

CIVB Bordeaux Marketing Campaign Report

Introduction

Whilst the top Chateau often demand much of the attention lavished on Bordeaux in reality they only constitute a tiny proportion of the wines produced and sold in the region. In recent years those producing at the lower levels of the Bordeaux hierarchy have struggled in the face of increased competition, especially from the new world. Aside from work in the vineyard to improve quality, one of the key areas of development highlighted by the CIVB on the trip has been the formulation of a marketing strategy that seeks to define the generic 'Bordeaux' brand. One of the key issues raised is how far is it possible for the CIVB to produce marketing campaigns that represent all of the disparate interests in the region and whether it can produce a cohesive approach in the face of factional interests. Below by looking at how CIVB has looked to both stimulate consumer understanding and demand and work with retailers to offer greater support in promoting wines from Bordeaux we can see how the present approach looks to directly tackle the impact of many of the changes in the global wine market over the last decade.

Consumer Strategy

With regards to the present campaign the key issue appears to be to promote a better understanding of what Bordeaux wines actually are. This is clearly a reaction to a generation of wine buyers who are used to the new world practices of varietal labelling and heavy branding of wines. The campaign been keen to identify a key group of wine buyers whose approach to the traditional wine regions of Europe is shaped by a scepticism borne of memories of old fashioned under-ripe wines and experience of the ripe, approachable style offered at very economical prices by the new world and to challenge those perceptions.

A strength of the current Bordeaux marketing campaign in the UK is the decision to focus on wines in the £4-£15 where well properties are able to compete on quality with their larger scale competitors in the New World. Given the very wide range of individual wines on offer, what this does require is the creation of a strong regional brand, which they have attempted to do through the 'Everyday Bordeaux' campaign which acts as a quality benchmark for all of the wines offered under its auspice. This creation of a strong regional brand is arguably the best way for these properties to mitigate against the marketing strength enjoyed by many of the heavily branded wines. Equally the chateaux at in the sub £4 bracket producing the AC Bordeaux and Bordeaux Superior that represent the vast majority of the region's production are being aided by the campaign but not on the UK market. These wines are being targeted to the markets where they are still most competitive, in developed European markets such as Belgium and Holland and increasingly into the rapidly growing markets of the Japan, Hong Kong and China. By working to target wines in certain brackets within particular markets again the CIVB is attempting to ensure that the impact of the campaign on those markets remains tightly focussed.

The marketing approach taken by the CIVB makes it clear that the region's tradition and global standing are still two of the key weapons in its armoury. As mentioned in the marketing presentation given at the school this is tailored to fit the target demographic in different markets but the use of tradition is a core aspect across the campaign. The three keywords identified by the CIVB as representing the strength of Bordeaux were know-how, prestige and quality, and the aim of the campaign is to couple these with a less formal image. This is evident in the current UK programme which particularly focuses on using the image of the 'Chateau' to promote the wines. This is juxtaposed with the 'everyday' aspect of the campaign looking to promote Bordeaux as a product that offers an element of luxury but with an underlying accessibility. It focuses on the history and classicism of the region without looking to promote ideas of change or progress. In the UK this approach works well in targeting aspirational buyers who are keen to break the £5 barrier and are open to the idea of being 'educated' away from large brands and varietal labelling.

This is pushed through a number of channels from billboard advertising through to perhaps most crucially the internet where a consumer friendly and content heavy website www.everydaybordeaux.co.uk. Although the wines focussed on change from market to market much of the core approach remains the same as the key values of the 'Bordeaux brand' are retained. What the approach demonstrates more than anything else is that the CIVB are still very confident that the 'Bordeaux' brand enjoys a high level of high consumer awareness, if not equal levels of understanding and confidence and as such is of substantial value to the campaign. An excellent and clear contrast can be with the approach taken with regards to marketing German wines on the UK market where realising that they were working with a national brand that carried very little value for consumers, marketers have adopted the "if you think you know German wines, drink again" tagline to emphasise the push for change, modernity and commercial relevance within the region.

Globally much of this approach has been replicated in the overseas markets also targeted as part of this campaign with the same focus being following in Germany, Japan, China and more recently Korea. Interesting in this approach has been the identification of the target demographic, which remains largely male, with taglines such as "if the lady refuse a glass, treat her to a chateau" being used in both French and English. Given that in the case of the UK market the growing importance of female wine buyers is being increasingly recognised by marketers this seems like a slightly old-fashioned approach. This is not, however, uniformly the case; in the Japanese campaign there has been a clear division between one set of more expensive wines to be targeted at older, (40+) male shoppers and a second campaign focussing on more modestly priced wines, which is targeted at younger, female shoppers.

In overview the consumer strategy looks to use the historic image of Bordeaux juxtaposed with presenting it in a less formal air to capture people's attention. Beyond this the use of the website alongside in-store events and a strong presence at consumer events such as the wine show are used to then educate the public about what it is that gives Bordeaux wines their typicity and how they can be enjoyed.

Trade Strategy

Alongside the actions taken above to stimulate consumer demand the CIVB has also developed a strategy to encourage those in the wine trade to re-focus their efforts on Bordeaux. A key disadvantage faced by Bordeaux merchants is their relatively small size in comparison to global giants like Constellation. By working to create a consensus approach to promotions focussing on the 'Bordeaux' brand the CIVB has been able to form a relationship with importers that enables Bordeaux wines to offer the POS materials, tasting presence and training that are key in growing sales in large multiple outlets. Perhaps the most crucial aspect, discounts, are left to individual merchants to agree with their outlets but where this has been possible there have been tangible results in terms of sales. In Belgium, Colruyt ran a promotion which coupled a 10% price decrease on a range of 21 different Bordeaux wines with the production of POS materials and an emailed offer to holders of the Colruyt in house card. The offer successfully refocused the consumers' attention on to Bordeaux with sales showing a 50% increase at 135,000 bottles over the 15 day period of the promotion.

Perhaps the key sales development has been the generation of "100 Everyday Bordeaux" in each of the target markets. Working with wines between 5-15 Euros, already available in the marketplace, a panel of local judges identifies 100 wines that offer great quality and value. This has the advantage of being a very cheap event to operate but one that has generated a large amount of press coverage, way in excess of anything the wines individually could demand. In Japan over 100 journalists reported on this and in the USA the coverage gained was valued at over \$2 million. Every such vinous luminaries as Robert Parker saw fit to comment on the promotion, "*Chateaux with humble pedigrees can surprise you...They prove that all Bordeaux wines are not incredibly expensive*". Whilst this clearly benefits the wines in the selection above most greatly, those excluded are also undoubtedly helped by the general focussing of consumer attention on to the Bordeaux region.

Whilst the trade strategy employed does still rely on producers to fall back on price decreases, the development is that the CIVB has recognised that these price promotions need to be supported with information to educate consumers to try and generate loyalty to the Bordeaux brand and with it repeat post-promotion custom.

Conclusion

This leads on to the most contentious aspect of the campaign, how far does it serve the majority of Bordeaux producers and are its beneficiaries trading on the glories of Chateau that have little or no interest in the campaign. The latter is definitely true and the campaign as it stands undoubtedly trades off the glamour and prestige of the classed growth Chateaux of the Medoc and the top wines of St. Emilion and Pomerol. Whilst all regions of the wine producing world to some extent trade on the reputations of their top producers it could be argued that given the price difference between the two this is exacerbated to its most extreme in Bordeaux. These Chateaux have their own marketing

agenda which is entirely separate to the 'Everyday Bordeaux' campaign. It is arguable that in the longer-term they could benefit from an increased focus on the region and people trading up over time but I feel they are essentially being used to add lustre to the present campaign with no real benefit to themselves.

For those Chateaux that are part of the present campaign, they are undoubtedly feeling the benefit of being part of a co-ordinated approach by the CIVB to refocus consumer attention on to Bordeaux. Whilst it is being done as a generic campaign by the region it does allow producers to benefit through a general raising of profile with a campaign which way beyond what any of them could afford individually. With the campaign now operating across a range of target markets it is going to be very interesting to see how it unfolds over the coming the few years and whether it will create a solid basis for 'small' domaine produced wines to compete with the bigger brands that have come to dominate sales in the UK.