sales Conference slated at Umpqua Community College in Roseburg.

"They always want to instantly know what software to use," he told Wines & Vines. "I think it's more of a mindset than a software piece.... Create great customer experiences, which will in turn sell more wine."

Being able to call upon the right information is key to fostering those experiences, said Rick Belisle, managing partner of OrderPort LLC, a Bellevue, Wash., company that launched its own software package in February.

“In some ways I think we’ve got too much information available to us,” Belisle said. “(What’s) important is that you have the right information available to you at the moment that you need it.”

OrderPort has developed a system that gathers information from various sales channels into a single database accessible from various sales points.

“(Wineries) may be using one thing for their website, they may be using another system for their wine club, they may be using a third system for their point of sale. And ultimately all of that sales activity needs to be pulled into sales reports for compliance, or just managing their business,” he said. “(It’s) very cumbersome and complicated for most wineries.”

OrderPort’s system is designed to be mobile; rather than queue to use a single register, tasting room staff can use an iPad app to interact with customers on the go. Ultimately, however, the information still has to be used, and used wisely.

While information is available to tasting room staff through the OrderPort system, Kamphuis said that wineries need to have a strategy that meets increasingly mobile consumers.

“Most of our wineries are seeing about 15% of their traffic via mobile,” he said. “People typically don’t go to a mobile site and read somebody’s story unless (they’re) sitting in a doctor’s office waiting for something to happen.”

Kamphuis said an effective mobile site should provide basic information about the winery, including location, directions and a list of retailers carrying its wines.

Better than nothing

But even making the leap to mobile is a big step for many wineries. Jeff Lorton, another speaker at next week’s conference estimates that less than 20% of Oregon wineries have a site tailored for mobile users—either a purpose-built site, or a site provided by Wordpress, Facebook or some other social media site.

Lorton, co-founder of LynkSnap Mobile Marketing Solutions in Portland, Ore., says that beginning with a basic mobile presence that piggybacks on another site that does mobile well—such as a social media site—is better than nothing.

“There are companies that will get it first, and they’ll have a huge advantage over other companies that get it last,” Lorton said.

Given the competition for consumers, wineries that make themselves available to consumers seeking information via the ubiquitous smartphone will have an advantage.

But mobile doesn’t stand alone, Lorton said. “You need to push constantly, let people know that it’s there for them.”