



## What's in it for me?

Mark Norrish, Ultra Liquors

- National Wine GM, Ultra Liquors
- 40 years' experience across FMCG sector in SA
- Includes retail buying, marketing, operations & distribution
- Author of two books, namely It's all in your hands and What's in it for me?



# IT STARTS WITH YOU

NEDBANK VINPRO  
INFORMATION DAY



"WHAT'S IN IT FOR ME?"

MARK NORRISH  
ULTRA LIQUORS



# INTRODUCTION

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## Global Warming in the 21st Century, and the effects on the Arctic and Antarctica "

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the above is my, " ICEBREAKER " !



# INTRODUCTION

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"Great wine requires a madman to grow the vine,  
a wise man to watch over it,  
a lucid poet to make it,  
and a lover to drink it"  
Salvador Dali



# INTRODUCTION

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Allan Mullins, an SA wine legend, once quoted,  
"Wine is a lifestyle, ...I can't imagine a baked beans, or pork sausage  
buyer, getting a group of friends together to taste their products  
along with a range of similar competitive products"



# INTRODUCTION

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## "WHAT'S IN IT FOR ME?"

- Why the title ?
- Foremost on the Customers mind
- Start with the end in mind, and then work backwards
- “The poor need a bargain, the rich love a bargain“
- So, you being my Customers today, "What's in it for YOU? "



# INTRODUCTION

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20/12/2018 news article by Ferial Haffajee:  
Sydney Press, the retailer who made Edgars a household name –  
knew his customers.

“Edcon may be crashing”

“we left in droves and never came back. But the thing about a loyal customer is that once you’re gone, you’re gone for good.”

“biggest mistake was to lose sight of its most valuable asset: the customer”



# INTRODUCTION

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The menu today.....

hors d'oeuvre - wine trends and analyses,  
main course - Producer Tips, .....food for thought,  
dessert of BEE .

“a presentation of bits, and a bit of a presentation”





# INTRODUCTION

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I must add that many of these, "bits" are factually based, but I include some bits of personal experience and views, that are not supported by data or any other evidence



# TRENDS

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Menu starter -major Trends, analyses and predictions



# TRENDS

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" If I had asked people what they want, they would have said 'faster horses'" - Henry Ford.



# TRENDS

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- "Alcoholic Beverages - Share of Throat"  
Ultra liquors Corporate Stores: sub-category statistics  
Sept to Nov 2018 vs Sept to Nov 2017



# TRENDS

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- Beer- + 41% growth
- Fruit Alcohol Beverages [ mostly Ciders ] - +54% growth
- Whiskey - +7% growth
- Brandy - + 56% growth
- Gin - + 137% growth



# TRENDS

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- Vin Ord = + 47% growth by value
- Vats = + 32% growth by value
- Wine/Fortified ( in Glass) = + 14% growth by value



# TRENDS

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## "Fish where the Fish are"

Due to financial pressures on all fronts, 2018 in SA has seen many Consumers "buying down," on past Brand purchases, and even "switching out" of particular liquor sub -categories



# TRENDS

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"Who is the opposition of the Wine category?"

Ultra Liquors stock a total of 6,760 products [or SKU's as we term them ie Stock Keeping Units ]

3 month period -Ultra Liquors statistics:

Top 20 selling products =36% of total T/O.

Top 100 selling products =69% of total T/O.

Top 200 selling products =82% of total T/O.

Therefore, 6,560 products =18% of total T/O.





# TRENDS

Beer Wars....



# TRENDS

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- What I certainly foresee is a huge shift to what I term, "POW" , or 'Power of Women '.
- Veuve Clicquot, Claudia, Aslina , Sophia, Christina, Rose of Sharon, and Libbys Pride.



# TRENDS

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- Watch for growing interest in de- alcoholised wines or low Alcohol wines.
- And what about wine infused with marijuana?
- A new beer, " Durban Poison" was launched last December by AB InBev
- My tasting notes could read:- a wine laced with very smokey notes, and the full flavours give you an instant Lift, finishing with a very High note, #HashFAG # "greatTrip Adviser" or just ## .



# TRENDS

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- I believe SA needs to produce more iconic, or cult wines to gain further international exposure, and grow awareness of Wine SA.



# TRENDS

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" To understand the Present, just study the Past, but to predict the Future, you must interpret the Present. "

- "My.My.My."
- "I -Specialists "
- "ME"llenials & ' imMEdiate gratification'
- Advertisers have embraced ' FOMO



# TRENDS

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“You do not need a parachute to skydive.  
You only need a parachute to skydive twice”  
- Winston Churchill.



# TRENDS

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## "Perception is Reality"

- over 10,000 wine varietals [The Wine Guide],
- Consumer is baffled
- " speak to that gentleman over there, he knows wine !!"



# TRENDS

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" I awarded the Mona Lisa 100 points"

- What is not debatable is that the consumer adore scores of 90+ , and medals on their wine [ it endorses their purchase, and raises their self- esteem in company ]





# TRENDS

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My personal "Cru Classe" of 5 SA Wine Consumers

- 1) HNWI plus: ["Cos I can" ]. R500 +
- 2) HNWI minus: [ 'Cos I wannabee " ] R300-R499
- 3) Saturday: [the image wine: ] "Mellenials, or the Boss for supper "  
R100-R299
- 4) Friday: family & friends for Braai : R50-R99
- 5) Sunday to Thursday: 'Mom n Pop' time: R30-R50



# TRENDS

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- "Rising consumer voice is getting stronger"
- Social media is the weapon of choice



# TRENDS

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“The Future is not what it used to be “

Take Singles Day.

- anti-Valentine’s Day for singles in the 1990s.
- .. growing at 39% per year,



# LESSONS FOR PRODUCERS

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## Menu- Main course: Lessons and Thoughts

" When everything seems to be going against you,  
remember that the airplane takes off against the wind, not with it"  
Henry Ford



# LESSONS FOR PRODUCERS

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## " Strategy and Tactics"

- About 2,500 years ago, Chinese military strategist Sun Tzu wrote "The Art of War."



# LESSONS FOR PRODUCERS

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" It doesn't matter how fast you are running,  
if you are heading in the wrong direction "

- “Don’t tell me, tell the Consumer!”
- my “consumercentric ” philosophy,
- “Start with the end in mind, and then work backwards.”
- " What am I doing for my Customers, to get them, and then keep them?"



# LESSONS FOR PRODUCERS

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“What Business are you really in? “

The Michelin Guide didn't start out as the iconic dining guide

- boosting car sales and in turn, tyre purchases
- all that information came at no cost



# LESSONS FOR PRODUCERS

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## "Ready, Fire, Aim"

- Create a great business Plan, a good plan is just not good enough in todays world.





# LESSONS FOR PRODUCERS

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“ If, I agreed with you, we'd both be wrong”  
Winston Churchill



# LESSONS FOR PRODUCERS

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"DBS&M" = Difference between Sales and Marketing?

Sales- getting it onto the Retailers shelves or into the On-Consumption wine list

Marketing - the art of getting it off the shelves to Consumers



# LESSONS FOR PRODUCERS

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- Create Shoppertainment
- "Vino-tainment" is rapidly following this route
- Simply Connect
- value-added features
- one-stop quality chilltime
- Modern day society is "time-poor"



# LESSONS FOR PRODUCERS

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IBW= " Information by Walkabout"

For a % of the SA wine-buying population, in my opinion, it's really not about the wine.



# LESSONS FOR PRODUCERS

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- Become 'top of mind' with Consumers“
- Utilise various themes
- your Brand is top of mind
- "re-invent yourselves“
- Don't be stuck in the past, just because things worked in the old days.



# LESSONS FOR PRODUCERS

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“There is only one thing in the world worse than being talked about,  
and that is not being talked about.”

Oscar Wilde

Social media should be your very, very good friend.

Small investment, but massive promotional opportunity.

"Keep your cash and put away the plastic."



# LESSONS FOR PRODUCERS

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"Understand the new 'Tribal ' language of SM [Social Media]"

- DFTBA ?
- " new younger tribal language"
- ELI5
- FUTAB
- YOLO
- TYVM - [Thank You Very Much ]



# LESSONS FOR PRODUCERS

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- "Rising consumer voice is getting stronger"
- Social media is the weapon of choice





# LESSONS FOR PRODUCERS

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“One person's ceiling is another persons floor”

- Make first-time Customers feel very welcome
- convert Strangers to Friends to loyal followers
- Simply stay " Top of Mind"



# LESSONS FOR PRODUCERS

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"You cannot be an eagle by flying with turkeys"

- Review, refresh , re-invent
- Wine is very similar to the Fashion business



# LESSONS FOR PRODUCERS

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## " Bottle-talk Consumers "

- Brands and labels must "talk" to their target market, but in different ways
- " Wine is not one segment,...at one end of the spectrum are commercial brands ....at the other end premium wines have to solicit the aspirational, magical WOW factor by underscoring individual provenance and the personalised intrinsic value"  
-Emile Joubert



# LESSONS FOR PRODUCERS

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"Every bottle holds a story when it's full,  
and another when it's empty"

- Story Book
- Unique Selling Point [ USP ]



# LESSONS FOR PRODUCERS

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## " Eye for detail"

- AB De Villiers retired from all forms of international cricket in May but rumours have **serviced** [ surfaced ] on social media over the last week that he could make an about-turn with the World Cup in mind. There were also suggestions that De Villiers could join the management team in some sort of **capcity.**[ capacity ].



# LESSONS FOR PRODUCERS

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“KISSS = Keep it Simple, Sustainable, Strategic “

Get outside opinion and feedback on any major decisions you need to make, in whatever facet of your business.

- Am I in the experiential business, image-setting, or bargain basement business?
- Brand XXX sparkling wine



# LESSONS FOR PRODUCERS

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" You have 2 ears and 1 mouth, so listen twice as hard as you talk"

- a wine label has about 1.5 seconds to make an impact"



# LESSONS FOR PRODUCERS

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- And what about pending new Liquor laws ?





# LESSONS FOR PRODUCERS

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## "Never employ post -turtles "

When you're driving down a country road and you see a high fence post, with a turtle balanced on top, that's called a, "post turtle".

He doesn't belong there, and you know he didn't get up there by himself , and you wonder who put him there. He can't do anything while he's up there – and you just want to help the poor, stupid thing down.

I have met people in my life who are definitely, "post turtles"!



# LESSONS FOR PRODUCERS

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“The definition of Insanity is repeatedly doing the same thing , and expecting a different result.”



# LESSONS FOR PRODUCERS

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As I have done today, try to keep your story short, authentic, and memorable. Add a spoonful of humour, and the magic will follow!



# BEE

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“What is the difference between involvement and commitment?.  
Think of egg and bacon , the chicken is involved,  
but the pig is committed.”



# BEE

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My belief, it is better to, " give a hand up",  
rather than " give a hand-out", and  
" rather teach people to fish, than fish for people"



# BEE

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Ultra Liquors is extremely proud to announce:

We have nominated our first BEE recipient, namely Ntsiki Bayela of Aslina , for the following programme and the relevant benefits, most of which were implemented in December 2018



# BEE

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## 1] Loan Agreement

R400,000 loan interest-free, security free, to be re-paid within 12 months. This enables Ntsiki to select/blend wines under her Brand, namely Aslina, and pay cash to secure the wine



# BEE

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## 2] Enterprise Development

Ultra Liquors has appointed a mentor, Mark Norrish, to assist Ntsiki in any way, whether it be Brand development, label design, selection of juice, costings, tasting, blending or any other aspect related to her Company,





# BEE

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## 3] Supply agreement

Ultra Liquors will offer preferential payment terms [ C.O.D ] with no discounts on invoice or statement . In addition, Ultra Liquors will advertise the Brand at no cost for the 1st year of trading, and distribute the wines from our CT DC to our relevant Stores throughout RSA.



# BEE

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- As the loans are re-paid, so we shall utilise these monies to re-invest again in new BEE entrepreneurs , thus creating a successful and sustainable solution.
- This programme will be rolled out to other BEE winemakers in SA over time, with Ultra Liquors pledging the same support to the selected persons.
- This is part of our strategy to not only be, "the best liquor retailer in South Africa, but also the best liquor retailer **for** South Africa."

**“In the right Spirit”**



# BEE

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## "Always have the Last Word"

Rule 1] Consumers are always the BOSS, and are the most important person in any Retailing / Sales business

Rule 2] If in doubt, refer to Rule 1.....

