

nielsen **SOVOS** ShipCompliant



WINES VINES ANALYTICS

Wine – DtC Shipments & Retail Off Premise

September 2020

WINE OFF PREMISE SALES MEASUREMENT

An exclusive collaboration between Nielsen, Wines Vines Analytics, Sovos ShipCompliant



SOVOS ShipCompliant WINES VINES ANALYTICS

**Retail Off Premise
Sales Reporting**
\$20 Billion/212MM cases*

**Direct to Consumer
Shipment Reporting**
\$3.6Billion/7.9M cases*

*through Sept 2020

AGGREGATE of...

- Food; Drug, Mass Merchants, Convenience, Dollar, Military Exchanges, Select Warehouse Clubs,
- Liquor channel (7 geographic markets, and 20+ key Liquor retail chains, incl Wine.com)

AGGREGATE of...

- online orders placed at Winery website
- winery wine club shipments to their members
- tasting room purchases shipped to consumers
- Does not include - Tasting room carry out ; Events carry out; Online retailers; Non winery aggregating wine clubs (e.g. WSJ, LA Times Clubs)

Reporting by...

- Price tiers; Key Varietals; Key Origins (& combos)
- States (where sold/where shipped)
- Winery size segment (DtC)

Monthly updates – with 5 yrs history

Commentary – September 2020

DtC Shipment Channel

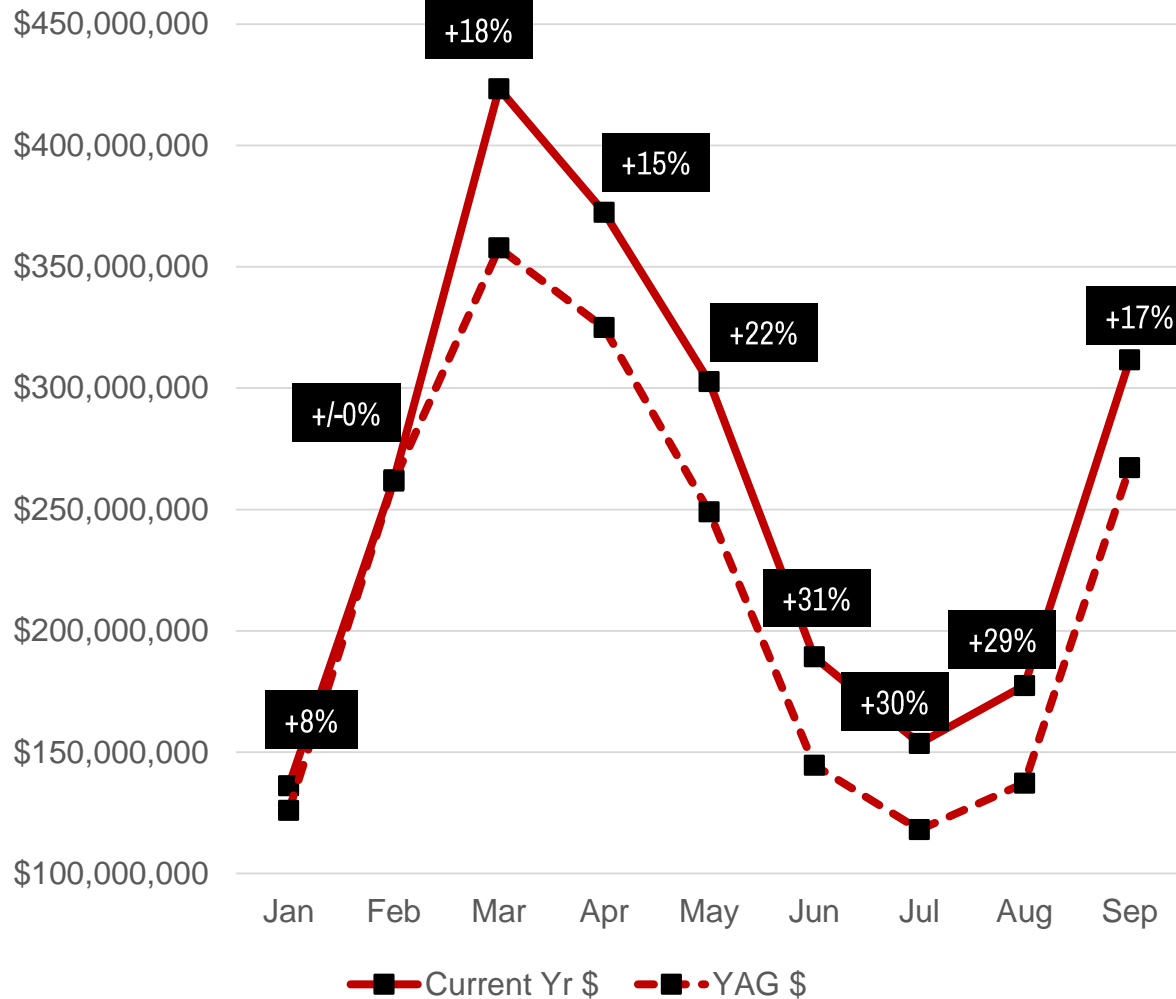
- While DtC Shipment growth moderated, it still maintained healthy double digit growth rates of +24% (Volume), and +17% (Value)
- Volume growth again exceeded Value growth - and so the Sept 2020 average price of \$38.29 was -\$2.46 below a year ago – but this month Sonoma was the leading contributor to the reduction in average price
- The increase in current month dollars and volume vs the prior month (Aug 2020) was marginally in excess of last year's increase between Aug and Sept 2019
- 12 mos rolling value of DtC Shipments continues to grow - now \$3.6 billion, and almost 8MM 9L cases

Nielsen Retail Off Premise Channel

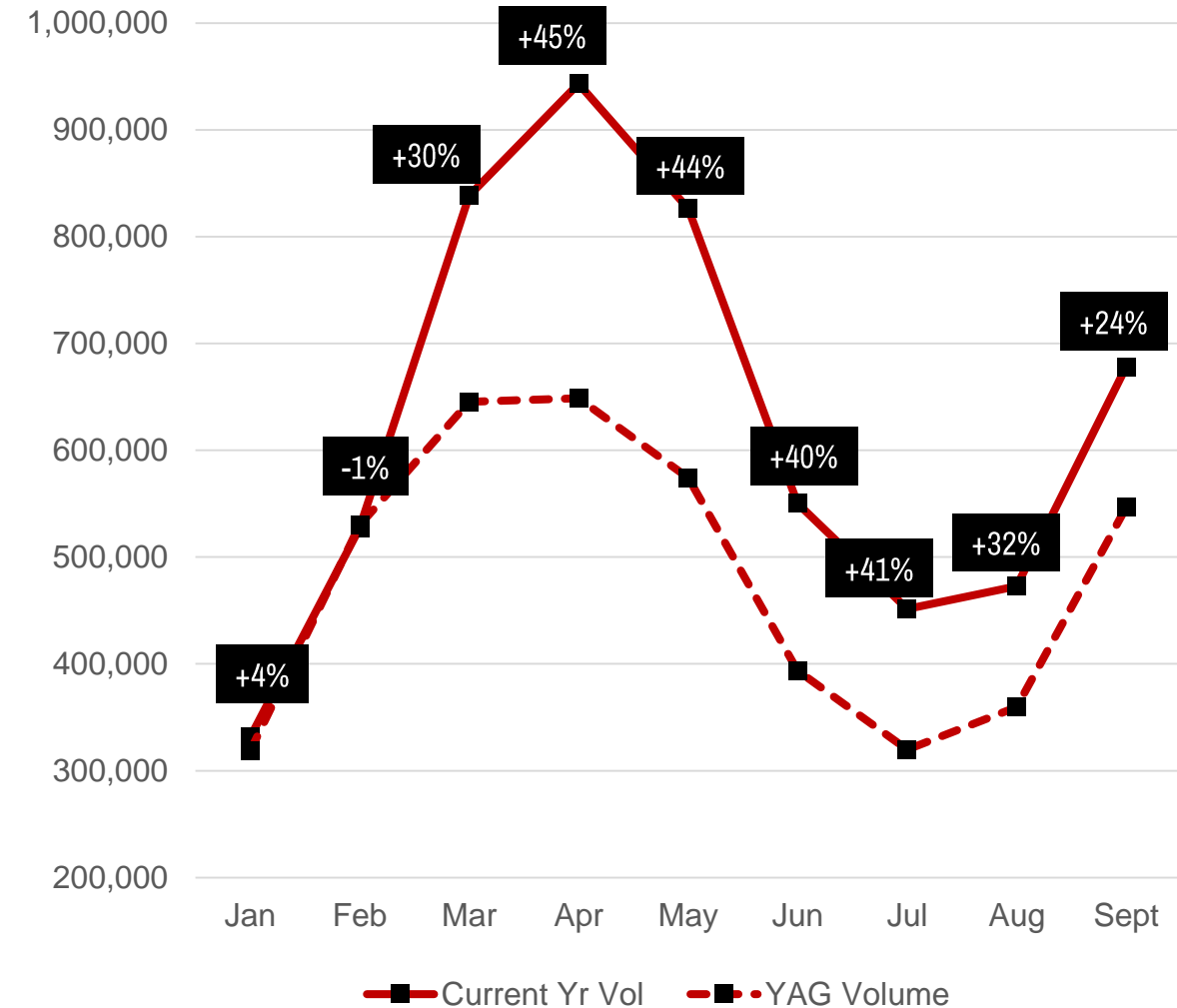
- Growth picked up moderately in September, resulting in Value growth of +21% and Volume growth of +16%
- Percentage growth has been in a relatively comparable range now for the last 4 reporting periods
- On a lower base of price than in the DtC channel, the average price paid in retail off premise of \$11.28 (for a 750 ml bottle) is about \$.60 ahead of last year's levels.

DtC Wine Shipments – Jan 2020 thru Sept 2020 (vs Year Ago)

Monthly DtC Shipments (Value)

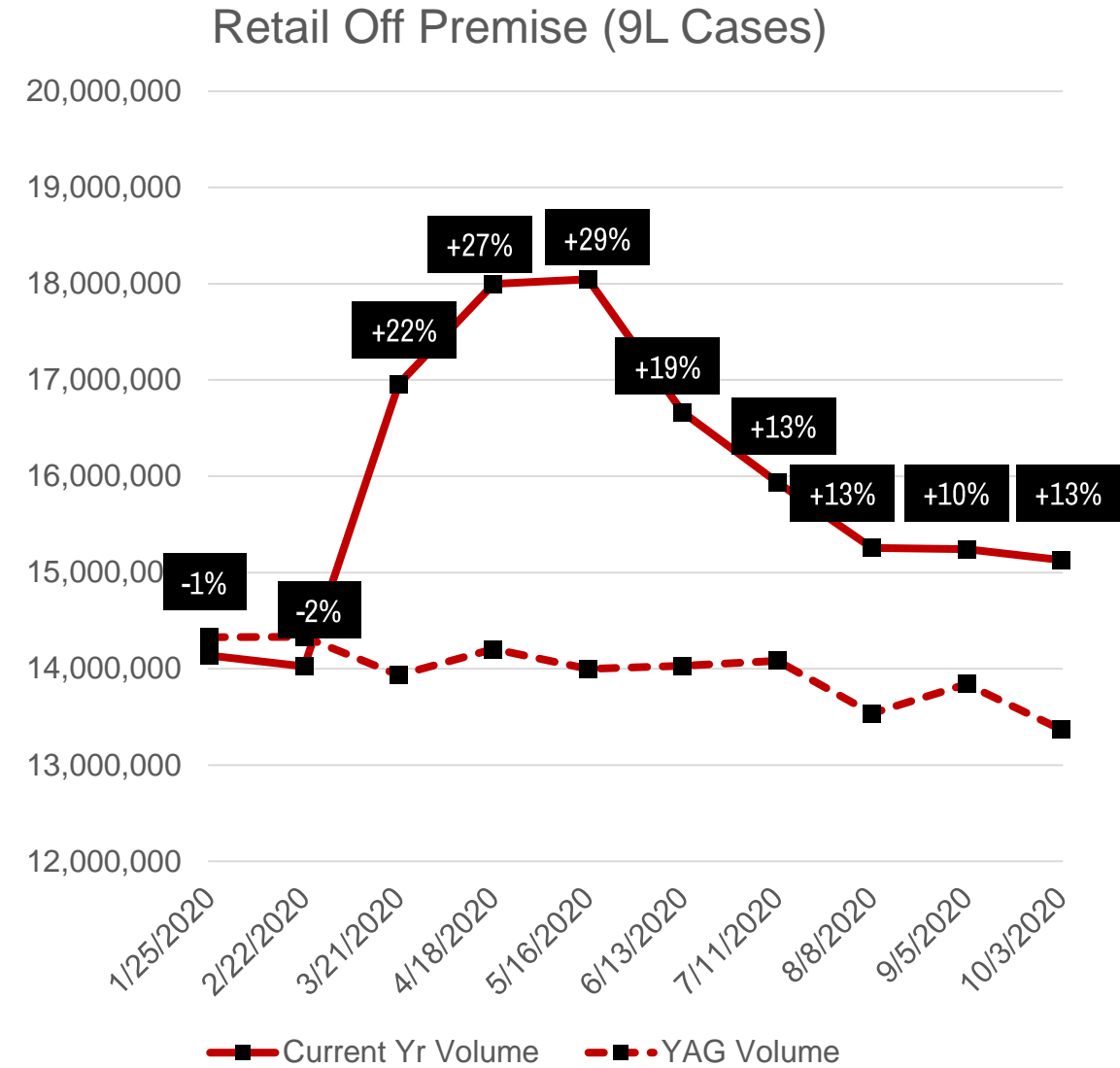
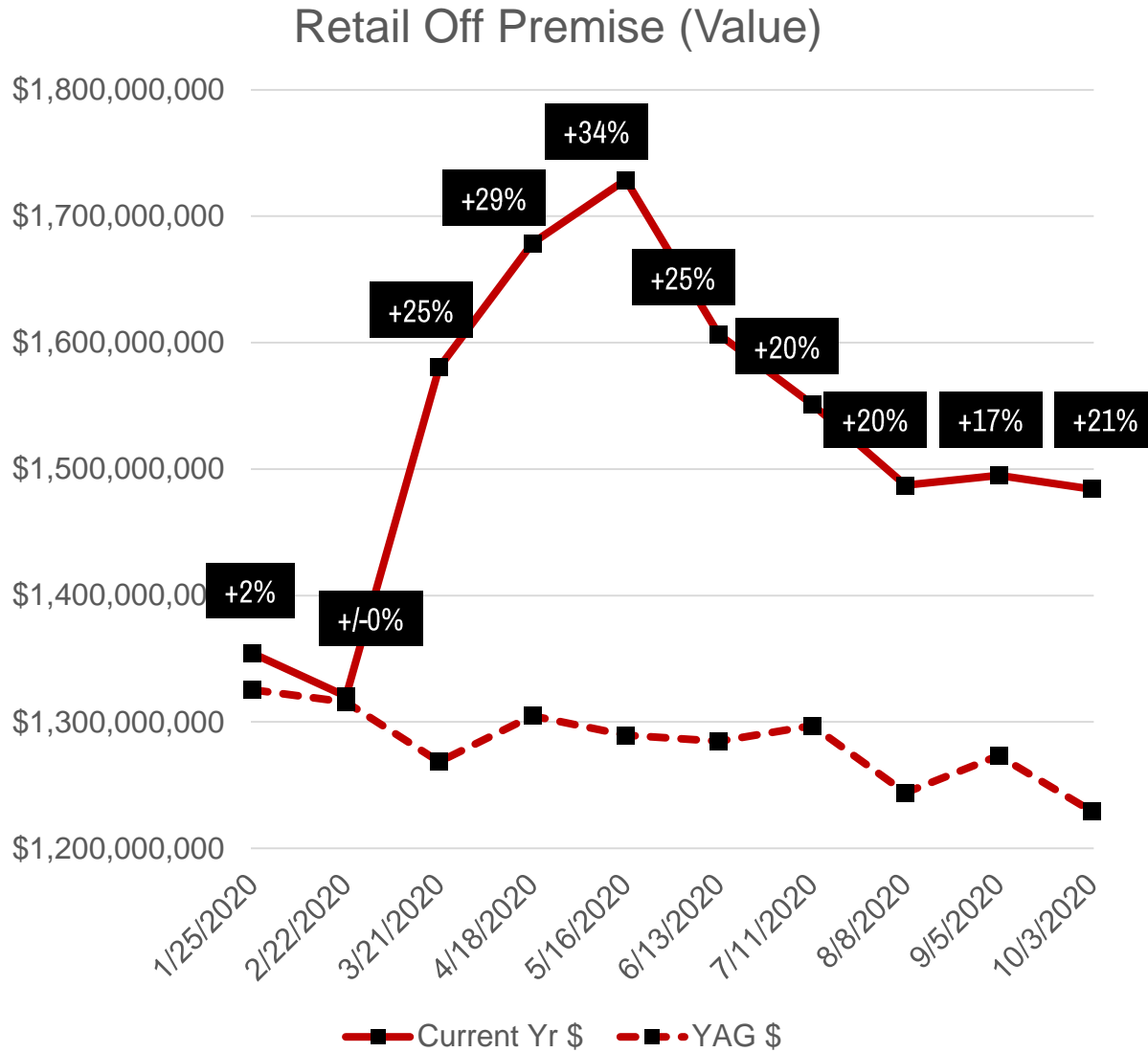


Monthly DtC Shipments (9L Cases)



Source: **nielsen** in partnership with **SOVOS ShipCompliant** and **WINES VINES ANALYTICS**

Retail Off Premise – Jan 2020 thru August 2020 (vs Year Ago); 4 week ending periods



Source: **nielsen** 4 weeks ending 1/25/2020 thru 9/5/2020 (vs Year Ago)

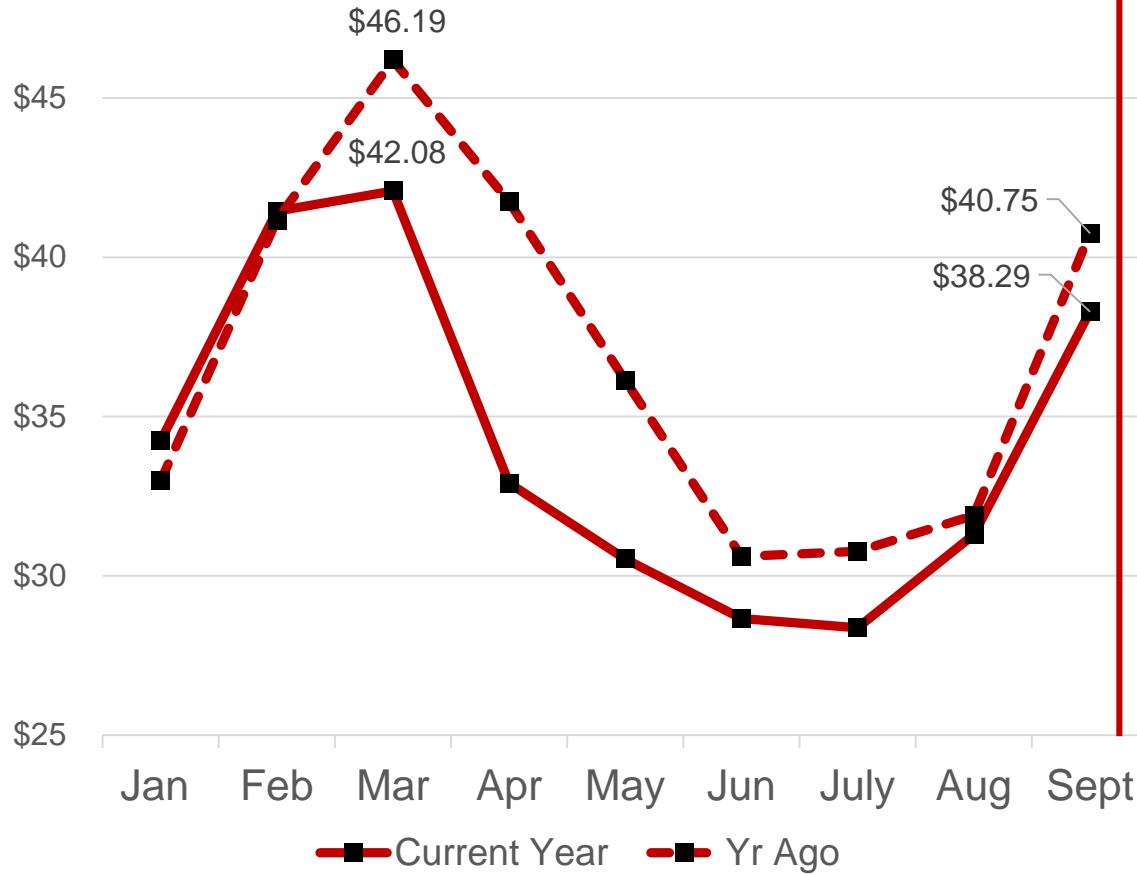
DtC PRICE FALLING; RETAIL PRICE INCREASING

DtC Shipments – Avg Price per 750 ML

Jan thru Sept 2020

SOVOS ShipCompliant

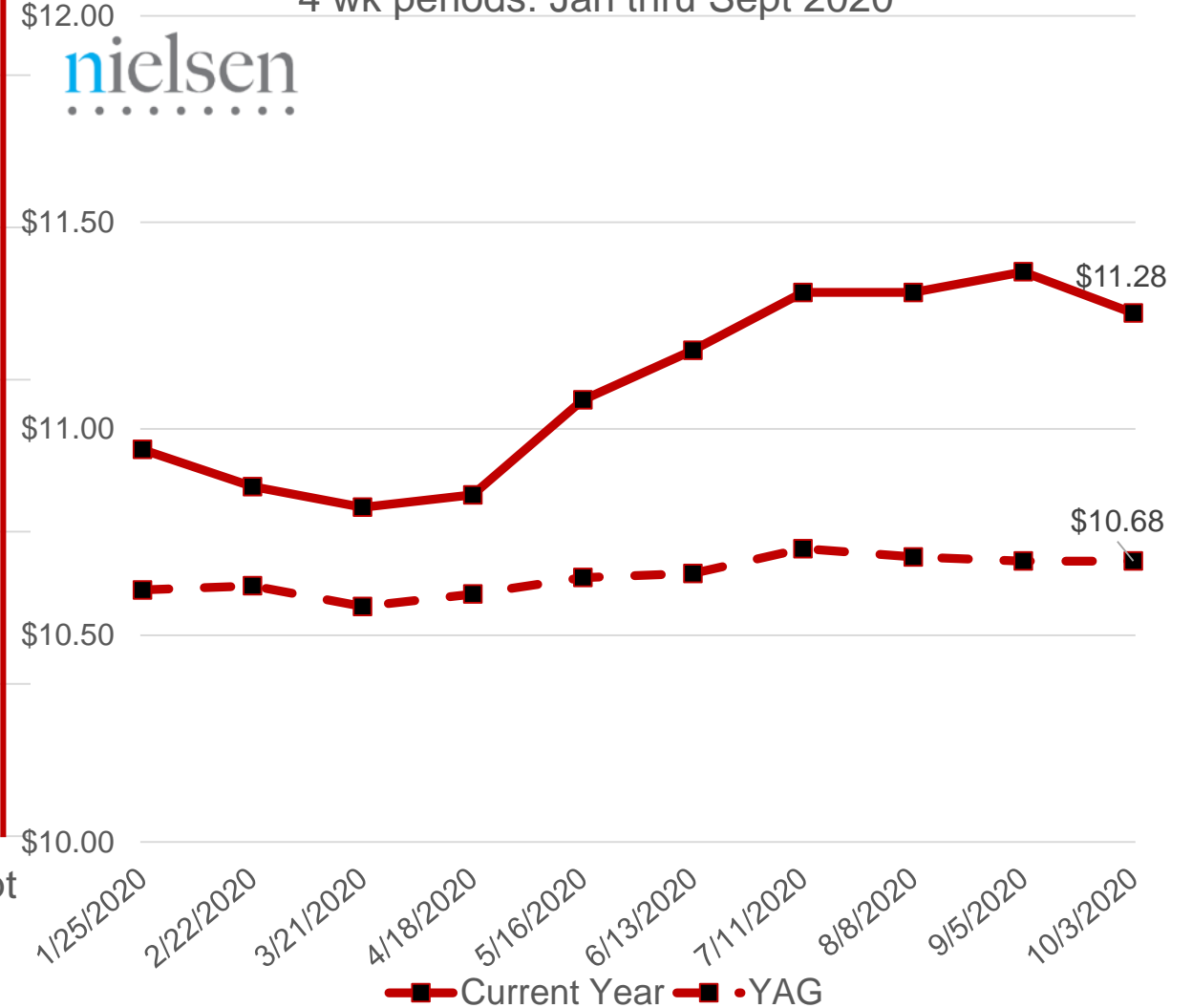
WINES VINES ANALYTICS



Retail Off Premise – Avg Price 750 ml bottle

4 wk periods: Jan thru Sept 2020

nielsen



DtC Shipments vs Retail Off Premise Scorecard – Jan thru Sept 2020

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Monthly Periods									
DtC Shipments	Jan	Feb	March	April	May	June	July	Aug	Sept
Value % chg	+8%	+/-0%	+18%	+15%	+22%	+31%	+30%	+29%	+17%
Vol % chg	+4%	-1%	+30%	+45%	+44%	+40%	+41%	+32%	+24%
Avg Price	\$34.23	\$41.45	\$42.08	\$32.91	\$30.53	\$28.66	\$28.36	\$31.29	\$38.29
Price \$ chg vs YAG	+\$1.26	+\$0.29	-\$4.11	-\$8.84	-\$5.60	-\$1.95	-\$2.41	-\$0.53	-\$2.46

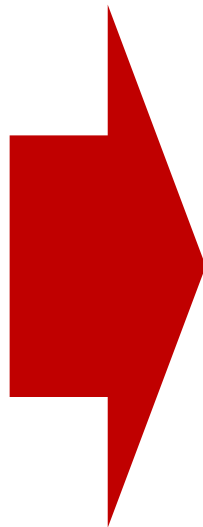


4 Week Ending Periods										
Retail Off Premise	1/25/2020	2/22/2020	3/21/2020	4/18/2020	5/16/2020	6/13/2020	7/11/2020	8/8/2020	9/5/2020	10/3/2020
Value % chg	+2%	+/-0%	+25%	+29%	+34%	+25%	+20%	+20%	+17%	+21%
Vol % chg	-1%	-2%	+22%	+27%	+29%	+19%	+13%	+13%	+10%	+13%
Avg Price (750 ml bottle only)	\$10.95	\$10.86	\$10.81	\$10.84	\$11.07	\$11.19	\$11.33	\$11.33	\$11.38	\$11.28
Price \$ chg vs YAG	+\$0.34	+\$0.25	+\$0.23	+\$0.24	+\$0.43	+\$0.54	+\$0.61	+\$0.64	+\$0.70	+\$0.61

Interested in Going Deeper?

Performance by...

- Price Tiers?
- Varietals?
- Origin?
- Winery size?
- Geographic markets (States)



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The background of the entire image is a vibrant red color with a complex, wavy, and undulating pattern that resembles liquid or fabric in motion. The waves are layered and create a sense of depth and movement.

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