



THE GERMAN WINE MARKET LANDSCAPE REPORT

 JULY 2013



REPORT PRICE: • GBP 2,500 or 5 Report Credits

CONTENTS



- Introduction
- Management summary
- The global wine market
 - Wine Intelligence global classification
 - Wine volume size and growth
 - Per capita consumption
- The German wine market
 - Still light wine by country of origin
 - Sparkling wine volume by country of origin
 - Fortified wine volume by country of origin
- German wine consumers
 - Overview of the German wine market
 - Demographics: Gender, age, region and income
 - Wine consumption frequency
- Beverage Repertoire
 - Alcoholic beverage repertoire
 - Wine repertoire by colour
 - Varietal preferences
 - Country of origin usage
 - Region of origin awareness, conversion and penetration
- Wine buying behaviour
 - Channel usage when buying wine
 - Retailer usage
 - Choices cues
- Wine consumption in the off-trade and on-trade
 - Off-trade consumption frequency by occasion
 - Spend by occasion in the off-trade
 - Wine consumption in the on-trade
 - On-trade consumption frequency by occasion
 - Spend by occasion in the on-trade
- Wine involvement and attitudes
 - Wine attitude
 - Wine involvement
 - Attitudes towards closure types
- Brand health
 - Brand awareness
 - Brand conversion
 - Brand penetration
- Sparkling wine market
 - Sparkling wine consumption
 - Sparkling wine consumption frequency
 - Prompted sparkling brand awareness
 - Sparkling brand purchase conversion
 - Sparkling brand purchase penetration
 - Sparkling brand consumption conversion
 - Sparkling brand consumption penetration
 - Favourite sparkling brand
 - Sparkling wine consumption by channel
 - Sparkling wine imagery
- Profiling by age group
 - 18-34
 - 35-44
 - 45-54
 - 55 and over
- Methodology

Excerpts from the introduction



“Over the last two decades, Germany’s wine market has shared many characteristics with German “hard discount” chains such as Aldi or Lidl.”

“And yet a close reading of the trends in this report suggests that the old paradigm of Germany as a great market for lowest cost wine producers may have to be shifted. A number of factors are at work: an economy still purring along like one of its most famous car exports, a population increasingly seeking out interesting food and drink experiences, and a retail sector that is starting to see more diversity return after the hard discount tide starts to ebb.”

“With 45 million wine drinkers, just under two-thirds of whom drink wine at least once a month, Germany is a key top 5 global market.”

“It is important to recognise that the German wine consumer base is older – perhaps wiser – than its counterparts in other countries...They have grown up with wine, and generally speaking have grown used to and comfortable with their repertoire.”

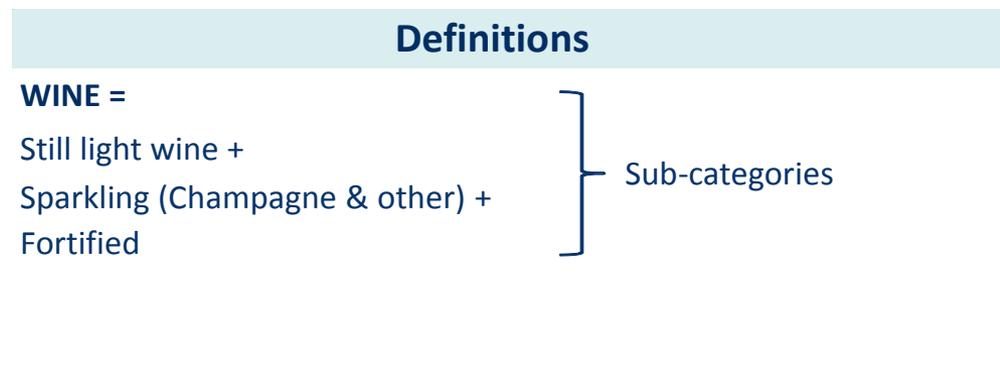
“Unlike consumers in the USA or other emerging markets, the older drinker in Germany tends to be more involved in wine – it forms a more central part of their lives. ”

“This analysis would suggest that Germany is a market where fundamental value – which is to say, quality at a given (generally quite low) price point – can win the day.”

Jana Kühne
Research Manager



- Measures from the IWSR correspond to actual wine consumption figures. This means sales into the trade (on + off-trade)
- The IWSR visits each market each year. Discussions are held with key local experts in the market including importers, producers, grey market operators, duty free operators, and supermarket/hypermarket buyers.
- All volume data is given in thousand 9 Litre Cases
- In the breakdown by country of origin, IWSR includes (depending on the market and the size of the category) the following two categories: 'Other' and 'International'
They are defined as followed:
 - 'Other': category including wine blends (normally in bulk or bottled without specified country of origin) and wines from other countries with volumes too small to break out separately
 - 'International': Category including wine brands that have wines from various countries
- The IWSR includes the following types of wine in its definition of 'wine':



- The data for this study was collected in March 2010 and March 2013
- Data was gathered via Wine Intelligence's Vinitrac[®] online survey:
 - 1,003 German regular wine drinkers
 - 1,024 German regular wine drinkers
- Respondents were screened to ensure that they drink wine at least once per month; drink red, white or rosé wine; and buy wine in the off-trade and/or in the on-trade
- Invalid respondents (those who sped through the survey or gave inconsistent answers to selected questions) were removed before analysis
- The 2010 and 2013 data is representative of German regular wine drinkers in terms of age and gender

- The data for the sparkling section was collected in March 2013
- Data was gathered via Wine Intelligence's Vinitrac[®] online survey of 866 German wine drinkers
- Respondents were screened to ensure that they drink red, white or rosé or one type of sparkling wine (German Sect, Prosecco, Pearl wine/Secco, Champagne, Asti or Cava)
- Invalid respondents (those who sped through the survey or gave inconsistent answers to selected questions) were removed before analysis
- The 2013 data is representative of German wine drinkers in terms of age, gender and regions
- During analysis a subset of sparkling wine drinkers was considered. Sparkling wine drinkers are defined as those who drink at least one of the above mentioned sparkling wines

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-trade and/or in the on-trade 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's like a 'smaller' version of the wine drinking population at large

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

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