

Drinks Focus

Jason Danciger of Spirit Group tells the secrets of the company's wine offer to Ben McFarland



When the Spirit Group, formerly known as Punch Retail, was formed in August 1999, sales of house wine in its 1,000-plus pubs totalled a rather unimpressive 400 cases a week.

Through a number of initiatives and a new approach to wine, house wine sales have since soared to more than 1,500 cases a week across the Spirit Group portfolio, a broad church that consists of traditional locals, fashion bars, family pubs and even nightclubs.

The company buys around 4,000 cases of wine a week and last year, more than 10 million glasses of wine were sold in its pubs.

The *Publican Newspaper* met up with Jason Danciger, the Spirit Group's director of food and wine, to find out the secret behind the company's grape success.

What's your view on wine's role in pubs?

As a nation we drink more wine every year and likewise each year our consumption of beer descends. We still consume far more beer than wine and it will take many years to change the drinking habits of the British public but you must be extremely naïve if you can't see the gradual swing and the emergence of a large and growing market.

My analogy of a large proportion of the pub world is that they are holding a stick of dynamite. They have been looking at it for some time musing what they could do with it but very few have actually lit the fuse!

There are some that do not focus on wine because the margins are higher on beer, until they realise that the wine drinkers have gone elsewhere. It only takes one person in a group of 10 to persuade that group either to move on or to visit somewhere else.

Here at Spirit we have grown our wines sales four times more than main industry levels and have had some great success. However, we have just started a long and exciting journey and have much more to achieve... we have found the match!

Where do you stand on the New/Old World debate and brands?

There is no doubt that the new world is growing but France still dominates the on-trade.

France still offers so much versatility and my analogy would be (for those who live in London) that France can be likened to Capital Radio, and Chile, South Africa and New Zealand play great tunes and can be likened to Kiss and Jazz FM.

We shouldn't be too hooked on brands. They are an important part of the portfolio but the grape variety merlot and chardonnay could equally be called brands. In the very early days of Spirit there were a few dinosaurs that would only put big brand names on their list. Now we have some lists that

The Spirit of wine



Feeling vine: Jason Danciger gets to the roots of the wine problem

have a good balance of both and they are truly flying. If we only had high street brands we would all be the same and it would be pretty boring.

An accusation often levelled at the wine world is that customers can find the category quite intimidating. How do you make your wines more accessible?

Rather than the old fashioned red and white list, we introduced a simple set of categories that helped our customers understand the taste profiles. We put them as light and easy, medium and fruity and full bodied, and placed red and white wine in all categories (with red and white in bold letters next to each wine). This proved very helpful and encouraged our drinkers to try different wines.

A lot of individuals working with us have never drunk wine before and the wine trade has been guilty of creating mystique around the wine world. We need to make it easier to understand for both our own people and our customers. We should promote wine simply as a drink.

How do you promote wine at the bar?

Simple label designs are a must. Most of the time you buy a wine in a pub by looking at it from behind the bar, so if you can't read or understand it six feet away, forget it. "Pacherenc du Vic Billi" is a lovely wine but unlikely to sell, so we go for simple themes and understandable labels without losing too much choice.

What steps have you taken to improve wine training in your estate?

Training is still absolutely key. Our training vision within Spirit is that each member of the bar team knows a thing about each wine. That is not necessarily the fining techniques or angle of sun on the slopes but more simply could be where it comes from or what food it goes with. We encourage our people to taste our wines whenever we can.

Our first focus was on preservation and serving wines. Bright, fun-coloured posters called "Wine News" with mini training sessions explained how to look after our wines.

To prove how wine training works commercially, we built a one-hour training course as part of a series of our player training modules. The responsibility of going through each module lay with the individual and so is self-motivating – pass the module and you improve your career route and make more money. Each time individuals in a pub work through these modules, our wine sales go up. It is simple. Create some enthusiasm and give people a "comfort factor" of wines and they, as our sales people, will sell wine.

One of the best training sessions (see our website) that we created is the five-minute wine course that takes you through all the basics.

Where do you get your wines from?

A lot of the pub world still buy

wine from those old massive traditional pub suppliers where wine is simply another range of items in their catalogue where the 1970s style emerges with large bar codes on the label – a far shot from the wealth of colours and styles stocked on most supermarket shelves. We try and use wine specialists like Bibendum or Hallgarten whose wine knowledge and retailing skill supplements our own team.

How do you price your wines?

We must make wines more accessible in terms of price. Most restaurants and bars operate on 70 per cent plus margins, but we would rather look at the cash margin and sell better or more wines. Most of our wines are under £10.

Our house wine, an outstanding vin de pays, sells in some of our pubs for under a fiver. If I was back running a restaurant group, I would be very afraid. Where would you go for a glass of good quality wine?

How do you ensure you get a good quality wine?

Quality does sell, particularly if you have repeat business (or want your customers to return).

Your customers may not be able to distinguish the nuances of different wine making techniques but they certainly can tell the difference between a good and bad tasting wine.

To prove the point we threw out an acidic rank fruitless house wine in a 70s-style bottle with a big bar code. We replaced it with a simple clean label, in a heavy bottle and dramatically increased the quality.

We carried out no marketing activity or price promotion but volumes tripled almost overnight, but why? Because the bottle looked smart and more importantly it tasted good.

In fact, creating good wines is not that difficult... just buy good juice.

If you break down the cost of a wine, most of it goes to duty, transportation, wholesaler margins, packaging etc.

The grape quality mostly is one of the lowest costs. So by buying our house wine directly we simply spent a few extra centimes (now euros) on sourcing quality grapes.

● see www.thespiritgroup.com for further information