

CLUB OENOLOGIQUE



NEWS - 24 JULY 2020

What will the world of luxury look like in the new normal?

The way we relate to high-end wine and spirits and other luxury products is likely to be very different in a post-Covid world

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he concept of what is “luxury” has long been a topic of intense debate. For at least a decade, consumers of the rare, the hard-to-find and the inordinately expensive have been expecting more than a beautifully packaged Cartier watch or Hermès scarf. What counts is the experience.

The last issue of Club Oenologique before lockdown included a feature outlining the dozens of ways in which producers of luxury goods were interacting with their customers. These ranged from exclusive woodland festivals with celebrity chefs and international singing stars (Krug) to behind-the-scenes access to Formula 1 grand prix (watchmaker Roger Dubuis), or invitations to extraordinary parties hidden in priceless ice-buckets (Baccarat).

LVMH is at the forefront of the move: when it bought the hotel and travel group Belmond (owner of Le Manoir aux Quat’ Saisons and the Venice Simplon-Orient-Express among other things) in 2018, chairman Bernard Arnault noted that it was “entirely consistent with our continued investment in the field of experiential luxury”.

But post-Covid experiences are very different to pre-Covid. For the last four months wine lovers who would normally have been expecting to be visiting their favourite regions and kicking the dirt in the vineyards have been connecting with winemakers and wine merchants via zoom and sampling their wines out of mini-bottles. And, it seems, they’ve been loving it. Virtual tastings are now a permanent feature of the wine club 67 Pall Mall, and many others like it. Stags Leap District Appellation in the Napa Valley, for example, has just announced a \$1,999 package for “Appellation Collection loyalists and buyers” to meet the region’s winemakers through a series of interactive virtual tastings in November and December.

“The future of fine wine is digital. To be honest, it’s the present too,” Ryan Pennington of Washington State’s Ste Michelle winery told the recent Fine Minds 4 Fine Wines conference. “Covid-19 has shortened the adoption cycle for digital technologies – and that pace will only accelerate.”

When you do visit a wine region, it’s going to be very different. “People are going to be travelling less, but better,” Severine Bonnie of Château Malartic Lagravière in Pessac-Léognan told the conference. They will no longer visit six or seven wineries in a day, but one or two, which means

that their experiences have to be even more memorable. Producers, Bonnie said, need to find new ways to interact with consumers, to transmit wine's qualities of "authenticity – its sense of place, its local commitment."

The future – and increasingly the present – of fine wine is digital

With retailers also likely to move increasingly online, how our wine comes to us is equally likely to be the subject of intense debate. Packaging is set to be a litmus test for a producer's far-sightedness. At the ultra-premium level, **Champagne Ruinart** (in a project that was conceived several years ago and launched in January) stresses the "disruptive" nature of its new paper "second skin" packaging. It "highlights a disruptive yet environmentally responsible approach," the house says.

While Ruinart's prime message is radical sustainability, Washington State's Ste Michelle found its assumptions as to what makes a "luxury" package considerably altered when it put its 14 Hands still and sparkling wines into cans.

The winery was able to reach a younger and more affluent consumer via "smaller stores in urban settings" at a higher price point than the same wine packaged in a glass bottle, Pennington said. "We make the wrong assumption that luxury [always] comes in a 750ml glass bottle."

Wine industry assumptions are going to be challenged as never before. "We hold so tightly to our message that when someone says they want something different, we say, 'Oh, that's not what we do,'" Sherry Stolar, fine wine and spirits specialist at the upscale London merchant **Hedonism** said.

"When it comes to wine, we don't innovate very well. With packaging alternatives like cans and flat bottles, crowd-funded wines, celebrity launches — the industry turns its nose up and talks about losing the 'ethos' of wine. Yet at the same time, we complain that we're stuck in our ways and can't connect with a new generation."

If the post-Covid consumer is as likely to pop a can of wine as unscrew a cap or pull a cork, in front of a computer, they are ready to challenge the very concept of whether wine is a luxury or not.

"Should fine wine be viewed a luxury item? Because of its natural make-up we can't guarantee consistency in the same way an atelier can," Polly Hammond of the agency **5Forests** says.

"Wine is expensive, festive, sometimes excessive, even chic, but it's not luxury.

I've been explaining this for years," Alain-Dominique Perrin, chair of the **Cartier Foundation** and owner of **Château Lagrezette** in Cahors told Club Oenologique. "A luxury product has to be designed and created by a designer or an artist. Just because it's expensive and out of reach doesn't make it luxury."

Whether fine wine is luxury or not, what is certain is that our relationship with it is going to be different – but exactly how different can only be guessed at.

Back at the conference, a delegate mentions Elon Musk: "The Tesla of wine has not been invented yet."

"I think that's a very good analogy," Stolar responds. "It marries innovation with luxury – a marriage we have yet to truly see in the wine industry."

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