



## POSTCARDS FROM THE FUTURE

Postcards from the Future is a series of short articles that offer a provocative view of India's future. While granting that the future is inherently unknowable, it attempts to show how the future may play out at the micro level, based on data and using the systematic and established approaches of the discipline of futures studies.

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### WINE MARKETING: THE JOURNEY TO 2017 PART 1: ENTERING THE MAINSTREAM

Recently, Rajeev Samant, the CEO of Sula Winery wrote a piece on wine drinking, which he concluded by saying that for an Indian wine producer, these are the best of times. There is a sense shared by all Indian wine makers that wine drinking in urban India has crossed the tipping point to move on an upward trajectory. He cites the convergence of several trends and their underlying driving forces as the cause for this seminal shift. As a result, wine industry experts have forecast a 100% increase in India's wine market in the next five years, from the 9 million bottles current estimated consumption.



An analysis of media reports reveals the three pillars of Indian wine makers' growth strategy to be (1) education (2) affordability (3) accessibility. From the opening of wine clubs to wine yard tours to wine tasting sessions to educative material at outlets and in the media, Indian wine makers believe that the Indian wine drinker needs to be educated on wine. In pursuing marketing as education, they are but following the long tradition of wine marketing developed in the West, which aims to build mystique and mythology around wine and an hierarchy of wine connoisseurs.

The second pillar being pursued aggressively is affordability. Apart from lobbying with state governments to treat wine differently from a duties and levies perspective to make wine affordable, Indian growers are also expanding acreage and production to offer wines for as low as Rs.150 per bottle as well as offerings across various price points. The Australian experience validates this strategy where the conversion of a beer drinking country to a wine drinking one really was catalyzed by availability of good quality wine that was affordable enough to be bought and stocked at home, hence drunk more often.



The third pillar of accessibility aims to make wine widely available and stocked alongside a different consumption basket than spirits and beer. Maharashtra has been the pioneer in this wherein the government has allowed grocery stores to retail wine and beer. This allows wine to be stored and displayed to its advantage and brought into the home along with food and fruit juice. Some of the leading wineries have announced their intent to set up a chain of over a thousand retail outlets for wine across the country.

So far the Indian government seems inclined to reserve this market for Indian wine makers, keeping International wine out through very high tariffs. Much like the Indian fashion market was developed in the past decade by Indian designers, it seems that the Indian wine market will be developed by Indian wine makers. Of course, foreign wine makers will lobby at international trade forums for lowering of tariffs and Indian liquor conglomerates such as the UB group would also want to be able to market imported wines, but this may take a while to happen.



The more interesting point to consider however is that marketers of entirely new product categories are actually catalysts of socio-cultural change. The importance of timing for success indicates that they need to take advantage of the underlying trends and driving forces at work in society. But through their actions, they can also accelerate or impede the pace of change, hence category adoption.

Thus, what can wine marketers learn from the study of the broadest patterns of socio-cultural change in India? Even as they put the basics in place, what more can they do to accelerate growth? On the flip side, are there potential speed breakers visible, in the forces and factors at work? What radical strategies present themselves as alternatives to consider in the light of this understanding?



Experts who have studied the socio-cultural change process in India have mapped a series of steps by which foreign/western ideas and practices enter the mainstream. At first, the idea/practice is perceived to be and is labelled as western / foreign. As the ideas and practices begin to be adopted by the elite into their way of life, it begins to be perceived as modern. When the idea and practice goes mainstream, it is re-perceived

and re-labelled as Indian and is now fully assimilated into the Indian way of life. These three stages of re-perceiving and re-labelling by the society at large are the outcome of certain adaptive mechanisms at work.

The elite are the most cosmopolitan and find it easy to adopt western / foreign ideas and ways in order to assimilate with the “powerful”. The poet and critic Azad wrote: “The glory of the winners’ ascendant fortune gives everything of theirs – even their dress, their gait, their conversation – a radiance that makes them desirable. And people do not merely adopt them, but they are proud to adopt them.” Thus the shift from western to modern happens with little change to the original idea or practice. The shift from modern to Indian (mainstream) is the stage of significant change. At this stage the idea/concept/practice is assimilated and integrated with traditional Indian ideas through a process of fusion or syncretism. By this stage the western/foreign concept has been completely indigenized.

At the first stage of mainstreaming is when, often there is a contradiction or clash between the foreign concept and the Indian tradition. This is dealt with by “contexting”, i.e., following the ‘modern’ practice only in certain contexts where it is deemed to be necessary and following Indian tradition in all others. Over a period of time, there is a drawing upon of past images and mythology to invest the new and modern with familiar meaning. There is also a tangible blending of the new with the old to create a fusion, thus ensuring continuity with change.

In historical times, we have had sublime examples of syncretism such as Mughal architecture, the development of the urdu language and sufi mysticism. In the modern marketing context, we have more down-to-earth examples, from food to fashion of syncretism at work. New kinds of foods whether pizza or burgers or snacks have really succeeded only when they became fusion offerings. So long as Indian designers tried to impose western fashion formats and norms in India and looked down upon Bollywood and the wedding market, they had little success. They began to taste success only when they began to create fashion for India, in a way that allowed the adaptive mechanisms to work.



If we look at wine drinking through the framework outlined above, it seems that wine drinking today is at the very beginning of the journey of assimilation, still being seen as an international / western idea and practice. Its appeal to the elite lies in its western image such that offering it and drinking it positions them as belonging to a global, cosmopolitan and sophisticated set. As yet, this is the primary image driver of wine whether it is drunk at a business lunch, or offered to guests during in-home entertaining. The secondary image driver of wine is that it is a healthy drink; also that it is a light alcoholic drink, the reasons that it is getting more popular in the West compared to spirits and beer. It is for these reasons that wine has been able to pull in a new segment of occasional and regular drinkers among Indian women.

Going forward, the journey to 2017 involves wine transitioning from being seen as a western concept to a modern concept to an Indian concept. This will require wine marketers in India to think imaginatively and intuitively and create fresh strategies for India rather than trying to apply the established “rules” of wine marketing. This begs the

question – is “educating consumers to move up the path of connoisseurship” the right way to go. More in Part II