

How Emerging Technologies are Transforming the Winery Experience



This paper presents how integrating emerging technologies such as AI, AR/VR, Metaverse, IoT, and blockchain can reinvigorate customer experience and create new channels for user engagement.

Embrace & Engage

Millennials and Gen Z surpassed Baby Boomers as dominant consumers in America, and wineries aren't keeping up with the new digital consumer expectations. AP news shows 89% of millennials expect all brands to use technology to shape their customer experiences, no matter the business they're dealing with.

These generations are the "youth boom" economy and dictate who will boom or bust in the near future. Adopting emerging technologies can better maintain and attract the mobile-first generations who have higher brand and digital expectations than previous generations.

Digital transformation serves to bridge generational gaps and eliminate barriers. The Wine Industry represents a prime industry in need of flexible innovation strategies that target new generations of wine drinkers.

Emerging technologies, like artificial intelligence (AI), Internet of Things (IoT), blockchain, metaverse and mixed reality are changing entire industries and customer paradigms. For wineries, these technologies will assist in bridging the generational divide of tech-savvy wine drinkers and improve the overall consumer experience.



How can your winery utilize emerging technologies to transform the winery experience?

Here are three non-exhaustive examples of how technology can transform and elevate the winery experience:



Harnessing AI for Wine Ecommerce

Page 4



AR and VR for Interactive Experiences

Page 5



IoT and Blockchain for Trust and Transparency

Page 6-7





Harnessing AI for Wine Ecommerce

In the digital age, decision fatigue is real and the average consumer has to make hundreds of decisions every day. Thanks to predictive analytics and the new norms set by Netflix, Google, and Amazon, consumers expect to make fewer decisions and have personalized experiences.

User engagement is key to tapping into Millennials and Gen Zers. These tech-savvy and highly socially aware generations want to support brands that offer them a unique experience.

Wineries must utilize predictive analytics to learn how to engage with their customers and gain their trust.

Generating personalized experiences depends on data which depends on users' trust in your brand. For wineries, trust and transparency play an important role in adopting AI and machine learning, which depend on customer experience. AI can help wineries make informed decisions to support sales, operations, distribution, and production methods.

AI is used for learning customer preferences and creating personalized eCommerce experiences that improve Direct-to-Consumer engagement





AR and VR for Interactive Experiences

Augmented and Virtual Reality (AR/VR) represent the next frontier for transcendental customer experiences. Given the 8-second attention span of the average user, AR/VR decreases the overall cognitive load needed to perform a task. For Millennials and Gen Zers, your brand experience must be interactive and engaging if you want more than 8-seconds of their time.

Wineries can use mixed reality to tell their stories and establish an online and offline presence that engages and fosters a community with users around the world. Metaverse private spaces are being utilized to constantly engage and foster

communities. We've seen applications such as showrooms, workshops and micro-games, virtual onboarding and user research sessions.

AR/VR can also be harnessed in Direct-to-consumer (DtC) marketing efforts, especially for wineries that do pop-up wine tastings and for those wanting to reach customers in brick-and-mortar stores. AR/VR offers extended brand engagement and an alternate experience that has been scientifically proven to be more memorable than traditional marketing tactics.

AR/VR is used to create interactive user experiences, through virtual storytelling and gamification





IoT and Blockchain for Trust and Transparency

Consumers are willing to pay higher prices for transparency and authenticity. Access to information, the Internet of Things (IoT) and blockchain technologies have made data available at every segment of the value chain. Allowing your customers to visualize data from the supply chain will reinforce credibility and trust. Remember, Millennial and Gen Zers feel empowered when they are supporting trustworthy brands.

EY and EZ Lab developed the first certified wine with blockchain tech for an Italian winery. Now their consumers have eyes on the wine production process and agents involved. They can learn about every stage, which helps enforce trust and traceability. Blockchain helps eliminate the fear of buying counterfeit wine and helps put consumers' minds at ease with immutable transaction records.

Allowing your customers to visualize certain aspects of the production processes and supply chain will reinforce credibility and trust



Grapes are being added to the grinding machine

The majority of Millennials and Gen Zers also expect the brands they support to value sustainability, which is a perfect opportunity for wineries that have long-standing sustainability initiatives. Integrating IoT and blockchain technologies can take these initiatives to another level.

Production sensor tools can help promote sustainability initiatives. Treasury Wine Estates, one of the world's largest wine producers, emphasizes sustainability in its innovation strategies and has implemented IoT sensors, apps, and other hardware in the field to optimize wine production.

While there are many uses for IoT and blockchain in wineries, the key takeaway is understanding how these technologies can help customers be more at ease when purchasing your product as they offer a more transparent way to share and gather data. Don't forget most Millennials and Gen Zers want to support honest and authentic brands and those that show more, gain more of their interest.



IoT has helped wineries face environmental uncertainties with the use of sensors that monitor key inputs and outputs and optimize every stage of production

Ready to take your next step?

The magic of wineries is undoubtedly found within the people, the art of winemaking, and the natural environment. Digital transformation is not a method to detract from the art of winemaking, it is here to expand winery capabilities and customer reach. Sustainable success comes from creating partnerships with those who understand you're first and foremost a winery in a digital world.

A true digital company is one that generates revenue digitally and is data-driven. Wineries can become digital companies if the right innovation model is embraced. Opentrends will work with your winery to create a user-centric implementation plan and win the trust of the newest generations of consumers and employees. [Contact us](#) to get started or explore our solutions for this [segment](#).



Image courtesy of Clos Du Val

Opentrends is the one global custom software development firm that specializes in serving non-digital organizations attempting to achieve digital transformation. Its unique approach to designing software around users first and systems second has established a track record of success with many of the world's top companies. Opentrends works across industries, company sizes and technologies.

opentrends

228 Hamilton Ave, 3rd Floor
Palo Alto, CA 94301

www.opentrends.us