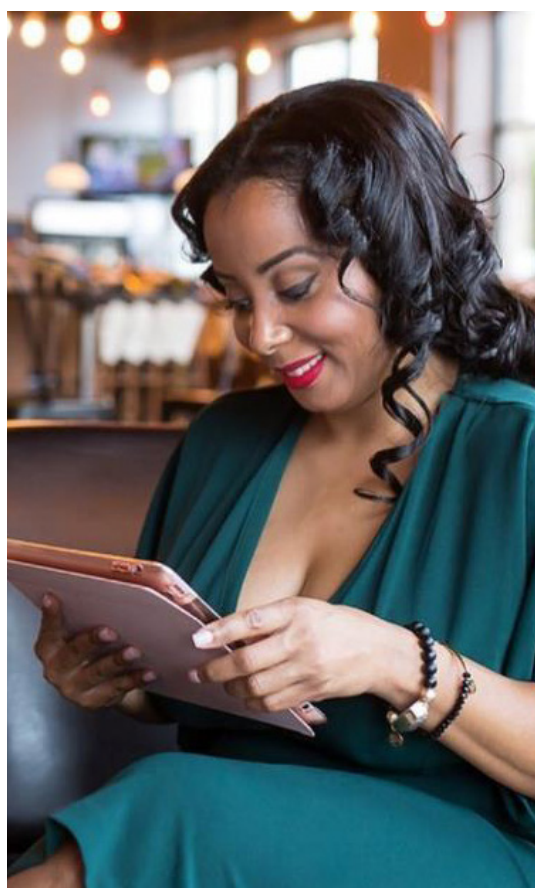


DSOF CASE STUDY

TRAVELING VINEYARD: PIVOT TO VIRTUAL SELLING



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CASE SYNOPSIS

This case profiles Traveling Vineyard, an organization passionate about wine and helping others enjoy the wine experience. In 2001, Rick Libby, Chief Grape Stomper and Head Cheerleader of Traveling Vineyard, was charged with conceptualizing a new way to market wine. After attending a Pampered Chef party for a family friend, he wondered, "If this works well for kitchenware, why not wine?" So, inspired by the party plan model used in direct selling, Rick envisioned a unique business model that would bring the authentic winery experience into living rooms across the country with exclusive high-quality, globally-sourced wines marketed by a network of passionate, energetic, independent wine consultants, called "Wine Guides."

Website: www.travelingvineyard.com

Direct selling is the marketing and selling of products to consumers at locations like homes, workplaces, or online instead of retail store locations. Direct sellers are not actually employees of the companies they represent, but instead they are independent contractors selling the company's products. Individuals are interested in becoming direct sellers for many reasons, some of which include the cost-savings of buying products at wholesale, the flexibility of working when and how much they want, and a passion for the products they are selling. It can be a more relational, customized form of selling and allows for even greater market reach and segmentation. Direct selling is also a great part-time earnings opportunity.

In today's uncertain times, individuals are looking for ways to supplement their incomes with entrepreneurial ventures such as direct selling. The objective of this case study is to learn how direct selling can help drive the economy from a virtual entrepreneurial environment and apply the Business Model Canvas (BMC).

WORKING VIRTUALLY

No business is immune to the massive changes resulting from COVID-19 and the increase in working virtually. Entrepreneurs have proven themselves to be agile, adapting to the challenges of the virtual environment. In 2020, 92 percent of businesses made efforts to shift to working remotely (The Harris Poll, 2020).

As entrepreneurs stay the course but also look toward the future, they need to understand the complexities of change that will have to be managed. Direct sellers will need to develop virtual work capabilities, tools and best practices in engaging with prospects and current customers. Entrepreneurs will need to consider responsibilities of individuals, teams and management to ensure success today and into the future.

Traveling Vineyard's in-home wine demonstrations were not possible during the pandemic. The company's resilience and creativity was evidenced by the pivot to a virtual sales business model. Rick and his team implemented innovations such as providing free shipping and developing "Virtual Wine Guide" experiences, which include shipping a sample tasting kit prior to the virtual education and tasting experience.

The new strategies enabled others to enter the market at a lower entry point, resulting in a 30% increase in sales. Traveling Vineyard used social selling not only to survive, but to thrive during the pandemic. The company also has provided an income opportunity for those whose employment was impacted by COVID-19.

THE PARTY PLAN PIVOT: Adopting Virtual Tools in the Time of COVID

<https://youtu.be/Xi7iylinak0>

LEARNING OBJECTIVES

- Understand how direct selling can lead by example in today's virtual environment.
- Understand how Traveling Vineyard adapted an existing business model.
- Apply the Business Model Canvas (BMC) to Traveling Vineyard.
- Understand the digital tools Traveling Vineyard Wine Guides can utilize in direct selling.

TEACHING STRATEGY

After reviewing the direct selling business model, review Travelling Vineyard's website and associated videos for 15–20 minutes in groups of 3–5. Answer the following questions.

PART 1: DISCUSSION QUESTIONS

1. During these challenging economic times, how can the direct selling model help the ever-increasing virtual workforce?
2. Why is Traveling Vineyard so unique and how does it differentiate compared to the traditional "Brick and Mortar" model?
3. What digital tools can Traveling Vineyard's Wine Guides utilize in direct selling to increase market share and build awareness.
4. What are some key challenges for Traveling Vineyard?

Apply the BM del to Traveling Vineyard and look for areas of opportunity and risk.



Rick Libby, Chief Grape Stomper and Head Cheerleader, Traveling Vineyard



PART 2: BUSINESS MODEL CANVAS



- <https://www.businessmodelsinc.com/about-bmi/tools/business-model-canvas/>
- https://www.alexandercowan.com/business-model-canvas-templates/#Whatsquos_the_Business_Model_Canvas



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