

Marketing Champagne - Diversifying in Difficult Times

Overview

You could say the current economic climate throughout the world is not conducive for selling Champagne in its current guise as a product that is typically viewed as highly priced, luxurious, celebratory and to a degree exclusive. Therefore in order for Champagne houses to retain brand strength, brand value and sales in the face of stiffer competition from more cost effective sparkling wines such as Prosecco and Cava, they need to offer consumers other reasons to buy their product than they might ordinarily have done so before.

On a recent WSET Scholarship trip to the Champagne region courtesy of Moët & Chandon, insight was gained as to the direction this particular producer and the region as a whole might be heading in order to compete with other fine wines and wine regions going forward in these uncertain times.

Diversify to Attract

Moët & Chandon in the US market until recently sold a version of their Champagne under the name "Moët & Chandon White Star". This wine had slightly more residual sugar to it than the standard Brut Imperial sold everywhere else in the world. This was designed for and successfully met the US consumers desire for slightly sweeter drinks than their European counterparts. However in opting for global brand continuity the "White Star" brand was dropped to be replaced by the already available Brut Imperial. By dropping the White Star label Moët & Chandon had taken a style of Champagne out of the US Market where there was already considerable demand.

In order to off-set the potential loss in consumers this move could have, Moët & Chandon plan to completely rebrand and re-launch the Nectar Imperial Demi-Sec not just in the US but around the globe. An often confused and much maligned style of wine the Demi-Sec is often seen by the consumer as a dessert wine by a Champagne producer or as an entry level Champagne for beginners, and thus misses out on the lucrative aperitif market. As a sign of its declining popularity, shipments of Demi-Sec into the UK market dropped by almost 32% in the period between 2003 and 2008.

Demi-Sec say the producers, is a fruitier off-dry Champagne versatile in its uses. It can be drunk as an aperitif, with various foods, in cocktails or on its own, so reinventing and re-connecting this style with consumers is seen as a priority for Moët & Chandon. In rebranding the Nectar Imperial, Moët & Chandon intend to highlight its versatility as a drink and not just as a Champagne. This focus and rebranding will primarily be based upon it being a Champagne which is designed to be mixed in cocktails, or drunk over ice.

While Champagne cocktails are nothing particularly new, the fact that a major Champagne house is now planning to produce and market a style of wine with this use in mind and far removed from its traditional aperitif base is likely to be groundbreaking. Indeed the idea of drinking Champagne over ice as a long drink is fairly revolutionary and it is here where the producer hopes to make the most ground. While they admit it will initially be focused on luxury warm climate spots such as Miami, Monaco and the Caribbean they hope the idea will spread to more traditional bases.

Fine wines can have bubbles

Champagne while a fine wine is after all the marketing hype only a wine with bubbles and this is a message the Champagne houses are also trying to promote. By doing so they hope to bring to consumer attention (as with virtually all wines), it is designed to go with food. Champagne wants to be seen as good an accompaniment to fine cuisine as Meursault or Chablis. Indeed I was treated to a lunch and dinner in Champagne whilst a guest of Moët & Chandon where the emphasis was on the ability of Champagne to pair with food. With the correct styles of food as were presented in my short time in Champagne, the quality, drinkability and match-ability of Champagne with food of any course can be superb.

With an emphasis put on dishes consisting of mushrooms, vintage styles of Champagne with their fuller body and more developed character match beautifully. Fruitier wines such as those produced in the extraordinarily warm 2003 vintage or Demi-Sec styles pair successful with dishes composing sweeter or Asian flavours while the idea of vintage rose brut with dessert was a new one for me, it was a match made in heaven with a rose petal mousse cake providing a perfect accompaniment.

Based on the evidence I saw and experienced in the region, the ability of Champagne to match with food can be excellent. However it will need sustained and targeted marketing at getting this food friendly message across to consumers who traditionally would only drink Champagne as an aperitif.

The Future's Different

As the product we know, Champagne will continue to be one of the most preferred wines for celebration, aperitif, luxury and image, but with the economic crises in the developed nations of the world affecting demand in core markets and developing markets growing slowly, it's diversifying in its core developed markets where demand will come from. Styling Champagne as a versatile wine which can be mixed with ice, in cocktails or which fits well with a range of foods, on top of its traditional set of attributes can only help the Champagne brand as a whole extend its reach to as many potential consumers as possible. The message should be that Champagne is a fun wine which can be serious and a serious wine which can be fun.