



WINE INTELLIGENCE

US: COVID-19 IMPACT REPORT

[Issue #1]

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INTRODUCTION



It is becoming apparent that the wine category may escape the punishment meted out to the travel and hospitality sectors by the coronavirus pandemic. Throughout lockdown, consumers were still enjoying a glass of wine at the end of a long day of Zoom calls and home schooling (and occasionally during the day).

Having seen a substantial increase in sales at the start of the pandemic, volumes of wine sold through the checkout and online have come back to close to pre-pandemic levels. As has been reported extensively elsewhere, the online channel has been the big winner of the lockdown, with the desirable younger, affluent and urban-dwelling wine drinkers leading the way.

More generally, the evidence from this report is that the surge of wine purchased in March and early April has in fact been consumed - through increased frequency of wine drinking generally, and by the invention of new wine drinking moments. As well as the usual with-food occasions, wine has become part of many of the new non-food occasions – for instance catching up with friends online, pre-dinner drinks that start earlier, or even a virtual wine tasting.

It is probably no coincidence that those consumers who have become closer with their wine are those who were closest to it already. Our Portrait consumer segment of Engaged Explorers have been the most enthusiastic

adopters of wine with more meals (including lunch) and the typical Premium Brand Suburban, already the most frequent drinker, is now consuming wine on at least 4 occasions per week.

Another behavior change that shines through in this report is the urge to buy local. Domestic wines are the biggest winners from lockdown in the US market, with both purchase frequency and trust levels falling for imports – especially wines from Europe.

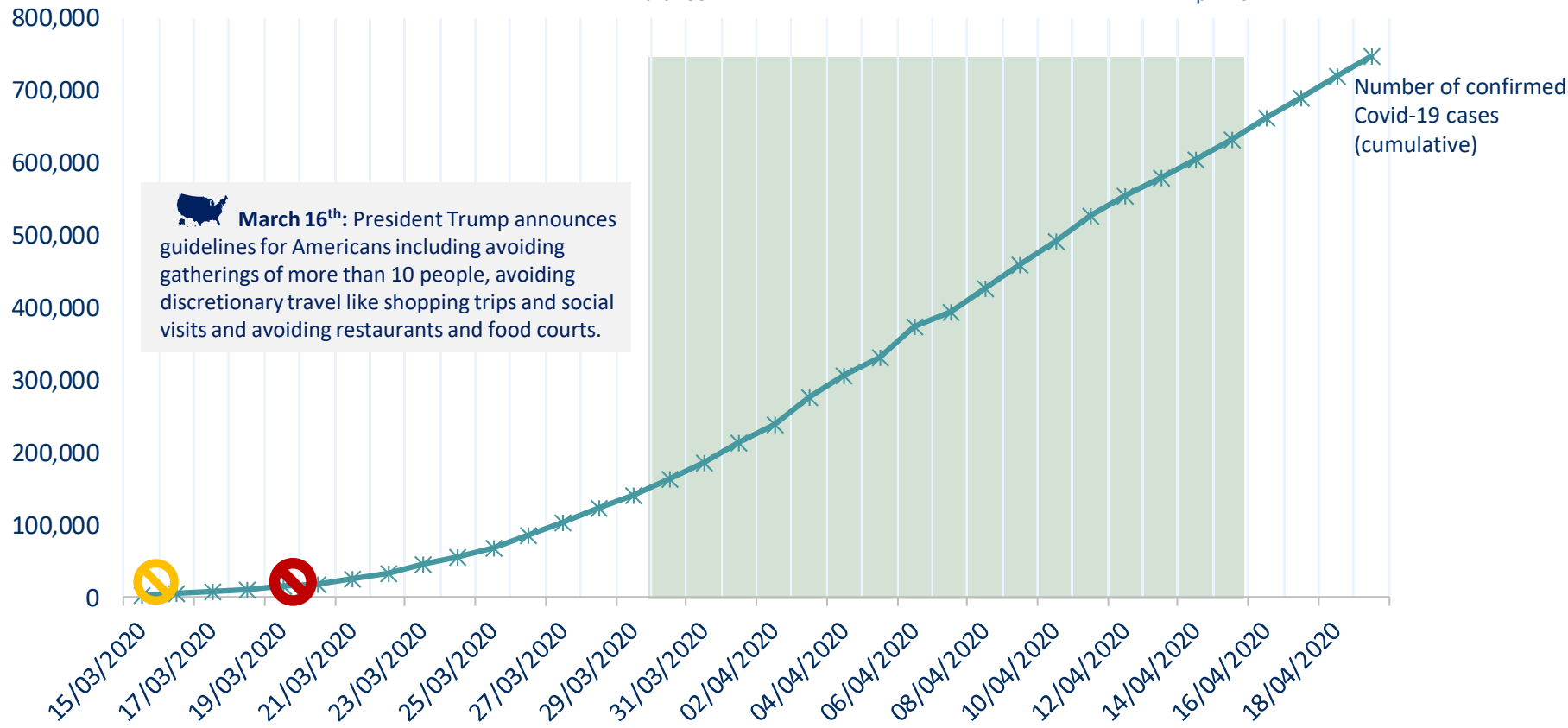
Finally, when it comes to the future, the US wine drinker is understandably quite cautious about their household finances and the idea of getting on a plane. Thankfully for the wine category, they appear to be channeling their need for adventure and indulgence into trying new food and drink, including treating themselves to better wine.

Lulie Halstead, May 2020

TIMELINE CONTEXT DURING SURVEY DATA COLLECTION – ALL USA



Survey in field
March 30th April 16th



March 16th: President Trump announces guidelines for Americans including avoiding gatherings of more than 10 people, avoiding discretionary travel like shopping trips and social visits and avoiding restaurants and food courts.

Closure of places of social gathering and on-premise consumption begin:

- March 15th: California, Illinois
- March 16th: New York
- March 17th: Florida
- March 19th: Texas
- March 23rd: Pennsylvania

Stay-at-home order enforced for entire state*: Leaving the house only allowed for essential shopping, medical needs, exercise and for work

- March 19th: California
- March 20th: New York, Illinois
- April 1st: Florida, Pennsylvania
- April 2nd: Texas

*Many counties within states had their own policies regarding restrictions and stay-at-home orders, meaning certain areas were affected earlier than these dates

RESEARCH METHODOLOGY: QUANTITATIVE



The data for this report was collected in the US in October 2019 and March 2020

Data was gathered via Wine Intelligence’s Vinitrac® online survey

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 gender, age and region

The distribution of the sample is shown in the table

		<i>October 2019</i>	<i>March 2020</i>
		<i>n=</i>	
Gender	Male	51%	51%
	Female	49%	49%
	Total	100%	100%
Age	21-24	7%	9%
	25-34	21%	19%
	35-44	18%	18%
	45-54	15%	19%
	55-64	16%	16%
	65 and over	22%	19%
	Total	100%	100%
Region	New England	5%	5%
	Middle Atlantic	15%	15%
	East North Central	11%	11%
	West North Central	6%	7%
	South Atlantic	21%	21%
	East South Central	4%	4%
	West South Central	11%	11%
	Mountain	7%	7%
	Pacific	20%	19%
	Total	100%	100%

Source: Wine Intelligence Vinitrac® US, Oct '19, Mar '20 (31st March 2020 – 16th April 2020), n>=2,000 US regular wine drinkers

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