



# Challenges of wine transport and delivery

Making and selling quality wine can be hard enough. But transporting a wine order to an eagerly-waiting customer within Australia is not without its challenges either, as **Eleanor Danenberg** discovers.

**Transport & Logistics**

**Y**ou've spent time carefully crafting your wine. Then more time convincing someone to buy it. Now

for the relatively easy part – delivering it to the customer. But perhaps not so easy, if feedback from a handful of South Australian wineries is anything to go by.

Corrina Wright, winemaker and director at McLaren Vale's Oliver's Taranga Vineyards, says no matter which company a winery uses, there are "always bad stories about all of them".

She explains the only option for delivering wine straight to post office boxes is to use Australia Post which put up its prices about a year ago, "and also made it very complicated in terms of insurance and things like that".

"That sort of forced everyone to have a pretty significant look at what was happening," she says.

For non-post office box deliveries, there are courier companies. Oliver's Taranga currently uses such a company for deliveries in South Australia, which she describes as being efficient, but because that company operates franchises in

other states, "the minute it goes interstate and passes on to the next contractor, it can go pear-shaped".

The same inconsistency occurs when "some regions have done a deal with a contractor, where the person who picks up all the wine from the cellar door is a contractor for Australia Post, but then if that contractor doesn't want to do that run anymore, they're all left in the lurch".

Wright says another big problem is that wine always seems to take weeks to get to anyone, but customers are expecting deliveries quicker than that.

Oliver's Taranga doesn't ship wine in hot weather at all, and there are no refrigerated transport options, presenting yet another problem area.

"If you think about the growth in online sales, which would now be a third of our business, that's a lot of wine going places," Wright says, adding it is therefore paramount that an efficient alternative presents itself. But currently, she says, "there doesn't seem to be a really good answer".

Speaking as a receiver of many wine deliveries, wine writer Steve Leszczynski from Qwine.com, who is based in Queensland, says he understands pick up by couriers goes well — "it's more so the delivery issue at the other end which is a problem."

To make deliveries easier, Leszczynski has a parcel box beside his front door, a DIY safe deposit box — "a good solution I would have thought", he states. "There is a clear sign asking for parcels to be placed inside and the padlock to be locked. Many parcels also have these instructions listed on the package, Leszczynski says, but some drivers "can't handle these few steps".

Leszczynski has had many dealings with different providers. Regarding Australia Post, he says "despite many people having issues, my guy for the last two to three years has been awesome. Positive relationships means wine delivered safely and locked up tight". However, "sometimes parcels are not delivered but left at one of two collection points suburbs away which is a pain to get to. [Some people] leave parcels in the weather and don't care where they are left."

Echoing Corrina Wright's experience, Steve says courier companies operating franchises "can be hit and miss".

After experiencing issues with one courier company in particular which refused to "deliver as per instructions", "after many disputes" things were now better, he says.

Leszczynski points to a couple of courier companies that "come from time to time and seem happy to follow instructions at times but often leave parcels in the weather". He puts this down to the fact that some drivers may not be knowledgeable about wine and that it shouldn't be left in the sun or rain; "to them they've ticked off the job and they don't have to return".

For Anita Goode at Wangolina in South Australia's Mount Benson wine region, one of her biggest frustrations is "the monopoly" Australia Post has in the area. She says Wangolina has no access to any other wine courier "except for the super expensive ones", with no access to smaller and cheaper courier companies.

Goode says communication from Australia Post can be poor. "Things go wrong and often you only find out when your customer calls to say they have not received their wine; then you have to check on your system to find a breakage that was sitting about for a week," she says.

She says Wangolina is looking to find other solutions in a more streamlined manner, "perhaps warehousing based in Melbourne that can easily and efficiently service Melbourne, Sydney and Adelaide from one warehouse".

She adds, "we often have problems with restaurant clients not being able to get wine delivered at non-service appropriate times"

Briony Hoare says freight is the greatest problem at her Beach Road wine business in McLaren Vale, and it's high stakes, as "the customer experience is relevant from the minute they hear about Beach Road Wines to the time the wine arrives at their door".

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- Corrina Wright, Oliver's Taranga

Hoare says she can't justify holding pallets of wine interstate "as I do not make enough or sell enough. I've done that once and it was terrible with missing wine and mistreated/poorly stored pallets". She adds that delivering to Adelaide seems to be okay, but interstate delivery is another story.

Having used various different delivery options to date, Hoare says a risk in using freight businesses is that they can forward on to another business, "who

is more likely to on forward to another business, or independent driver with a van and little care".

She has had drivers trying to delivery wine to restaurants before they are open, despite clear timeframe instructions on the post labels.

Some of the Beach Road team's worst experiences include having wine lost in Australia Post centres for three weeks, and six-case orders taking three weeks to deliver; wine delivered to the wrong address, wine left in full sun on a 43°C day; "no response from freight companies when tracking missing wine", and they know of restaurants who refuse to accept deliveries from certain companies; you name the bad experience, they have had it. Hoare estimates the business has lost thousands of dollars in dealing with these problems.

Emmanuelle Bekkers, of neighbouring Bekkers Wine, agrees that the last mile is the most challenging and often doesn't reflect the winery's relationship with the pick-up driver "from our end". However, Bekkers defends the drivers: "the drivers have thousands of deliveries to complete each day and are getting paid such a small amount that pleasing everyone is a hard one...dodging dogs, bins, finding the correct back door, and so on... all this must be a hard thing to do when trying to complete 1000 deliveries in one day".

Bekkers adds wine businesses are often looking for a cheaper way to ship wine instead of the best way to ship wine: "we could all use DHL or Fedex or UPS but it is more expensive so not a lot of us are doing so."

## New kid on the block

Wine Delivery Australia is a little different to a conventional freight company, says the company's James Munn.

"We are a freight aggregator/broker and have for last two years specialised in D2C and D2B carton deliveries for wine".

Wine Delivery Australia currently operates in South Australia and covers more than 160 wineries across Coonawarra, McLaren Vale, Adelaide Hills, Clare Valley, and Barossa Valley.

Munn says: "Our objective is to drive profitability for wineries or wine-specific operations. We will be launching in other markets (Victoria, New South Wales, and Western Australia) over the next couple of years but wanted to cement our service model in South Australia and then create value added solutions to our customers that complement the existing carton delivery service. These services will include national pallet distribution (similar approach to the

carton service), packaging solutions (specific to the wine industry) and reporting tools that will provide industry benchmarks not yet seen in the wine industry."

As our story on the challenges of wine transport and delivery was being compiled, news broke of Digital Wine Ventures launching WineDepot: a same day delivery service through a partnership with Australia Post. See page 78 for further details. 