

Tools for Selling Colorado wines to Restaurants

or “*I want to be in restaurants, but I don’t know where to start.*”

Why should I bother selling wine to restaurants?

The sales of wines to on-premise accounts has long been the way most wineries can increase their overall sales. Even if you have to sell your wines at a lower price to restaurants, far more customers will be introduced to your wines there than will visit the tasting room or pick up your wine from a liquor store shelf.

It has been said that the California wine boom began when better restaurants around California took the chance at adding their own state’s wines to their wine lists. This exposure spurred an interest in those wines that were listed and led to more and more people making the trip to see the wineries first hand.

As the old adage in wine sales says: “*You build your sales through restaurants to generate the demand from customers in the wine stores*”. This has been proven over and over in Colorado wine sales as well. In short, if you are not selling your wines to restaurants, you are not taking advantage of your best form of advertising. It’s advertising by consumption.

I don’t have time to drive to Denver and call on lots of restaurants!!!

Fine, then start close to home.

Your winery’s restaurant sales program should only be as large as your production level, your sales capabilities, your free time and your desire will allow. If you only make 100 cases of wine annually, you may not want to sell any of it to a restaurant, unless—*not until*—you plan on making 1,000 cases next year and 10,000 cases in two years. You may want to sell a bit of your tiny production at a local café so that your neighbors will get to know your wine and then be more prepared to buy it when you hit the 1,000 case level. And your local café can brag that they introduced your wine to the world when you hit the 10,000 case level.

If you begin by selling your wine to the neighborhood restaurant you frequent every week, you already have an inside lead there: the staff knows you, and you know the staff and the menu. You won’t be intimidated by calling on a restaurant you aren’t familiar with. It doesn’t matter if your local hangout is a bar or a white tablecloth place. Placing your wine “where they always know your name, and they’re always glad you came” will bring your brand many more customers that might otherwise not have tried your product.

If you have family in Denver, or just like driving to Denver or The Springs or Aspen frequently, and often stop at the same restaurant, then you can start with that restaurant, too. But we aren’t advocating that you begin by placing your wines at the Brown Palace (and by the way, they don’t have any CO wines on their list last we checked!). Start close to home, with less ambitious but more comfortable and familiar accounts. Work your way up to more and bigger restaurants as you have more product and feel more comfortable doing this.

Before you see any restaurant account you need to answer the following questions for yourself and your winery:

- 1) Who is the best person from our winery to be presenting our wines to on-premise accounts?

We all know winemakers who are antisocial and not good with customers. You are better off sending the most patient and personable member of your family or staff into a restaurant to meet with the buyer than sending an irritable winemaker who will only offend the buyers. but whomever you send should be very well versed on the technical aspects of the grapes, the winemaking and your business.

- 2) What wines do I feel most confident in featuring in an on-premise account?

You know your market segments. Don't try to sell a wine you make specifically for the Winnebago crowd to a white tablecloth restaurant. Nor will you be successful selling your ticking tannin bomb in a neighborhood pub. Match the product to the account.

- a. What wines are my best wines?
- b. Which of my wines are best suited to pairing with food?
- c. What kinds of food go best with my wines; e.g.—cajun, Oriental, burgers and pizza, beef, lamb, BBQ, etc.?
- d. Which wines get the best comments from consumers in the tasting room?
- e. What wines travel the best without any bottle shock?
Don't try to sell restaurants on wines that you know need a long explanation in the tasting room. Also, don't sell them the wines that need more time, need to rest or need anything other than to be enjoyed ASAP.
- f. What wines do I have enough of to sell to a restaurant for the remainder of the vintage?

- 3) Should I try selling my wines to accounts that are further than 50 miles away?

- a. Have I looked at all of the opportunities for accounts in my own neighborhood, town or county?
- b. Do I have the time and resources to sell to restaurants on the other side of the state?
- c. If you are not currently with a wholesaler, how difficult will it be to deliver wine to the account on a Saturday when they run out?
[Yes, restaurants will order as little wine as they can get away with and expect same day delivery! That kind of emergency response is much easier if the account is a ten minute drive away as opposed to four hours.]

Remember that the trend today is to support locally produced products, so the more local your product, the better your support may be. Plus your friends and neighbors may be your best customers if they can buy your wine in their favorite neighborhood pub.

- 4) How much of my production do I want to sell to restaurants?

You will of course make less profit selling any wine at wholesale than you will selling it out of your tasting room. But the idea behind selling to a restaurant or a liquor store is to sell to a larger audience than you can out of your tasting room alone. And, especially at a restaurant, you will be earning many, new loyal customers as they taste your wine and want to visit your tasting room.

Also, restaurants will demand a deeper discount on product, especially if you want them to feature your wine by the glass. You can write off that discount for restaurants—at least in your mind though not on your taxes—as advertising. But you must still determine how much advertising discounts you can afford to give out.

Eventually, as you look at the combination of factors, e.g.

- how much time can I afford to spend selling to restaurants?
- how many “advertising” discounts can I afford to give?
- how much product do I have?

you will come up with a target percentage or number of cases and perhaps particular products that you will want to sell to restaurants.

But be careful not to oversell your production, your time and your budget!

5) Do I have enough product to meet the needs of a restaurant’s demands?

*** The one thing any on-premise account can not deal with is a product they feature that runs out of stock.

- Know your supply before you select what wines you will be presenting to restaurants.
- And know how much wine a restaurant expects to go through, especially when they are featuring your product by the glass.

Once you have agreed to sell a wine to a restaurant make sure you set aside product to “protect” that your agreement and the successful by the glass account, even if you would make more profit selling it elsewhere. It will be preferable in the long run to keep a strong restaurant account happy as long as they are supporting your product and introducing it to hundreds of new customers every month.

6) Do I have enough product to supply the restaurant for only a given period of time?

If you think you may run out of a product before the next vintage, be up front with the restaurant and suggest they only feature your wine for limited period of time, that you know you can supply.

7) Know some success stories about yours or other Colorado wines featured on other restaurant’s wine list or by the glass.

Before you call on a new restaurant account, know what your strengths and successes are. And if you are new, then rely on the successes of other Colorado wineries in restaurants. Gather as many stories, comments, anecdotes and histories from other accounts and other wineries so that you can show the skeptical buyer that it is possible and profitable to offer Colorado wines on his or her wine list.

Before you chose which restaurants to sell to, you need to “pre-qualify” the restaurant and know something about that place. You need to find out some information about that restaurant, its character or profile, how it does business and why it needs your wines.

- 1) Do I know the person at the account who will make the final decision?
 - a. If you are starting out a neighborhood restaurant where you eat all the time, chances are you already know the wait staff if not the management, too. That gives you a real head start with “pre-qualification.”
 - b. But you can’t afford to become a regular customer of every restaurant that may sell your wines (though it would be good to patronize those restaurants after they become your customer as much as you can.). Maybe you can get to know the bartender or one of the wait staff before you make your first sales call, to at least find out to whom you should be selling.
 - c. How can I build a relationship with the decision maker before I try to sell them my wines?

- 2) What kind of restaurant is it?
 - a. Identify the price point:
 - i. If it is a neighborhood bar or casual bistro, pick your most popular rather than your most expensive wines to sell them.
 - ii. If it is a white table cloth, fine dining restaurant, then skip pitching your White Zinfandel, unless you have some kind of very special blush that will substitute for a White Zin and add some local class to the list
 - b. Identify the kind of food served:
 - i. Study the menu to know what kind of foods they offer that will best match your wines
 1. Don’t avoid Oriental or Mexican restaurants just because you don’t drink wine with those foods:
 2. Colorado tart cherry wines are wonderful with traditional Mexican beef or pork or chicken dishes
 3. Gewürztraminer is the classic companion to curry and lots of other Oriental spices
 - ii. Find out if the menu changes seasonally or regularly, so you will know if some temporary wine placements might be appropriate
 - iii. Do they offer other “Colorado” made, produced or grown food or beverage products on their menus currently?
 A restaurant that already is inclined to feature Colorado products will probably be more inclined to offer Colorado beverages, too.
 1. Have you looked at The Colorado Proud Restaurant Guide to find restaurants that are members of Colorado Proud?
 (Go to www.coloradoproud.org and click on [Restaurant Guide](#))
 2. Have you considered approaching the winners of the [CWIDB’s Restaurant Recognition Program awards](#)?

- 3) What is the restaurant’s wine list like?
 - a. Does it have a national or regional bias?
 There is not much point trying to sell Colorado wines somewhere that features only northern Italian wines.
 - b. Is it “mainstream” or eclectic?
 Putting Gewürztraminer or Tempranillo on a list that features all Merlots and Chardonnays will just embarrass customers who can’t pronounce those wines. On the other hand, if the list features Mourvedres and Grüner Veltliners, then you may

do better with a Viognier and a Petit Verdot than you would with a Merlot.

- c. What wines of ours will fill a hole in the existing wine list?
If there is no Cabernet Franc on the list, you may be the one who could fill that gap.
(see, however, the previous question, too.)
 - d. Do my prices fit their current wine pricing?
If the restaurant only offers lower end wines,
 - i. are you willing to either cut your prices?
 - ii. or do you have a strong enough sales pitch to get your wine on the list?
 - e. Does the restaurant have a good by the glass program?
 - i. How much wine by the glass is used now per month or week at the account?
If you can find this information out from a bartender early on, you can gauge whether you should even ask for a by the glass slot based on how much product you can provide.
 - ii. What is the price the account currently pays for a featured wine by the glass or wine to be added to their wine list?
Are you willing to cut your pricing to beat that in order to get the exposure and advertising afforded to wines featured by the glass?
- 4) Is the account receptive to staff trainings?
You can probably gauge this by how knowledgeable the staff is about wine. If you can offer to do staff tastings and trainings, it will go a long way in the success of the wines you will eventually place in the account.
- 5) Am I willing to produce Point of Sales materials on my own to help sell my wines in the account?
This could include Table Tents, cork screws, menu inserts or cross marketing to support the account in your tasting room.
- 6) Remember that like any selling, it may take you more than once or twice to see your target account before getting a placement. Don't give up if you don't place your wine on your first attempt.

Presenting your wines to the account

- 1) In sales we usually think out our wines “Features and Benefits” before seeing the account. The more you know about the account you are contacting before you walk in the door the better your success in selling will be. Write down those features and benefits and make them an easy part of your presentation.
- 2) Don’t just sell your product by telling the accounts the features and benefits, but ask questions that will allow you to fill in those points as you make your presentation.
- 3) Selling to on-premise accounts is not all about selling, but an ongoing relationship between your winery and the account.
- 4) Include the reasons you feel “Colorado wines” fit so many common taste profiles, including:
 - discussing our favorable climate, soils and weather
 - our unusual ripening curve
 - the unique levels of higher acidities we find in so many Colorado wines.
(This just makes it a better wine to go with food)
 - people like buying local
(For resort communities: visitors are here to experience what is uniquely Colorado; they can taste Kendall-Jackson or Gaja Barolo back home.)
- 5) Talk about the boom in Colorado wine sales over the past several years. Let them know that we are not just a novelty as with many states’ wines. You should include the fact that we now have over 75 wineries in the state and that winery owners are not just investing in their winery and vineyards for “fun”, but because Colorado has the ability to produce excellent wines.
- 6) Don’t be afraid to suggest competitors’ wines as well.
 - When you do this it will build confidence in the buyer that you are looking at the big picture
 - It gives you a better position of authority when talking about yours and other Colorado wines
 - One of the barriers to selling our wines in the past has been bad-mouthing and backstabbing other Colorado wineries. Buyers get too much of that from wholesalers, and they are tired of it. A negative attitude does not sell wine.

Some questions to help you along in your presentation:

- Do you currently offer any Colorado wines?
- Have you ever tasted any Colorado wines?
- How do you view Colorado’s wines overall?
- What are the average prices of the wines that sell the best for you currently?

- What wines are currently your best sellers and why?
- Are you featuring any other Colorado made products?
- Do all of the wines you offer sell through successfully?
- Would you be more prone to sell red or white wines in your establishment?
- If I could show you that the quality of our wines are equal to, or better than, others already on your list would you consider placing one of our wines in your business?
- Would you consider allowing us to do a staff training covering both our wines and Colorado wines in general?
- How often do you change your wine selections? Do you have seasonal offerings where our wines may fit as well?
- Wouldn't you agree that both local and out of town guests might have an interest in trying locally produced wines?
- When would it be best to start selling the wines we have discussed?

Overcoming Common Objections with some possible responses:

- Colorado wines aren't very good
 - We have won all these awards? (Bring a list)
 - The Rocky Mountain News, USA Today and 5280 Magazine don't agree
 - The wines are featured very successfully at (name a restaurant of similar price range and caliber)
- Colorado wines are too expensive
 - In blind tastings, we find our wines often fare better than California wines in the same price range.
May I purchase a bottle of California wine from your list and do that blind tasting for you right now?
 - Have you ever tried selling a local wine at this price point?
The Wine Board's market surveys have shown that consumers are willing to pay a premium for local products. Similar studies by Colorado Proud confirm that.
 -
- Colorado wines don't sell
 - Do all your wines sell through successfully?
 - Have you offered Colorado wines recently?
Many members of the Denver Independent Network of Restaurants who featured

Colorado wines during their Harvest Celebration last September are still featuring those wine on their lists because they were so popular.

- Would you be willing to let me do a staff training and tasting on my wines, so the staff can sell them more effectively?
 - Would you be willing for me to come by on a Friday or Saturday night to sample your guests on my wines?
 - Would it help if I provided you with some point of sale or educational materials?
- Colorado wines are hard to get
- I can set aside a certain number of cases for a particular time so you are assured of getting what you need.
 - I have a wholesaler that can deliver the wines when you need more.
 - These wines are warehoused nearby, so delivery is not a problem.

Getting help from the Colorado Wine Board

Within the board we have formed a committee made up of individuals with a combined 150+ years of selling wines to restaurants. We offer Colorado wineries the opportunity to talk to one of the Restaurant Committee's members to better assist you in preparing and presenting your wines to your potential accounts. We urge you to contact the Wine Board's office to arrange a one-on-one counseling to help you.

- Dave Tewksbury: long-time wholesaler, sales manager and sales trainer for Ledo-Dionysus and Western Distributing; managed the Vineyard where he first sold Colorado Mountain Vineyards in 1978; served on the Colorado Wine Board in 1994 and again currently.
- Corky Douglass: one of the most respected restaurateurs in Denver; owned and operated Tante Louise on east Colfax for over 30 years; associate of Pierre Wolfe before that; graduate of DU's HRM school
- Professor Andy Divine: professor emeritus with the University of Denver School of Hotel, Restaurant and Tourism Management Program; taught beverage management for many years after spending a few more managing restaurants and resorts.
- Doug Caskey: wine buyer and server at The Broker Restaurant other restaurants in Denver and L.A.; 15 years as wine buyer for major retail liquor stores