



WINE INTELLIGENCE

AUSTRALIA WINE LANDSCAPES

October 2020

REPORT BROCHURE

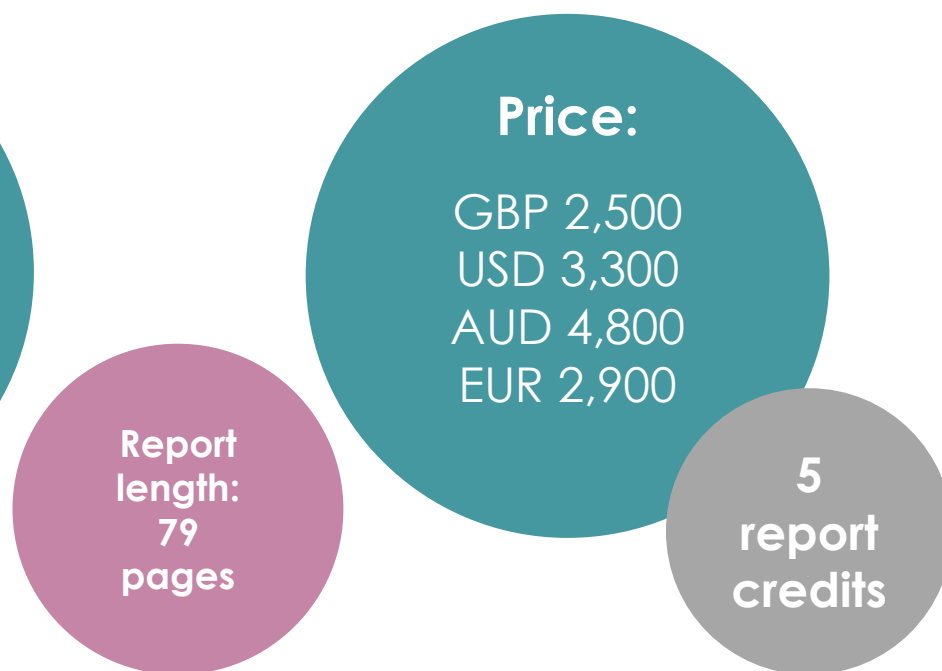
PRICING



Option 1: Report + data table



Option 2: Report only (no data table)



Options to pay online or via invoice

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DATA TABLE DETAILS



Data table includes:

- **Profiling by cross-tabs** including Portraits segmentations, gender, age, income, location, wine involvement and off-premise spend
- **Tracking** against past waves where available
 - This data table includes March 2016, July 2018, March 2020 and July 2020
- **All significances highlighted**

Example screenshot of data table:

Data will not be blurred when you receive the report

Source: Wine Intelligence, Vinitrac® Australia, July 2020 (n = 1,000) Australian regular wine drinkers
 Red / Blue: Statistically significantly higher / lower than all regular wine drinkers in Australia at a 95% confidence level
 Grey cells: Small sample size (n < 30)

		Australian regular wine drinkers	Portraits						Gender		Age (6 groups)			
			Engaged Explorers	Social Newbies	Mainstream Matures	Contented Treaters	Senior Bargain Hunters	Kitchen Casuals	Male	Female	18-24	25-34	35-44	45-54
None of the above		Sample size n = 1,000	9%	1%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Wine consumption frequency														
% who usually drink wine at the following frequency														
Base = All Australian regular wine drinkers (n = 1,000)														
	Most days / every day	17%	14%	17%	28%	3%	10%	17%	16%	12%	12%	5%	10%	17%
	2-5 times a week	31%	31%	33%	44%	9%	25%	31%	32%	33%	33%	59%	33%	37%
	About once a week	27%	27%	20%	18%	22%	27%	26%	25%	29%	27%	24%	25%	26%
	1-3 times a month	19%	3%	11%	7%	15%	28%	27%	17%	21%	22%	22%	22%	20%
Wine-buying channel usage														
% who have bought wine from the following channels in the past 6 months														
Base = All Australian regular wine drinkers (n = 1,000)														
	Local bottle shop	36%	35%	39%	40%	36%	40%	41%	37%	33%	36%	37%	36%	35%
	In the supermarket-attached liquor store	36%	38%	48%	52%	50%	50%	43%	43%	49%	47%	46%	48%	46%
	Large national discount wine & drinks store	36%	40%	24%	48%	39%	39%	38%	36%	40%	35%	35%	35%	35%
	From an online retailer	16%	15%	25%	20%	13%	7%	12%	20%	12%	14%	14%	14%	14%
	Through a wine club (eg The Wine Society, CellarMasters and N)	13%	20%	23%	15%	14%	4%	7%	24%	8%	7%	7%	7%	7%
	From a drive through	13%	28%	21%	6%	13%	2%	5%	21%	21%	15%	15%	15%	15%
	Direct from a cellar door / winery during a visit	10%	22%	19%	20%	20%	2%	6%	13%	7%	13%	7%	7%	7%
	From a specialist wine shop	10%	25%	21%	6%	11%	3%	5%	13%	7%	7%	7%	7%	7%
	From a winery website	3%	40%	12%	0%	7%	2%	2%	11%	5%	5%	5%	5%	5%
	Direct from a cellar door / winery through mail order or online	8%	20%	11%	9%	10%	1%	4%	10%	5%	5%	5%	5%	5%
	From Duty Free (eg airports)	1%	3%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	Other	1%	3%	0%	0%	1%	1%	2%	1%	1%	1%	1%	1%	1%
	I don't buy wine to drink at home	1%	0%	1%	2%	0%	0%	0%	1%	2%	0%	0%	0%	0%
Wine-buying retailer usage														
% who mainly use the following retailers to buy wine														
Base = Those who buy wine in the off-premise														
	Dan Murphy's	38%	54%	42%	54%	50%	53%	50%	30%	52%				
	BWS	47%	47%	43%	39%	46%	43%	40%	43%	43%				
	Liquorland / Liquorland Express	36%	25%	28%	38%	30%	30%	24%	27%	24%				
	Aldi	14%	14%	21%	14%	13%	13%	13%	14%	14%				
	First Choice Liquor	12%	10%	7%	14%	13%	9%	12%	13%	13%				
	IGA Liquor	2%	3%	17%	3%	9%	5%	4%	7%	9%				
	Cellarbrations	2%	3%	3%	3%	3%	3%	3%	3%	3%				
	Woolworths online	3%	10%	3%	1%	2%	2%	2%	3%	3%				
	Vintage Cellars	4%	10%	4%	4%	2%	2%	2%	3%	3%				

Wine Intelligence
 market experts
 are available to
 help you
 understand the
 data table

INTRODUCTION



It has been a year to remember – and also forget – for Australia’s wine industry. The unprecedented bushfires during the past 12 months have left physical scars on the landscape as well as mental scars on everyone who works in the wine sector. On top of this has come another unprecedented crisis in modern history. The Covid-19 pandemic has caused massive disruption to the Australian economy and in particular the hospitality sector on which the wine industry depends. And that’s before one considers the potential upheaval of the UK’s exit from the EU and growing trade tensions with China.

However there are still plenty of silver linings in evidence, some of which are apparent in the usage and attitude data about Australian wine consumers which forms the spine of this Landscape report. The bushfire and Covid crises have provoked a strong and sustained outpouring of support for Australian wines from Australian wine drinkers, who have increased their purchase levels of domestic wines at the expense of imports.

At the same time, the longer-term trends of spending a bit more on a bottle of wine remain in evidence, across all occasions and in all settings (though mostly, of late, restricted to off-premise).

There are longer-term concerns for the category ,

which this report also highlights. Fewer Australians are drinking wine than at any point in the past 5 years, with over 2 million adults exiting the category since 2015. At the root of this lies a combination of factors, of which the allure of other, more dynamic alcoholic beverages, and the general reduction in alcohol consumption appear to be major drivers.

On the plus side, these category leavers tended to be low frequency drinkers to begin with, and the core weekly drinking population looks stable. On the downside, the wine drinker population pyramid is starting to look unnervingly top-heavy, with the average age of Australian wine drinkers rising as the category struggles to entice the 18-24s to become wine drinkers.

Warning signs are also apparent in the alcohol portfolios of the nine million regular wine drinkers. Gin and craft beer are growing their audience, and most likely siphoning off some of the traditional wine ‘moments’ such as the social outdoor or pre-dinner occasion. Most concerning, these two alcohol categories are strongest amongst younger drinkers, suggesting that wine is going to have a bare-knuckle fight over the next decade to hang onto these consumers as they enter their 40s and 50s.

INCREASED SPEND ON WINE IN THE OFF-PREMISE

Long-term increases in average spend points towards premiumisation within the wine category

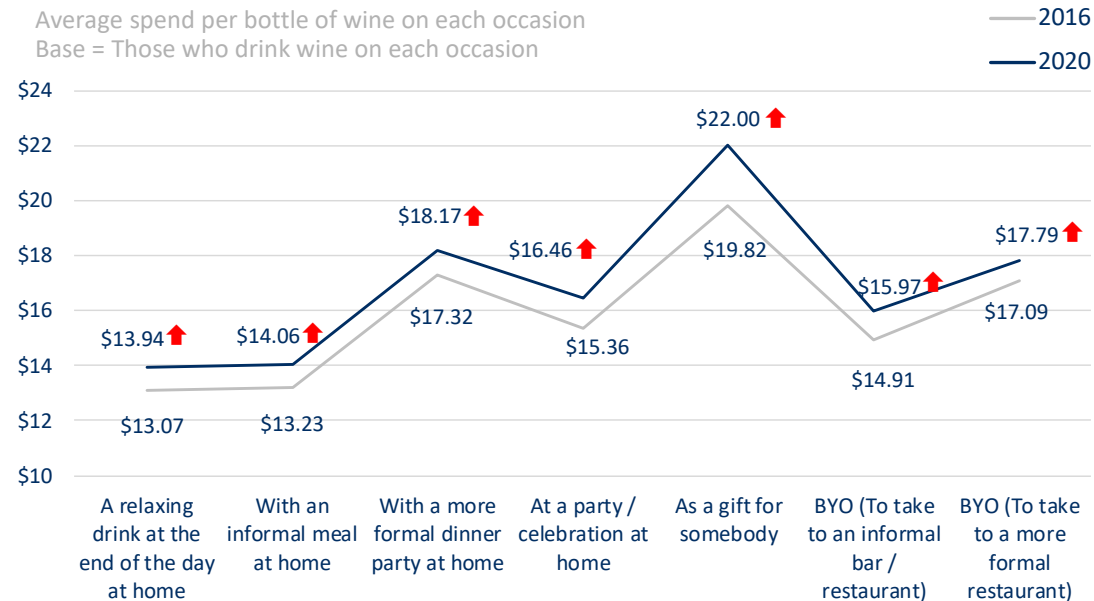
Over the past four years, there has been a small but sustained increase in recalled average spend per bottle for off-premise occasions amongst Australian regular wine drinkers

More recently, with the restrictions as a result of the global pandemic, consumers appear willing to spend more money on quality bottles of wine

This is particularly the case for at home occasions due to the restrictions in the on-premise

Average spend per occasion: **Off-premise** tracking

Average spend per bottle of wine on each occasion
Base = Those who drink wine on each occasion



WHAT DO MARKET EXPERTS SAY?

Qualitative feedback from the trade confirms that Australian consumers are trading up, exacerbated by the recent pandemic

“We’ve seen many years of strong growth, not so much by volume, but in terms of value as Australian drinkers are trading up to more premium wines”

Wine Journalist, Australia

“People are splashing out because they can't spend their money on holidays or going out to a nice restaurant. So, they're spoiling themselves with a sort of special bottle of wine that they might not normally have got”

Wine Producer, Australia

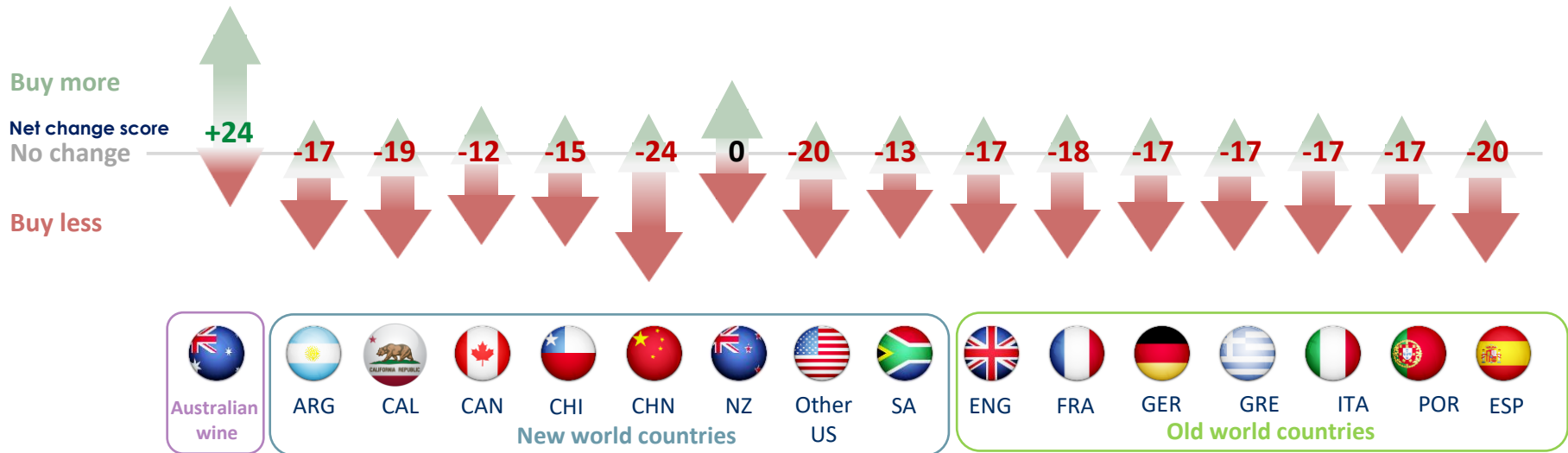
EXAMPLE SLIDE: COUNTRY OF ORIGIN: CHANGE IN PURCHASE



Beyond wines from New Zealand, Australian consumers were purchasing more local wine in July 2020 than they had done pre-pandemic

Country of origin change in purchase during July 2020 compared with pre-pandemic behaviour

% who have changed their purchase behaviour of each place due to the impacts of Coronavirus
Base = Those who are aware of each place



WHAT DO MARKET EXPERTS SAY?

"We're certainly seeing a good uptake in local wines as well in our regional areas. With just generally people being a little bit more parochial. People will be a lot more conscious about where their wine potentially is coming from or who the producer is"

Wine Retailer, Australia

Net change score = % consumers who buy / trust more wine from this country minus % consumers who buy / trust less wine from this country

Wine Intelligence trade interview programme September 2020

Source: Wine Intelligence, Vinitrac® Australia, Jul'20, (n=1,000) Australian regular wine drinkers

EXAMPLE SLIDE: ALCOHOLIC BEVERAGE REPERTOIRE



Younger drinkers are more adventurous with their alcoholic beverage consumption, with those aged under 35 over indexing across numerous alcoholic categories

Alcoholic beverage repertoire: Top 20 by age

% who have drunk the following beverages in the past 12 months

Base = All Australian regular wine drinkers (n=1,000)

Rank Jul-20		n=	All Australian regular wine drinkers 1,000	Age groups					
				18-24 90	25-34 186	35-44 184	45-54 190	55-64 160	65 and over 190
1	Red wine		81%	80%	81%	83%	82%	82%	78%
2	White wine		80%	73%	69%	80%	86%	84%	81%
3	Beer		64%	66%	65%	72%	73%	57%	52%
4	Whisky / Whiskey		41%	37%	50%	43%	47%	37%	28%
5	Sparkling wine from Australia		41%	30%	40%	45%	45%	41%	37%
6	Vodka		37%	59%	52%	45%	39%	26%	11%
7	Rosé wine		35%	39%	48%	35%	30%	36%	26%
8	Cider		34%	34%	46%	44%	36%	25%	16%
9	Craft beer		32%	25%	39%	37%	39%	29%	19%
10	Gin		30%	29%	38%	33%	38%	25%	15%
11	Champagne (French Champagne)		28%	34%	34%	31%	29%	27%	18%
12	Rum		25%	32%	34%	24%	28%	20%	17%
13	Cocktails		25%	43%	44%	29%	21%	17%	6%
14	Liqueurs		24%	26%	31%	21%	22%	24%	18%
15	Pre-mixed / ready to drink alcoholic beverages		23%	35%	34%	24%	29%	18%	6%
16	Prosecco		23%	21%	24%	26%	24%	25%	15%
17	Port		17%	7%	16%	13%	20%	20%	20%
18	Sweet / dessert wine		15%	24%	22%	19%	10%	11%	7%
19	Other sparkling wine		13%	11%	18%	17%	11%	9%	9%
20	Brandy / Cognac		12%	8%	23%	15%	9%	11%	7%

Red / Blue: Statistically significantly higher / lower than all regular wine drinkers at a 95% confidence level

Source: Wine Intelligence, Vinitrac® Australia, Jul'20, (n=1,000) Australian regular wine drinkers

RESEARCH METHODOLOGY: QUANTITATIVE



The data was collected in Australia in March 2016, July 2018, March 2020 and July 2020

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

Respondents were screened to ensure that they were at least 18 years old; drank red, white or rosé wine at least once a month; and bought 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, age and region

The distribution of the sample is shown in the table:

		Mar-16 n= 1,000	Jul-18 1,000	Mar-20 1,000	Jul-20 1,000
Gender	Male	50%	50%	54%	54%
	Female	50%	50%	46%	46%
	Total	100%	100%	100%	100%
Age	18-24	12%	13%	9%	9%
	25-34	19%	19%	19%	19%
	35-44	19%	16%	18%	18%
	45-54	16%	15%	19%	19%
	55-64	15%	16%	16%	16%
	65 and over	18%	20%	19%	19%
	Total	100%	100%	100%	100%
Region	Australian Capital Territory	2%	1%	1%	1%
	New South Wales	31%	33%	33%	33%
	Northern Territory	0%	2%	1%	1%
	Queensland	19%	18%	20%	20%
	South Australia	10%	7%	7%	7%
	Tasmania	2%	1%	3%	3%
	Victoria	29%	29%	25%	25%
	Western Australia	8%	9%	9%	9%
	Total	100%	100%	100%	100%

Source: Wine Intelligence, Vinitrac® Australia, March 2016 (n = 1,000), July 2018 (n = 1,000), March 2020 (n = 1,000) and July 2020 (n = 1,000)
Australian regular wine drinkers

Other sources in the report include Wine Intelligence market experience, secondary sources and trade interviews



*Connecting wine businesses with
knowledge and insights globally*

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