Case Study

IDM Student Competition 2013: English Wine Week

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Abstract

Each year, the Institute of Direct and Digital Marketing Student Competition sets entrants a live client brief to which they have to create a compelling response. In 2013, students were required to develop a plan for English Wine Week and show how they would generate incremental sales and attribute this increase to their campaign. The winning entry from University of Central Lancashire proposed a two-stage media campaign, including direct mail and multiple emails, which would generate vineyard visits and bottles sales, as well as capturing data on prospects for future marketing.

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Live client pitch and cash prize

Background

Each year, the Institute of Direct and Digital Marketing (IDM) runs a competition open to students on marketing-related degrees as part of the IDM Education Programme, which works with top London agencies and high-profile clients to identify, educate and attract the brightest students to the marketing profession. Teams of students are provided with a brief prepared by a real client for which they have to create a marketing programme. Entries are shortlisted by a panel of judges and the finalists present their proposal in a live client pitch. Winning teams shared a cash prize of £1,500 and their supervising lecturer won a place at the DMA US Conference. The brief for 2013 was provided by English Wine Producers (EWP) and required students to promote English Wine Week (EWW) to UK consumers and achieve specific sales targets directly attributable to this activity.

Growing market, especially for sparkling wines

The brief

EWP is the marketing organization for the UK wine industry, representing commercially minded and progressive wine producers who make up 80 per cent of UK annual wine output. The primary objective of EWP is to promote wines, vineyards and its members' interests, raising awareness of English wine among both consumers and the trade.

Interest in English wines has been growing in recent years as the area of land devoted to vineyards has doubled in the last 7 years. By 2015, the

industry is expected to be producing 5 million bottles from 419 vineyards. Even so, market share of wine sales for English wines is only 0.14 per cent, with sparkling wine the largest sector, accounting for over 50 per cent of production. Growth of this type of wine is expected to see over 5 million bottles sold in 3 years time with a retail sales value of £100 million — equal to 10 per cent of all current champagne sales. English wines are bought by a wide demographic, typified by Waitrose customers who account for 40 per cent of sales through retail multiples.

Patriotic and local

English sparkling wine has been attracting interest because of its high quality, often beating champagne in blind tastings and winning the trophy for the World's Top Sparkling Wine eight times in nine years. Patriotic appeal and the fact that it is a local product also appeal to consumers, especially as producers are passionate, professional and individual entrepreneurs. As distribution of English wine grows, the premium quality it offers is associating it with the best the country has to offer.

Opportunity for direct consumer contact

EWP developed EWW as a generic campaign for the industry to encourage vineyards to undertake promotional activity at the same time, 10 years ago. EWW is usually scheduled for late May/early June to cover the Spring May bank holiday. EWP manages all aspects of the week, including industry and media liaison, website content and point of sale material.

Historically, the bulk of marketing budget was spent on direct communications with the trade, including a wine tasting one month before EWW. A number of initiatives have also been organized, including the addition of local English wines to the list in Mercure Hotels, and in-store tasting sessions at Waitrose and Corks Out. Most of the participation by the trade has been by independent on- and off-trade businesses, leaving a significant opportunity to engage with larger organizations.

Adoption of Twitter by EWP has created a channel for direct-to-consumer communications around EWW. However, there is no central database of customers for English wine and no sales records showing the impact of EWW. Following a request to vineyards, a list of 1,795 customers has been compiled with name, address, email address and order details for each.

Sales boost from English Wine Week

It has been estimated that in 2011, around 25,000 additional bottles of sparkling wine were sold as a result of marketing spend of £25,000. In 2012, this budget rose to £35,000 and incremental sales were 50,000 bottles, although events such as the Royal Wedding, Queen's Diamond Jubilee and London Olympics 2012 may have contributed. EWP is concerned that sales might fall without the impetus of EWW and has therefore increased the budget for 2013 with a sales target of over 50,000 bottles. More robust measurement will be put in place to justify this expenditure.

Goals for EWW 2013

Students were required to develop a direct and digital marketing plan for EWW 2013. The event should help to raise awareness of up to 100 vineyards taking part in parallel with their own promotional activities, generating customer awareness and increasing visitor numbers.

Data collection was an important consideration within the brief to provide a basis for direct contact in the future. Robust measurement was

also required to ensure clear attribution of incremental sales to EWW. A budget of £100,000 was set for the task.

Gold award winner: ‘Sunflowers’ (University of Central Lancashire)

Mapping perceptions of English wine

The University of Central Lancashire team was made up of Jake Ellwood, Emily Haydock, Laia Jimenez and Sean Moffitt, under the supervision of tutor Jane Griffiths. The team, ‘Sunflowers’, began its response to the brief with a SWOT Analysis, identifying the strengths of English Wine (high quality, local, award winner), its weaknesses (higher priced, perceived as inferior to champagne), opportunities (an expanding off-trade market) and threats (cheap alternatives, tax hikes). Similarly, the team considered the strengths of EWW (highly focused, 10-year proven history), its weaknesses (lack of brand, limited promotional options), opportunities (new retailers, data collection) and threats (weather, pressure on disposable incomes). Sunflowers also considered English sparkling wine against its competition from France, Australia, Italy and Spain and mapped perceptions of these.

Unique selling propositions of English sparkling wine were identified as its local provenance, with the connection to providing employment and trade, the positive impact on its reputation and price elasticity of winning awards and the fact that it is a premium product.

Marketing strategy for EWW 2013

The team set a goal of increasing vineyard visitor numbers in 2013 to 19,000 from 16,500 last year. It aimed to sell at least 65,000 bottles during EWW. As well as increasing awareness, the team’s marketing strategy also aimed to create a database for use during EWW.

Sunflowers aimed at involving Marks & Spencer in a promotion during EWW, while ensuring that Waitrose maintained its commitment to the event. A selection of Sainsbury’s stores in the South East would also be used to showcase wines. Independent wine retailer Laithwaite would be encouraged to cold call and email its customers with a promotion and to include English wines in its media activity. Majestic and Corks Out would also run English wine promotions and use social media to promote in-store tastings. Other independent wine merchants would also be encouraged to get involved through pitches to buyers by producers.

Consumer segments identified

Consumers were segmented and three groups identified: ‘connoisseurs’ (mostly men aged 40-plus with a high level of wine consumption), ‘loyal females’ (women aged 45–54 with a regular social wine drinking habit) and the ‘aspirational’ (mothers over 35 who drink wine to fit in). These groups represent 15 per cent of the total market.

Buying in consumer data

The team proposed investing in a database management tool (FileMaker) and using a range of techniques to capture consumer data — bottleneck collars, an EWW app, the EWW website, vineyards and social media. The objective was to have the database operational ahead of EWW and then to enhance the information held during the event. Data fields to be captured were name, date of birth, location, gender and email address. Member-get-member promotions would be used to extend the data held.

Mapping customer journeys

Sunflowers mapped customer journeys for each of the three groups from initial awareness, through purchase, social media engagement, data provision to ongoing communications. Each group's journey included different modes of involvement both with EWW and also with purchasing of English wine to reflect their behaviour and opportunity.

Two phase media strategy

The first phase of media activity would involve radio commercials on Classical FM and LBC, advertorials in Decanter and Life magazines, and online banners, plus promotional bottle collars and leaflets.

The second phase of the campaign proposed involved emailing offers and using SMS reminders of EWW. Additional media were selected to reach each of the groups, while two major Food and Drink events would also be targeted for live marketing.

Modelled response rates

Sunflowers modelled the response rates expected from each type of media in the two phases to calculate how many new contacts would be added to the database. This showed that a potential 40,365 new contacts would be captured. In the second stage of retention marketing, a response rate of 42 per cent was assumed.

Creative concept

A slogan was developed for use across all media and during EWW — 'the taste of life in one glass'. It was felt that this reflected the desired qualities of English sparkling wine and its association with pleasure, while also containing a responsible drinking message. Designs for bottleneck collars and full-page ads were provided.

Assigning budget

A fully costed budget was provided that also included £9,000 for testing in advance of the event.

Judges' comments

Julia Trustram Eve, Marketing Director at EWP, said, 'Sunflowers did a superb job in response to a very specific brief. As the client, I was impressed by the team's engagement with us from the start and their clear understanding of our objectives and how they could realistically translate into trade and consumer-led activity'.

Opportunity for a strong brand

Silver award winner: GENUWINE (University of Northumbria)

The University of Northumbria team was made up of Daniel Aldred, Will Purdy, Robert Thomas, Lewis Trickett and Andrew Trotman, under the supervision of lecturer David Hart. 'GENUWINE', as the team called itself, identified a weakness for English wine in that many consumers avoid it before they have ever tried it and also that production could not meet heightened demand. Combined with a generic identity ('English sparkling wine'), they spotted a market opportunity to build a strong brand identity.

After considering issues around geography, demographics and psychographics, the team identified that there may be a promotional opportunity by positioning the product in relation to a consumer preference for sparkling wine over champagne at dinner parties. As a 'publicly consumed luxury', English sparkling wine can be targeted at opinion formers.

Data to be acquired for direct mail and email

External data on 30,000 consumers would be bought in for a direct mail campaign to households within driving distance of a vineyard. An email database of 340,000 addresses would also be acquired and stored alongside existing records in a proposed database.

Olly Smith — face of the campaign

The team proposed the use of TV presenter and wine critic Olly Smith as the face of the campaign, featuring him in direct mail and email as well as online and in the app.

Creative execution

Direct mail in the shape of a bottle was proposed for the first-stage mail-out, with short links to a microsite as well as a quick response code. The pack would be personalized with an invitation to their nearest vineyard. Promotional coding to book a visit would allow for tracking of response.

Email would be used in six waves, from initial introduction to follow-up. The design proposed would reflect the existing EWW website, with consideration given to how a message would render on mobile devices. This would link directly to the campaign microsite and app download.

A microsite was proposed with clear navigation and rich content. Links to affiliate retailers would be built in, allowing for tracking via cookies and tags. An event app was suggested to provide up-to-date information and act as a platform for ongoing communication.

Delivering under budget

The campaign proposed by GENUWINE would be achieved within — and slightly below — the available budget, even with the use of direct mail (which would account for more than half of available spend).

First steps in a marketing career

Bronze award winner

Out of the 100-plus student teams that entered the Student Marketing Competition, the judges also chose a Bronze winner — Connect, a team also from University of Northumbria under lecturer David Hart.

Mike Cornwell, CEO of IDM, commented, ‘Once again, we’re hugely impressed with the standard of work coming through from students on IDM Education Programme initiatives. Thanks to their excellent efforts and to the support of our patron companies, we’re extremely proud to be delivering on the IDM Educational Trust mission of finding and developing the best new talent and helping them take their first steps on the marketing career ladder’.