

ARENI Live

Stellenbosch Edition

Post-event recap

Because we need those conversations more than ever.
Because we need to combine experiences and promote solutions.
Because incredible things happen when we get together.
Because it's time to lead the way.

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_About ARENI Live:

ARENI Live is our annual think tank, held once each year in a different part of the globe. It gathers top minds to collectively think about the future of fine wine. In 2022, it was held in Stellenbosch, South Africa, in partnership with Stellenbosch Wine Routes.



“A kind of wine think tank that engages in conversations with people from all walks of the wine world.”

– Eric Asimov, New York Times

_Our Hosts:

The future of fine wine will be diverse. We were proud and delighted to showcase estates representing different facets of the Stellenbosch Wine Route, with variety in the terroir, size, estate history, ownership and philosophies represented.



GLENELLY
STELLENBOSCH

ESTD 1692
HARTENBERG
FAMILY VINEYARDS

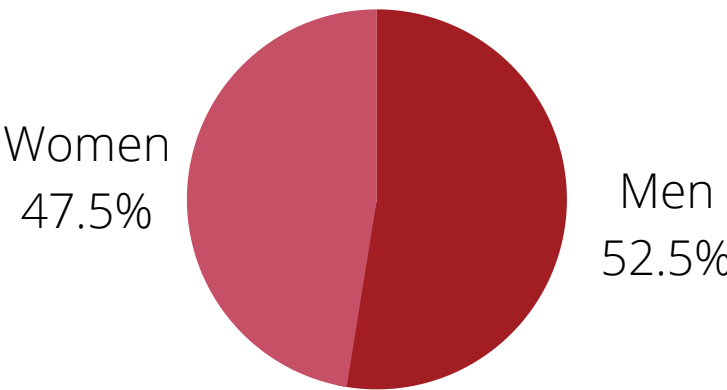
L'AVENIR
STELLENBOSCH

_Our Attendees:

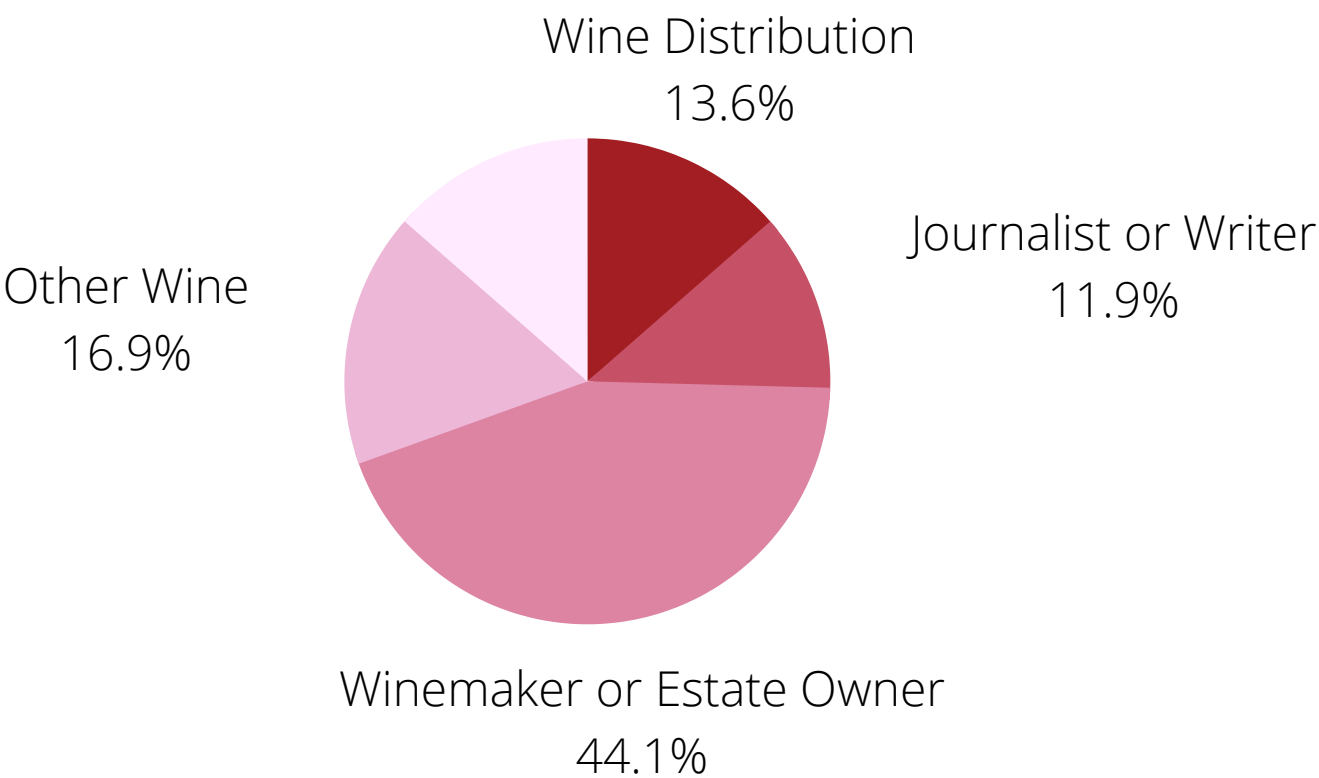
ARENI Live - Stellenbosch Edition gathered 60 thought leaders from 14 different countries, including respected journalists and writers, iconic winemakers and distributors, influential scientists, politicians, and international tech and finance experts.

Our attendees

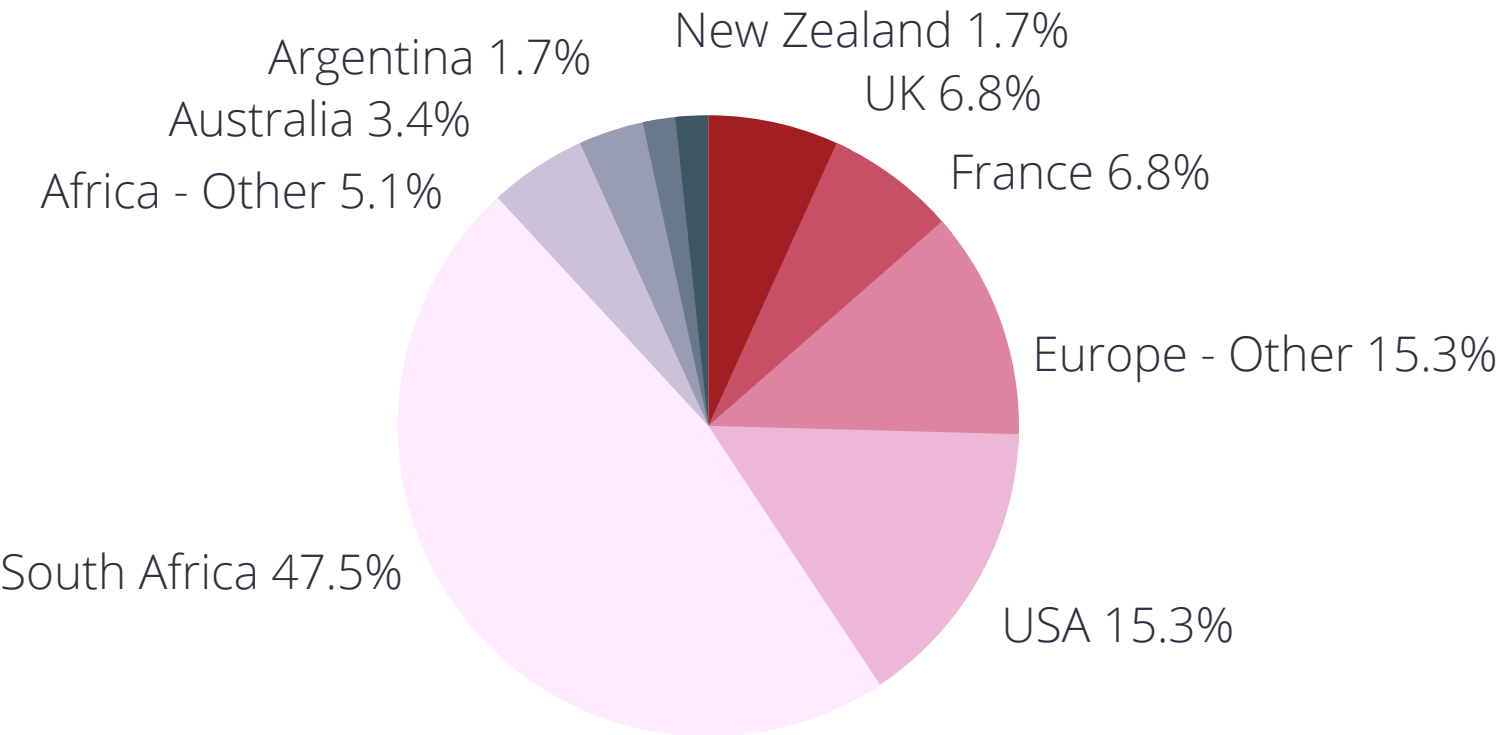
Attendees by gender



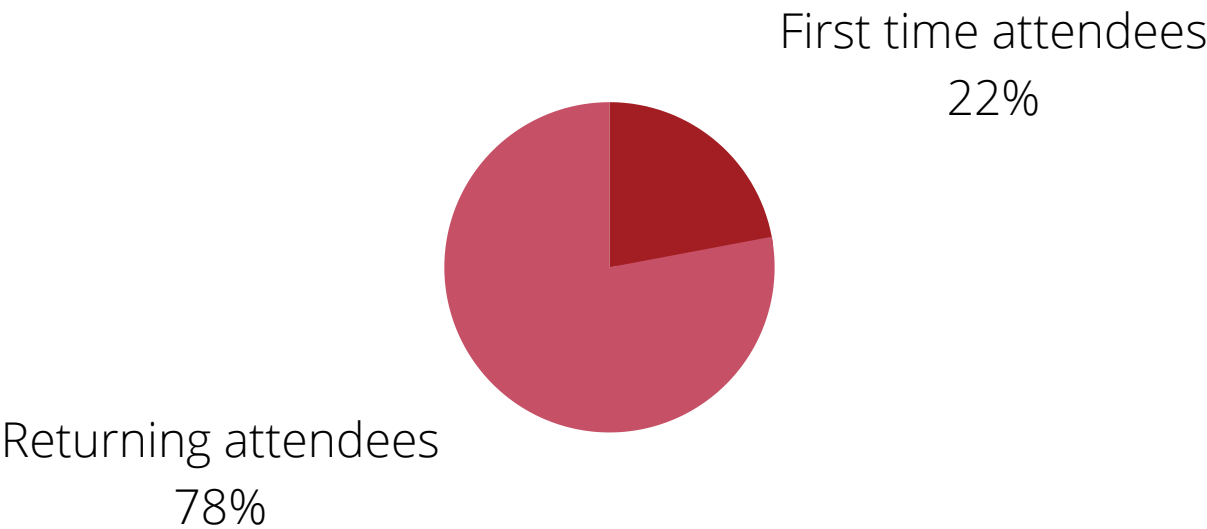
Attendees by sector



Attendees by geography



First time vs returning attendees



_Our Commitments:

This year, we've supported three initiatives that we believe are central to a more sustainable future for fine wine.



Mitigating our carbon footprint

ARENI is a proud partner of The Botanical Society, a non-profit organisation that supports South Africa's national botanical gardens. Its mission is to support plant conservation across South Africa and to know, grow, protect and enjoy South Africa's indigenous plants.

Investing in biodiversity is key to the future of both agriculture and viticulture, as it affects soil quality, increases water and food security resilience, reduces fire risks, and helps mitigate many impacts of climate change.

ARENI has offset the carbon footprint of each international flight taken to ARENI Live, using Credible Carbon to calculate a donation amount to The Botanical Society. We also encourage you to donate using the QR code.



Spotlight on social sustainability

Social sustainability is about identifying and managing business impacts, both positive and negative, on people.

ARENI Global is proud to support the Pebbles project, a charity founded in 2004 primarily to help children born with special needs as a result of Foetal Alcohol Spectrum Disorder. Today, the Pebbles project enriches the lives of disadvantaged children and families in the agricultural communities of the Western Cape, focusing on the entire life of the child and the challenging circumstances in which they live in order to make a significant and lasting difference.

ARENI contributed to a nutritionally balanced breakfast, lunch and two snacks per day for one year for three children. We also encourage you to donate using the QR code.





Focus on: Blind Ambition

The story of the Blind Ambition film project began in 2017 at the inaugural ARENI Live (Fine Minds 4 Fine Wine) event at Nicole Rolet's estate, Chêne Bleu, in the Rhône Valley.

Jancis Robinson MW and Andrew Caillard MW, the producer of Red Obsession, were seated together. He mentioned that he was looking for another good wine story, and Jancis told him about the Zimbabwean wine tasting team. The rest is history.

Five years later, ARENI was proud to organise the first ever-screening of Blind Ambition in South Africa.

We will be rooting for team Zimbabwe for the 2022 competition and we hope you will join in using the QR code to donate.



_Roundtable Key Takeaways

The roundtable workshops are the heart of ARENI Live. This year attendees explored six topics, from financial sustainability to the best ways to futureproof the supply chain, and how to recruit talent. They reflected on real disruptions and possible scenarios for the future. The pages that follow contain an unedited summary of their main thoughts and conclusions.

Is Fine Wine Too Cheap?

What does financial sustainability mean? How is it assessed?
How can it be measured? Why does it matter?

“The three aspects of sustainability have different timelines. You can probably exploit nature the longest and get away with it, and people the second longest, but when you run out of money it stops immediately. It’s not an ideal, but it’s a reality.”

- ARENI Live attendee

Key Takeaways

- Sustainability, as per the United Nations:

"Living well now while leaving the planet in good or better shape for the next generation."

- Financial Sustainability, as per the United Nations:

"Delivering financial returns in the short and long terms, while generating positive value for society, while operating within environmental constraints."

- In real life, the three aspects of sustainability (environmental, social, financial) have three different timelines. Profitability, although not enough, is a necessity for sustainability.
- It is very difficult to obtain a consensus to the answer "Is Fine Wine too cheap", notably because it depends on how you define fine wine, and the product segmentation.

- Fine wine is too cheap when it does not take into account social and environmental impacts. If it can be made sustainably, it is not too cheap.
- Fine wine exists when demands exceeds supply globally. The reality/consequence is that generally, whether we like it or not, price are going to increase. Exceptions happen when wineries have a conscious will to control the prices and a tight control on distribution.
- If, or when, fine wine becomes unaffordable for consumers, there will always be something new. For example, a new category such old vine wine, or natural wine, or a "new" area, variety, region, or style.
- For the future, transparency and integrity will go a long way to ensure the longevity (sustainability) of fine wine. Measuring and reporting, and regulatory controls, may be needed to influence the mindset of the entire value chain.



More on this topic

- Is Fine Wine too Cheap? Debate at 67 PM
- Wine Profitability vs Financial Sustainability – In Conversation with Caroline Hermann MW – September 2022
- 12 Conversations: Different Ways of Looking at Sustainability – ARENI publication – September 2022

Is Fine Wine an Individual or Collective Project?

How can individual and collective approaches be balanced when it comes to making fine wine? What should the community bring to the group?

How can estates retain their own uniqueness while participating in their regional identity? And when it comes to selling wines, can you be “fine” alone?

Key Takeaways

- A collective, but without positive and active individuals, will not succeed. The collective must comprise credible exponent and like-minded entities and people. The individuals should be revered by her/his peers: “Igniters”.
- There is a difference between consumer/market facing collectives and regulator collectives. For fine wine, craft, intention, site and creativity, plus originality are imperatives. The role of the regulator is to provide checks/balances = accountability.
- Stumbling blocks: free riders; typicity (as a lowest common denominator not an igniter); complacency/compliance; sufficient fine wine consumers (who drink not store); Insufficient or inadequate capacity; WHO/prohibitions.
- Need to promote mutualism among the ecosystem; collectives. “Crabs” - lids on or lids off. Globalization of the fine wine culture rather than disparate regional cultures.
- Lever for change - fine wine is such a small % of the overall alcoholic beverage industry. Need a fine wine collective that works softly/guerilla in other collectives to influence change that benefits the fine wine industry. Collaboration between collectives. Could that be ARENI?



More on this topic

- [In This Together – How Fine Wine is re-thinking its Collective Models](#)
- What hierarchy's best for fine wine? ARENI Insight Series, November 2022
- Define Fine Wine Whitepaper – 4th edition, January 2023

Are Distributors the Future of Fine Wine Distribution?

An assessment of the distribution models that currently exists in different markets, and an exploration of what fine wine distribution could look like in the near future.

Key Takeaways

- No substitute for personal interaction, whether digital or in person
- Building hybrid store models
- Breaking the tyranny of 'the score' -> on-trade only & longterm brand loyalty
- Producer relationships with importers & distributors are paramount
- Collaboration between smaller wineries to achieve success
- Research & deeply understand each export market
- 'Personas' - understanding who is buying your wines & why
- Collaborating with other luxury products
- Blending on-premise and e-commerce
- Services enabling DTC internationally
- "Digital born" wines
- Sommeliers' value as influencers should not be underestimated



More on this topic

- [Fine Wine merchants in the internet age](#)
- [What do Fine Wine lovers want?](#)
- [Why do Fine Wine buyers buy what they do?](#)
- [Why the World of Wine Needs Gateopeners](#)

Recruiting Talent – Fine Wine's Biggest Challenge?

From vineyard workers to retail and hospitality staff, the fine wine world is having a tough time attracting and recruiting employees. Experts will consider tactics to recruit in unattractive industries.

Key Takeaways

Challenges

- Location - rural areas lack social service, and transportation can be difficult
- Seasonality
- Financial - lack of good wages, cycle of poverty
- How to scale social + economic programs on wine farms
- Ageism - reverse where young people are discriminated against

Solutions to challenges:

- Build community, better conditions, maintaining human touch - no mechanical
- Create opportunities for ownership, skills development, changing perception so that the fine wine industry is welcoming

Looking Forward:

- Culture of community
- Wine as a lifestyle for consumer and worker
- More diversity, equity and inclusion
- Wine is approachable
- Universal language
- Awareness of what fine wine is



More on this topic

- [How Much is Enough? In Conversation with Felicity Carter and Jordan Sale](#)
- [Teaching, Learning, Growing in an Online World](#)
- [The Future of Education and Skills – In Conversation with Elaine Chukan Brown](#)
- [Towards a Local Understanding of Diversity and Inclusion – In Conversation with Tomiwa Owolade](#)
- 12 Conversations: Different Ways of Looking at Sustainability – ARENI publication – September 2022

Taking Advantage of Modern Marketing Paradoxes

Timely vs timeless, local vs global, exclusive vs inclusive. The world of premium goods marketing is full of paradoxes. How do successful brands navigate their ways through these conflicting demands?

Key Takeaways

- Fine Wine at its best must exist as a global whole

We need to express ourselves as part of a global whole and create an ecosystem within which we can all thrive. The question still to solve: How do we solve the problem of creating a global reach that is environmentally sustainable?

- "You're not driving the car, but you should be holding the map"

The consumer is always on a journey. They will move, evolve and explore. Our message to them needs to track that movement. Out of this, there is a need (possibly manifested by an independent body) for content producers that allow consumers to know "which roads to take". There needs to be content that **CONNECTS** fine wine producers around the world.

We need to understand how to communicate value without necessarily focussing on the product.

- Context creates value in the mind of the consumer. Especially if you can create the experience, universe, lifestyle space within which your product can thrive/exist. Real world experiences **MUST** be part of your brand expression.

Key Takeaways continued

- Be consumer-embracing at multiple levels.


At the highest product level, this might be personal, high-touch service (throughout the transaction process). But this needs to morph as it moves down the tiers of product. For bigger productions, "high touch" may not be feasible, but a similar function can be performed through the employment of well chosen CRM tools. And at the lowest level of engagement with clients only interested in ones mass market products, even at that low level, "customer-embracing" can be expressed through efficient and intelligent segmentation of ones database.

At the very least, make customers feel like they belong in your brand universe.

- Aspiration is a tightrope that achieves exclusivity without elitism.

Aspiration is not about being able to afford more expensive products. It is about being able to live a better life. As such, the message that inspires aspiration should be about the way one thinks about life, the environment, society etc.

It is a broad level approach which WILL result in more expensive wines...but the price is a by-product of the aspirational ethos, NOT something to be achieved in itself. ALSO, aspiration needs to be created across other industries, not just to our customers so that other companies and manufacturers seem to emulate the ethos with which we do what we do. #netpositive



More on this topic

[The Future of the Fine Wine Consumers](#)

[Deconstructing the Language of Wine to Attract New Consumers – In Conversation with Sandrine Goyevaerts](#)

[Debunking the Clichés of Digital Marketing – In Conversation with Georgia Panagopoulou](#)

[Understanding Asia's Affluent Consumers – In Conversation with Amrita Banta](#)

[On Fine Wine and Luxury – In Conversation with Eric Asimov](#)

Future Proofing the Value Chain

Between the aftershock of the pandemic, the continuing war in Europe, widening economic inequality, and the global fear of economic slowdown, the level of uncertainty being faced by both companies and governments is unprecedented. How can fine wine survive and thrive the disruptions in both their supply chain and commercial markets?

Key Takeaways

What are we future proofing against:

- Climate change
- Dilution and consolidation. When an industry = only 4 big wineries, wine becomes less important. Story, authenticity, regions, local knowledge become less important
- Loss of knowledge and talent, loss of people with the capacity to teach
- Shortage of supplies and shipping crisis
- Changing consumers values

How to future proof - global business

- Always prepare for the worst and think long term
- Recognize that from now on it will probably be a long continuation of international shocks.
- Acknowledge that the changes you are making today you won't see until the next 7/10y.
- Improve the way liquidity works throughout the chain. Example: Crypto currencies and blockchain can be a solution to that.
- Make people proud. **Example:** In Argentina, now on every label: “bebida nacional” to illustrate the fact it is the most important beverage in the country.

How to future proof - global business (continued)

- Co-creation: Invite all your stakeholders to be part of the creation process. Talk less, listen more, in both the physical and digital space.
- Improve our industry members' capacity to negotiate and “rattle the cage”, making themselves heard and vocalizing collectively global problems.

How to futureproof - fine wine production

- Start with the health of our vineyards – climate change and epidemiology. **Example:** A winery is working with a Bordeaux team to analyse vine leaves searching for new virus that could become active with climate change.
- Demonstrate to people the interest, skills and career paths that can be found in viticulture. **Example:** The hands-on garden is a piece of a property dedicated to showing kids what their parents are doing: pruning and all vineyard work, showing that there is craft and skills attached to viticulture.
- Encourage workers international mobility: Advocate for an international wine visa.

Key Takeaways (continued)

How to futureproof - fine wine distribution

- Raise awareness of the shipping issue globally. Articulate the situation so that issues and impacts are very clear. **Example:** European delegation brought to South Africa to show them the issues and consequences with the shipping lines only choosing the most profitable routes.
- Understanding that in the wine industry we are in a unique position where the retailers (shop or restaurant) are actually value adders for us: They are doing the upsell and selling to the consumers for us, so we can't cut them all out.
- Diversify your markets. **Example:** Crypto currency can help to prove market interest. Selling through crypto can be a proof that consumers want your product in the market that you want to come into. A way of proving demand by going around the difficulties of the existing supply chain.
- Create decentralised marketplaces for wine supplies (bottles, labels etc...)

How to futureproof- fine wine communication and consumption

- Labelling: Consideration about making your name the wine brand: reduce your capacity for transmission. If you can come up with a great name that links to customers and your sense of place and what motivates you: more equity to the brand.
- Work on your global brands: brand “country” and brand “wine”, needed for better consumer perception. Work on brand wine so that it can't be dismissed or quickly associated without other alcohol.
- Constantly challenge the idea of what is valued by consumers and how do we deliver value to them.
- Favour intergenerational experiences of wine, allowing transmission of passion.
- “The most important step to get people to drink wine is to get people to think of themselves as people who drink wine.”

A photograph of a modern white house at dusk. The house has a prominent gable roof and a large window. The background shows a range of mountains under a cloudy sky. The foreground is dark, with some trees and a path visible.

More on this topic

- [ARENI Live Insights: The Current State of Global Trade](#)
- [Shaping Tomorrow: A Global Overview of International Diplomacy](#)
- [The World Post-COVID: Framing the Global Picture](#)
- [The Power of Collective Intelligence](#)

_Taking action

ARENI Global wishes to facilitate action within the fine wine ecosystem, helping stakeholders translate ideas and perspectives into actions, and monitor their implementation in the months following the think tank.



From Bordeaux to Stellenbosch – A look back

Over the years, ARENI has witnessed concrete actions coming out of the Think Tank. This year we were pleased to present 4m3.bio, an innovative biofabracting process by Mike Tango Bravo...

Grapevines + mushrooms = boxes! Imagine combining fungi with vineyard waste to grow your own wine packaging. This is 4m3.bio. It enables wineries to process vine cuttings, and other excess biomass from the vineyard, to cultivate boxes for wine bottles that replace cardboard boxes and styrofoam.

Imagine receiving your bottles of malbec and cabernet sauvignon in a completely compostable box grown from the same grapes, and the magical glue called mycelium.

4m3.bio's process, currently developed in Argentina, is open-source and will soon be available to wineries worldwide to reduce their carbon footprint, turning their own waste into beautiful organic wine boxes.

For more information, contact info@4m3.bio.

How can we ensure fine wine's social licence to operate?

Actions We Need to Take

Create a Fine Wine Manifesto to clearly articulate:

- Fine wine ethos and values
 - Its responsibilities in terms of public health
 - Its responsibilities towards its many stakeholders
 - Its responsibilities towards the environment and natural resources
 - A powerful argument that wine is a cultural product, part of our collective civilisation's patrimony
-

Establish a standard for environmentally responsible behaviour, from grape to glass.

Define the frame of control to ensure fine wine producers who adhere to the manifesto respect the rules.

Start exercising soft power. Identify in our local communities the individuals with the credibility to have their voices heard by the people representing our industry. We need better representation.



In terms of recruitment, how can we overcome the challenges inherent to viticultural work (located in rural, remote areas, seasonal jobs, lack of financial incentive, lack of attractiveness of agricultural jobs, ageing workforce, skills transmission)?

Actions We Need to Take

Lobby for a wine visa (inspiration came from the tech visa) .

Make growing grapes sexy again.

Create places of belonging where workers' skills are developed, and their progression encouraged.

Research current networks to assist in hiring, training, support, networking.



How can we better understand and reflect the true cost of wine production, including environmental and social externalities?

Actions We Need to Take

Articulate the real costs of production, listing and including all externalities (environmental, social).

Establish pricing models to help winemakers factor in these costs and price fine wine sustainably.

Be transparent to the market and consumers about how pricing was established.

Quantify, measure and reduce carbon footprint.

How can we better understand fine wine consumers?

Actions We Need to Take

Learn how to target consumers through relevant and appropriate data.

Aggregate existing consumer research or segmentation and find partners to fill the gap.

Create a State of the Union for fine wine, with annual data focused on fine wine production and consumption.

How can we as a sector be ready for the next pandemic and stop closures?

Actions We Need to Take

Investigate how other sectors (inc beer, spirits, coffee etc...) are getting ready and adapting their distribution models.

Do we need bottle standardisation?

Actions We Need to Take

Create group to investigate the possibility of having international standards for bottles.

How can we distribute our wines more experientially?

Actions We Need to Take

Develop new forms of distribution/tourism/events/social commerce to engage with current and new consumers.

Distribute wines through events matching wines and something else (i.e. art, fashion, food, architecture...)

How can we be better communicators?

Actions We Need to Take

Make fine wine aspirational and not elitist.

Engage in social listening. Engage with the unprecedented movement on social media for human rights, equality, and integrate these points in fine wine story telling.

Make wine part of the bigger world, putting it in context and learning from other fields or industry.

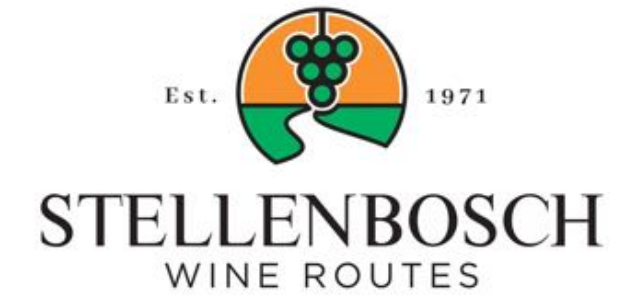
Promote fine wine as a generational link and encourage the new emerging African market to not just store wealth but also bottles.



_With Gratitude

ARENI Live wouldn't be possible without our generous sponsors and partners. Once more, we wish to thank them for their incredible help and contribution.

Our sponsors and partners



Moët Hennessy



OPEN VINO



ARENI Live: As seen in...

Decanter

LE FIGARO

THE WORLD OF
FINE WINE

The New York Times

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MEININGER'S
WINE BUSINESS
INTERNATIONAL

Jancis Robinson

Forbes

ARENI Live

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