

**Course Title:** Marketing  
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## **Innovative Business Concepts: Extended Services for the Wine & Restaurant Industry (ESPlus)**

### **Abstract**

In recent years, grape wine has gained significant popularity in Taiwan, positioning the country as one of the emerging wine markets in Asia, alongside South Korea, Thailand, and Vietnam. Despite the growth, the Taiwanese wine market faces several challenges: first, many small importers lack the marketing expertise and infrastructure needed to build effective distribution channels; second, restaurants have yet to fully recognize the market potential of grape wine and are often hesitant to offer wine-related services due to cost concerns and staff knowledge gaps; and third, while consumers are becoming increasingly knowledgeable about wine, restaurants and wine retailers are struggling to meet the growing demand. To address these issues, an innovative business model like *ESPlus* could offer a solution. *ESPlus* acts as a bridge between various stakeholders, operating as both an importer and distributor of wines from around the world, while offering extended services to importers, on-trade businesses, and end consumers. Services to restaurants include on-site staff training, wine pairing advice, equipment rentals, and wine delivery, while importers receive assistance with customer acquisition, storage, and inventory management. End consumers benefit from detailed wine information, the ability to pre-order wine, and access to a loyalty program.

### **Market Faults and Opportunities**

A significant portion of the wine sold in Taiwan is imported by small companies run by passionate wine enthusiasts. However, many of these importers face financial difficulties due to a lack of attractive distribution channels. The core issue is that these small importers typically deal with small volumes—often only a few pallets—making their wines unattractive to large retail chains, who prefer bulk sales for profitability. As a result, importers often attempt to sell directly to restaurants or specialty stores, or even open their own wine bars, which can be costly and unsustainable due to a lack of industry expertise.

Some possible alternatives include:

- Selling to other specialty stores: Although possible, this option is difficult since many shops operate within tight personal networks that are not open to wines from new importers.

- Selling online: While legal loopholes exist, the sale of alcohol over the internet remains illegal in Taiwan, causing most importers to avoid this route.
- Selling to restaurants: While an attractive option, the Taiwanese restaurant industry is highly competitive, with many owners lacking the financial acumen and wine expertise needed to run a successful wine program. Some restaurants, particularly those serving budget-conscious customers, may not see the value in offering quality wines, while others underestimate the potential of a well-curated wine list.

Survey data indicates that most importers opt for selling to restaurants. However, challenges persist due to several factors. Many importers lack the knowledge to offer wine pairing advice, and restaurant staff are often undertrained in wine service. Without proper training, wine is frequently served incorrectly—either at the wrong temperature, paired poorly with food, or opened improperly. Even high-end restaurants often offer limited wine selections, which further discourages wine consumption and reinforces the misconception that wine does not sell well, leading to reduced investment in wine offerings.

The lack of wine expertise in the restaurant industry can have negative financial implications. Research shows that restaurants with trained personnel not only sell more wine but also increase food sales and enhance their overall reputation. Furthermore, as wine knowledge among consumers rises, many now expect restaurants to offer a variety of wines, and some even bring their own bottles, despite corkage fees. Wine tastings, trade shows, and educational courses are helping to shape consumer preferences, with food-and-wine pairing gaining in popularity. Consequently, consumers no longer judge restaurants solely by their food, but also by their wine selection.

### **Extended Services for the Wine & Restaurant Industry (*ESPlus*)**

To address these gaps in the Taiwanese wine and restaurant industry, *ESPlus* offers an innovative solution that acts as a bridge between the two sectors. As both an importer and distributor, *ESPlus* specializes in sourcing wines from small, lesser-known wineries that produce quality wines at reasonable prices. Unlike traditional importers, *ESPlus* goes beyond distribution by offering a wide range of extended services to both importers and restaurants, improving customer value and service quality. *ESPlus* operates under a contractual marketing system to prevent channel conflicts while enhancing sales and service offerings.

Benefits for Restaurant Owners (Figure 1):

- On-site Training: Certified sommeliers provide practical training to restaurant staff on proper wine storage, service, and introduction to customers.
- Sommelier Support for Special Events: A sommelier will assist during special events, helping with wine selection and service.
- Wine Pairing Advice: Certified sommeliers offer professional recommendations for wine pairings, ensuring that the wine list complements the restaurant's food offerings.

- **Wine Equipment:** Restaurants can access high-quality wine storage equipment (fridges, glasses, decanters, etc.) tailored to their needs.
- **Stock Control:** A free app, *Big John*, allows restaurants to track inventory and reorder wines when stock is low.
- **Special Offers & Wine Information:** *Big John* also provides detailed wine information, including aroma and flavor profiles, grape varieties, and food pairing suggestions.
- **Wine Sales & Delivery:** Restaurants can use *Big John* to sell wines to customers for on-site consumption or home delivery.

#### Benefits for Importers (Figure 1):

- **Customer Acquisition Management:** By joining *ESPlus*, importers can bypass the need to find new customers. *ESPlus* promotes selected wines to restaurants and end consumers, expanding market reach.
- **Storage & Inventory Management:** Importers can store wines in *ESPlus* warehouses and manage inventory via the *Roger* app.
- **Sales & Marketing Insights:** The *Roger* app offers real-time sales data and marketing tools to help importers track performance and promote their wines.

#### Benefits for End Consumers (Figure 1):

- **Special Offers & Wine Information:** Through the *Melisa* app, consumers gain access to information about wines, including flavor profiles, serving temperatures, and food pairings.
- **Restaurant Information:** *Melisa* provides details on participating restaurants, including customer reviews, menus, wine selections, and wine-food pairings.
- **Pre-order Service:** Consumers can reserve wines, order wines not available at restaurants, and enjoy them either on-site or at home.
- **Loyalty Program:** A rewards system to incentivize repeat customers and encourage engagement with participating restaurants and wine offerings.

In summary, *ESPlus* provides a comprehensive solution that addresses the challenges faced by Taiwanese importers, restaurants, and consumers in the wine industry. By offering training, logistical support, and a range of marketing tools, *ESPlus* facilitates the growth of the wine sector while enhancing the overall dining experience for consumers.

Figure 1: *ESPlus* and its services

