



Max Marinucci, president, The Wine Connection, has launched a point of sale wine app.

# THE FUTURE OF WINE APPRECIATION

The smartphone revolution has created a new opportunity for the wine industry, as apps pass the three billion download milestone. James Graham downloads some insights into what's being developed and how they're being used.

## SUMMARY BOX

- The advent of the smartphone has brought with it a new phenomenon – apps. These are special, phone-specific applications that can be downloaded from the iTunes Apps Store.
- In among all the new apps are a number aimed at the wine consumer.
- Many of these are based around making wine recommendations.
- Part of the appeal of apps is that they are cheap – or even free – to download.
- They can be linked to specific wine businesses to help develop customer loyalty.

The telephone has grown up. It is now smart enough to tell the consumer what wine to drink, where to buy it, and what is the best choice of vintage with dinner. A growing range of apps (short for 'applications') downloadable from the iTunes Apps Store is shaping the wine choices of smartphone users in many of the wine industry's key markets.

### Massive uptake

By January 2010, Apple revealed that more than three billion apps had been downloaded from its App Store by iPhone and iPod touch users in 77 countries worldwide – yet it's been less than two years

since the Apps Store opened in July 2008. The store offers users a range of apps in 20 categories, including games, business, news, sports, health, reference and travel. And, of course, wine. A good example of a wine app is something like Pair It!, which offers food-matching suggestions.

Although many wine apps are targeted at so-called 'vinoraks', or those with large cellars, background wine knowledge and the dedication to input detailed tasting notes for every glass, the majority are entry-level and aimed at the beginner, requiring no special knowledge of wine. The majority on the market, at present, are aimed at US consumers and are in the

English language. This has led to some issues about relevance of a number of these products outside the US, especially in connection to languages – issues which are being overcome by smart developers.

### New consumer tools

So far, the development of wine apps has been predominantly targeted at the consumer/wine enthusiast market. The push to develop apps aimed at the wine enthusiast has been straightforward, because the key driver for wine selection is recommendation. That is the opinion of Paul Mabray, wine industry commentator and chief strategy officer of Napa-based VinTank, a digital think tank for the wine industry. "Apps have put purchasing decisions in the pocket of consumers," he says. "The key driver of choice for consumers is recommendation. These create purchasing decisions."

The appeal for users is that knowledge of wine is not required to make use of an app: in fact, apps will often work to impart that knowledge to the user. This point is reinforced by Jim Goodman, of Cor.kz, who considers these apps are not simply for the millennial generation. "These apps are for all age groups and wine knowledge levels if you can use a smartphone," he says. "These apps give all users, young or old and knowledgeable or not, the ability to look at the same results/data and see what others think about the wine, its cost and availability. This information is valuable to anyone that is looking for a wine, making wine information and knowledge easily accessible to all."

Mabray agrees: "Smartphones are bringing a lower age to wine appreciation. I consider a smartphone is a 'super charged computer' for millennial people. Generation X grew up in the digital world; the millennial generation were born into it."

### Good value

The cost of downloading individual apps is not high. Some are free, while paid-for apps rarely pass the US\$6.00 price point. The reason that there are apps that are free of charge is a reflection that not all of them are developed for purely commercial reasons. Goodman says: "As well as businesses developing apps, hobbyists and wine enthusiasts have developed apps to

further their interests and share their enthusiasms. Hobbyists are giving theirs away for free as they work from a passion base, while commercial operators seek to gain future business.”

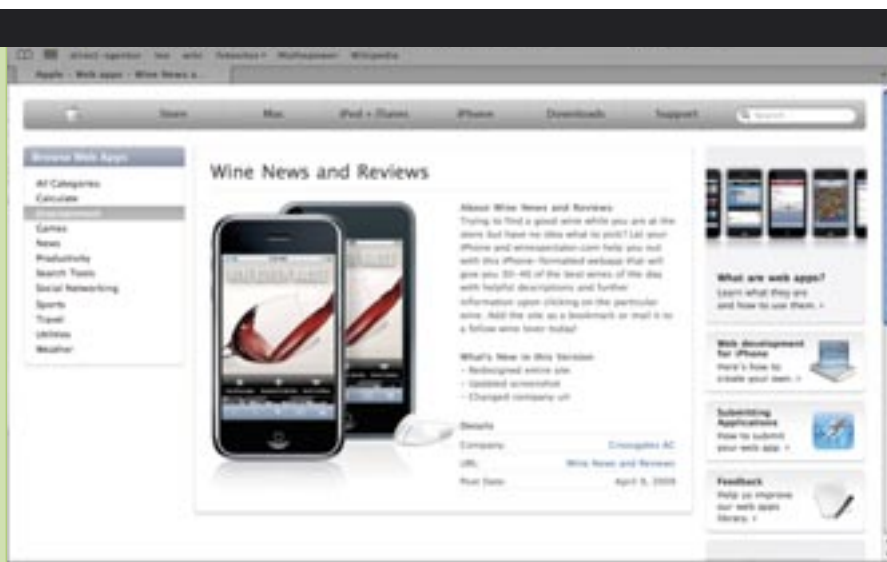
Goodman's own app, Cor.kz Wine Info, comes with a \$3.99 tag and he explains that whether the app should be charged for or given away free all depends on the creator's business model. “Many generate revenue via adverts, while others offer their apps for free to make a wine sale,” he says. “We chose to make ours a paid app – about the cost of a latte – so it's not too much, and we feel that we provide a

quality-rating system, uses emoticons instead of numbers to designate wine quality. It is available on iPhone, iPod Touch, Blackberry and Android mobile devices. Created by New York-based Telltale Social Media, Cellar Rat wine app is ‘a fun and user-friendly’ mobile wine vintage quality-rating system that uses emoticons (facial expressions, such as smiles and frowns) to provide ratings by region and year for over 60 wine regions worldwide and two decades of vintages, says the software house. It's designed to be used by consumers who are faced with making a decision in a wine bar, retail

Emilio Navarro, owner of software house Group MegaByte, has developed Wine List Pro to allow users to enter their own wine information. Users can keep track of their wine purchases by entering information about scores, ratings, varietals and origins, with the ability to add their own assessments – and this information can be shared with other users. Navarro says that he believes the market will soon be saturated with commercial wine brands and that this app is a way consumers can keep track of other styles of wine. “When it comes to the pairing,” he adds, “I can see a good use for this as you can always aggre-

### Wine apps at a glance:

- Apps are available for downloading from the App Store.
- Some are free: few cost more than \$6.00.
- Business apps are rare: professionals are better served by PC and Mac software to control buying, stocking and maintaining cellar contents.
- Wine apps have quickly become divided into three main areas of interest for the downloader: read-only based on database of wines; interactive to give the user tasting notes, etc; interactive to allow the user to enter their own wine information.
- A range of apps allow networking with social media such as Twitter, Facebook.



great amount of value for \$3.99. The revenue covers our development costs and buys us a little wine.”

Cor.kz has partnered with Occipital, the makers of RedLaser, to bring barcode reading for wine to the iPhone. Barcode reading extends Cor.kz's advantage in the mobile wine information market.

In addition to being the only mobile wine application with barcode reading, Cor.kz Wine Info is the only wine application powered by CellarTracker!, the largest and most comprehensive wine database in the world. “Since Cor.kz integrates with CellarTracker's database of over 750,000 distinct wines, we needed an easy way for users to take advantage of barcodes to find wine,” said CEO Brooks Talley. “RedLaser's great accuracy and high performance were a natural fit.”

There then are apps like Cellar Rat, which claims to be the first wine vintage

store or other place where the choice can be overwhelming.

### *Business applications*

Massimo Marinucci, the owner and president of The Wine Connection, a retail store an hour outside of Manhattan, has launched a point-of-sale (POS) app that allows customers with iPhone to make purchases as soon as they're notified of a new wine or promotion. “We're basically a web-based business,” Marinucci explains. “We have one core system for our inventory management, point-of-sale transactions, and even bookkeeping. And we can access all of it via iPhone. A lot of our offers are time-sensitive, with a product that's in limited supply. So we send out an email or a text message announcing the offer. With our new POS app, the customer will be able to buy immediately. They won't have to wait until they get to a computer, when it might have sold out.”

gate information from restaurants and vineyards.”

In his view, the biggest growth will come from apps that give people the freedom to enter their own information, “not only for wines but also for pairing, as well as to be able to exchange such information. Let's remember that knowledge is king and by exchanging that knowledge among people, then brands become better known and regional food becomes more attractive.”

Wine List Pro is currently sold at \$2.99 in the App Store and Navarro can see the price rising as more functionality is included in future releases. At the moment, he believes that people buying the wine app are getting a good deal, because they can upgrade it for free – a later version may well be more expensive. Another way he believes that the app stands out is with its language. “Most of the applications at the App Store for wine are only in English, and

that is why we are targeting other languages," he says. The app was launched in English, with other European language versions planned. "We selected Spanish to become the second language provided because some of the best wines come from Spain and it is a language used by most of Latin America and it is also spoken in Europe. The next languages will be French and Italian."

While some retailers in the US, such as Safeway and Mollie Stone's have used text messaging to help customers, a leading UK grocer has launched an app directed at customers in its wine aisle. Tesco Wine has launched an app developed by Cortexica Vision Systems. Laura Wade-Gery, Tesco.com CEO says: "All you need to do is take a picture of any wine bottle label from your iPhone and if it is one of the 1,000 that Tesco Wine by the Case stocks you'll see all the tasting notes and information about that wine, including the guide price. We hope this will democratise and demystify wine know-how by making information much more accessible." The app can suggest the ideal wine depending on budget, menu or preferred country of origin - users just tap the button or shake the phone and wait for their result, all to the glug-glug sound of wine being gently poured from a bottle and the resulting pop of the cork. The wine app will

direct the user through to Tesco Wine by the Case so that customers can buy direct from their mobile phone.

"This app is built upon a Vision System that is the result of six years' research," says Steve Semenzato, CEO of Cortexica. "It is unique because it does not match an image directly to another image but looks for key features to match against, just like the human brain does. It won't matter if you can't quite get the perfect picture - not easy to do on a curvy bottle - it should still recognise a label."

Not all wine apps are just about wine. WineDJ is a free iPhone app that has been developed to help customers find the perfect playlist to match the wine being enjoyed. The app will match the wine that has been picked with the kind of mood the consumer seeks before streaming tunes straight from streaming music service Grooveshark.

WineDJ is backed by California-based Liberty School wines, which itself is one of the Hope Family series of wines. The com-



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**Jim Goodman**  
of Cor.kz



### Will apps bring an end to Parker points?

Given the increasing number of wine consumers downloading apps that advise on wine selection, could they prove the end of the period of Robert Parker? Few apps will contain Parker's points so an entire generation of wine drinkers could grow up without reference to him. Jim Goodman, who developed Cor.kz, thinks there is a "changing of the guard" being brought about by the app. "I don't think the point system is going to come to an end [but] I think that with a changing of the guard from the older generations to the new, I am not sure they are as important as they used to be," he says. "As wine becomes a more commonplace drink, and as people, especially newer wine drinkers, explore wines, the ratings have become a placeholder, not a guarantee. Why listen to one person when you can listen to hundreds, if not thousands?"

App users concerned over skewing or gaming or ratings from users, Goodman considers that, over time and use, they will even themselves out.

pany has partnered with Grooveshark to generate and stream entire playlists of music straight through to an iPod Touch or iPhone. Since the app is sponsored by Liberty School, the only wines to be found in the app's database are ones sold by that winery. Once a wine is selected, WineDJ can provide chill, candlelight evening or high-energy party music.

### *The future*

Apps might bewilder older professionals, but for the millennial generation and its children the fact that there was a time when you could not get a wine recommendation from your smartphone will be unbelievable. Many in the industry are embracing the technology as they realise that the smart phone has become an important friend to the wine consumer. And as examples such as Tesco's and WineDJ show, wine apps are more than just gimmicks or toys - they're a sophisticated new way to deepen the customer relationship. ■