











BUILDING A WINE ECOMMERCE WEBSITE **WITH MAGENTO**

Specifics - Solutions - Pricing - Case studies



TABLE OF CONTENT

1. Specific Requirements in eCommerce for the Wine Industry	04
1.1. Beautiful Interface, Standard UI/UX & Unique Features	04
1.2. Highly Complex Functionality System	04
1.2.1. Diverse Features	04
1.2.2. Integration With Various Systems	06
1.3. High User Experience Requirements	07
2. How does Magento solve the problem of Wine eCommerce?	09
2.1. Maximum Responsiveness to Website Interface Needs	09
2.2. Meeting Complex System Functionality Needs	10
2.3. Meeting High Expansion Needs	12
2.4. Meeting High Integration Needs	12
2.4.1. Payment and Shipping Integration	13
2.4.2. Integration with Enterprise Management Systems	13
2.4.3. Integration of Analytics and Reporting Software	14
3. Pricing of using the Magento eCommerce platform	15
3.1. License Usage Costs	15
3.2. Domain Costs	15
3.3. Hosting Costs	16
3.4. SSL Certificate Costs	16
3.5. Interface Design Costs	16
3.6. Website Development Costs	17
3.7. Extension Costs	17
4. Case Study	19
4.1. iShopChangi wine - Singapore	19
4.2. Trentham Estate - Australia	20
4.3. The Warehouse - Vietnam	21

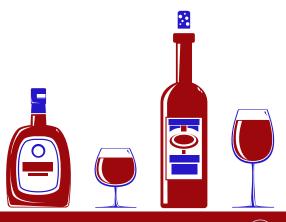
PROLOGUE

Theo Nielsen (a global market research and communications company), online sales in the wine industry increased by 27.6% at the end of 2021, affirming the significant potential of this sector. Before the COVID-19 pandemic, some wine businesses had already implemented eCommerce websites early on to adapt to changing consumer behaviour and seize new market opportunities, such as The Warehouse Vietnam, iShopChangi, Trentham Estate, etc. The common feature of these websites is the maximization of the development platform, especially open-source platforms like Magento.

With 9 years of experience in implementing eCommerce projects in the wine industry, SECOMM has completed the eBook "Building a wine eCommerce website with Magento" to provide wine businesses with the necessary informaltion to develop eCommerce websites on the Magento platform. This includes:

- The process of building an eCommerce website for the wine industry with Magento
- Deployment pricing
- Experiences and lessons learned from successful wine businesses that have implemented eCommerce

All data in this eBook is collected from various reliable sources such as Nielsen, Adobe, Google, Temasek and Bain & Company, Statista, and Price.



SPECIFIC REQUIREMENTS IN ECOMMERCE FOR THE WINE INDUSTRY

1.1. Beautiful Interface, Standard UI/UX & Unique Features

Products in the wine industry, especially wines, belong to the premium segment, making it crucial to invest in the design of the website interface. From color, and images to website layout, everything needs to be arranged to create an impression and effectively convey the brand value to customers with sophisticated preferences.

Furthermore, businesses in the wine industry need to pay special attention to standardizing UI/UX for the website and showcasing industry-specific features to provide a convenient shopping experience for customers and optimize revenue for the business.

1.2. Highly Complex Functionality System

One of the highest requirements when implementing eCommerce in the wine industry is a system with high complexity.

Most wine businesses possess a complex product catalogue with a diverse range of products and attributes. Additionally, to ensure the smooth and stable operation of the eCommerce system with increasing visitor traffic over time or sudden spikes during marketing campaigns, the eCommerce system also needs to be meticulously and skillfully designed and built.

1.2.1. Diverse Features

A comprehensive eCommerce system for the wine industry typically includes basic functions, advanced functions, industry-specific features.



Basic eCommerce features



Advanced eCommerce features



Specialized eCommerce features

• Basic eCommerce features

Basic features are functions that support the efficient and seamless operation of the eCommerce website system.

Common basic functions for wine business websites often include store management, sales, information management, statistics, revenue control, customer lists, invoices, cart and checkout, reporting, and analysis.

Advanced eCommerce features

Advanced features enhance the user experience and facilitate faster shopping processes. Advanced functions related to themes, products, marketing, payment, discounts, and shipping help meet all operational needs and promote the development of eCommerce for businesses.

In particular, wine businesses typically have a diverse range of products and attributes, so advanced functions such as category management and advanced product search are also commonly included.

• Specialized eCommerce features

Specialized features help address specific issues related to the products and processes of the business.

Some typical specialized features include product allocation, inventory control, membership management (Wine club memberships management), loyalty programs, product discounts, etc.







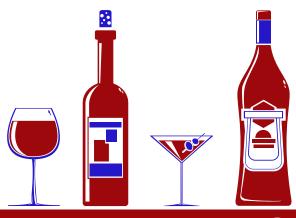


1.2.2. Integration With Various Systems

Regarding payment, wine businesses should diversify from domestic cards to international cards, payment gateways, e-wallets, Cash On Delivery (COD) to gain a competitive advantage in the industry. Additionally, businesses should focus on flexibility and security in all payment methods.

In terms of delivery and shipping, businesses need to integrate with service providers and popular shipment tracking applications in the market to handle and operate shipping processes. Moreover, businesses also need to customize and develop delivery modes suitable for customers to provide a more convenient shopping experience.

Furthermore, wine businesses often have multiple sales channels, so they need to use various management software such as POS, CRM, ERP, etc. This requires the website development platform to have the ability to integrate flexibly and efficiently with third-party software without affecting the execution of each system. This integration also helps businesses overcome the limitations of manual operations and increases automation for both back-office management and sales, ensuring high accuracy and operational efficiency for the system.



1.3. High User Experience Requirements







Seamless Shopping Journey

Customer experience in eCommerce is a crucial factor, especially in the wine industry, which relies on personal interaction to build customer relationships. With the limitations on in-store shopping due to the COVID-19 pandemic, online shopping through eCommerce websites has been on the rise.

To ensure a seamless shopping experience for customers, businesses can focus on building a product information management system, optimizing shopping navigation, offering diverse payment options, and tailoring delivery services, among other aspects.

• Personalization of User Experience

In addition to enhancing the shopping experience throughout the buying journey, businesses also need to develop features that personalize the user experience. Personalization, from content and product displays to shopping journey navigation, is crucial for businesses to make a positive impression on consumers, boost sales efficiency, increase customer loyalty, and enhance the Customer Lifetime Value (CLV) for the brand.

To achieve this, businesses need to leverage exclusive consumer data and develop advanced digital technologies to create specific customer profiles. Subsequently, they can tailor shopping experiences based on the habits and preferences of each customer segment, providing customized and unique content for each customer profile.

Seamless Omni-Channel Experience

The presence of a business across multiple channels (omnichannel) is crucial to facilitate easier shopping for customers. Omni-channel selling helps businesses synchronize, and manage centralized data more efficiently. Additionally, it creates a seamless experience for customers across various channels such as social media, eCommerce platforms, mobile apps, and eCommerce websites, enhancing the overall picture of the customer's shopping journey and maximizing the effectiveness of eCommerce business.

However, to provide the most seamless omni-channel experience, businesses first need to ensure optimal operation for each channel. Subsequently, they can implement connections through advancements in technology infrastructure.



PART 1: SUMMARY

In general, for businesses to operate effectively in a complex industry such as the wine sector, it requires business managers to have sufficient financial capability and practical experience to provide the best solutions for issues related to interface design, systems, and user experience.

Depending on the strategy of each business, there will be different business approaches, but the optimal way is to leverage the outstanding advantages of Magento to kickstart eCommerce business.



2

HOW DOES MAGENTO SOLVE THE PROBLEM OF WINE ECOMMERCE?

2.1. Maximum Responsiveness to Website Interface Needs



Using prebuilt themes



Customizing themes



Designing themes

Typically, businesses have three ways to design an eCommerce website in the wine industry using Magento: using pre-built themes, customizing themes based on requirements, and designing unique themes.

- Using pre-built themes: Optimizing design costs but may limit brand positioning due to the potential for theme duplication with other websites.
- Customizing themes based on requirements: Balancing cost savings and incorporating brand identity elements such as colours, fonts, layout, etc. However, effective customization requires a skilled and experienced team.
- Designing unique themes: Creating a website tailor-made for the brand. This approach may require more investment in development costs and time.

In general, the Magento platform supports various methods for designing eCommerce websites for wine businesses, addressing specific requirements for website interfaces.



2.2. Meeting Complex System Functionality Needs

Basic Features

The Magento platform possesses an ecosystem with many features that support online business operations for the wine industry, including:

- Category Management: Developing and controlling all data, product features, categories, attributes, pricing systems, inventory, images, and videos to maintain operations and optimize business efficiency.
- Content Management: Developing and optimizing all content elements for pages (CMS - Content Management System), storing images, customizing themes, and website design.
- Sales Management: Establishing and operating sales processes, orders, payments, and shipping, while diversifying customer information.
- Marketing Management: Optimizing SEO and implementing marketing programs (promotions, up-selling, cross-selling, etc.) with supporting tools to boost sales for businesses.
- Customer Management: Managing complete customer information, and customer groups to improve marketing campaign effectiveness, enhance customer experience, and encourage purchases.
- Inventory Management: Scientifically managing and controlling inventory, ensuring a continuous supply of goods for the supply chain, and directing shipments to appropriate warehouses through management tools and inventory reports.
- Reporting: Effectively exploiting data through reporting features to improve and enhance business operations, including Marketing Reports, Sales Reports, Customer Reports, Product Reports, and Operational Performance Reports.
- Analysis: Supporting the tracking and measurement of eCommerce system performance through integrated tools such as Google Analytics, Facebook Pixels, Google Tag Manager, etc.

These basic features are built to help businesses operate seamlessly without requiring too much time for design and development, saving time and costs during the initial deployment.

Advanced Features

Magento, as provided by the platform developers, offers thousands of enhanced features in themes, products, marketing, payment solutions, shipping, etc., to support wine businesses on the journey of building their websites. Notable features include:

- Multi-Source Inventory (MSI): A prominent feature of Magento (from version 2.3.0), helping businesses easily manage inventory from various sources within the admin panel.
- Progressive Web App (PWA): The combination of a website and a native app (for Android and iOS) on tablets and smartphones. PWA allows a business website to have mobile functionalities and interactions like a native app.
- Advanced SEO: In addition to basic SEO features, this feature checks indexed pages, and evaluates the SEO quality of each page, allowing businesses to block data collection from lowvalue pages through the robots.txt file and review only pages with high search potential for indexing to improve the website's ranking.
- Multi-brand Solution: A commerce solution supporting multiple languages, currencies, and stores, helping businesses consolidate all content and products of multiple brands into a single system.
- Headless Commerce: Enables businesses to customize and update functionalities without interfering with the user interface or CMS pages.

Specialized Features

With Magento, businesses can entirely modify system functions, develop new unique features to meet business needs and quickly adapt to market changes. Additionally, businesses have the freedom to scale their operations with the open-source Magento platform.

2.3. Meeting High Expansion Needs

The open-source Magento eCommerce platform can accompany businesses with any business model, from when a business enters the market to when it expands its business system, supporting various business models such as B2B, B2C, D2C, F2C, O2O, and B2B2C.

Magento also supports stable system operation even when the website experiences gradually increasing traffic over time or a sudden surge during promotional campaigns, with the ability to handle up to 500,000 products and thousands of transactions within an hour.

The Magento platform also allows businesses to manage multiple processes, multiple stores, and different brands, with various currencies, and languages, and integrate payment solutions, all on the same central platform. The extensible features of Magento are built with flexibility and high availability, delivering outstanding results while meeting the operational and sustainable eCommerce Therefore, needs of businesses. development business development and expansion with Magento are entirely straightforward.

2.4. Meeting High Integration Needs

One of the outstanding features of the open-source Magento platform is its ability to integrate with third-party utilities such as payment, shipping, analytics, and enterprise management software, helping the eCommerce system operate seamlessly and efficiently.



Payment





Shipping

Enterprise Management Systems

Analysis and reporting

2.4.1. Payment and Shipping Integration

- Regarding payments, Magento allows integration with most payment gateways in the market such as Stripe, Paypal, Onepay, VN Pay, etc. It also supports e-wallets (Momo, ZaloPay, etc.) as well as integration with other card payment methods (ATM, Visa, Master). With Magento, these payment methods are ensured to be safely and securely integrated to optimize and diversify the payment experience for customers during purchases.
- Regarding shipping, Magento enables integration with service providers and shipment tracking applications both domestically and internationally, helping optimize and operate shipping processes efficiently. Additionally, Magento allows businesses to customize delivery modes suitable for customers to provide a convenient shopping experience on the platform. For example, businesses can automatically select the corresponding store based on the address provided by customers, and support the classification of orders to the nearest warehouses, making it easier and more convenient for customers to receive products quickly.

2.4.2. Integration with Enterprise Management Systems

Many businesses in the liquor industry choose the Magento platform precisely because of its easy integration with management systems such as ERP, CRM, POS, BI, etc. – a characteristic advantage of this open-source platform. This helps businesses establish seamless connections across all supply channels, from offline to online, for customers.







Concerning POS, Magento easily integrates with popular POS software such as Square, Lightspeed, Clover, KiotViet, etc., facilitating real-time sales updates and the management of products and inventory.

Concerning CRM, Magento can integrate with the most popular software such as Salesforce, Zoho, Agile, SugarCRM, Dynamics, HubSpot, Freshsales, Vtiger, etc., helping systematize approaches, contacts, and interactions with customers.

In terms of ERP, Magento can integrate with management software such as Business One, Sage, Microsoft Dynamics 365 Business, Central, SYSPRO, Access Dimensions, etc., facilitating the operation of all resources and seamless processes within the business.

Regarding BI, Magento also can integrate with business analysis tools such as Power BI, Tableau, Looker, etc., aiding in quick and effective analysis and reporting of business operations. Moreover, this integration helps enhance business strategies and optimize growth for enterprises.

2.4.3. Integration of Analytics and Reporting Software

Additionally, Magento can link with analytics and reporting tools such as:

- Integration with Google Analytics to track and report on traffic, visitor demographics, purchase processes, and buying behaviour.
- Integration with Facebook Pixels to easily measure the effectiveness of advertising and capture actions performed on the website.
- Integration with Google Tag Manager to quickly update website measurement metrics and related tags to enhance personalization and target the right audience for upcoming marketing campaigns.



PART 2: SUMMARY

The Magento eCommerce platform is one of the leading eCommerce platforms for the liquor industry today, with numerous advantages ranging from basic to advanced functionalities, a diverse ecosystem, and flexible customization capabilities. However, handling such a complex website system requires a highly specialized and experienced IT team.

PRICING OF USING THE MAGENTO ECOMMERCE PLATFORM

3.1. License Usage Costs

Currently, Magento provides three different versions with varying usage costs:

- Magento Open Source: Free of charge.
- Magento Commerce: Fee-based, determined by annual revenue.
- Magento Commerce Cloud: Fee-based, calculated on annual revenue.

Annual revenue	Magento Commerce	Magento Commerce Cloud
< \$1,000,000	\$22,000	\$40,000
\$1,000,000-\$5,000,000	\$32,000	\$55,000
\$5,000,000-\$10,000,000	\$49,000	\$80,000
\$10,000,000-\$25,000,000	\$75,000	\$120,000
> \$25,000,000	\$125,000	\$190,000

Magento Pricing Policy (Adobe Commerce) (last updated in July 2022)

3.2. Domain Costs

Domain costs are a type of business expense that needs to be paid annually or every few years to save costs. Typically, domain prices range from \$10 to \$400 per year, depending on the provider and accompanying services.

For Magento versions, businesses can register a domain in two ways:

• New registration: Depending on the type of domain, various providers are available, with an average cost ranging from \$10 to \$20 per year. Generally, high-level domains like .com, .net, .edu tend to have higher prices compared to country-code top-level domains like .vn, .cn, .us.

• Registering an Old Domain: An old domain is one that was previously registered but not renewed after the contract ended. The price of a previously registered domain usually ranges from \$20 to \$400 per year, depending on its popularity.

3.3. Hosting Costs

Similar to domains, hosting is an annual expense that businesses need to cover to maintain their websites.

For Magento Open Source, hosting services can range from \$100 to \$500 per year to ensure the smooth operation of the eCommerce website, handling high traffic, and hosting in a cloud or grid computing environment.

For Magento Commerce, hosting costs will be significantly higher, around \$500 to \$6,500 per year. In the case of Magento Commerce Cloud, hosting costs are included in the license usage fees.

3.4. SSL Certificate Costs

SSL (Secure Socket Layer) certificates are a crucial element in enhancing the security of websites, especially for eCommerce pages. In many cases, SSL certificate costs are bundled with the hosting fee. If separated, different pricing levels depend on the provider or Certificate Authority and the business's requirements. On average, this cost ranges from \$50 to \$300 per year.

3.5. Interface Design Costs

Currently, Magento developers support three ways of designing website interfaces, each with different cost levels:

- Using pre-built themes: Depending on the chosen theme, it can be free or cost \$30 to \$200 per interface.
- Customizing themes based on requirements: Similar to using ready-made themes, businesses pay an additional fee for modifications, ranging from \$60 to \$200 per interface.
- Designing unique themes: The cost of designing a custom eCommerce website interface is relatively high, ranging from \$1,000 to \$3,000, depending on the complexity of the website.

3.6. Website Development Costs

Typically, the cost of building an eCommerce website on opensource platforms is calculated based on the hours worked by the IT team. To meet the high complexity of the eCommerce website system in the alcohol industry, Magento developers generally require an average of about 500 hours to complete a comprehensive website. The minimum development cost starts from \$12,500 per project.

3.7. Extension Costs

To efficiently operate an eCommerce website in the alcohol industry, businesses need to invest in integrating third-party extensions to develop advanced and specific functions. The cost usually ranges from \$60 to \$600 per extension.



PART 3: SUMMARY

In general, Magento Open Source will have a more reasonable investment compared to Magento Commerce and Magento Commerce Cloud. coverina hosting, domain. and development costs. However, due to the shared technological infrastructure, interface, and extension costs are considered equivalent in both versions.

Choosing the appropriate Magento version will depend on each business's long-term eCommerce strategy. However, implementation of these versions is equally crucial. Administrators and leaders need to collaborate with professional Magento developers for advice and to provide the most suitable eCommerce solution.



Pricing	Magento Open Source	Magento Commerce	Magento Commerce Cloud
1. License Usage	Free	\$22,000 to \$125,000/year	\$40,000 to \$190,000/year
2. Domain	\$10–\$400/year	\$500-\$6,500/year	Free
3. Hosting	\$100-\$300/year	\$100-\$300/year	\$100-\$300/year
4. SSL Certificate	\$50-\$300/year	\$50-\$300/year	\$50-\$300/year
5. Interface Design	0-\$200/interface	0-\$200/interface	0-\$200/interface
6. Development	\$10,000+/year	\$10,000+/year	\$10,000+/year
7. Extension	\$60–600/add-ons	\$60–600/add-ons	\$60–600/add-ons
Overall	\$12,000 to \$60,000/project	\$40,000 to \$180,000/project	\$60,000 to 250,000/project

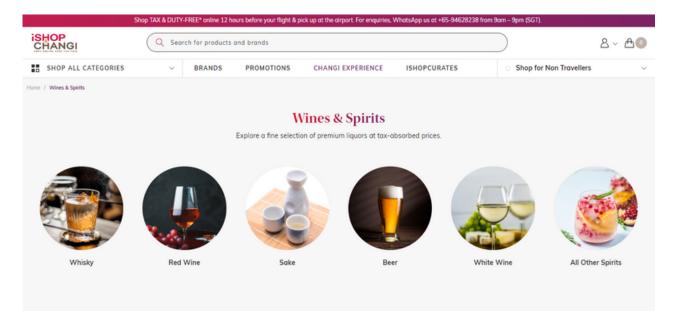
Price Comparison Table between Magento Versions (last updated in July 2022)

Magento is an ideal platform for every alcohol industry business looking to deploy eCommerce. However, cost remains a significant obstacle, preventing most small and medium-sized alcohol businesses from choosing the Magento platform. According to estimates, a website system developed on Magento typically has a minimum deployment cost starting from \$12,000.

4 CASE STUDY

4.1. iShopChangi Wine - Singapore

About the business: iShopChangi Wines is an eCommerce website specializing in offering a variety of world-renowned wines, especially catering to travellers at Changi Airport. It provides exclusive deals for Changi Airport Group (CAG) members, particularly Changi Rewards members, with various attractive and diverse promotional programs.



Objective: The eCommerce channel specializes in providing a wide range of popular wines and spirits globally, offering exclusive benefits for travellers at Changi Airport:

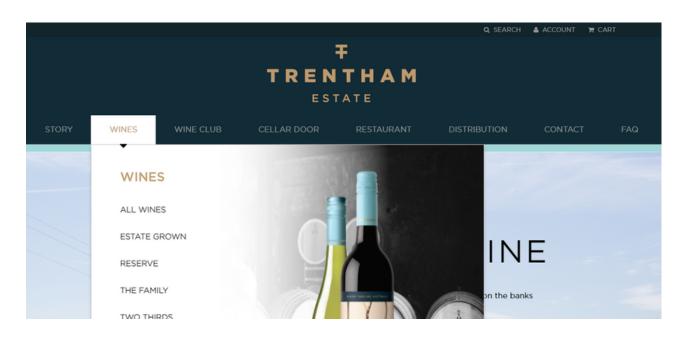
- Modern website design, maintaining the unique characteristics of the wine industry in both aesthetic design and brand development for both CAG and DFS.
- Complex pricing calculation and display system.
- Sales targeting different customer groups.
- High scalability to handle traffic.

Solutions:

- Designing a UI/UX standard interface tailored for the wine industry.
- Classifying customer groups to facilitate order processing and completion quickly.
- Building a pricing module system and displaying special prices, incorporating various rules on taxes, promotional programs, special products, etc., for each customer group.
- Developing specialized delivery options to support all customer groups at Changi Airport: delivery at the departure gate, delivery at the arrival gate, and delivery within Singapore.
- Upgrading the system architecture to increase system load capacity by nearly 200 times, handling around 10,000 users checking out at the same time.

Result: Ishopchangi Wines is continuously expanding its online retail operations with new product categories, along with attractive promotional programs for customers purchasing directly at the shopping area within Changi Airport and online customers throughout Singapore. Following the success of the iShopChangi Wines project, Changi Airport Group continues to implement subsequent projects with Magento, such as LCD, DFS, LuxSales, etc.

4.2. Trentham Estate - Australia



About the business: Trentham Estate Winery is a long-established brand specializing in the production and trade of wine, established in 1988 in Australia. Throughout its operation, the business has been honoured with hundreds of medals, titles, and significant awards in the wine industry. The brand is also highly regarded for its flexible, innovative winemaking style, producing a variety of wines with distinctive and delightful flavours.

Objective: Since its inception, Trentham Estate Winery has built and maintained a WordPress-based website to develop brandbuilding activities for the business. By 2017, the business decided to transition to the open-source Magento platform to build a specialized website that could provide all wine products with faster operational and management processes.

Solutions:

- Developing the website on the Magento Open Source platform.
- Designing a wine industry-specific interface.
- Integrating Stripe for handling recurring payments.
- Building a shipping solution with frequency delivery options.
- Establishing the "Wine Club" program with various benefits for loyal customers.

Result: Trentham Estate not only developed rapidly in Australia but also quickly expanded its business scale to international markets. Additionally, Trentham also ventured into new business activities with restaurant booking services and wine tasting events through the website.

4.3. The Warehouse - Vietnam

About the business: The Warehouse is one of the prominent names in the wine distribution market in Vietnam, and it is also one of the retail brands under An Nam Group (Annam Gourmet Market, The Warehouse, Yves Rocher, Flormar).

Since 2001, the brand has been making continuous efforts to collaborate with over 80 famous wineries worldwide. This has enabled The Warehouse to consistently bring quality products to the Vietnamese market, featuring characteristics from various locations around the world.



Objective: To cover every aspect of the wine business from B2B to B2C, The Warehouse implemented a significant transformation strategy to the Magento 2.3 platform to support its current business operations. This move positions The Warehouse not only as a simple wine distributor for restaurants, hotels & resorts, bars & lounges but also expands its retail business channel to individual customers.

Solutions:

- Developing the website with Magento 2.
- Designing a UI/UX interface with wine industry-specific features.
- Product system with complex categories and attributes.
- Integrating and synchronizing data across POS, ERP, and Magento.
- Integrating the Onepay payment gateway.
- Building a fee calculation system to support the delivery process.
- Developing multi-store features.

Result: Currently, the business is expanding with the Magento platform, operating 8 stores as independent warehouses to meet the diverse needs of customers across various provinces and cities in Vietnam.

SECOMM - COMPREHENSIVE ECOMMERCE SOLUTION FOR ENTERPRISES

SECOMM is a full-service eCommerce solution provider, developing bespoke suits that work in any complex system. Working with creativity, self-motivation, and responsibility, we accompany businesses in digitalizing your market for long-term growth.











DEEP-DIVE ANALYSIS



We conduct in-depth analysis to deepen every small stuff of your business, from business challenges, industry-particularly to domestic market issues, to thoroughly approach your business needs.

UNMATCHED EXPERTISE



For nearly ten years as technical experts, we have worked with plenty of complicated projects in both home and foreign markets, which were great opportunities to strengthen our valuable capabilities.

BESPOKE SUIT



A comprehensive business approach is the best way to develop fully-tailored solutions standing out from the rest that work in any complex system.

QUALITY-FIRST

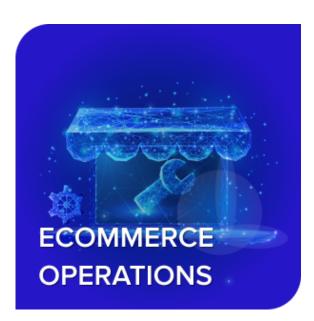


Long-term growth is our criterion. We deeply understand quality helps businesses stay sustainably in the market. We think our tailor-made solutions with quality-first are ultimate for your business.

ECOMMERCE SERVICES



We offer consulting services on technology and dedicated resource development solutions to build a bespoke eCommerce strategy for every business.



As your dedicated partner, we strive to provide ongoing maintenance and updates for your systems.



We leverage our diverse experience across various cutting-edge technology platforms to create robust and stable eCommerce systems.



Provide Marketing solutions to help businesses increase visibility, attract customers, and boost conversion rates.

OTHER SERVICES



Build and provide a dedicated team to support businesses in successfully deploying and developing projects.



Implementing websites with content management support to position the brand in the online market.



Implement business systems from Offline to Online to help businesses quickly catch up with the continuous development of the market.



Suggesting, integrating, and deploying tracking and analytics solutions to comprehensively monitor the business system.

CLIENT







































own.kind





































































FEATURED PROJECTS































START YOUR ECOMMERCE NOW!



Scan QR code