

SPARKLING WINE IN THE AUSTRALIAN MARKET

October 2018 Report



Sparkling Wine in the Australian Market 2018

Report overview



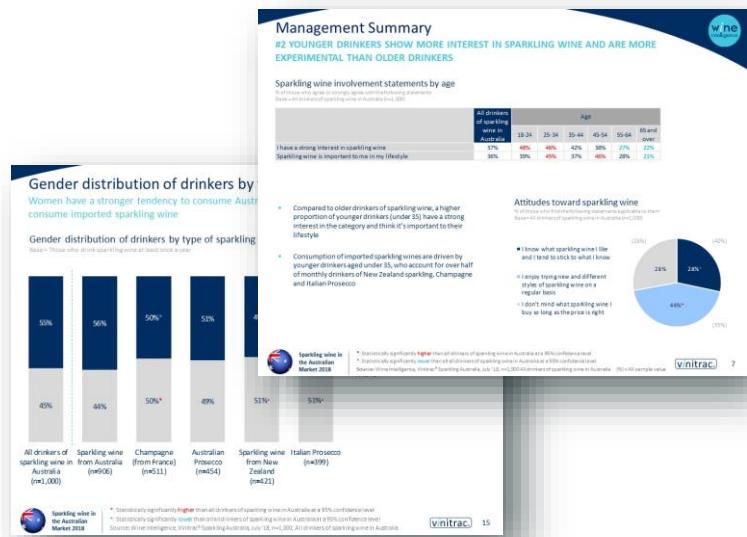
Report price:

GBP 1,500
USD 2,100
AUD 2,700
EUR 1,800

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The Sparkling Wine in the Australian Market 2018 report includes:

- A 78-page PowerPoint report with the latest information regarding the Sparkling wine market in Australia, supported by:
 - Wine Intelligence Vinitrac®
 - Wine Intelligence market experience
 - In-depth trade interviews
 - Secondary sources



Sparkling wine in
the Australian
Market 2018

*All prices exclusive of VAT, GST,
or relevant local sale taxes at the current rate

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Management Summary

KEY TAKEAWAYS



1. FRENCH AND ITALIAN SPARKLING MAINTAINING CATEGORY VOLUMES

- While domestic consumption is slowing, the Australian market has seen steady growth in the volume of imported sparkling wine sold, with French and Italian sparkling wines dominating imported sparkling wine
- France and Champagne are the regions most associated with sparkling wine production by sparkling wine drinkers in Australia, followed by the Prosecco region in Italy

2. YOUNGER DRINKERS SHOW MORE INTEREST IN SPARKLING WINE AND ARE MORE EXPERIMENTAL THAN OLDER DRINKERS

- Compared to all older drinkers of sparkling wine, a higher proportion of drinkers under 35 have a strong interest in the category and think it's important to their lifestyle
- Consumption of imported sparkling wines is driven by younger drinkers aged under 35

3. ALTERNATIVE SPARKLING WINE STYLES ARE MORE APPEALING TO YOUNGER DRINKERS, WITH SPARKLING WINE WITH ADDED FRUIT FLAVOURS HAVING THE STRONGEST APPEAL AMONGST ALTERNATIVES

- Sparkling wine with added fruit flavours is the most appealing alternative product type for sparkling wine (out of the six types tested)
- A higher proportion of sparkling wine drinkers between 25 and 34 would consider buying alternative types of sparkling wine while more consumers over 55 reject alternative product types

4. WHILE AUSTRALIAN PROSECCO IS CONSUMED BY MORE SPARKLING WINE DRINKERS, ITALIAN PROSECCO IS PERCEIVED TO BE OF HIGHER QUALITY AND MORE FASHIONABLE

- Although Italian Prosecco and Australian Prosecco have similar awareness (around 60%) amongst drinkers of sparkling wine in Australia, a higher proportion have drunk Australian Prosecco (34%) than Italian Prosecco (25%)
- A significantly higher proportion of those who drink Italian Prosecco perceive the sparkling wine as 'high or very high quality' (38%) than those who drink Australian Prosecco (26%)
- In terms of imagery, Italian Prosecco is seen as higher quality and a more sophisticated drink, while Australian Prosecco as seen as better value for money and more suitable for informal situations



Research methodology

Qualitative trade research



Trade interview methodology

- Trade Interviews were conducted with 4 experienced industry professionals in Australia's wine trade in September 2018
- Interviews followed a pre-determined discussion guide, and covered overall market trends, opportunities for different wine styles, retail channels and pricing
- The 4 interviewees were members of the wine trade working in different roles within the industry:
 - *x 1 Producer*
 - *x 1 Retailer*
 - *x 1 Wine Communicator*
 - *x 1 Sommelier*



How does Vinitrac® 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



- 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 thousands of 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':

Definitions

WINE =

Still light wine +
Sparkling (Champagne & other) +
Fortified +
Light aperitifs (vermouth...) +
Other (rice wines...)

} Sub-categories



REPORT PRICE: • AUD 2,700 • GBP 1,500 • USD 2,100 • EUR 1,800 • 3 Report Credits

Format: 78-page PowerPoint (PDF)

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