



For Immediate Release: Wednesday 9th February 2011

BEGINS

Tough challenges ahead in Australian wine market

A growing reliance on discounting is threatening to undermine the strong relationship between Australia's wine drinkers and the wine category, according to two reports published by Wine Intelligence today.

Wine consumers are becoming less involved and less experimental in their choice of wines to drink, and are increasingly using price as the determining factor in a bottle purchase, according to the new edition of **Australia Portraits 2011**, a detailed segmentation and profiling report on Australia's wine consumers.

Meanwhile the trend among retailers is to demand more price promotions, and to introduce more own-label and exclusive brands at low prices, according to sister publication **Australia Wine Market Landscape 2011**, the company's latest report on the state of the Australian wine market.

While the market still remains profitable for most established producers, and consumers appear happy to spend more per bottle than in markets such as Germany and the UK, the trends are pointing towards price deflation in the off-premise.

"Australia has been the 'Goldilocks' market for several years now - pushing up the average bottle price in the off-premise whilst engaging wine consumers in understanding why trading up is worthwhile," said Stephanie Duboudin, Australia country manager at Wine Intelligence. "Today the market is at a crossroads - do you focus on engaging consumers with the product itself, or do you focus on the deal?"

Paul Henry, Wine Intelligence associate director, added: "As the retail challenge in Australia begins to look similarly daunting to other maturing markets - price and margin compression, dominant buyer advantage, popular brands as traffic-drivers - brand owners must employ new consumer engagement strategies or risk losing equity and share to own-label and/or buyers'-own-brand."

Report details:

Australia Portraits 2011 and Australia Landscapes 2011 were published last week as part of the Wine Intelligence Portraits and Landscapes report series. Australia Portraits, the segmentation and in-depth analysis of Australia's regular wine drinkers, is available for purchase for AUS\$ 4000 / £2500 (single-user licence). Australia Landscapes is available for AUS\$ 5000 / £3000 (single-user licence). The bundle price for both reports is AUS\$7500 / £4,600.


Further details about the reports can be found at www.wineintelligence.com
Requests for purchase should be directed to natasha@wineintelligence.com

How the data was collected:

Data collected for these reports comes from two sources:

- Vinitrac® Australia, the Wine Intelligence omnibus survey of Australia's regular wine drinkers, October 2010 wave. Sampling was quota based, n = 1,025 regular wine drinkers. Tracking data is also provided using previous Vinitrac® waves from 2009 and 2008.
- Focus groups conducted by Wine Intelligence in December 2010 and January 2011 in 3 cities: Melbourne, Townsville, Sydney

For full details on the methodologies used in these reports or any Wine Intelligence research, please contact natasha@wineintelligence.com

 **Le marché du vin en Australie devra faire face à de nombreux défis, selon deux nouvelles études de Wine Intelligence**

Pour tout complément d'information sur ce sujet veuillez contacter Natasha par email
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 **Tiempos difíciles para el mercado de vino australiano, según el reciente estudio de Wine Intelligence**

Para recibir más información, pónganse en contacto con Natasha: natasha@wineintelligence.com

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About Wine Intelligence Ltd

Wine Intelligence is the leading research-led strategy consultancy serving the global wine industry. It conducts client-specific research projects to enable companies to gain greater insights into wine markets and wine consumers, and helps business leaders develop business strategy and marketing plans. The company also assists businesses in developing new brands, and in formulating and communicating marketing messages within the industry. For more information, please visit www.wineintelligence.com.

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