



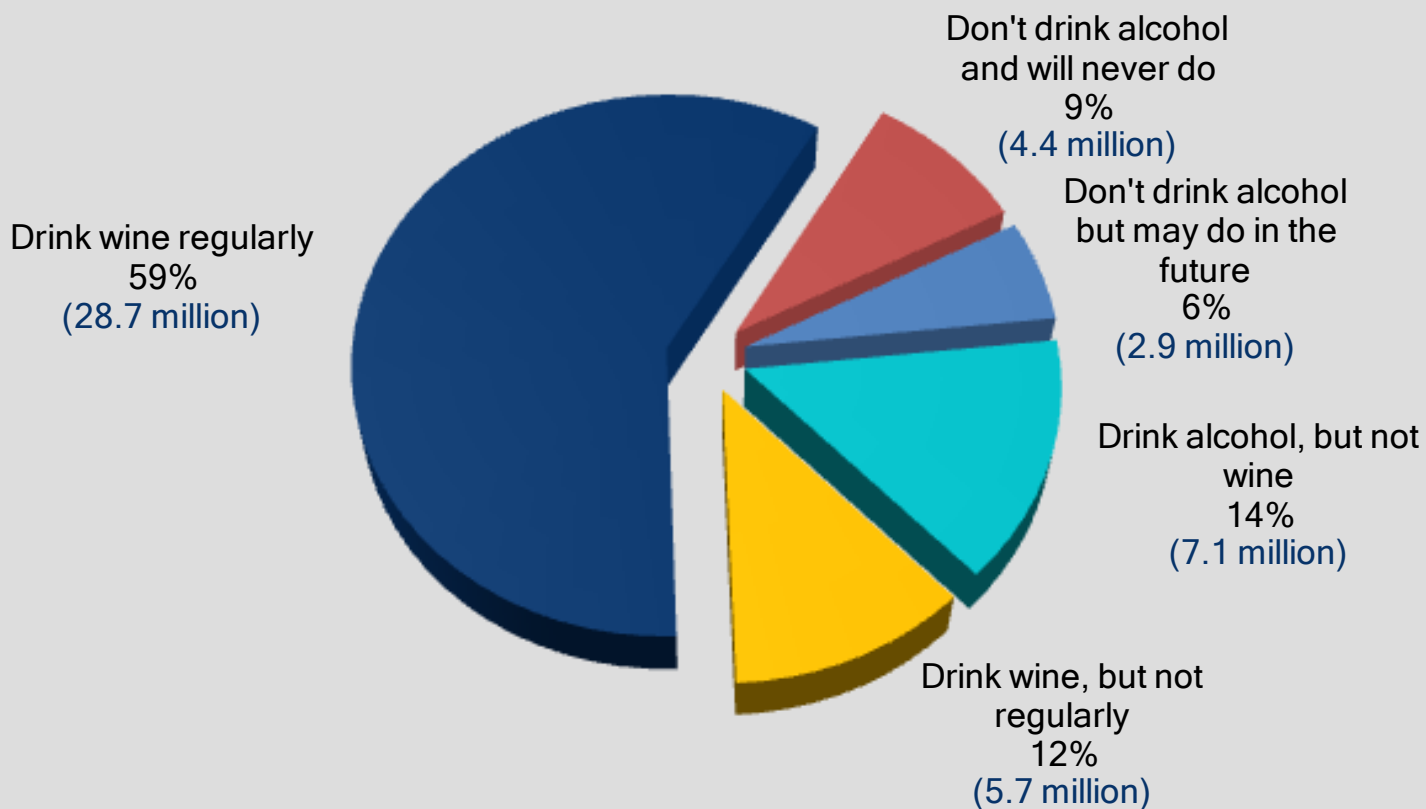
Moving Beyond discount: Positive retail strategies for today's economic climate

London International Wine Fair, May 2009



How many consumers do we have in the UK?

Universe of UK adult population



Sources: Wine Intelligence, UK April'09, n=1,932 UK adult population (18+)
ONS (48,8 million adults in the UK)



What are the key messages from consumers when it comes to buying wine?

So, how is the supermarket and wine shop experience for wine shoppers?

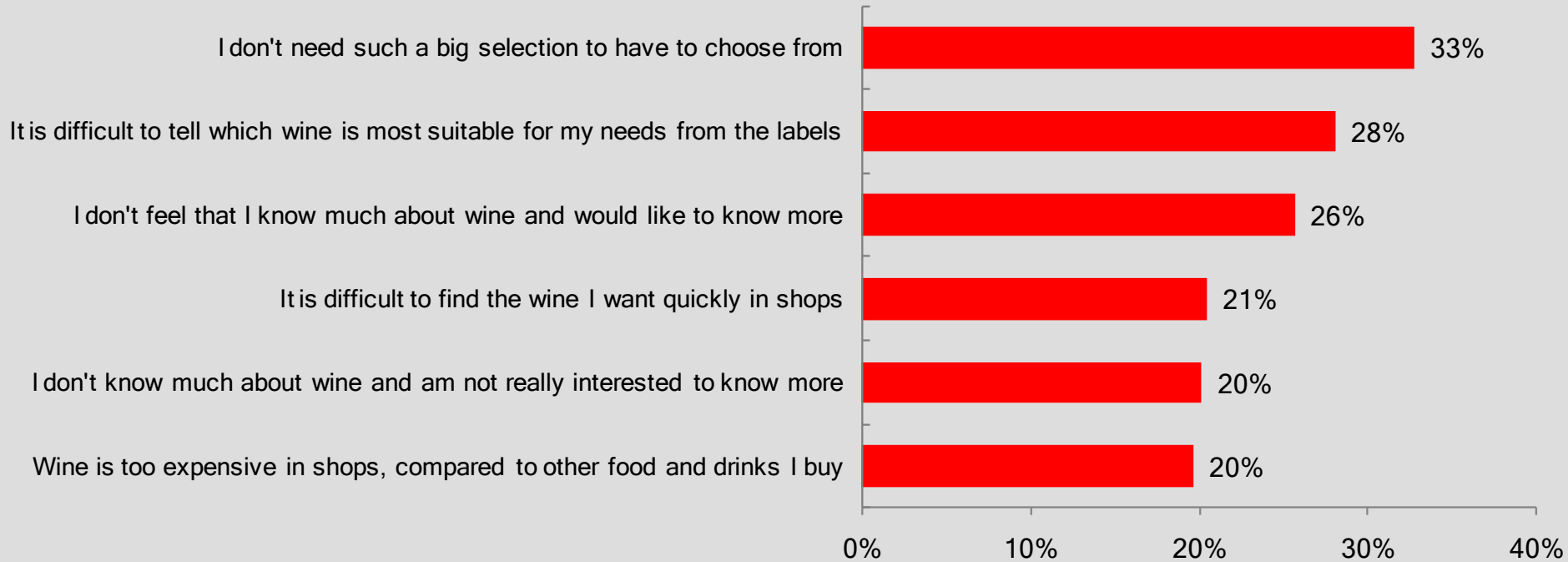
It turns out that shopping for wine is at best somewhat overwhelming and confusing and often quite stressful.

Confusion in the selection process

Thinking about when you are buying wine, what do you find least attractive about this activity?

% who agree or agree strongly with the following statements

Base= all UK wine drinkers (n=1,362)



Source: Wine Intelligence Vinitrac® UK Apr'09, n=1,932 all UK adult population

Tick, tock, tick, tock.....

“I love a **great promotion** and I’ll buy it just because it’s there.....but really, I’d be very happy with 3 for £12 ...I don’t need this 3 for £10 **I end up spending less**, and probably with wine that actually I won’t enjoy as much”

(Female, Mainstream-at-Homer, April 2009)



Let there be light.....

“The little descriptions on the shelf are of course great, it’s just that **I can’t read them** without my glasses on and I’m not going to **mess around** with that, so I end up just buying what’s in the fridge area because I’m already there”

(Female Adventurous Connoisseurs, April 2009)

But, how does it taste???

Thinking about wine as a drink, what needs to be done for you to consider drinking more wine?

Base= all UK wine drinkers (n=1,362)



Statistically significantly higher than the other group

Source: Wine Intelligence, UK April'09, n=1,932 UK adult population (18+)

Consumers seek wines organised by price

Frequent wine drinkers

Top 4 requests by weight of demand:
Wines organised by:

#1: Price

#2: Wine region

#3: Wine style

#4: Varietal

Occasional wine drinkers

Top 4 requests by weight of demand:
Wines organised by:

#1: Price

#2: Wine style

#3: Wine region

#4: Consuming occasion

Source: Wine Intelligence, April 2009, n=1932 adults 18+

But, where is the price?

“I reckon 30% of the wines in here **don't have prices** on them and I'd be **too embarrassed** to get to the till only to realise that it cost say over £10 and was way outside of my price range”

(Female, Mainstream-at-Homer, April 2009)



It's all about how I feel.....

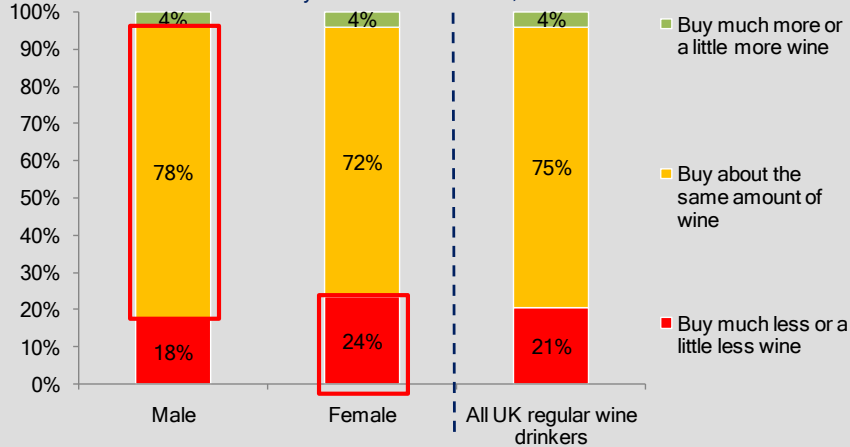
“ The guys behind the till at my local M&S Food are so great, *genuinely friendly and helpful* and always up for a quick chat. At first I thought they might all be a bit mad.....but now I keep popping in there instead of my regular supermarket...it just *puts a smile on my face* on my way home from the office”

(Female, Mainstream-at-Homer, April 2009)

Women and more marginal drinkers most likely to move away from the wine category

Predicted change in off-trade wine purchase quantity
By gender

Base = All those who buy wine in the off-trade, n=1040

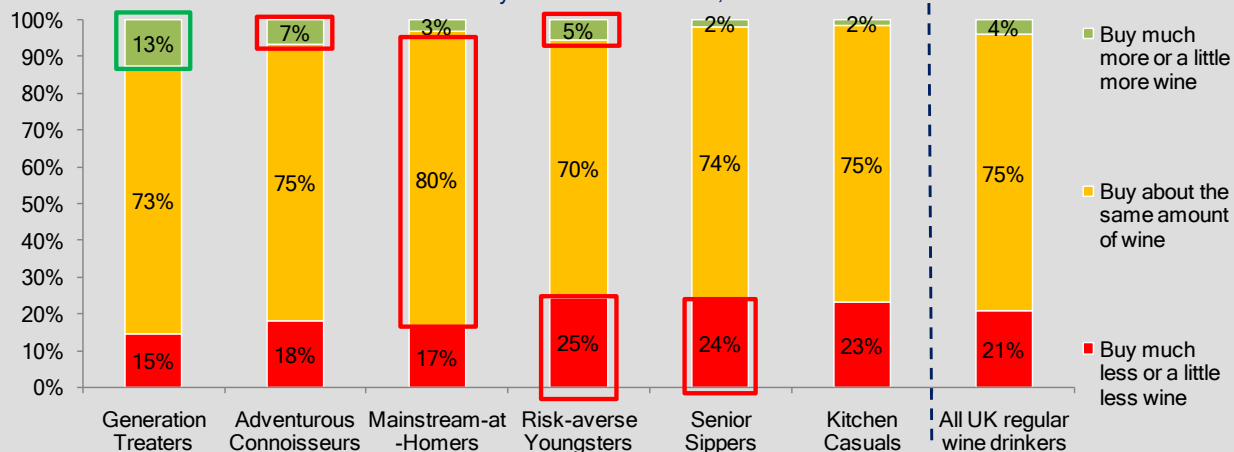


Red box: Significantly different from the other gender at a 95% confidence level

Source: Wine Intelligence Vinitrac® UK, March'09, n=1,041 UK regular wine drinkers

Predicted change in off-trade wine purchase quantity
By Portraits

Base = All those who buy wine in the off-trade, n=1040



Green box: Significantly different from two or more other Portraits groups at a 95% confidence level

Red box: Significantly different from one other Portraits group at a 95% confidence level

And what happens when you change the retail dynamics...

Solo shopping (Waitrose)

Occasion: stocking up for wine to have when friend's pop in

Pouilly Fumé	£ 8.49
Rose Prosecco	<u>£ 5.32</u>
	£13.81



I guess I just fall back on this because I find it too hard to look for anything else

I'm not actually very happy with this choice..it looks a bit chavvy. I just got a bit bored trying to find something and cut to the chase

(Female Adventurous Connoisseurs, April 2009)

Spend and experimentation rises...as does anticipation

Guided shopping (Waitrose)

Occasion: stocking up for wine to have when friend's pop in

D'Arenberg £ 8.99

Villa Maria Waitrose Sauvignon Blanc
£ 8.49
 £17.48

Wow, now I know about Viognier, it sounds just right for me and this is now a wine that I really want to try...I'm going to make sure I remember the word Viognier... perhaps I'll have to open this tonight now, it's really intrigued me!



Now you've told me that the buyers here are all really experts and that they'll own select the best wines available, I'd be really happy to go with their choices, what an easy way to be guided for everyday as well as more special occasion wine

And what happens when you change the retail dynamics...

Solo shopping (Tesco)

Occasion: going to girl's night at
friend's house tonight

Ogio Pinot Grigio 2008 £ 4.49

I didn't get any further that
the end of the aisle...it's a
Pinot Grigio, it's on offer
and it will do for tonight



(Female Mainstream-at-Homer, April 2009)

An interest is sparked and the message passed on

Guided shopping (Tesco)

Occasion: going to girl's night at friend's house tonight

Codorniu Rose £ 5.99

I never realised what Cava really was...I guess I just thought of it as cheap Champagne. But now I get it's made like Champagne, but just in the specific area in Spain, it makes me see it in a whole new light and I'll certainly look out for it now...in fact, I'm going to tell 'the girls' tonight because I reckon they didn't know that either



(Female Mainstream-at-Homer, April 2009)



And what can we learn from other positive retail experiences?

Esprit: 'because I know I can **rely** on the clothes and **trust** them, they're classic, **quality** and not too seasonal. I'm **loyal** and have a loyalty card with them...it just makes shopping easier for me'

Fenn Wright and Manson: 'because their clothes make **me feel good** ...I've been stopped in the street and told my skirt is great...how cool is that! You can see and feel the quality and the staff don't hassle you, they just let you try loads on and are **honest** if something really doesn't look good...I like their honesty'

Fat Face: 'because the staff are always **friendly and helpful**. They even phoned around to other stores to get the skirt I wanted and all their clothes come in extra length which is great for me'



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