



# THE US WINE MARKET LANDSCAPE REPORT

DECEMBER 2017



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USD 3,250  
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EUR 3,000

## The **US Landscapes 2017** report includes:

- A 105-page PowerPoint report with the latest information regarding the US wine market, supported by:
  - Wine Intelligence Vinitrac®
  - Wine Intelligence market experience
  - Secondary sources
- User-friendly data table with all the measures from Vinitrac showing significances, cross tabbed with:
  - All US regular wine drinkers in 2017
  - Gender groups
  - Age groups
  - US Divisions
  - Tracking data vs. 2016 and 2014

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# Management summary

## Key trends in consumer behavior in the US market



### **1. PREMIUMIZATION: CONSUMERS DRINKING WINE LESS OFTEN, WILLING TO SPEND MORE FOR BETTER QUALITY**

- US consumers are drinking wine less frequently and are willing to spend more on a bottle of wine in order to get better quality. Large wine businesses are driving this trend forward by crafting or acquiring new premium brands

### **2. EMERGING WINE CATEGORIES: ROSÉ, SPARKLING AND RED BLENDS**

- Sales of rosé, sparkling and red blends are thriving in the US market with a higher number of US regular wine drinkers stating they drink these types of wine

### **3. CALIFORNIAN WINES STILL RULE BUT THERE IS A GROWING INTEREST IN NICHE WINES**

- Wines from California continue to dominate and show growth as a result of new product releases but US consumers are also showing an interest in niche wines particularly in different types of varietals

### **4. PACKAGING FOR WINE ENTERING AN EXPERIMENTAL PHASE**

- Traditional packaging continues to be the most widely accepted, however, wine producers are intensifying their experimentation with different types of packaging which younger generations are more likely to find attractive and will therefore be more ready to buy



### 5. FURTHER CONSOLIDATION OF THE WHOLESALE TIER

- Over the past few years there have been noteworthy mergers in the wholesale distribution tier. The increased consolidation is alarming many suppliers and retailers because it is concentrating power even further in the hands of fewer, larger players

### 6. BRICKS-AND-MORTAR STILL RELEVANT AS ONLINE SALES ARE HAMPERED BY COMPLICATED DISTRIBUTION LAWS

- Despite growth of the e-commerce in many consumer sectors, retailers are finding it difficult to establish a significant online presence because of complicated shipping laws

### 7. REGULATORY CHANGES EASING SOME ASPECTS OF WINE DISTRIBUTION IN THE US

- The slow liberalisation of retail laws in certain States has eased the wine distribution process in the US market, however, some delivery carriers have imposed their own restrictions on wine distribution which has made life more difficult for retailers shipping across State lines

### 8. FUTURE PREDICTIONS ON THE GROWTH OF THE US WINE MARKET

- The wine category is predicted to continue growing in value, with other beverage categories (particularly beer) showing signs of faltering
- While consumer confidence is up in the US, the premiumization trend will continue to grow but at a much slower rate

### Vinitrac®:

- The data for this survey was collected in US in March 2014, July 2016, July 2017 and October 2017
- Data was gathered via Wine Intelligence's Vinitrac® online survey:
  - 2,027 US regular wine drinkers (March 2014)
  - 2,003 US regular wine drinkers (July 2016)
  - 4,000 US regular wine drinkers (July 2017)
  - 2,003 US regular wine drinkers (October 2017)
- Respondents were screened to ensure that they drink wine at least once a month; drink red, white or rosé wine; and buy wine in the off-premise or in the on-premise
- Invalid respondents (those who sped through the survey or gave inconsistent answers to selected questions) were removed before analysis
- The data is representative of US regular wine drinkers in terms of age, gender and US division

### Trade interview methodology:

- Trade Interviews were conducted with seven experienced industry professionals in the US wine trade in August 2017 and November 2017
- Interviews followed a pre-determined discussion guide, and covered overall market trends, opportunities for different wine styles, retail channels and pricing
- The seven interviewees were members of the wine trade working in different roles:
  - 2 x market experts
  - 1 x retailer, East Coast
  - 1 x retailer, West Coast
  - 1 x retailer
  - 1 x on-premise operator, West Coast
  - 1 x national importer

## How does Vinitrac<sup>®</sup> work?

### 1) Defining the right samples:

- Wine Intelligence, with the support of global research companies (e.g. TNS, YouGov), regularly runs calibration studies in each market in order to define demographic specifications of the wine consumers and the size of the market (i.e. penetration of wine consumption)

### 2) Running the online survey:

- Invitations to participate in an online survey programmed by Wine Intelligence are then distributed to residents in each market
- Respondents are directed to a URL address, which provides access to the online survey
- Based on given criteria (e.g. age, beverage, frequency of wine consumption) respondents will either proceed or screen out of the survey
- Wine Intelligence monitors completed responses to build samples representative of the target markets' wine drinking population based on the most recent calibration study

### 3) Cleaning the data:

- When a representative sample is logged, the survey is closed
- Wine Intelligence will then clean out all invalid data points (e.g. those who sped through the survey or gave inconsistent answers to selected questions) and weight the data in order to ensure representability

REPORT PRICE: • USD 3,250 • GBP 2,500 • AUD 4,500 • EUR 3,000 • 5 Report Credits

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