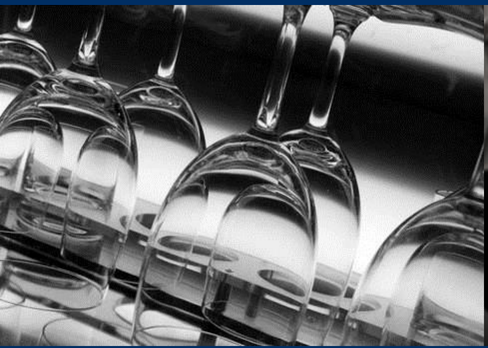
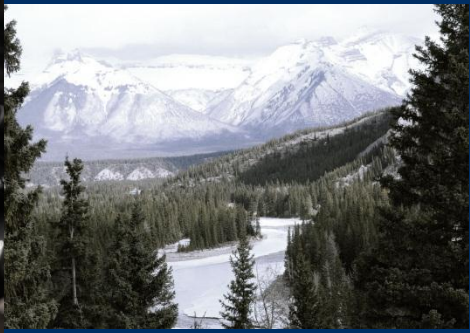
Report Brochure

CANADA LANDSCAPES:

WINE CONSUMPTION BEHAVIOUR IN QUEBEC AND ENGLISH-SPEAKING CANADA

November 2012



REPORT PRICE: GBP 2,500 or 5 Report Credits

Contents page

Full Portraits data Excel provided separately

INTRODUCTION

For such a vast country, Canada can be strangely misunderstood, or at least overlooked, by the global wine business. Being so close to the more densely populated USA means it's never likely to hog the North American limelight, but any country with 14.8 million regular wine drinkers is worth getting to know in some detail, regardless of its neighbours.

Canadians are proud of their heritage and their traditions, and indeed the fact that their culture differs in many ways from the USA. But they are also the first to admit that, in a nation of 9 million square kilometres, regional differences exist within the country's borders. Life on Vancouver Island isn't the same as life in the wilds of Saskatchewan or the Northwest Territories, or in the Francophone bustle of Quebec City. It should come as no surprise that attitudes to wine vary, too.

The picture is further complicated by the fact that the importation of wine is controlled, autonomously, by all 10 of Canada's provincial governments, and only one – Alberta – has fully privatised retail sales. Canadians have access to some very high quality wines, from a wide range of countries, but it's not quite the free market that exists in most Western countries.

INTRODUCTION

As in other international markets, Wine Intelligence's exhaustive qualitative and quantitative research has revealed some distinct consumer groups among regular wine drinkers. These "Portrait" groups are fascinating in their own right, but the research takes on an added dimension when it takes account of the many differences that exist between English-speaking Canada, and French-speaking Quebec.

Where to begin in discussing these differences? For a start, nearly six out of 10 Quebecois wine drinkers are men; in the rest of Canada it's an equal split between males and females. French-speaking Canada is also significantly more disposed towards red wine, and rather more ambivalent about Pinot Grigio and various white aromatic varietals. The Quebecois over-index on Pinot Noir and Sangiovese, by comparison to their English-speaking counterparts.

Most strikingly of all, wine drinkers in Quebec aren't overly impressed with Canadian wines, which are the most commonly drunk in the rest of the country (almost three-quarters of English-speaking wine drinkers in Canada drink domestic wine, way ahead of the proportion drinking wines from any other country). In Quebec, it's no big surprise that French wines should lead the field, but it is intriguing that locals are more likely to buy from Australia, Chile or California than choose a wine from British Columbia or Ontario.

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Yet the Quebecois generally display a more adventurous approach to wine buying, with fewer restricting themselves to tried and tested favourites, or basing their choices solely on price, than in the rest of the country.

Across Canada as a whole, the Portrait group with the biggest overall influence is the Premium Brand Suburbans, accounting for around a quarter of the wine-drinking population but over a third of the spend. Wine Intelligence describes this group as "engaged, frequent and high-spending wine drinkers", which is surely reason enough to get to know them better. These consumers are particularly populous in the English-speaking provinces.

In Quebec, where the six Portrait groups are more evenly distributed than in other areas, there are more Experienced Boomers and Senior Sippers, as a proportion of the market. These older age groups are important to take into account, even though their spend is low compared to other groups.

INTRODUCTION

But in both Quebec and English-speaking Canada the Adventurous Treaters are probably the most exciting group to target, accounting for almost one in 10 regular wine drinkers but two out of every 10 dollars spent on wine across the country. These consumers are young and high spending, with a passion for wine – it's part of their lifestyle and they're always on the hunt for new discoveries.

They're helping to fuel steady but sustained growth in the Canadian wine market, where still light wine market volumes have increase by 3% last year (IWSR 2012). Another positive is that Canadians seem happy to pay a fair price for a good wine: in 2012, Rabobank noted that US wine exporters earned US$8 per litre for their wares in the Canadian market, compared to a world export average of US$5.

Canada may not offer the volumes of the USA or the explosive growth of China, but as a high-growth established market, home to millions of knowledgeable, high spending consumers with a thirst for new ideas, it's a country which only an unambitious, or ill informed, wine exporter would overlook.

Graham Holter
Associate Director - Publishing
Wine Intelligence
November 2012

IWSR METHODOLOGY

- IWSR have developed a unique and proprietary methodology which draws on the expertise of 1,000 local wine and spirit professionals in over 100 countries
- IWSR researchers ensure reliability and accuracy by making annual visits to each and every market for which they publish data
- IWSR use the information generated by their panel of 1000 experts to:
  - Supplement and segment official statistics
  - Cross-check producers' shipment claims
  - Assess the impact of smuggling, parallel and leakage from duty free
  - Reconcile conflicts between official, published data and market reality
  - Produce reports where no statistics exist
  - Get input from local, independent operators
  - Understand the critical factors and underlying trends in each market
- All volume data is given in thousands of 9 litre cases

Definitions	
WINE =	
Still light wine +	Sub-categories
Sparkling (Champagne & other) +	
Fortified +	
Light apperitifs (vermouth…) +	
Other (rice wines…)	

Primary research methodology:
VINITRAC®

- The majority of the quantitative data for this study was collected in May 2012 in Canada
- Data was gathered via Wine Intelligence's Vinitrac® online survey of 1,190 Canadian regular wine drinkers
- Respondents were required to drink red, white or rosé wine at least once a month
- Invalid respondents (those who sped through the survey or gave inconsistent answers to selected questions) were removed before analysis
- The survey is representative of Canadian regular wine drinkers in terms of age, gender and province

- The consumer segmentation data ("Portraits" section) is based on Vinitrac® data collected in two surveys between March and October 2010 with a total of 4,050 Canadian regular wine drinkers
    - Portraits is also supported by qualitative data: 3 x 1.5hr focus groups were conducted in April 2010 with the four Portrait groups with the highest level of involvement with wine (Adventurous Treaters; Risk-averse Youngsters; Experienced Boomers and Premium Brand Suburbans) in Ontario and British Columbia

VINITRAC® METHODOLOGY

SAMPLE SIZES

At least 500 respondents per survey; 1,000 in most countries, 2,000 in US

Regular adult wine drinkers (where 'regular' = drinks wine at least once per month)

Each Vinitrac® survey starts with questions to screen respondents:

- Adult drinking age within each country
- Permanent resident of the country being surveyed
- Drinks wine at least once per month
- Drinks at least red, white or rosé wine
- Buys wine in the off-premise and/or in the on-premise channels

… and rejects all respondents who do not fulfil these Vinitrac® criteria

Each sample is representative of the 'regular' wine drinking population in that market and is therefore valid; a sample size of at least 500 consumers ensures results are reliable. It is like a 'smaller' version of the wine drinking population at large

We comply with both MRS and ESOMAR codes and guidelines for market research practice

VINITRAC® - FREQUENTLY ASKED QUESTIONS

WHY IS VINITRAC® NOT A PANEL?

- Panels are good for monitoring detailed purchase activity but require regular input from exactly the same complete group of respondents
- This requires more time from respondents, for which they are paid, and panels are therefore more heavily skewed towards home-based consumers, e.g. students and home-makers
- This group of a country's wine-drinking population does not fully represent the accurate weighted sample of adult regular wine drinkers on which Vinitrac® insights are based

HOW DOES VINITRAC® WORK?

- Invitations to participate in Vinitrac® are distributed to adult consumers in each market
- Consumers interested in a wine survey are directed to an URL address, which welcomes them to the online survey
- Wine Intelligence monitors incoming completed responses to build a sample representative of the wine drinking population of the target market
- When a representative sample of at least 1,000 (US: 2,000) is logged, the survey is closed

REPORT PRICE: GBP 2,500 or 5 Report Credits for a single-user licence

Format: 115 page PowerPoint (PDF)
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