



WINE INTELLIGENCE

# AUSTRALIA LANDSCAPES

AUGUST 2019



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# Introduction to Australia Landscapes 2019 report

The last 12 months in the Australian wine market have seen a continuation of many of the trends that have been emerging over recent years, including the impact of moderation, the continued growth of competing alcoholic beverage categories and the influence of increased rosé and Prosecco consumption.

While overall volume consumption has declined in the Australian wine category, we do see evidence of an increase in overall value, with an increase in average prices paid according to IWSR data and also our own Vinitrac data indicating that the Australian regular wine drinker is spending more across all off- and on-premise occasions.

Like all non-essential discretionary items, wine is constantly battling other categories for a share of consumer's disposable income and it is stating the obvious to say that competition amongst alcoholic beverages has increased markedly in recent years. The past success that the wine category has enjoyed and that made it unique, such as the craft of wine-making and provenance is now being successfully hijacked by other beverage categories to drive their success. We see this reflected in our consumption data where there has been significant increases in the proportion of regular wine drinkers consuming different alcoholic beverages, including craft beer and gin, with this trend being more prevalent amongst drinkers aged under 45.

Rosé and Prosecco continue their overall consumption growth and changing the drinking habits of wine drinkers. Prosecco is now regarded as a suitable alternative to Champagne, which has been negatively impacted by exchange rate changes resulting in retailers shifting promotional offers and shelf-space away from Champagne in favour of Prosecco. There is also a strong sense that the increased popularity of rosé is driving a broader trend towards lighter bodied reds, often lower in alcohol and that originate from cooler climates.

Despite challenges when I meet with many in the Australian wine industry and attend various wine events, I can't help but feel an overall change in sentiment towards the positive, as we come to acknowledge the challenges that we face and see them as opportunities in which the category can grow and evolve towards continued success.



Rodney Sammut  
Country Manager –  
Australia & New Zealand

# Australia Landscapes 2019 report

## Deliverables



Insights to help your business flourish

The Australian Landscapes 2019 report includes:

Our team is always available in case you need guidance on how to use our data tables



		All Japanese Regular Wine Drinkers		Gender	
		Male	Female	Male	Female
Sample size n =		1008	472	536	
<b>Section A - Demographics</b>					
Gender	Male	47%	100%	0%	
	Female	53%	0%	100%	
Age 5 groups	10A-24	8%	10%	7%	
	25-34	14%	16%	12%	
	35-44	13%	14%	11%	
	45-54	16%	17%	20%	
	55 and over	49%	49%	50%	
Age 3 groups	20-34	22%	26%	19%	
	35-54	29%	26%	31%	
	55 and over	49%	49%	50%	
Income	Less than 100*ten thousands JPY	5%	4%	5%	
	100-199*ten thousands JPY	4%	3%	5%	
	200-299*ten thousands JPY	7%	8%	6%	
	300-399*ten thousands JPY	8%	7%	9%	
	400-499*ten thousands JPY	11%	11%	11%	
	500-599*ten thousands JPY	11%	10%	11%	
	600-699*ten thousands JPY	7%	6%	7%	
	700-799*ten thousands JPY	8%	9%	7%	
	800-899*ten thousands JPY	6%	7%	6%	
	900-999*ten thousands JPY	6%	7%	6%	
	1000-1199*ten thousands JPY	7%	8%	7%	
	1200*ten thousands JPY	10%	12%	8%	
	Prefer not to say	11%	8%	14%	

- Report with the latest information regarding the Australian wine market, supported by:
  - Wine Intelligence Vinitrac® Australia
  - Wine Intelligence market experience
  - Secondary sources
  - Trade interviews

- User-friendly data table with all the measures from Vinitrac® Australia showing significances, cross tabbed with:
  - All Australian regular wine drinkers in 2019
  - Gender groups
  - Age groups
  - Income and regions
  - Portraits
- Tracking data 2016-2018-2019

- The data for this report was collected in March 2016, March 2018 and March 2019
- Data was gathered via Wine Intelligence’s Vinitrac® online survey:
  - 1,000 Australian regular wine drinkers in March 2016
  - 4,000 Australian regular wine drinkers in March 2018
  - 2,000 Australian regular wine drinkers in March 2019
- 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 Australian regular wine drinkers in terms of gender and age
- The distribution of the sample is shown in the table

		Australia			
		2016	2018	2019	
		<i>sample size</i>	<i>1,000</i>	<i>4,000</i>	<i>2,000</i>
Gender	Male	50%	50%	50%	
	Female	50%	50%	50%	
	<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	
Age	LDA-24	12%	13%	13%	
	25-34	19%	19%	19%	
	35-44	19%	16%	16%	
	45-54	16%	15%	15%	
	55-64	15%	16%	16%	
	65 and over	18%	20%	20%	
	<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	
State	Australian Capital Territory	2%	1%	1%	
	New South Wales	31%	33%	33%	
	Northern Territory	0%	2%	2%	
	Queensland	19%	18%	18%	
	South Australia	10%	7%	7%	
	Tasmania	2%	1%	1%	
	Victoria	29%	29%	29%	
	Western Australia	8%	9%	9%	
	<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	

Source: Wine Intelligence, Vinitrac® Australia, Mar’16 (n=1,000), Mar’18 (n=4,000) and Mar’19 (n=2,000) Australian regular wine drinkers



### Trade interview methodology

- Six trade interviews were conducted with experienced industry professionals in the Australian wine trade in June 2019
- Interviews followed a pre-determined discussion guide, and covered overall market trends, opportunities for different wine styles, retail channels and pricing
- The interviewees were members of the wine trade working as:
  - 1x Online Wine Retailer
  - 1x National Retailer
  - 1x Producer
  - 1x Travel Retailer
  - 1x Wine Writer
  - 1x Wholesaler

## 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



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