North land winery case



Given the popularity of this flavor in North American foods amp; beverages, this wine would be expected to pair well with many Canadian palates, particularly red meat dishes. Ideally this product would be a key seller to help develop a name for NIL and give it more exposure. Nil's latest addition is the ice-like wine " Cold Burn", something similar to the Jacobs Creek line " Cool Harvest". This is believed to have some potential with Canada having such a cold annual climate, however for the same reasons there is expected to be a high degree of competition emanating from AN vineyards.

This case study will evaluate 2 possibilities to achieve market presence in Canada as well as the drawbacks and or's of integrating the NIL brands. It is paramount to determine the point when the cost of the 2 options become equal, the "no difference point", and ultimately a decision can be reached based on evidence and logic. The 2 methods considered for expansion are: Option One - "Wine Representatives" Pre-selected sales reps work under commission for the winery to deal business with a defined set of wine retail outlets shelving the NIL labels. Costs for the reps would be proportionate to the turnover of product volume.