Global Trends - Wine Industry Key Elements

The new consumer decision journey

For years, empowered consumers have held the upper hand when it comes to making purchasing decisions. But companies are fighting back.

The flare-up around advertising blockers on mobile devices is just the latest salvo in the digital-technology “arms race” that has made today’s consumer a formidable force. From social media to mobile devices, technologies have given consumers unprecedented power to compare prices, complain loudly, and find the best deals.

This tipping of the balance of power in favor of consumers has been evident for years.

The journey involved shoppers taking advantage of technology to evaluate products and services more actively, adding and removing choices over time. And it included a feedback loop, where customers kept evaluating products and services after purchase, pressuring products to perform and brands to deliver a superior experience on an ongoing basis.

In the past few years, brands have been playing catch-up, investing in new technologies and capabilities in a bid to regain relevance with shoppers and exert greater influence over how they make purchasing decisions.

A company’s ability to deliver that value relies on four distinct but interconnected capabilities:
1. Automation streamlines journey steps.
2. Proactive personalization uses information about a customer to instantaneously customize the experience.
3. Contextual interaction uses knowledge about where a customer is in a journey to deliver them to the next set of interactions.
4. Journey innovation extends the interaction to new sources of value, such as new services, for both the customer and the brand.

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Political / Regulatory Environment

WineBiz desk launched
In a step towards enhancing collaboration with government, the South African wine and brandy industry will launch the WineBiz desk in November.

The new strategic service will operate under the auspices of the industry organisations VinPro and Salba (SA Liquor Brandowners’ Association), from the offices of Agbiz (Agricultural Business Chamber) in Pretoria. Its main focus will be strengthening relationships with various national government departments and related stakeholders on key issues such as water and land reform, transformation, trade facilitation and market access, while promoting the image of the South African wine and brandy industry.

Michael Mokhoro has been appointed as stakeholder manager to establish the WineBiz desk. In his previous position as regulatory affairs manager at Distell, he has gained extensive experience in the field of stakeholder relations, building networks at various levels of government and other relevant groups.