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How Technology is Transforming the Wine Industry

On a daily basis, we are subjected to headlines about how technology is negatively affecting our world. The truth is that bad news sells and good news does not. However, there is clear evidence to suggest that technology, when used correctly, can enable positive changes that deserve to be recognized.

We often hear about how the music and book industries, each of which is worth around \$130 billion globally, have been disrupted by technology. But there is another industry that is seldom mentioned but is also going through a technology transformation.

Wine is a \$300 billion industry, and so far, only a handful of start-ups have been making big waves in this niche area. Vivino allows users to scan any bottle of wine and immediately retrieve user reviews, average ratings and price for the bottle, along with other essential information to help them choose the right bottle.

Lest you think this is just a gimmick for a tiny niche market, a quick look under the hood reveals that this wine-loving community is 17 million strong. The smartphone app also receives 100,000 new ratings every day compared to only 20,000 per year on more traditional wine rating venues.

The additional facts that the Vivino library now contains over 8.5 million bottles of wine and users are actively scanning 300,000 bottles per day for more information are staggering. An app that also stores the world's largest wine library, where you can find a rating on nearly every single wine in the world, could even be enough to push it to the front screen of your smartphone.

When staring at the long wall of wines in a supermarket, you could be forgiven for thinking that we have become disconnected with the world around us. There is also an increasing realization that we have very little knowledge about where any of the products in a store come from.

Naked Wines is an online wine club that aims to change all that. This company built its success around crowdfunding before it was even a thing. Customers, referred to as "Angels," put \$20 a month into their virtual piggy banks to spend on exclusive wines at insider prices.

The real beauty of Naked Wines is that every single bottle sold has a human story behind it. There is also a section on the website where you can see who made the bottle that you are about to enjoy with your meal on a Friday night.

Knowing exactly where in Sicily this bottle in front of you was made and having exchanged emails with others is something truly personal and unique. Consumers with a conscience are a

growing breed, but how technology connects people with a shared interest all over the world is the real story here.

This online community also encourages its members to chat with and follow other customers, or even different winemakers, to develop human connections. With over \$100 million in sales over the past year, it would appear that this policy is great for business, too.

These two success stories from a very traditional industry illustrate the positive impact technology is delivering. In a world that all too often concentrates on the negative, I wanted to share these stories to show the positive impact a knowledge-sharing community of interest can have on a global level.

Shoppers are starting to tire of purchasing mass-produced products from faceless corporations. Technology is connecting consumers and businesses across the globe to once again create a meaningful connection that had been lost.

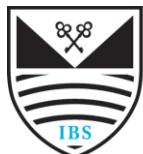
Focus on competition has always been a formula for mediocrity, and thankfully, this is something that both Naked Wines and Vivino have avoided. By using technology to redefine and reinvent areas of this traditional industry, these companies have made meaningful and helpful connections, as well as accelerated sales.

The next time you see someone staring down at a smartphone, remember that he or she is not completely disconnected from the world. Many such people are communicating with others all over the world, creating, sharing, learning and playing. When used to connect people, technology can have a positive impact on a global level.



About the Author:

DANIEL BURRUS is considered one of the world's leading technology forecasters and innovation experts, and is the founder and CEO of Burrus Research, a research and consulting firm that monitors global advancements in technology driven trends to help clients understand how technological, social and business forces are converging to create enormous untapped opportunities. He is the author of six books including The New York Times best seller Flash Foresight. This article is reprinted with permission. Reproduction without permission is strictly prohibited. For reprint permission, contact Burrus Research, Inc. at office@burrus.com.



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