



Saleability Rating User Guide

By The Wine Rep

The Saleability Rating has been created to provide a quick, consistent, realistic, easy to understand and relevant litmus test of the sales potential of any wine. It is designed to be completed by distributors (and even their customers), yet its results can be acted upon by both distributors and wineries.

A wine's Saleability Rating is a number out of 100 - the higher the number, the more saleable the wine. To simplify communication and understanding of the rating, each score also has a verbal saleability rating (excellent, good, fair, tough, difficult, extremely difficult); for example, a score of 70/100 will rate the wine as having a saleability rating of good, while a score of 45/100 is a saleability rating of difficult.

Each rating refers only to the market in which it is scored, so the rating as judged by a Sydney distributor will vary from that of the Melbourne distributor. Market tastes, brand strength, distributor portfolios, pricing and the competition vary from state to state, hence the Saleability Rating is market dependant.

Market leaders and strong brands score highly, but the rating is more geared towards helping small to medium sized wineries identify their saleability strengths and weaknesses. For example, a wine from a small brand in a competitive market segment will need to offer excellent value for money and excellent packaging to score well, and still can be let down by offering a too old / too young vintage or a variety that in no way suits the winery.

The easiest way to understand the Saleability Rating and its potential uses for you is to have a play with the Basic Saleability Calculator to see some results for wines you know well. You might be pleasantly surprised.

Distributor Uses

Distributors can use the Saleability Rating to judge new wines, whether from a current supplier or a potential new supplier. The results are free from any portfolio clash influences, influential personalities, winery or distributor politics etc, therefore providing a solid starting point for further discussions.

Wines can be scored each vintage to give an indication of changes in the overall saleability of a wine over time – changes in consumer tastes, labeling or branding and price changes will all affect a score. The star seller 3 years ago might be struggling today, annual scoring can identify potential threats to saleability before they hit too hard.

The Saleability Rating is ideal for communicating the realities of the trade's view of a wine to a winery, especially wineries seeking distribution. The full report that is created highlights where the wine scored well, and where it scored poorly, assisting a winery to improve their sales offer.

Winery Uses

The rating is an excellent system for wineries to gain a deep insight into the trade's point of view of a wine. Due to its avoidance of politics, gut feeling and portfolio clashes, the rating reveals the realistic truth behind a wine's potential in each marketplace.

Asking distributors to rate new release wines is an excellent way to see how each wine is tracking and where deficiencies need to be addressed. Ideally, a wine's score should increase each year as the brand grows and the packaging improves; any decrease in saleability can raise alarm bells early, which can be acted on well before the following vintage is released.

Furthermore, it allows analysis of the different domestic markets; a wine might consistently score higher in the Sydney market than the Melbourne market (even if Melbourne's sales are higher). A divergence in sales and saleability scores highlights either a problem with marketing or with the distributor.

Finally, the rating can be used during new product development. Test out potential packaging, positioning, branding and flavor profile on a distributor to get an idea of the best product mix – it is a form of 'demand pull' – getting the sales team's view. A distributor will have a customer and consumer focused view on a wine, while a winery will have a quality and style focused view.

User Guide

There are 2 methods to calculate a Saleability Rating:

The Basic Saleability Calculator

This simple one page spreadsheet simply requires you to choose the answer to 8 questions from a drop down list, and can take as little as 30 seconds to complete. It is designed for individuals to complete alone, or for groups to complete during a team discussion.

Its advantages are ease of use and speed, but can be prone to stronger personalities influencing results.

The Full Saleability Calculator

This is designed to come up with results that accurately express a team's true sentiments as each team member fills out a simple questionnaire without outside influence. The results are easily collated into the spreadsheet and a full report is automatically generated which can be shared with others.

Compiling the report is quick and easy; no detailed spreadsheet knowledge is required and little preparation is needed.

1. Cover or preferably decant the wine.
2. Hand out the answer form to each participant, have a computer nearby with the entry spreadsheet open. Attaching this computer to an overhead projector allows a bit more team discussion at the end.
3. Pour each participant some wine, giving no indication of price, brand, variety or packaging.
4. Ask the participants to judge the wine, scoring out of 3 for appearance, out of 7 for aroma and out of 10 for taste. Have them fill in their scores on the answer form.
5. Ask the participants to estimate the highest landed unit cost (LUC) they believe the wine to be worth, putting their answer in the appropriate box. LUC includes WET but not GST.
6. Reveal the wine and its price.

7. Ask the participants to estimate the on / off premise sales split of the wine, writing the off premise percentage in the appropriate box.
8. Ask the participants to fill out the saleability rating. Each question has 5 potential answers; ask them to put the column number of their answer in each appropriate box.
9. Once finished, ask each participant to read out each number they have put in the boxes on their sheet starting at the top. Type these numbers into the entry spreadsheet, recording each participants score in a different column.
10. Scroll down the page to view the summarised report.
11. Fill out the wine's details, any tasting comments that you want to pass on and a summary at the bottom.
12. You can share your results with the winery by printing a hard copy or printing to pdf and emailing. (Primo pdf is an excellent free program for this).

Keeping a record of the score will enable you to compare different vintage scores in the future and track the growth of the wine through its saleability. If the rating steadily goes up but sales are not following suite then external factors are affecting sales – whether they be portfolio clashes, competitor activity or simple lack of focus.

Note that smaller brands will always struggle to score very highly because the awareness of their brand is not wide spread enough. That shouldn't be seen as a negative because there is always upward room to go – just look at brands that have sprung up from near obscurity over the last couple of years. Clever marketing, good winemaking and suitable pricing has meant their Saleability Rating would have jumped up from lower / mid range as their offer to market improved.

Conclusion

The Saleability Rating was created as an easy way for the wine trade to communicate its view of a wine to the wine industry in a practical and quick manner. Distributors keen to help wineries improve their offer and wineries that understand that demand is market driven will take this tool and run with it.

Its beauty is its simplicity, it isn't designed to be the be all and end all determiner of sales potential; there are numerous other factors that realistically go into a wine's saleability and detractors will be quick to highlight them. But as a tool that looks at the wine alone and judges the quality of its offer by what the market is looking for, the Saleability Rating does its job without fuss.