WINE INTELLIGENCE

PREMIUM WINE DRINKERS IN THE US MARKET

NOVEMBER 2021

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KEY TAKEAWAYS – US PREMIUM WINE MARKET

- Growth in the US wine market driven by increase in volume of premium wines
- The number of premium wine drinkers in the US has declined from 23.4M in 2014 to 19.7M drinkers in 2021 – with this decline paralleling the decline in the overall population of regular wine drinkers in the US
- Premium wine drinkers in the US are 28% of the regular wine drinking population, but account for over half of total spend on wine in the US wine market
- In line with broader trends in moderation, the alcoholic beverage repertoire has narrowed among premium wine drinkers and wine consumption has become more infrequent for premium wine drinkers since 2014
- Growing proportion of female premium wine drinkers, now constituting almost half of all premium drinkers
- Premium wine drinkers are getting older (in line with an aging wine drinking population overall) with a third of all premium wine drinkers now aged 55 or older
- Premium wine drinkers in the US are now consuming a narrower range of both red and white varietals than they did in 2014
- Alternative sustainable and organic wine styles are on premium drinkers' radars, but they're seen more as a "nice-to-have" addition to wine rather than key driver of purchase
- Clear difference in quality, price and imagery perceptions of wine from different origins among premium US drinkers - with French, Italian and Californian (and other US wine) more highly regarded

KEY TAKEAWAYS – US PREMIUM WINE DRINKER SEGMENTS

- In line with the decline in the number of total regular US wine drinkers, the number of drinkers in each segment has declined since 2019; most notably for Ultra Premiums
- While Ultra Premium drinkers have the highest levels of involvement and confidence, Popular Premiums have the broadest range of top-line wine knowledge with Ultra premiums having deeper knowledge about specific regions or producers
- Super Premiums consume wine the most frequently for at-home occasions, while Ultra Premiums consume most often in the on-premise
- Ultra Premiums have a higher proportion of younger, male and higher income drinkers while Popular Premiums are proportionally older and female
- The more-involved Ultra Premiums were more likely to increase their wine buying and consumption during 2020 and 2021, while those who's wine drinking is more socially-based (Popular Premiums) drunk less wine over the same time period

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UNITED STATES STILL WINE VOLUMES BY PRICE CATEGORIES

Premium wines driving volume growth in the US market; forecasted total volume decline results from declining non-premium volumes

United States still wine volumes (by price category, 000's of 9-liter cases)

Price band	Volume						CAGR	
	2019	2020	2021f	2022f	2023f	2024f	19-20	20-24
Standard and below	243,172	241,785	239,922	234,722	229,145	222,767	-1%	-2%
Premium*	74,594	78,538	81,509	85,143	88,581	91,758	5%	4%
Super Premium*	6,386	6,516	6,744	7,039	7,398	7,702	2%	4%
Ultra Premium*	1,333	1,305	1,300	1,326	1,361	1,398	-2%	2%
Prestige*	390	396	396	403	426	449	1%	3%
Total	325,875	328,540	329,871	328,634	326,912	324,075	1%	-0.3%
Premium total	82,703	86,755	89,949	93,912	97,767	101,308	5%	4%
Non-premium total	243,172	241,785	239,922	234,722	229,145	222,767	-1%	-2%

IWSR price categories:
- Standard and below: under $10.00
- Premium: $10.00-$19.99
- Super Premium: $20.00-29.99
- Ultra Premium: $30.00-49.99
- Prestige: Over $50.00

f: Forecasted values
*: Included in "premium total" calculation
IWSR 2020

PREMIUM WINE DRINKERS IN THE US MARKET 2014 - 2021

The number of premium wine drinkers in the US has declined since 2014, in line with the decline in the overall US regular wine drinking population

	2014	2019	2020	2021
Adult population	224 million [1]	239 million [1]	241 million [1]	241 million [1]
	40% 10%	35% 9%	32% 8%	30% 8%
Regular wine drinkers (drink wine at least once per month)	90 million [2]	84 million [2]	77 million [2]	73 million [2]
	26%	26%	26%	27%
US premium wine drinkers*	23.4 million	21.8 million	20.0 million	19.7 million

2021: 19.7 million

- 48% — Popular Premiums 9.4 million
- 35% — Super Premiums 6.8 million
- 18% — Ultra Premiums 3.5 million

* **Premium wine drinkers** are defined as US regular wine drinkers who typically spend $15 or more per bottle in the off-premise

Key: PP - Popular Premium, SP- Super Premiums, UP - Ultra Premium

Source:

1 Adults aged 21+, US Census Bureau

2 Wine Intelligence online calibration, July 2013, n=2,000 US adults aged 21+, September '18, n=2,164 US adults,21+ and September 2019, August & December '20, n=3,132 n=2,258 US adults, 21+. Wine=still light wine (red, white, rosé), recalibrated to Census Bureau population data

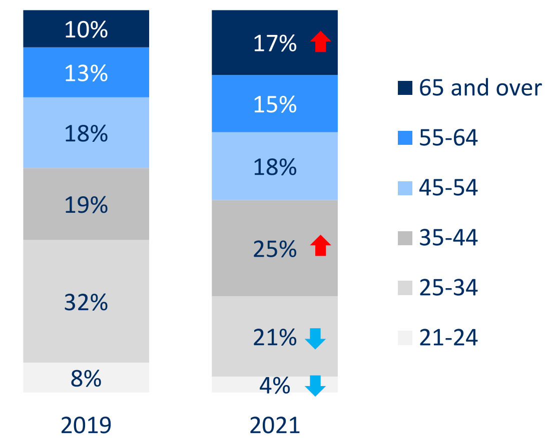
WHO ARE US PREMIUM WINE DRINKERS?

Premium wine drinkers are those who drink wine once or more per week, typically spending **over $15 per bottle** in the off-premise

Growing proportion of female premium wine drinkers, now constituting almost half of all premium drinkers

Premium wine drinkers are getting older (in-line with an aging wine drinking population overall) with a third of all premium wine drinkers now aged 55 or older

Age: US premium wine drinkers

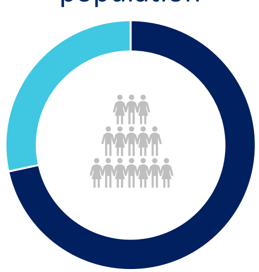


Premium wine drinkers vs. all wine drinkers in the US

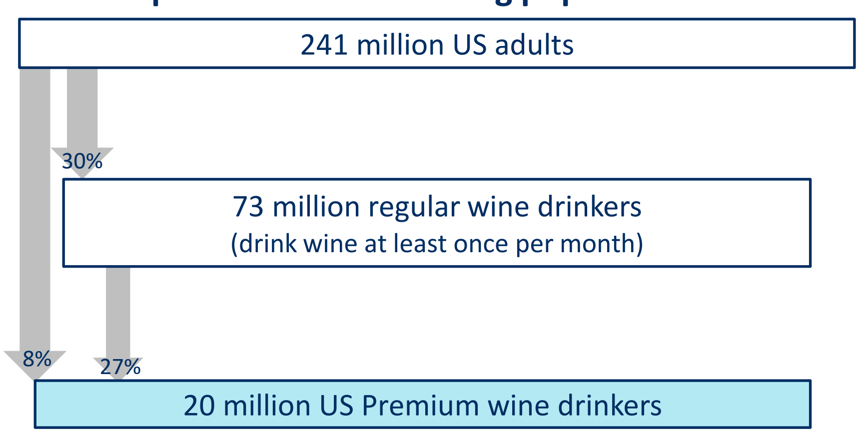
28% of the US regular wine drinking population

38% of the total volume of wine consumed in the US

53% of the total spend on wine in the US



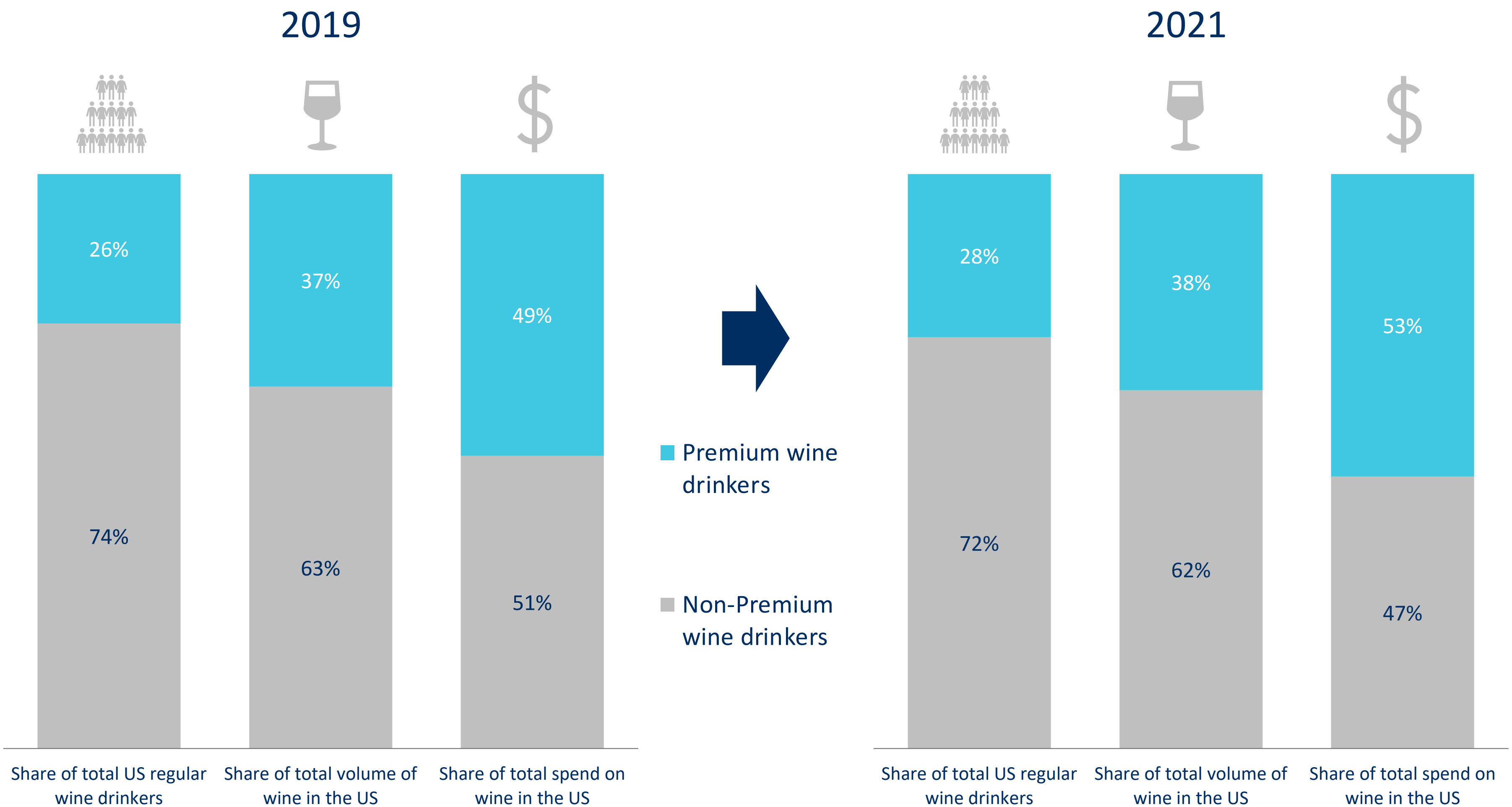
2021 US premium wine drinking population



↑ / ↓ : Statistically significantly higher / lower than the 2019 wave at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, Jun' 19, Jul' '21, (n≥559) US premium wine drinkers

US PREMIUM WINE DRINKERS: VOLUME VS. VALUE

Though they only make up just over a quarter of the US regular wine drinking population, US premium wine drinkers account for over half of total spend on wine in the US wine market



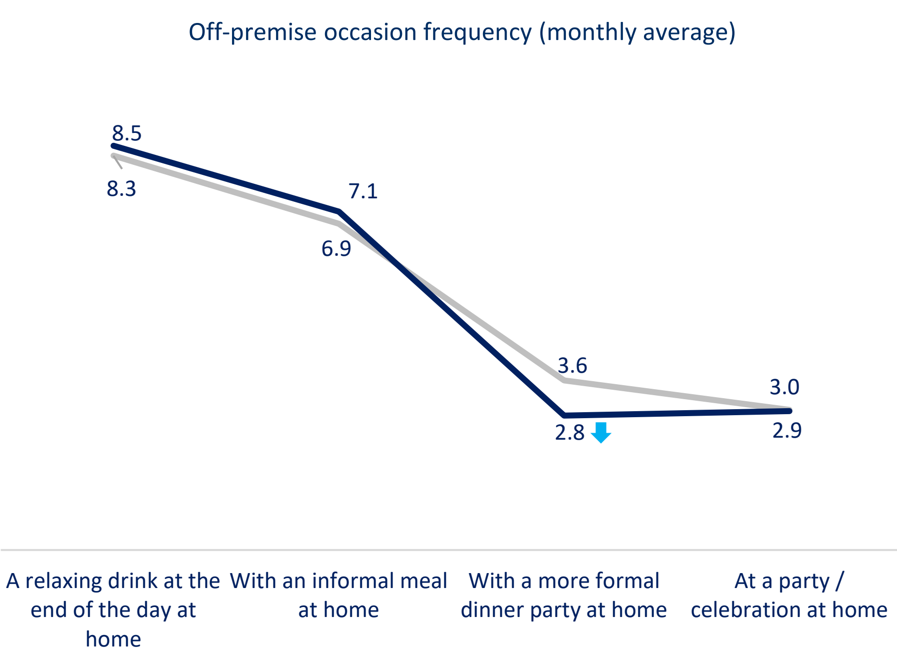
Source: Wine Intelligence, Vinitrac® US, Jul' 2019, July 2021, (n≥2,000) US premium wine drinkers

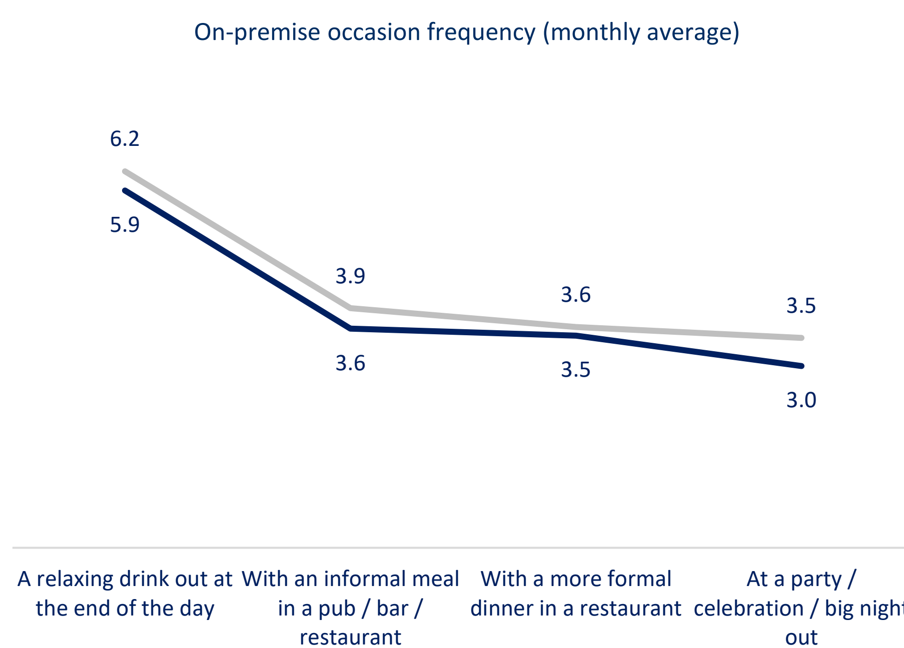
US PREMIUM WINE DRINKERS: FREQUENCY OF WINE CONSUMPTION

US premium drinkers have broadly maintained their consumption levels since 2019, despite restrictions and behavior changes resulting from Covid

Off- and on-premise occasion frequency averages: **Premium wine drinkers**

Base = All US premium wine drinkers (n≥559)





⬆ / ⬇ : Statistically significantly higher / lower than 2019 at a 95% confidence level

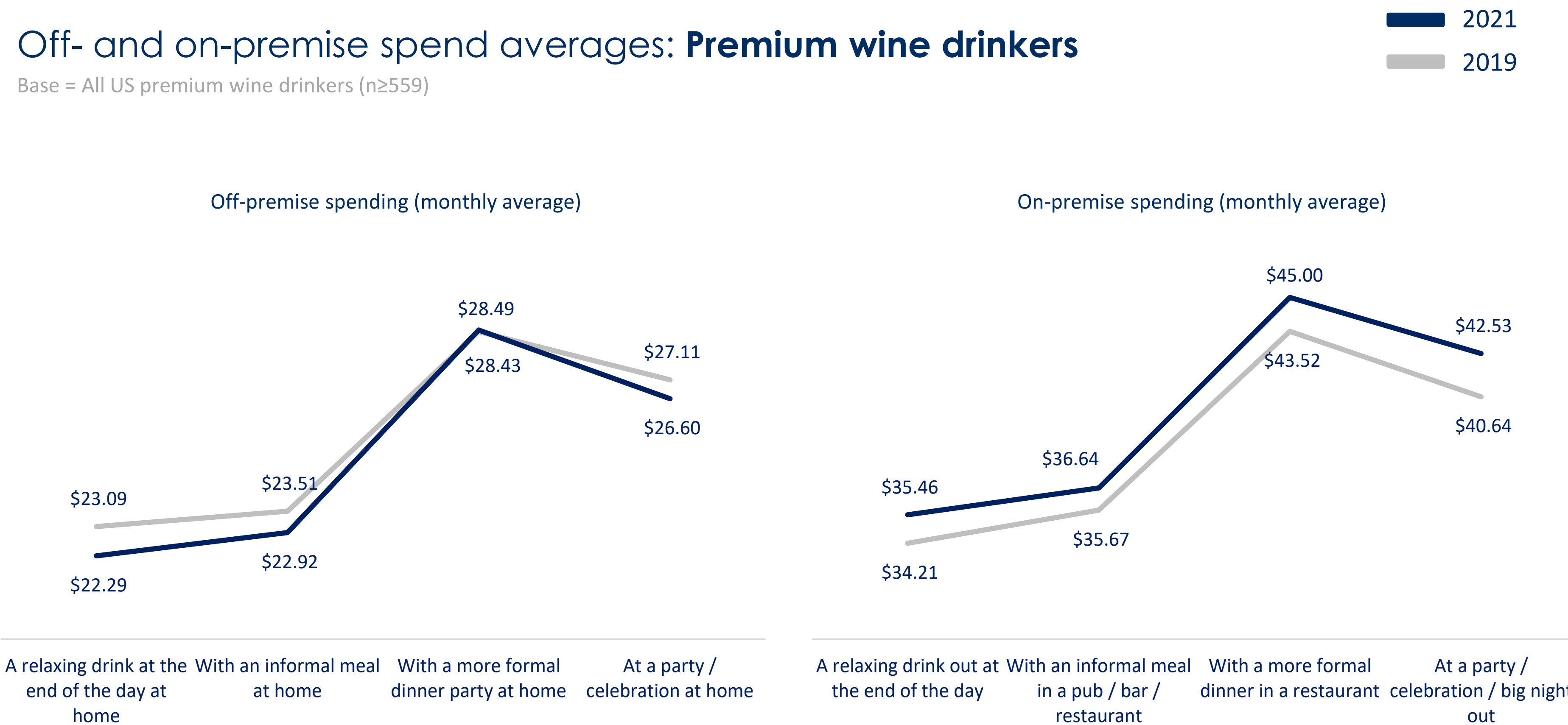
Source: Wine Intelligence, Vinitrac® US, Jun' 19, Jul' '21, (n≥559) US premium wine drinkers

US PREMIUM WINE DRINKERS: SPEND ON WINE

Stability in terms of average spend per bottle in both the off- or on-premises since 2019

Off- and on-premise spend averages: **Premium wine drinkers**

Base = All US premium wine drinkers (n≥559)



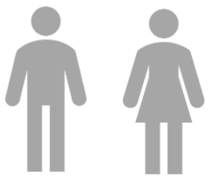
⬆ / ⬇ : Statistically significantly higher / lower than 2019 at a 95% confidence level

Source: Wine Intelligence, Vinitrac® US, Jun' 19, Jul' '21, (n≥559) US premium wine drinkers

US PREMIUM WINE DRINKERS: DEMOGRAPHICS

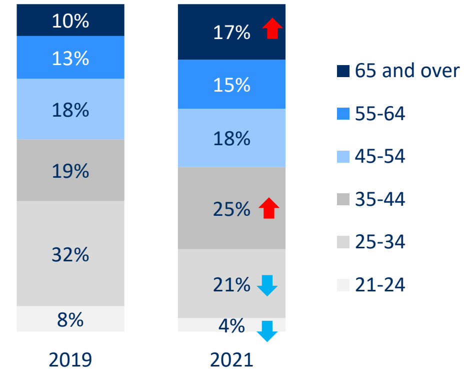
US premium wine drinkers now skew more female and age 55+ compared with 2019

Gender: US premium wine drinkers



2021	51%↓	49%↑
2019	64%	36%

Age: US premium wine drinkers



US divisions: US premium wine drinkers

	2021
New England	5%
Middle Atlantic	18%
East North Central	10%
West North Central	6%
South Atlantic	19%
East South Central	6%
West South Central	12%
Mountain	7%
Pacific	18%

Annual household income (before tax): US premium wine drinkers

	2021
Under $30,000	4%
$30,000-$49.99	7%
$50,000-$99,99	47%
$100,00-$149,99	24%
$150,000-$199,99	10%
$200,00+	6%
Prefer not to answer	1%

↑ / ↓ : Statistically significantly higher / lower than 2019 at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, Jun' 19, Jul' '21, (n≥559) US premium wine drinkers

US PREMIUM WINE DRINKERS: TBA & WINE CONSUMPTION

In line with broader trends in moderation, the alcoholic beverage repertoire has narrowed and consumption of wine has become more infrequent for premium wine drinkers since 2014

US premium wine drinkers' alcoholic beverage repertoire

% of US premium wine drinkers who have drunk the following beverages in the past 12 months
Base = All US premium wine drinkers (n≥559)

	2014	2021	
Red wine	84%	79%	↓
White wine	80%	73%	↓
Beer	69%	61%	↓
Whisky / Whiskey	n/a	50%	
Vodka	60%	47%	↓
Tequila	n/a	40%	
Craft beer	42%	39%	
Rosé wine	45%	37%	↓
Rum	47%	34%	↓
Hard seltzer	n/a	33%	
Cocktails	n/a	32%	
Champagne (French Champagne)	41%	31%	↓
Gin	34%	23%	↓
Prosecco	24%	23%	
Liqueurs	36%	22%	↓
Pre-mixed / RTD beverages	29%	22%	↓
Sangria	39%	21%	↓
Sparkling wine / Champagne from US	n/a	20%	
Brandy / Cognac	n/a	19%	
Cider	35%	18%	↓
Blush wine	31%	17%	↓
Sweet / dessert wine	30%	13%	↓
Other sparkling wine	28%	10%	↓
Port	23%	8%	↓
Cava	19%	8%	↓
Sherry	24%	5%	↓

Wine consumption frequency

% of US premium wine drinkers who usually drink wine at the following frequency
Base = All US premium wine drinkers (n≥559)

	2014	2021	
Every day	19%	9%	↓
4-5 times a week	25%	23%	
2-3 times a week	25%	36%	↑
About once a week	21%	31%	

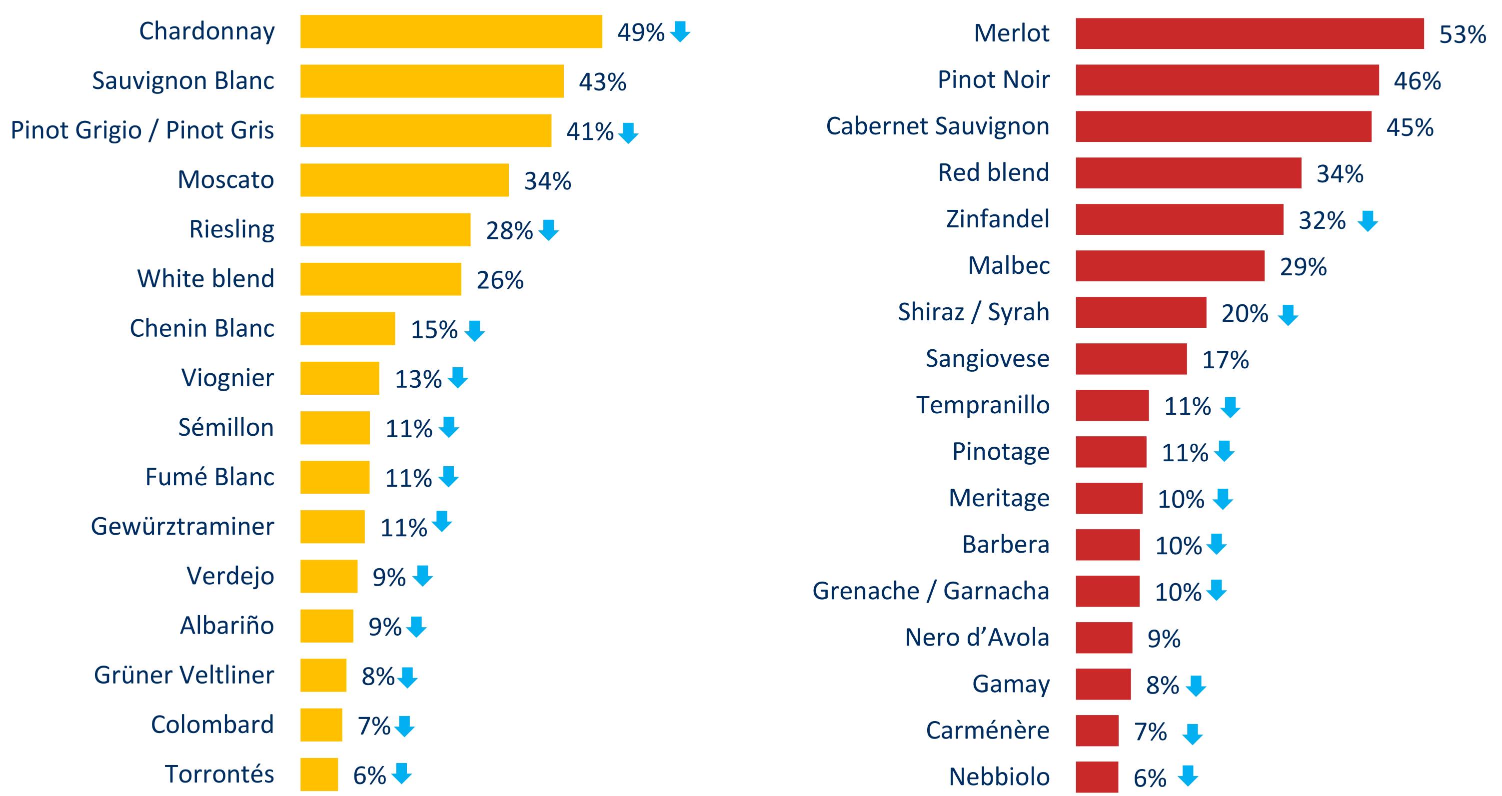
↑ / ↓ : Statistically significantly higher / lower than the 2014 wave at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, Jun' 14, Jul' '21, (n≥559) US premium wine drinkers

US PREMIUM WINE DRINKERS: VARIETAL RANGE

Premium wine drinkers in the US are now consuming a narrower range of both red and white varietals compared with 2014

Red and white varietal consumption

% of US premium wine drinkers who have drunk the following varietals in the past 6 months
Base = All US premium wine drinkers (n=559)



⬆ / ⬇ : Statistically significantly higher / lower than the 2014 wave at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, Jun' 14, Jul' '21, (n≥559) US premium wine drinkers

US PREMIUM WINE DRINKERS: WINE COUNTRY OF ORIGIN PERCEPTION

Stronger and better-defined perceptions of US, French and Italian wines amongst premium US drinkers, with less differentiation of wine from other origins

Country of origin imagery perception

% who agreed with the following statements
Base = Those are aware of each country of origin

	California - USA	France	Italy	Spain	Chile	Other USA (outside of California)	Argentina	Germany	Australia	New Zealand
Sample size	425	387	380	336	257	257	247	242	238	235
High quality wines	49%	52%	52%	37%	31%	37%	33%	38%	30%	27%
Wines I like the taste of	52%	38%	43%	32%	27%	43%	31%	30%	32%	32%
Food friendly wines	47%	37%	41%	30%	28%	40%	29%	24%	27%	31%
Wines with regions I trust	43%	40%	38%	27%	23%	34%	23%	26%	24%	25%
Well known and established	45%	45%	42%	30%	21%	27%	19%	27%	19%	19%
Producing grape varieties I like	42%	38%	34%	25%	28%	39%	19%	24%	21%	22%
Reliable products	39%	36%	36%	27%	20%	39%	23%	26%	23%	21%
Wines with tradition	33%	44%	47%	33%	19%	23%	19%	29%	18%	16%
Very good value for money	45%	22%	27%	26%	27%	39%	20%	20%	28%	25%
With labels I can understand	47%	28%	26%	22%	23%	36%	22%	22%	28%	24%
Wines that I'm proud to serve	37%	36%	37%	25%	19%	33%	24%	19%	23%	20%
With brands I recognize	48%	28%	32%	19%	18%	39%	18%	21%	20%	14%
Prestige / luxury wines	30%	45%	36%	21%	12%	18%	13%	17%	10%	10%
Innovative wines	31%	23%	26%	17%	15%	32%	14%	15%	20%	17%
Becoming more popular	27%	14%	15%	18%	24%	32%	21%	13%	18%	22%
Sustainable practices	32%	21%	21%	16%	11%	24%	14%	16%	17%	15%
Often on promotional offer	33%	12%	16%	10%	14%	24%	7%	10%	14%	8%
None of these	4%	7%	6%	13%	15%	6%	17%	13%	13%	15%

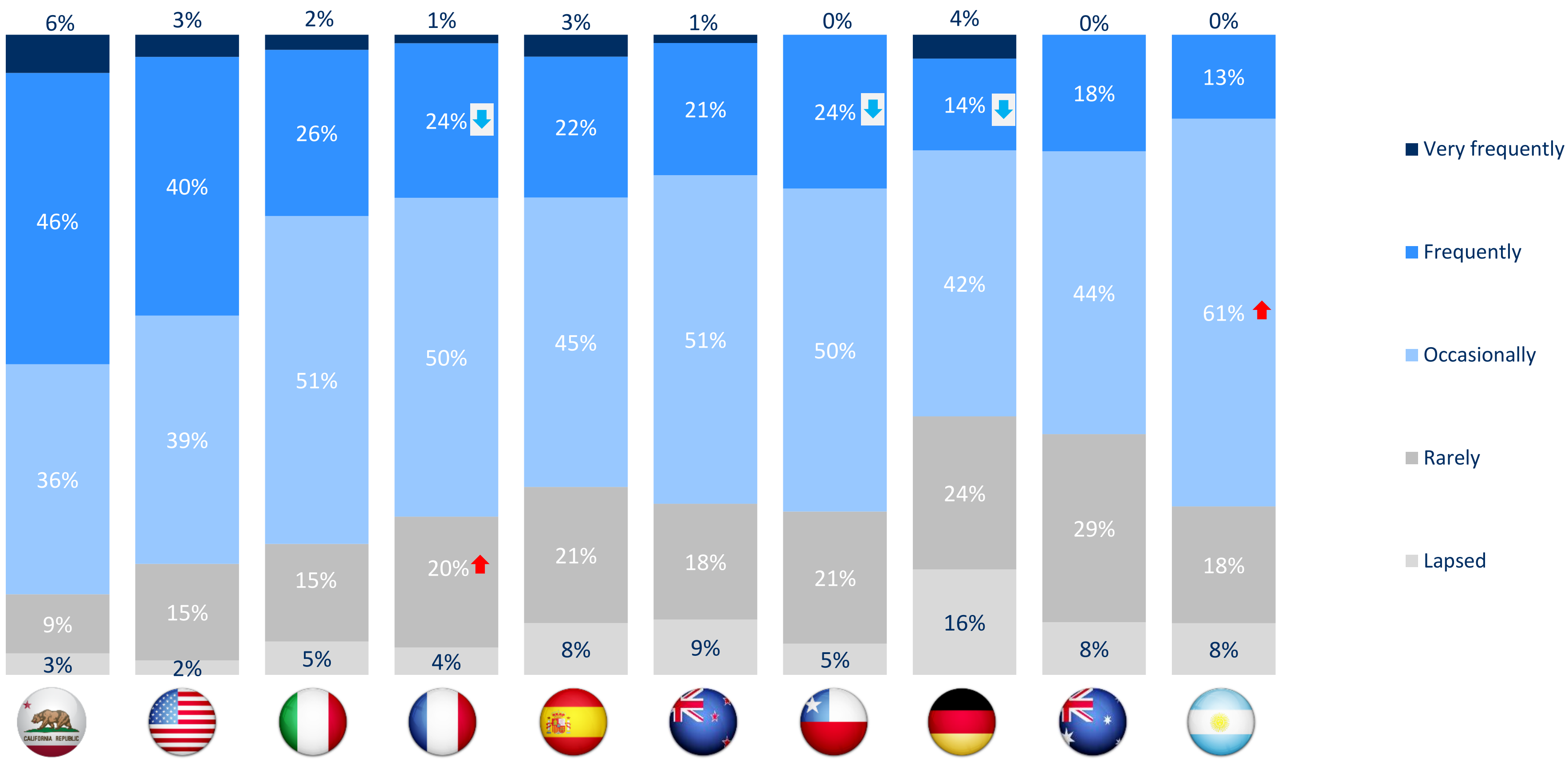
Red / Orange Statistically significantly higher than 8 or more / 6 other labels at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

US PREMIUM WINE DRINKERS: WINE COUNTRY OF ORIGIN CONSUMPTION

Domestically-produced wine is the most frequently consumed by US premium drinkers followed European wines and then wine coming from the New World

Wine consumption frequency by country of origin

Base = All US Premium wine drinkers (n=559)



: Statistically significantly higher / lower than the 2019 wave at a 95% confidence level

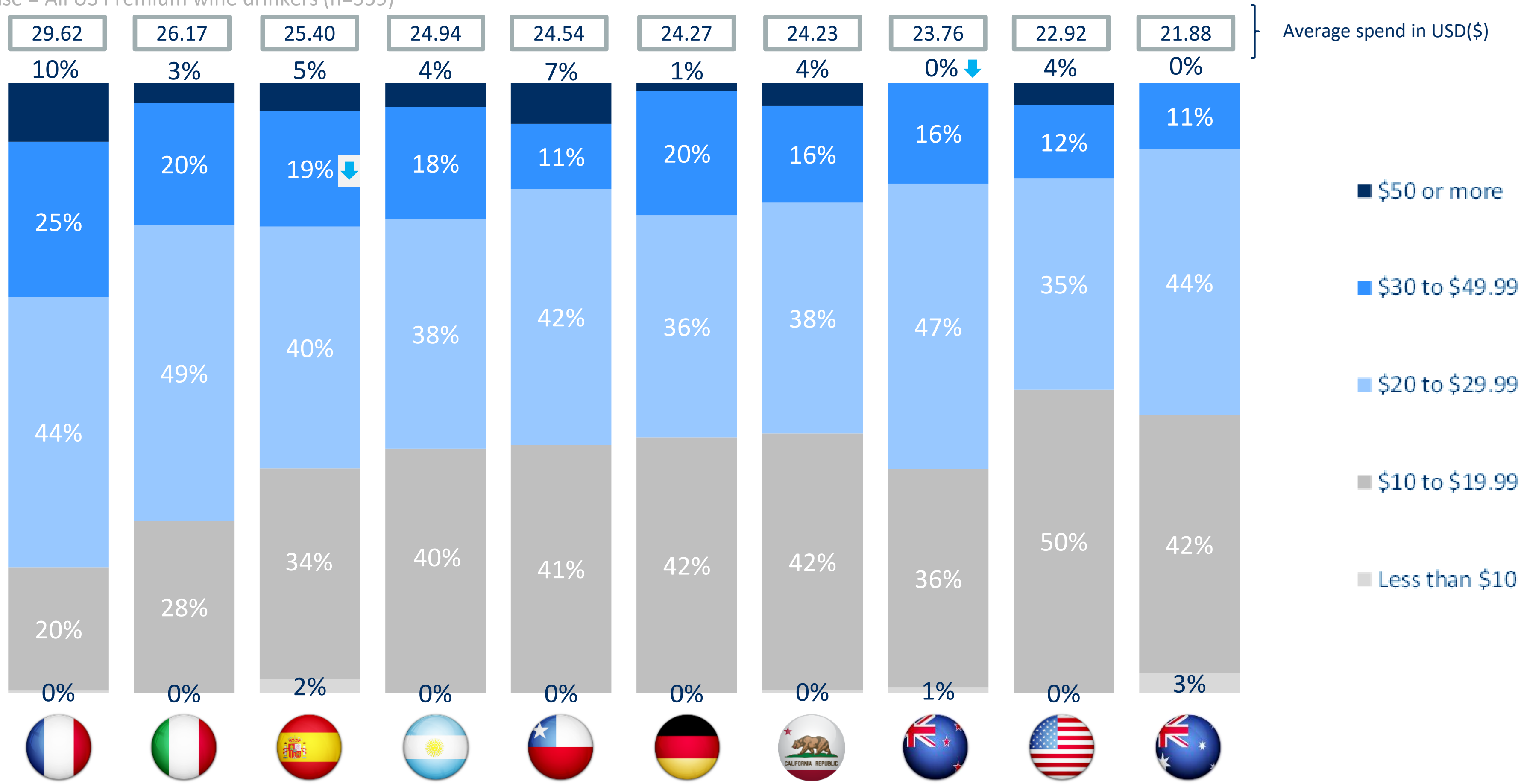
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

US PREMIUM WINE DRINKERS: WINE COUNTRY OF ORIGIN SPEND

US premium consumers typically spend more on wine imported from Europe than wine from other origins

Typical spend by country of origin

% who typically spend the following amount on a bottle of wine from each country of origin
Base = All US Premium wine drinkers (n=559)



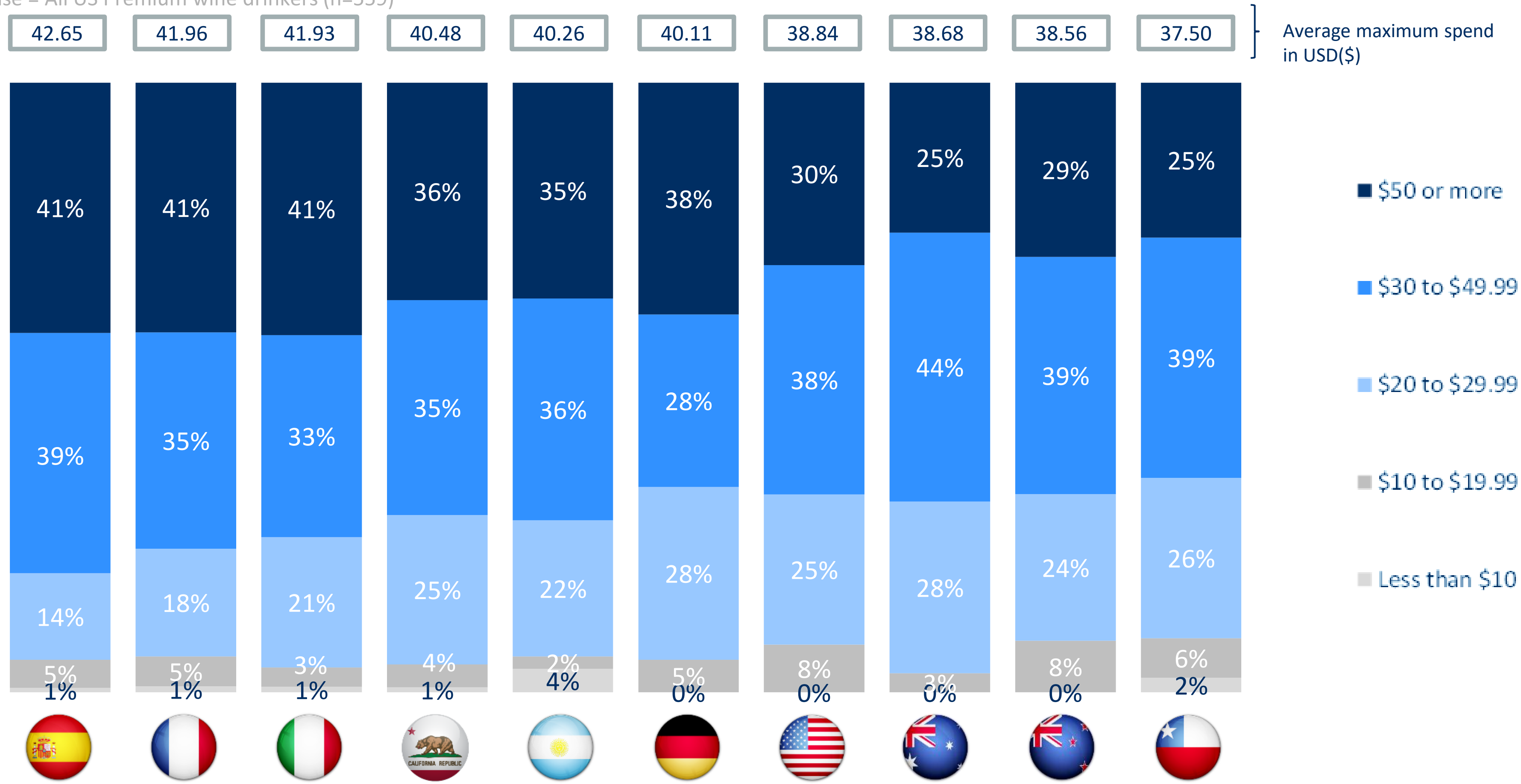
↑ / ↓ : Statistically significantly higher / lower than 2019 wave at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

US PREMIUM WINE DRINKERS: WINE COUNTRY OF ORIGIN SPEND

The maximum premium wine drinkers are willing to spend on a wine is highest for the key European export countries and for wine from California

Maximum spend by country of origin

% who spend maximum the following amounts on a bottle of wine from each country of origin
Base = All US Premium wine drinkers (n=559)

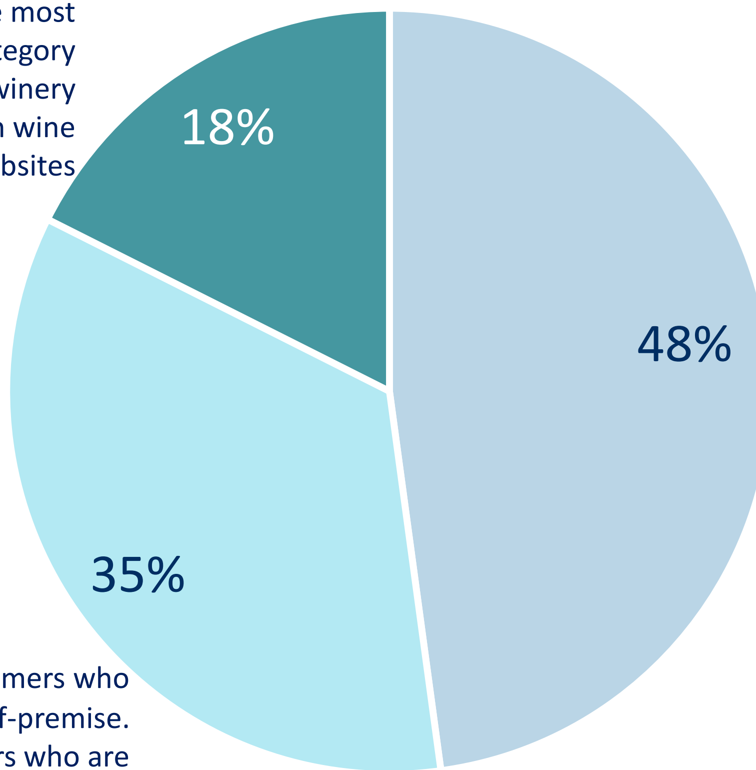


Note: Tracking not available as this is a new question to this year's survey
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

US PREMIUM WINE DRINKER SEGMENTS

% Share of US premium wine drinkers by segment

Ultra Premiums: The youngest and highest-spending segment of premium drinkers who typically enjoy wine most days and have the highest wine category involvement. Actively participate in winery visits and wine events, engage with wine magazines, articles and websites



Popular Premiums: The oldest of the premium wine drinker segments, typically enjoying wine 1-3 times a week and typically spending $15-20 in the off-premise. Experience with wine has built up over time, resulting in a more settled and less adventurous wine repertoire

Super Premiums: Frequent consumers who typically spend $20-30 in the off-premise. Younger and mid-aged drinkers who are confident in the category and keen to discover new wines on a regular basis

Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

US PREMIUM WINE DRINKERS DURING THE COVID-19 ERA

The more-involved Ultra Premiums were more likely to increase their wine buying and consumption during 2020 and 2021, while those who's wine drinking is more socially-based (Popular Premiums) drunk less wine over the same time period

- More involved wine drinkers - Ultra Premiums and some Super Premiums - tended to increase their frequency of wine purchases and consumption during the peak of Covid in 2020. These drinkers purchased wine to elevate at-home dinners (and replace their previous on-premise drinking), to pass the time and to support their local or favorite wineries
- Primarily socially-driven drinkers - Popular Premiums and some Super Premiums - found themselves drinking less wine during Covid with fewer social occasions at which to enjoy wine
- Most premium wine drinkers are now returning to their pre-Covid consumption patterns as they return to on-premise drinking. However, there is a sense that these drinkers may now be more mindful of their health in relation to alcohol consumption levels overall
- It should be noted that the impact of the pandemic on wine drinking among premium US consumers has varied significantly by location of residence (state) and has therefore been impacted by local and state restrictions

"At the beginning we did drink a bit more wine because there was nothing much else to do… and we were a bit stressed… then after that, after a little while you don't need it that badly."
Popular Premium, Female, Illinois

"With the restrictions in going out, exploring different types of wine from different regions has been a hobby and a learning process, which has increased over the pandemic. Different wines with different foods has become an outlet for creativity."
Ultra Premium, Male, California

US PREMIUM WINE DRINKERS AND SUSTAINABILITY

Alternative wine styles such as "sustainable" and "organic" are on premium drinkers' radars, but they're seen more as a "nice-to-have" addition to wine rather than a key driver of purchase

- Although premium wine drinkers are aware of sustainable and organic wines, these are not factors that are currently driving purchase for the majority of them
- Sustainable and organic practices are seen as nice to have from an environmental impact perspective and potentially suggest more care taken during the wine producing and making process
- The key barriers to sustainable and organic wines are:
  - Negative taste or quality perceptions
  - The fact that premium drinkers believe that standard wine practices are already 'sustainable and natural'
- More involved drinkers, especially Ultra Premiums, understand more specific terms such as natural and biodynamic but there remains some cynicism of these types of wines

"Organic wines? I don't know if there's really a difference, is there? Isn't it just a label that you can put on?"
Popular Premium, Female, Illinois

"I think if the wine was organic, I would respect it a bit more, but I'm not going to choose a wine *because* it's organic."
Super Premium, Male, California

"For me, it doesn't influence me one way or the other. I like the idea of being sustainable. I like organic but I prefer the quality of the product over those things."
Ultra Premium, Male, New York

"I think I would pay a little bit more for something that I knew was sustainably made."
Ultra Premium, Female, New York

"Winemakers should stick to the standard wine making process rather than use alternative methods to make it organic, sustainable, etc… if an organic wine was good and I enjoyed it, I wouldn't care if it was organic."
Ultra Premium, Male, Washington

"I almost don't like wines that specify organic because I think it's a racket. The whole organic certification process is expensive… so there are plenty of wineries that do way more to be better for the environment and don't get the label."
Ultra Premium, Female, New York

"I find that unless you're buying really, really big mass quantities of wine, a lot of people are wanting to be sustainable anyway, because it's an agricultural business and it's their livelihood"
Ultra Premium, Male, New York

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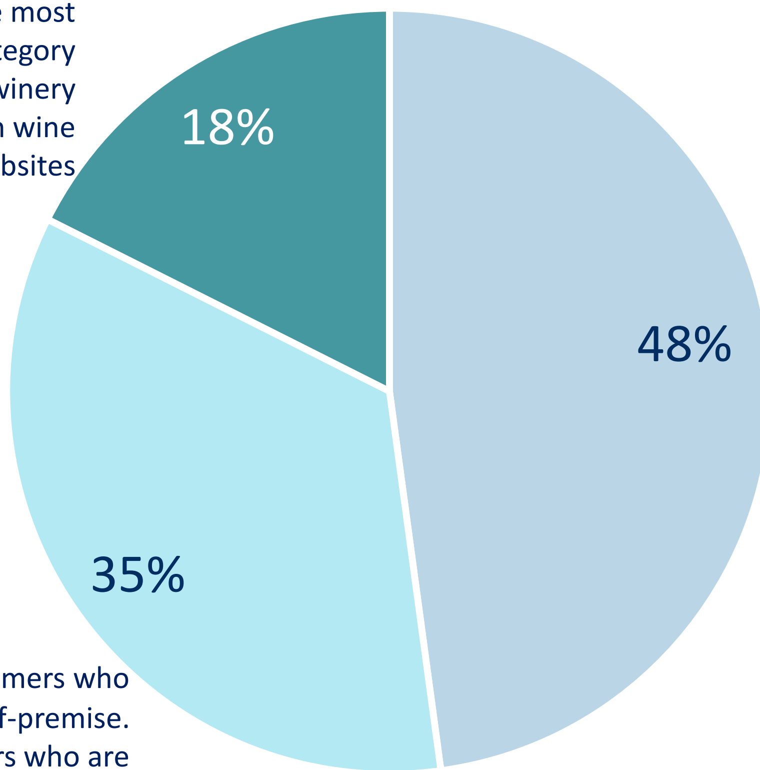
US PREMIUM WINE DRINKER SEGMENTS

% Share of US premium wine drinkers by segment



Ultra Premiums: The youngest and highest-spending segment of premium drinkers who typically enjoy wine most days and have the highest wine category involvement. Actively participate in winery visits and wine events, engage with wine magazines, articles and websites

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Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

US PREMIUM WINE DRINKER SEGMENTS

Popular Premiums

Typically spend
$15-$19.99
on a bottle of wine in the off-premise

48%
of the US premium wine drinking population

40%
of the total volume of wine consumed by US premium wine drinkers

29%
of the total spend on wine by US premium wine drinkers

Super Premiums

Typically spend
$20-$29.99
on a bottle of wine in the off-premise

35%
of the US premium wine drinking population

38%
of the total volume of wine consumed by US premium wine drinkers

38%
of the total spend on wine by US premium wine drinkers

Ultra Premiums

Typically spend
$30 or more
on a bottle of wine in the off-premise

18%
of the US premium wine drinking population

21%
of the total volume of wine consumed by US premium wine drinkers

33%
of the total spend on wine by US premium wine drinkers

Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

US PREMIUM WINE DRINKER SEGMENTS: POPULATION CHANGES 2019-21

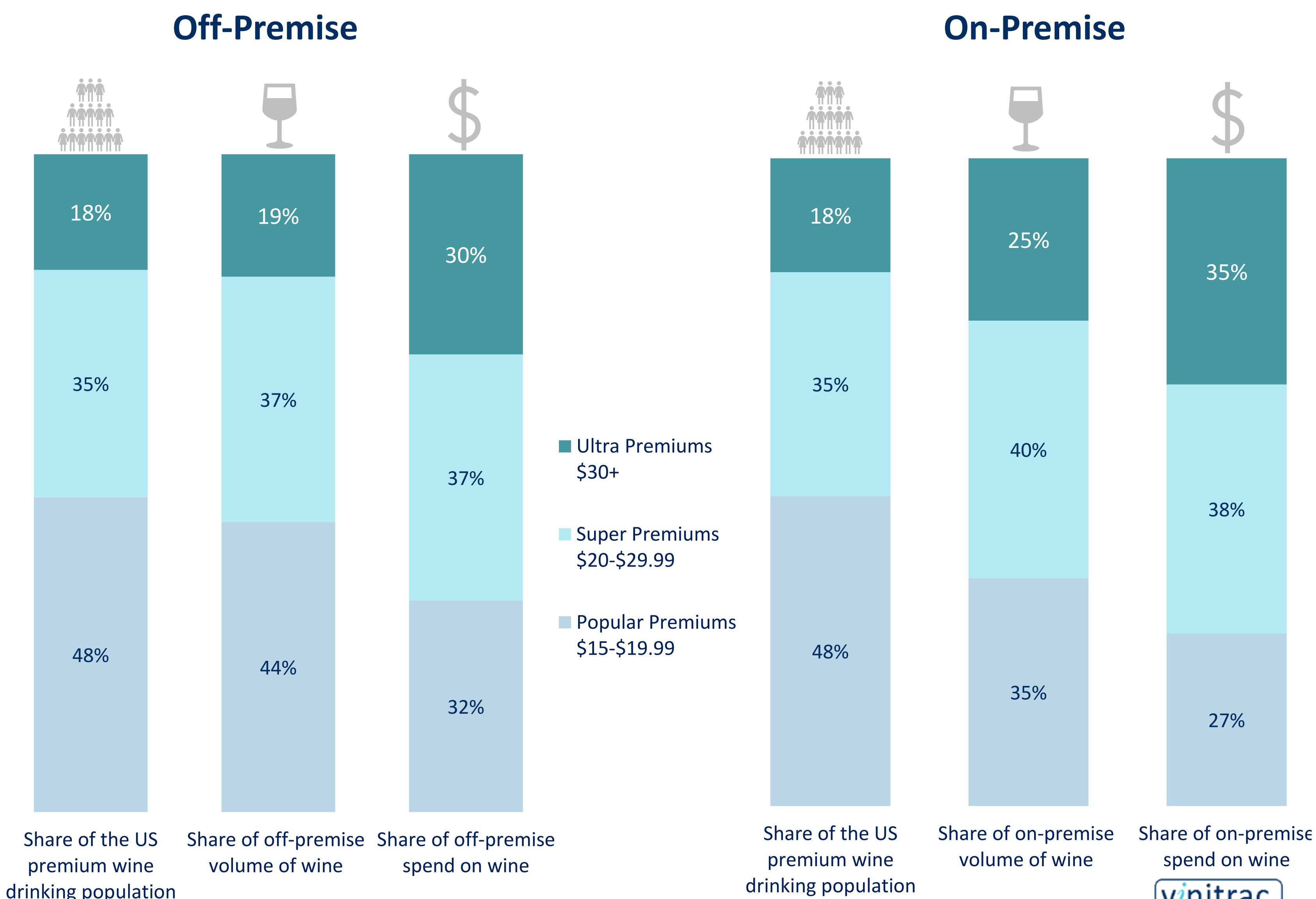
In line with the decline in the number of total US regular wine drinkers, the number of drinkers in each segment has declined since 2019; most notably for Ultra Premiums

	Popular Premiums	Super Premiums	Ultra Premiums
	Typically spend **$15-$19.99** on a bottle of wine in the off-premise	*Typically* spend **$20-$29.99** on a bottle of wine in the off-premise	*Typically* spend **$30 or more** on a bottle of wine in the off-premise
2019	9.9 million **Popular Premiums**	7.7 million **Super Premiums**	4.4 million **Ultra Premiums**
	-0.5m ↓ -5%	-0.8m ↓ -10%	-0.9m ↓ -20%
2021	9.4 million **Popular Premiums**	6.9 million **Super Premiums**	3.5 million **Ultra Premiums**

Source: Wine Intelligence, Vinitrac® US, Jun' 19, Jul' '21, (n≥559) US premium wine drinkers

US PREMIUM WINE DRINKERS VOLUME & VALUE: OFF- & ON-PREMISE

Ultra Premiums are strong drivers of total wine spend, particularly in the on-premise



Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

US PREMIUM WINE DRINKER SEGMENTS: WINE CONSUMPTION

Super Premiums consume wine the most frequently for at-home occasions, while Ultra Premium consume most often in the on-premise

Wine consumption frequency (off-premise)

Wine consumption frequency (on-premise)

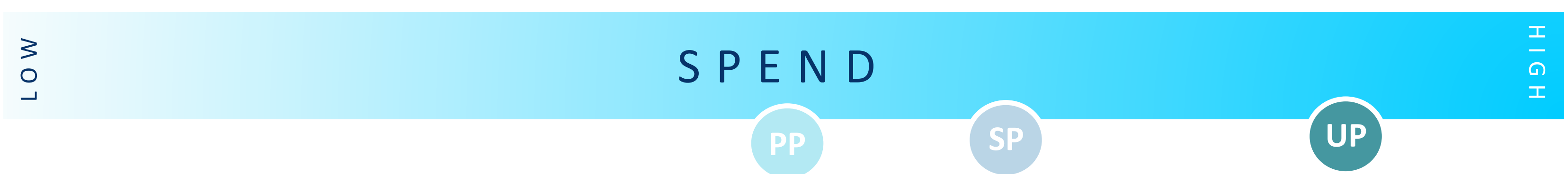
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

US PREMIUM WINE DRINKER SEGMENTS: SPEND

Ultra Premiums spend more per bottle on wine in both the off- and on-premises compared with the other segments, by a wide margin

Typical spend per bottle of wine (off-premise)

Typical spend per bottle of wine (on-premise)



Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

US PREMIUM WINE DRINKER SEGMENTS: RELATIONSHIP WITH WINE

While Ultra Premium drinkers have the highest levels of involvement and confidence with the category, Popular Premiums have the broadest range of top-line wine knowledge as Ultra Premiums have deeper knowledge about specific regions or producers

Level of involvement with the wine category

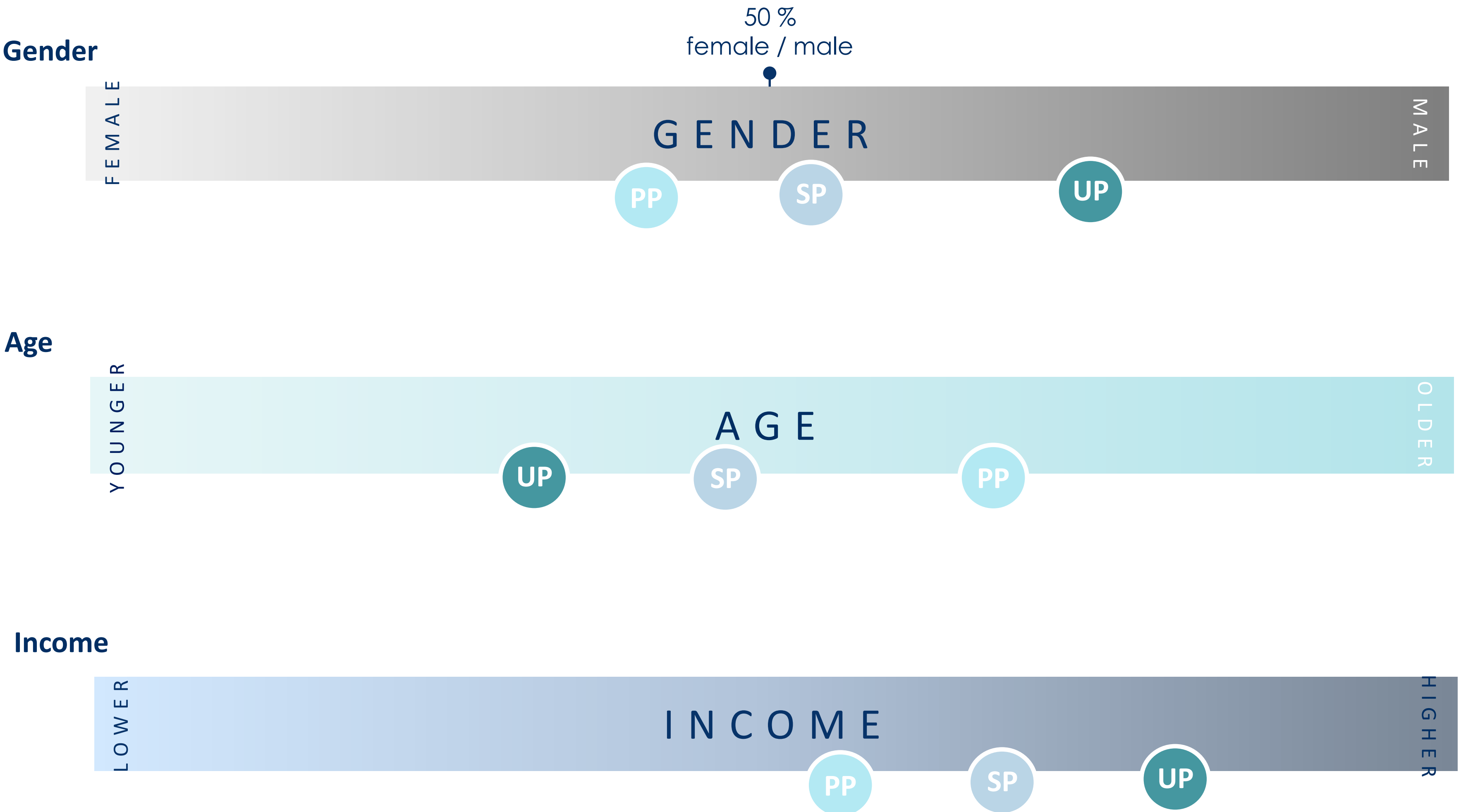
Level of wine knowledge

Level of confidence with wine

Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

US PREMIUM WINE DRINKER SEGMENTS: DEMOGRAPHICS

Ultra Premiums have higher proportions of younger, male and higher-income drinkers while Popular Premiums are proportionally older and female



Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

POPULAR PREMIUMS

wine intelligence

WHO

- Typically mid-aged and older consumers (50% aged 50+) who are enjoying a more "settled" life stage with wine fitting into their weekly routines
- Higher proportion of female drinkers (compared to other premium drinkers)

INTERESTS AND VALUES

- Savvy, choosing quality over quantity and always looking for a good deal
- See their home as an expression of their personal style
- Less interested in social media

RELATIONSHIP WITH WINE

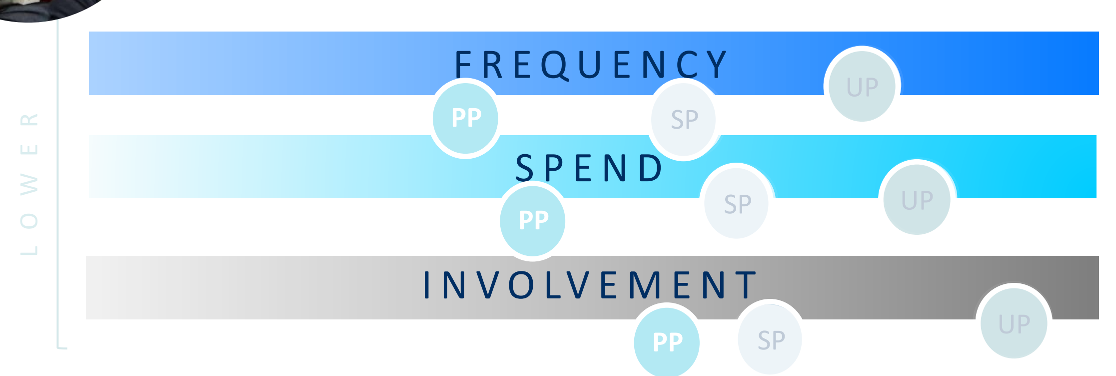
- **Functional** – Drinking wine primarily to relax and to elevate dinner
- **'Less experimental:** They are less experimental in their wine choices compared to other premium drinkers, sticking with wines they're familiar with
- **Smart shopping** - Looking to find the best quality wine for their budget and use their category knowledge to support this

HOW TO ENGAGE THEM WITH WINE

- **Promotions** e.g. Higher priced wine reduced to their sweet spot of under $20
- **Simple descriptors** e.g. straight-forward wine flavor descriptions
- **Non-wine focused media** e.g. food, lifestyle press / influencers

KEY CHALLENGE FOR WINE BRANDS

- **Engaging with prospective buyers & staying interesting**. Not actively seeking out new wine brands or tasting and struggle to remember names of wines



WHERE THEY SHOP

Shop in supermarkets and liquor stores, tend to stay away from online shopping

Publix, Walmart, Total Wine & More, Kroger, Target, Safeway, Winn-Dixie

BRANDS THEY DRINK INCLUDE

Mainstream brands including:

Kendall-Jackson, Josh Cellars, Francis Ford Coppola Winery, Kim Crawford, Robert Mondavi Winery, Sterling Vineyards, Sonoma-Cutrer

Typical Popular Premiums behavior

- ✓ Don't store much wine, perhaps have a small wine rack at home - mostly filled with gifted wine they have forgotten about, an eclectic range of brands, rarely more than one bottle of the same wine
- ✓ Often an opened bottle at home - not finished from the night before / earlier in the week
- ✓ Quick to take suggestions in a wine store, as long as they are the right price point
- ✓ Describe wine they like with words like 'dry,' 'sweet', 'fruity'
- ✓ Prefer to let others choose the wine when out in the on-premise

SUPER PREMIUMS

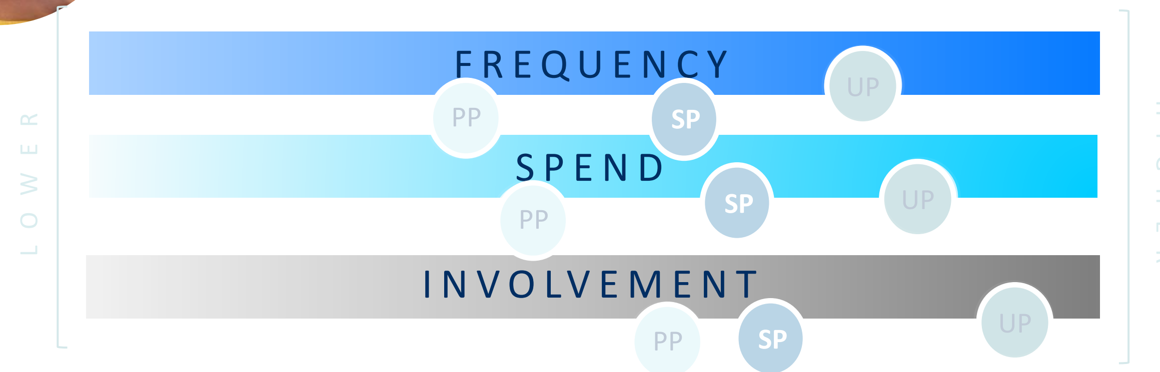
WHO
- **Mid-aged** (typically 30s+) social drinkers, for whom wine is a key and habitual part of their lives

INTERESTS AND VALUES
- Lead active social lives, enjoy exploring local activities and traveling when they can
- Keen users of social media, using it as part of their daily lives

RELATIONSHIP WITH WINE
- **Social** – wine is both an interest and topic of conversation in social circles
- **Aspirational** - See the world of wine as something fun, interesting, romantic and aspirational
- **Competent** - Fairly confident with their own wine knowledge, but often socialize around people who know a lot more about wine than themselves
- **Explorers** - Enjoy discovering new wines and learning from people in their network and at social events

HOW TO ENGAGE THEM WITH WINE
- **Target social events** e.g Tastings or winery visits – places where they can drink and chat with others
- **Case discounts** e.g. Promotions on 6-bottle cases of random wines allows for trial and discovery

KEY CHALLENGE FOR WINE BRANDS
- **Building loyalty & changing wine choices.** They are not particularly brand loyal; instead are easily swayed by the opinions of more knowledgeable friends



WHERE THEY SHOP
Shop in supermarkets and liquor stores, tend to stay away from online shopping

BRANDS THEY DRINK
Brands recommended to them by others

Typical Super Premiums behavior

- ✓ Can tell you a nice story about a great trip to a winery on a vacation
- ✓ Have a few bottles of good quality wine stored at home that they are looking forward to drinking - but not a large cellar of wines to drink in years to come
- ✓ Have been part of a wine club at some point in their lives
- ✓ Think carefully about the wine they might serve at dinner with guests
- ✓ Can describe the wines they like in quite a lot of detail, remembering the brand / winery, region

ULTRA PREMIUMS

WHO

- **The youngest** of the premium drinker segments with nearly 2/3 of them Gen Z or Millennials and 2/3 are men

INTERESTS AND VALUES

- Wine is an important part of their lifestyle, and they have a strong interest in the category
- Enjoy participating in sports and fitness
- Environmentally conscious

RELATIONSHIP WITH WINE

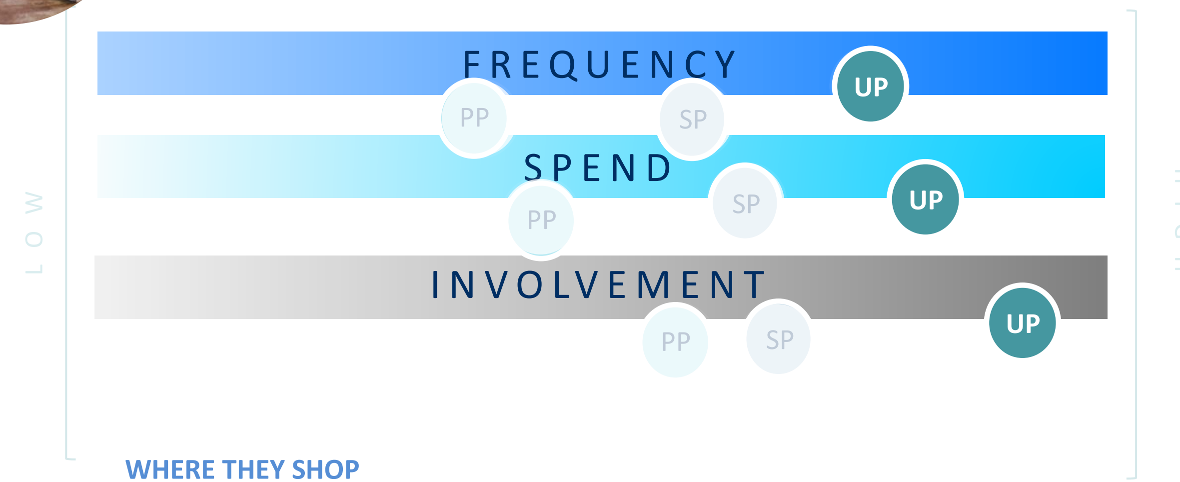
- **Personal** – wine is passion and they are eager to deepen their knowledge
- **Confident** – Highest level of wine confidence and are highly involved with the category
- **Experimental** – The most open to trying different or new styles of wine
- **Highest spenders** – The highest spenders on wine among all premium drinkers

HOW TO ENGAGE THEM WITH WINE

- **At wineries** e.g. wine clubs, special releases
- **Events with the winemaker (online and off-line)** e.g. a learning + social opportunity
- **Privileged access** e.g. Exclusive access to a special release

KEY CHALLENGE FOR WINE BRANDS

- **Staying local.** Harder for international producers to get on their radar
- **Crave details.** Want to know all about the winemaker, winery and wine making techniques



WHERE THEY SHOP

Mixture of liquor stores, super stores and club stores, and online

BRANDS THEY DRINK

Small range of small producers / special releases

Typical Ultra Premiums behavior

- ✓ They often have a 'cellar' (storage area) at home (in basements, closets, cupboards)
- ✓ The person people will call on for advice about which wine to buy
- ✓ Can tell you about a wine producer they respect and why
- ✓ Tend to be members of a wine club and buy wine frequently online

CONTENTS

POPULAR PREMIUMS

WHO
- Typically mid-aged and older consumers (50% aged 50+) who are enjoying a more "settled" life stage with wine fitting into their weekly routines
- Higher proportion of female drinkers (compared to other premium drinkers)

INTERESTS AND VALUES
- Savvy, choosing quality over quantity and always looking for a good deal
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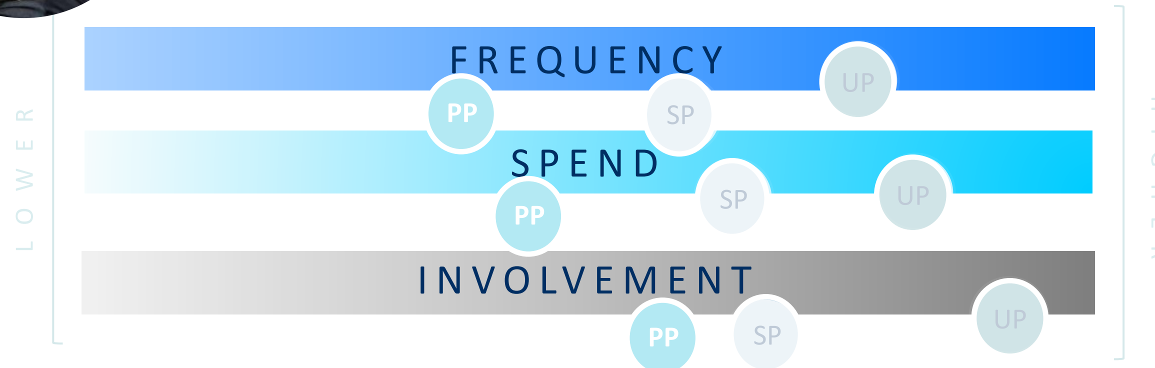

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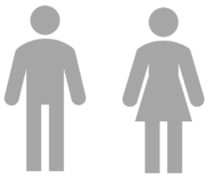
POPULAR PREMIUMS: DEMOGRAPHICS

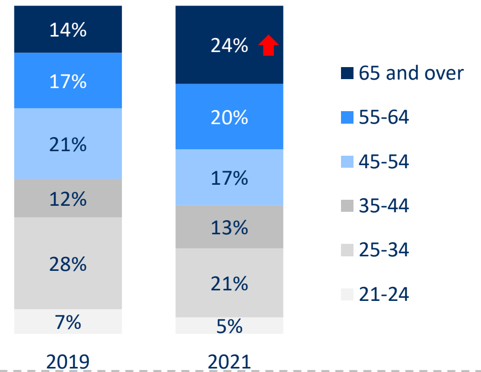
Higher proportions of women and those aged 55+ are Popular Premiums in 2021 compared with 2019

Gender: US Popular Premium wine drinkers



	Men	Women
2021	44%↓	56%↑
2019	64%	36%

Age: US Popular Premium wine drinkers



US divisions: US Popular Premium wine drinkers

	2021
New England	5%
Middle Atlantic	22%
East North Central	9%
West North Central	5%
South Atlantic	20%
East South Central	7%
West South Central	11%
Mountain	7%
Pacific	14%

Annual household income (before tax): US Popular Premium wine drinkers

	2021
Under $30,000	4%
$30,000-$49.99	8%
$50,000-$99,99	49%
$100,00-$149,99	23%
$150,000-$199,99	9%
$200,00+	5%
Prefer not to answer	2%

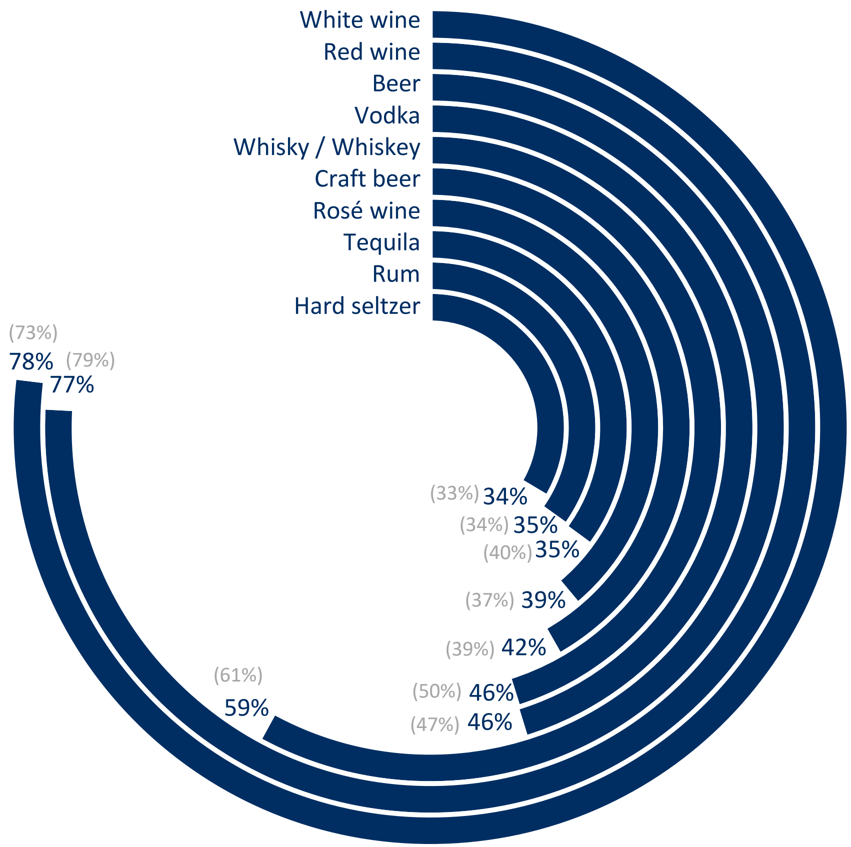
↑ / ↓ : Statistically significantly higher / lower than the 2019 wave at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, Jun' 19, Jul' '21, (n≥559) US premium wine drinkers

POPULAR PREMIUMS: BEVERAGE REPERTOIRE

Popular Premiums are the only premium segment that consume red and white wines in equal proportions

Beverage repertoire

% who have drunk the following beverages in the past 6 months
Base = All US Popular Premium wine drinkers (n=267)



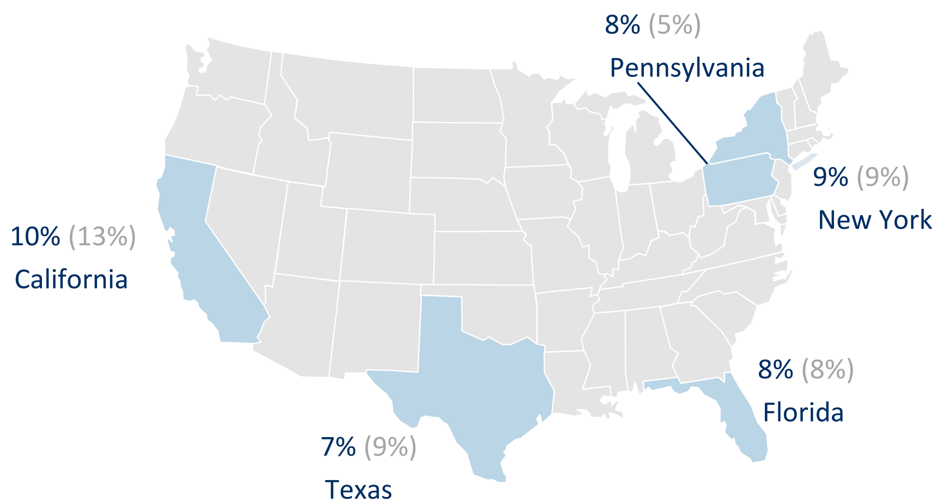
Other alcoholic beverages enjoyed by a Popular Premium consumer at home

(%): All US Premium wine drinkers
Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, Jun' 19, Jul' '21, (n=559) US premium wine drinkers

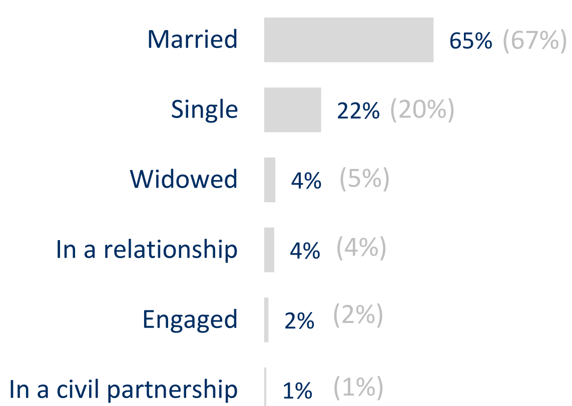
POPULAR PREMIUMS: WHERE DO THEY LIVE AND WITH WHOM?

Broad range of drinkers in the Popular Premium segment in terms of life-stage and state of residence, mirroring the profile of premium drinkers in general

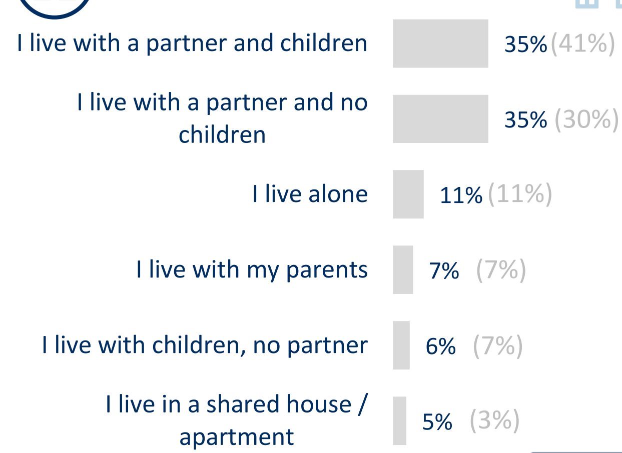
Where are they?



What's their relationship status?



Who do they live with?



(%): All US premium wine drinkers
⬆ / ⬇ : Statistically significantly higher / lower than the 2014 wave at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, Jun' 14, Jul' '21, (n≥559) US premium wine drinkers

POPULAR PREMIUMS: VALUES, ATTITUDES & INTERESTS

Popular premiums are domestically-oriented, with less interest in social media compared with other US premium drinkers

What's important to them?

- Popular Premiums have a broad range of interests
- They aim to make the most of time at home and with family. They enjoy relaxing in front of the TV and cooking a nice meal and see their home as an expression of their own personal style
- Popular Premiums are less engaged with social media or interested in living a lifestyle that impresses others compared with the other premium segments

What are their interests?

% who stated they are interested in each of the following subjects

Movies or TV shows 64% (57%)

Cooking 58% (58%)

Politics 43% (40%)

Finance / Investments 39% (40%)

Healthcare 38% (39%)

Home remodelling 36% (36%)

Environmental and sustainable causes 31% (33%)

Following sport 30% (36%)

What are their attitudes?

% who 'agree' or 'strongly agree' with each statement

My home is an expression of my personal style – 48% (49%)

During a given week, I cook meals frequently – 48% (50%)

I am typically willing to pay more for high-quality items – 43% (44%)

I like to take my time to find out the best value option in everything I do – 42% (45%)

Investing in education is important to me – 40% (42%)

I frequently choose active vacations with lots to do – 19% (32%)

Following others on social media is an important part of my daily life – 15% (24%)

I like to live a lifestyle that impresses others – 14% (23%)

Posting on social media is an important part of my daily life – 12% (24%)

"I drink wine everyday… it's just relaxing. At the end of the day, I have a glass of wine, muscles all relax… I like the way wine makes me feel and I don't over-drink when I drink wine."
Popular Premium, Female, Illinois

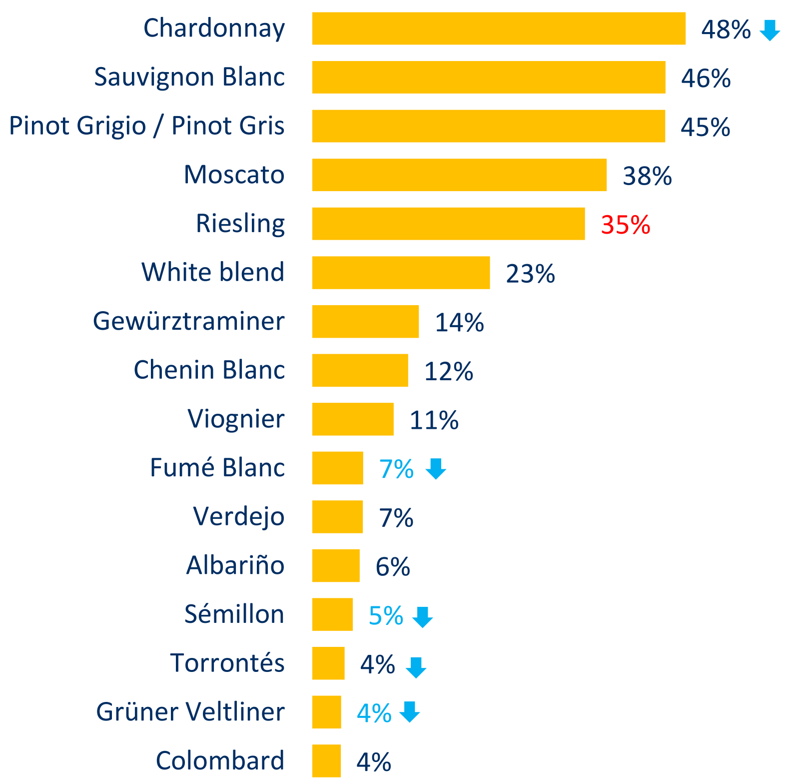
(%): All US premium wine drinkers
⬆ / ⬇ : Statistically significantly higher / lower than the 2014 wave at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, Jun' 14, Jul' '21, (n≥559) US premium wine drinkers

POPULAR PREMIUMS: VARIETAL CONSUMPTION

Popular Premiums tend to stick to mainstream white varietals and have become increasingly less interested in some niche varietals

White varietal consumption

% who have drunk the following varietals or wine types in the past 6 months
Base = All US Popular Premium wine drinkers (n=267)



White wines enjoyed by Popular Premiums

"I like Pinot Grigio for whites."
Popular Premium, Female, Illinois

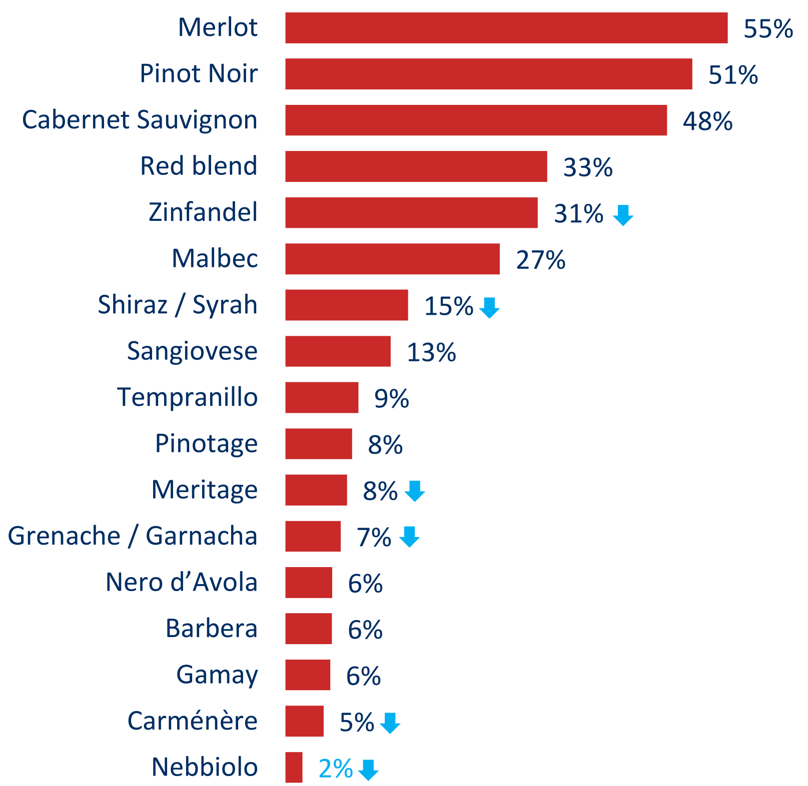
⬆ / ⬇ : Statistically significantly higher / lower than the 2014 wave at a 95% confidence level
Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

POPULAR PREMIUMS: VARIETAL CONSUMPTION

Popular Premiums tend to stick to mainstream red varietals and have become increasingly less interested in some niche varietals

Red varietal consumption

% who have drunk the following varietals or wine types in the past 6 months
Base = All US Popular Premium wine drinkers (n=267)



Red wines enjoyed by Popular Premiums

“If I'm drinking red, I like Malbec or Cabernet most of the time. Pinot Noir sometimes. It's lighter.”
Popular Premium, Female, Illinois

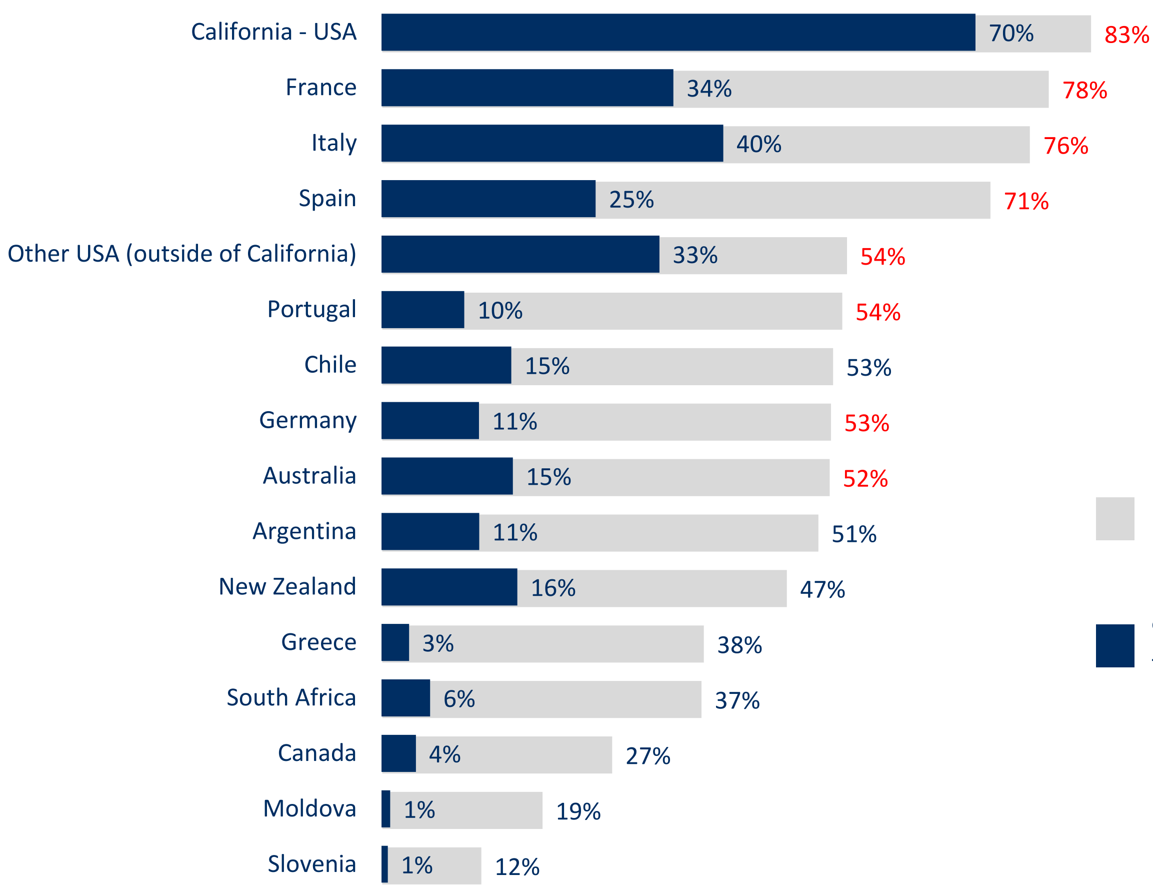
↑ / ↓ : Statistically significantly higher / lower than the 2014 wave at a 95% confidence level
Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

POPULAR PREMIUMS: COUNTRY OF ORIGIN

Popular Premiums have a broad awareness of wine countries of origin, but this does not convert into higher purchase rates

Country of origin **awareness and consumption**

% who have drunk wine from the following places in the past 6 months
Base = All US Popular Premium wine drinkers (n=267)



"I wouldn't say I have a favorite country, but if I'm not familiar with something, either France or Italy will stick out at me on a menu."
Popular Premium, Female, Illinois

% who know the following places produce wine

% who have drunk wine from the following places in past 6 months

Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

POPULAR PREMIUMS: COUNTRY OF ORIGIN

Popular Premiums have a broad base of wine knowledge, built up over their years of wine drinking, illustrated by their higher awareness of many wine countries of origin, but they do not have as much extensive, in-depth wine knowledge

Country of origin **awareness**: Tracking

% who know the following places produce wine
Base = All US Popular Premium wine drinkers (n≥257)

Rank		2014	2019	2020	2021	Tracking		
2021	*n=*	320	268	257	267	vs. '14	vs. '19	vs. '20
1	California - USA	74%	82%	81%	83%	↑	→	→
2	France	74%	75%	73%	78%	→	→	→
3	Italy	72%	77%	71%	76%	→	→	→
4	Spain	60%	68%	62%	71%	↑	→	↑
5=	Other USA (outside of California)	53%	54%	49%	54%	→	→	→
5=	Portugal	42%	47%	44%	54%	↑	→	↑
7=	Chile	49%	47%	44%	53%	→	→	↑
7=	Germany	47%	44%	41%	53%	→	→	↑
9	Australia	53%	47%	47%	52%	→	→	→
10	Argentina	49%	50%	47%	51%	→	→	→

Country of origin **purchase**: Tracking

% who have drunk wine from the following places in the past 6 months
Base = All US Popular Premium wine drinkers (n≥257)

Rank		2014	2019	2020	2021	Tracking		
2021	*n=*	320	268	257	267	vs. '14	vs. '19	vs. '20
1	California - USA	57%	72%	71%	70%	↑	→	→
2	Italy	34%	46%	39%	40%	→	→	→
3	France	35%	40%	34%	34%	→	→	→
4	Other USA (outside of California)	31%	37%	27%	33%	→	→	→
5	Spain	18%	27%	22%	25%	↑	→	→
6	New Zealand	11%	16%	13%	16%	→	→	→
7=	Australia	19%	20%	16%	15%	→	→	→
7=	Chile	18%	14%	15%	15%	→	→	→
9=	Argentina	13%	12%	14%	11%	→	→	→
9=	Germany	15%	10%	6%	11%	→	→	↑

- Popular Premiums have a much greater *breadth* of knowledge when compared to other premium wine drinkers, mostly coming from their many year of experience with the wine category
- However, when comparing Popular Premiums to other premium drinkers, they do not have as much *depth* of knowledge
- Where their wine comes from is not at the top of Popular Premiums minds; they are more likely to be looking out for brands or varietals that they recognize

"I don't drink wine from New Zealand… I do drink Kim Crawford."
Popular Premium, Female, Illinois

"If I like the taste, it really wouldn't matter what country or what the price was."
Popular Premium, Male, Illinois

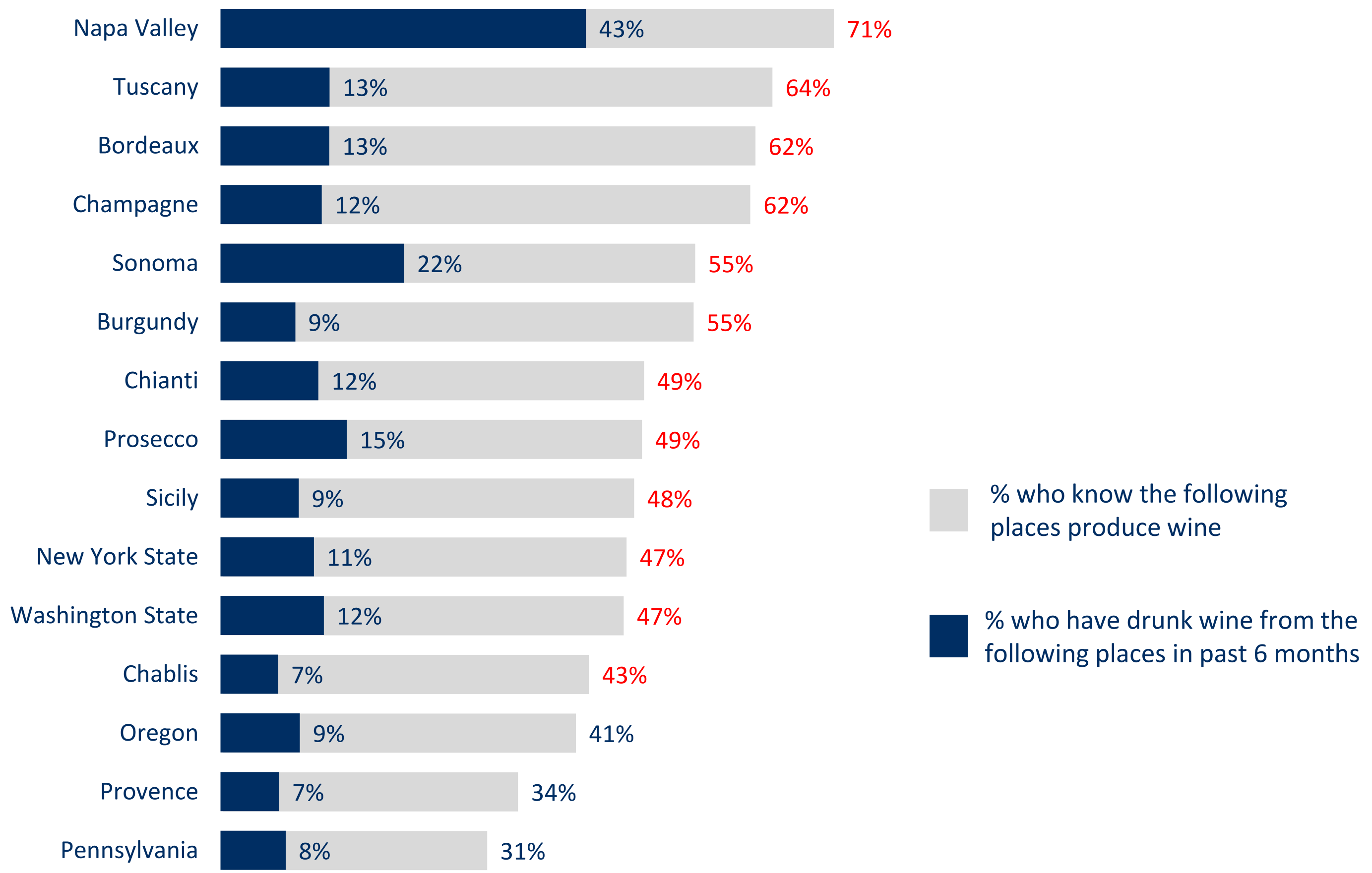
↑ / ↓ : Statistically significantly higher / lower than previous waves at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, Jun' 14, Jul' '19, Jul' '20, Jul' '21, (n≥559) US premium wine drinkers

POPULAR PREMIUMS: REGION OF ORIGIN

In line with countries of origin, Popular Premiums have higher awareness of wine regions, but this does not translate into higher purchase rates

Top 15 region of origin **awareness and consumption**: Top 15

% who have drunk wine from the following places in the past 6 months
Base = All US Popular Premium wine drinkers (n=267)



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Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

POPULAR PREMIUMS: REGION OF ORIGIN

Region of origin purchase incidence has declined for most regions since 2014 despite higher awareness levels

Top 10 region of origin **awareness**: Tracking

% who know the following places produce wine
Base = All US Popular Premium wine drinkers (n≥267)

Rank 2021	*n=*	2014 320	2019 268	2020 257	2021 267	Tracking vs. '14	Tracking vs. '19	Tracking vs. '20
1	Napa Valley	62%	67%	68%	71%	↑	→	→
2	Tuscany	63%	61%	57%	64%	→	→	→
3=	Bordeaux	57%	53%	54%	62%	→	↑	→
3=	Champagne	57%	53%	50%	62%	→	↑	↑
5=	Sonoma	51%	50%	51%	55%	→	→	→
5=	Burgundy	51%	51%	47%	55%	→	→	→
7=	Chianti	43%	41%	38%	49%	→	→	↑
7=	Prosecco	29%	39%	34%	49%	↑	↑	↑
9	Sicily	50%	42%	43%	48%	→	→	→
10=	New York State	46%	43%	39%	47%	→	→	↑

Top 10 region of origin **purchase**: Tracking

% who have drunk wine from the following places in the past 6 months
Base = All US Popular Premium wine drinkers (n≥267)

Rank 2021	*n=*	2014 320	2019 268	2020 257	2021 267	Tracking vs. '14	Tracking vs. '19	Tracking vs. '20
1	Napa Valley	40%	45%	43%	43%	→	→	→
2	Sonoma	39%	23%	26%	22%	↓	→	→
3	Prosecco	41%	15%	10%	15%	↓	→	→
4	Tuscany	n/a	21%	15%	13%	n/a	↓	→
5=	Bordeaux	9%	14%	13%	13%	→	→	→
5=	Washington State	9%	15%	11%	12%	→	→	→
7	Champagne	32%	17%	10%	12%	↓	→	→
8	Chianti	28%	10%	7%	12%	↓	→	→
9	New York State	60%	14%	10%	11%	↓	→	→
10=	Oregon	33%	15%	11%	9%	↓	↓	→

- Region of origin isn't as important choice cue for Popular Premiums (58% vs 67% for all PWD)
- In line with countries of origin, Popular Premiums are focusing on brands and varietals rather than the region of origin
- Napa Valley remains the region with the highest purchase incidence among Popular Premiums. Outside of Napa Valley, purchase incidence is relatively low

↑ / ↓ : Statistically significantly higher / lower than previous wave at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, Jun' 14, Jul' '19, Jul' '20, Jul' '21, (n≥559) US premium wine drinkers

: Low sample size (n<50)

POPULAR PREMIUMS: RELATIONSHIP WITH WINE

While wine is a firm favorite for Popular Premiums, they do not consider it key to defining their lifestyle, and are less confident about wine compared with other premium drinkers

- Drink wine based on functional benefits - enjoy the taste and how it complements food
- They like the lower alcohol levels wine has compared with over beverages – specifically hard liquor
- Price conscious: look for best value, but avoid the cheapest options as they assume these will be unlikely to taste as good as they require and expect
- Experienced wine drinkers who know what they like - but also know there are people who take wine a lot more 'seriously' than they do

"I understand a little bit about what oaky, dry and sweet mean, and what wines you would pair with fish as opposed to beef."
Popular Premium, Female

"I drink wine everyday… it's just relaxing. It's the end of the day I have a glass of wine, muscles all relax. It's just calming…. I think I like the way wine makes me feel and I don't overdrink when I drink wine."
Popular Premium, Female

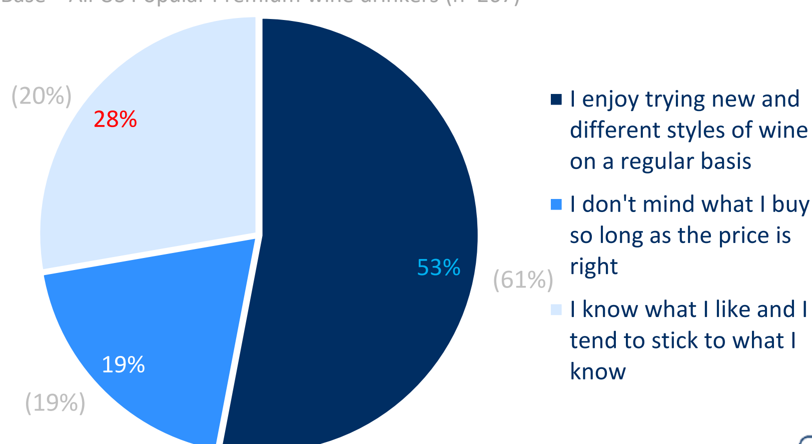
Involvement and perceived expertise in wine

% who 'agree' or 'strongly agree' with the following statements
Base = All US Popular Premium wine drinkers (n=267)

Rank 2021	*n=*	2021 267
1	Drinking wine gives me pleasure	88%
2	I always look for the best quality wines I can get for my budget	75%
3	Deciding which wine to buy is an important decision	70%
4	Generally speaking, wine is reasonably priced	68%
5=	I like to take my time when I purchase a bottle of wine	64%
5=	I have a strong interest in wine	64%
7	Wine is important to me in my lifestyle	56%
8	I feel competent about my knowledge of wine	50%
9=	Compared to others, I know less about the subject of wine	35%
9=	Generally speaking, wine is an expensive drink	35%
11	I don't understand much about wine	23%

Attitudes towards wine

% who agree with the following statements about wine
Base = All US Popular Premium wine drinkers (n=267)



(%): All US Premium wine drinkers
Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

POPULAR PREMIUMS: CELLARING

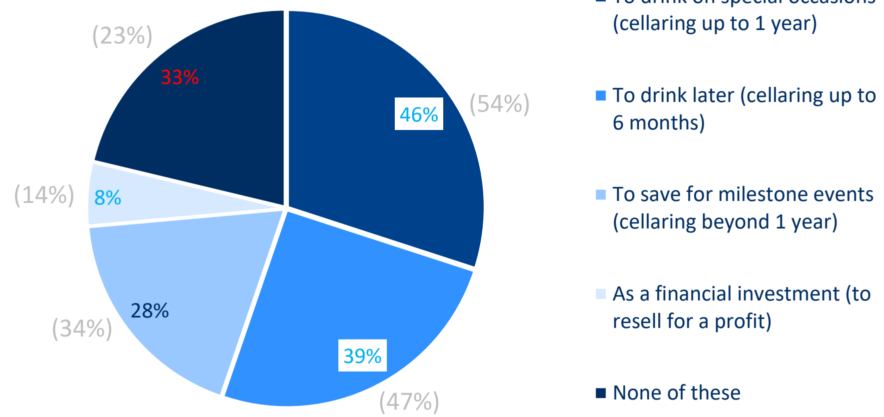
Popular Premiums occasionally buy wine to save for special occasions or to drink up to 6 months later, but this is relatively rare for them

- Popular Premiums are unlikely to have more than a few bottles at home at any one time
- Not really buying wine to 'cellar' - may have the odd bottle saved for a special occasion, bottles that have built up over time as people bring them over for gifts, or wines they bought on promotion / multi-case discounts that are still to be drunk

Image from a Popular Premium's wine rack

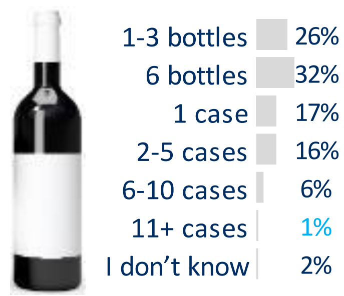
Cellaring

% who buy wine for the following purposes
Base = All US Popular Premium wine drinkers (n=267)



Number of bottles in cellar

% who currently have the following number of bottles in a cellar
Base = All US Popular Premium wine drinkers (n=267)



(%): All US Premium wine drinkers
Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

POPULAR PREMIUMS: CHOICE CUES

Popular Premiums find grape variety and food pairings important factors when deciding which wines to buy, and are less likely to look towards recommendations outside of word-of-mouth

Choice cues

% who indicate each of the following factors is 'important' or 'very important' when buying wine
Base = All US Popular Premium wine drinkers (n=267)

Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

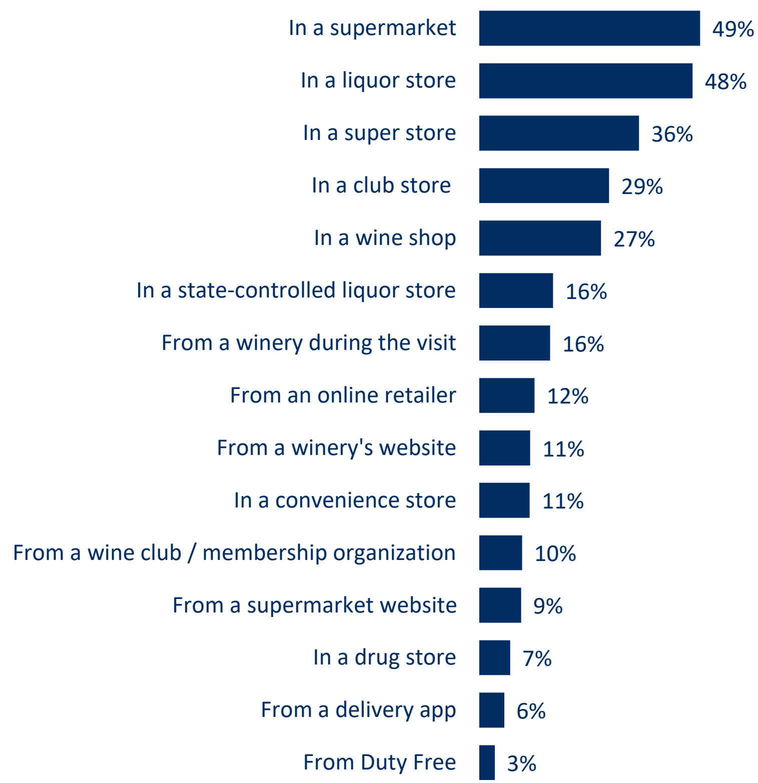
POPULAR PREMIUMS: WHERE THEY BUY

Popular Premiums do most of their shopping in supermarkets or liquor stores for convenience

- Popular Premiums prefer to buy their wine wherever is convenient for them. This means they mostly shop for their wine in grocery or liquor stores
- Popular Premiums are less likely to purchase wine online (30% are online shoppers compared to 38% of all PWD) and prefer to use brick-and-mortar stores for their purchases
- Popular Premiums do not have stronger preference for any retailers compared to other premium wine drinkers

Wine-buying channels

% who have bought wine from the following channels in the past 6 months
Base = All US Popular Premium wine drinkers (n=267)



Wine-buying retailers: Top five

% who have bought wine from the following channels in the past 6 months
Base = All US Popular Premium wine drinkers (n=267)

Walmart	Costco Wholesale	Target	Total Wine & More	State liquor store (ie generic)
26%	19%	17%	16%	15%
(30%)	(22%)	(19%)	(15%)	(11%)

"Occasionally I'll pick up a bottle or two from Costco if we go shopping there because it's pretty cheap."
Popular Premium, Female, Illinois

(%): All US Premium wine drinkers
Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

POPULAR PREMIUMS: SOURCES OF WINE INFORMATION

Popular Premiums look to people in their personal networks for wine recommendations

- Popular Premiums are not actively searching out information about wine as often as other premium wine drinkers
- When they do pick up recommendations, they tend to be from people they know personally such as friends, family or colleagues
- Alternatively, they may see an article in lifestyle / food media with a wine recommendation and note it down

"I have one friend in California that is very opinionated about where her wines come from, so I followed some of her California wines that she recommends."
Popular Premium, Female, Illinois

Source of information for wine: Top five

% who pay attention to opinions / recommendations about wine from the following sources
Base = All US Popular Premium wine drinkers (n=267)

Friends, family or colleagues – 22% (16%)

When visiting a winery – 14% (10%)

Information on the label or back label – 12% (11%)

Shop staff in wine store – 8% (5%)

Television (e.g. food & wine programs) – 7% (5%)

Wine publication usage

% who pay attention to opinions / recommendations about wine from the following sources
Base = All US Popular Premium wine drinkers (n=267)

Bon Appétit – 16% (10%)

Food and Wine Magazine – 15% (10%)

Wine Spectator Magazine – 8% (6%)

The Wall Street Journal – 6% (6%)

Wine Enthusiast – 7% (6%)

(%): All US Premium wine drinkers
Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

CONTENTS

SUPER PREMIUMS

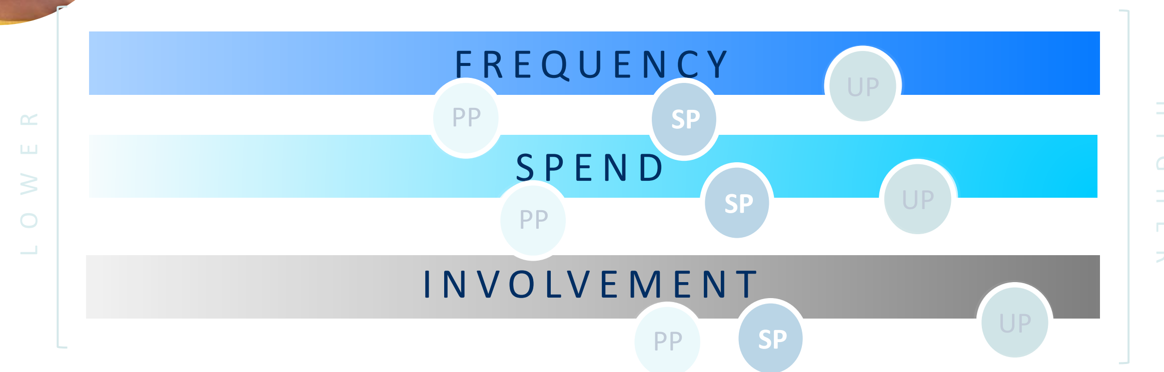
WHO
- **Mid-aged** (typically 30s+) social drinkers, for whom wine is a key and habitual part of their lives

INTERESTS AND VALUES
- Lead active social lives, enjoy exploring local activities and traveling when they can
- Keen users of social media, using it as part of their daily lives

RELATIONSHIP WITH WINE
- **Social** – wine is both an interest and topic of conversation in social circles
- **Aspirational** - See the world of wine as something fun, interesting, romantic and aspirational
- **Competent** - Fairly confident with their own wine knowledge, but often socialize around people who know a lot more about wine than themselves
- **Explorers** - Enjoy discovering new wines and learning from people in their network and at social events

HOW TO ENGAGE THEM WITH WINE
- **Target social events** e.g Tastings or winery visits – places where they can drink and chat with others
- **Case discounts** e.g. Promotions on 6-bottle cases of random wines allows for trial and discovery

KEY CHALLENGE FOR WINE BRANDS
- **Building loyalty & changing wine choices.** They are not particularly brand loyal; instead are easily swayed by the opinions of more knowledgeable friends



WHERE THEY SHOP
Shop in supermarkets and liquor stores, tend to stay away from online shopping

Whole Foods Market, Costco Wholesale, Safeway, Sam's Club, Walmart, Walgreens, Trader Joe's

BRANDS THEY DRINK
Brands recommended to them by others

Oyster Bay New Zealand, La Crema, Miraval Côtes de Provence, Decoy, Ménage à Trois, Francis Ford Coppola Winery, The Prisoner Wine Company, Cloudy Bay New Zealand

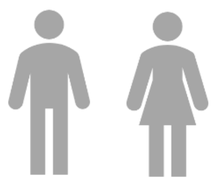
Typical Super Premiums behavior

- ✓ Can tell you a nice story about a great trip to a winery on a vacation
- ✓ Have a few bottles of good quality wine stored at home that they are looking forward to drinking - but not a large cellar of wines to drink in years to come
- ✓ Have been part of a wine club at some point in their lives
- ✓ Think carefully about the wine they might serve at dinner with guests
- ✓ Can describe the wines they like in quite a lot of detail, remembering the brand / winery, region

SUPER PREMIUMS: DEMOGRAPHICS

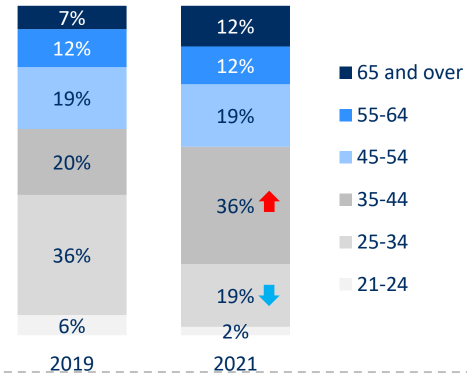
The proportion of Super Premiums who are women has increased, along with those aged 35-44 years

Gender: US Super Premium wine drinkers



2021	52% ↓	48% ↑
2019	65%	35%

Age: US Super Premium wine drinkers



US divisions: US Super Premium wine drinkers

	2021
New England	7%
Middle Atlantic	13%
East North Central	12%
West North Central	6%
South Atlantic	16%
East South Central	6%
West South Central	13%
Mountain	8%
Pacific	20%

Annual household income (before tax): US Super Premium wine drinkers

	2021
Under $30,000	5%
$30,000-$49.99	7%
$50,000-$99,99	45%
$100,00-$149,99	25%
$150,000-$199,99	10%
$200,00+	7%
Prefer not to answer	1%

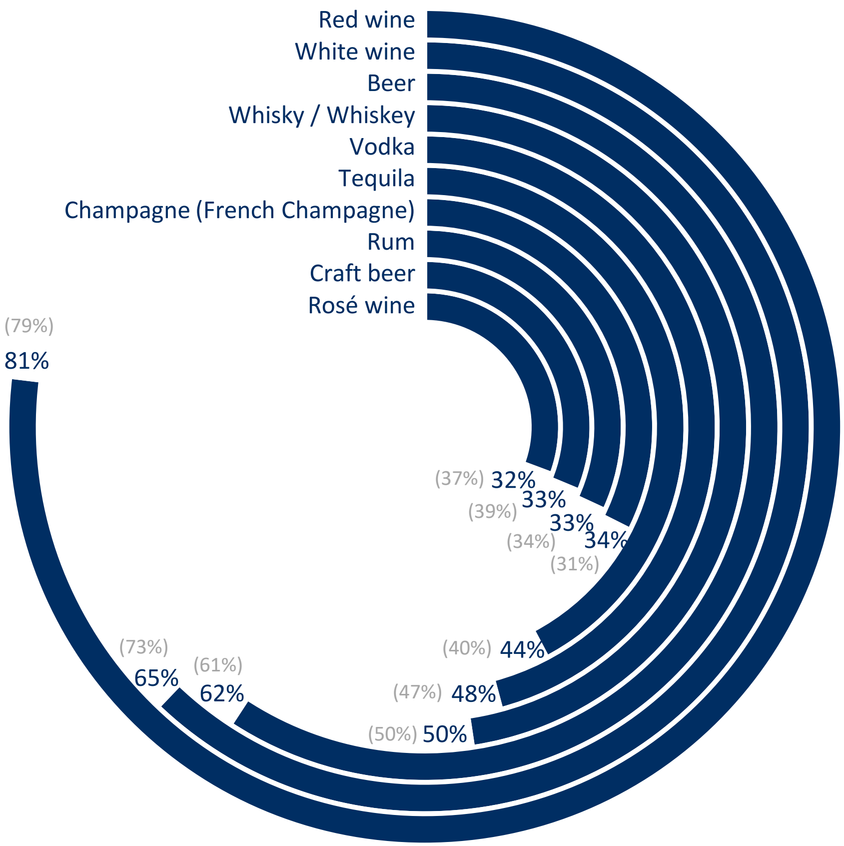
↑ / ↓ : Statistically significantly higher / lower than the 2019 wave at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, Jun' 19, Jul' '21, (n≥559) US premium wine drinkers

SUPER PREMIUMS: BEVERAGE REPERTOIRE

Super Premiums have a strong preference for red wine over other beverage choices

Beverage repertoire

% who have drunk the following beverages in the past 6 months
Base = All US Super Premiums wine drinkers (n=193)



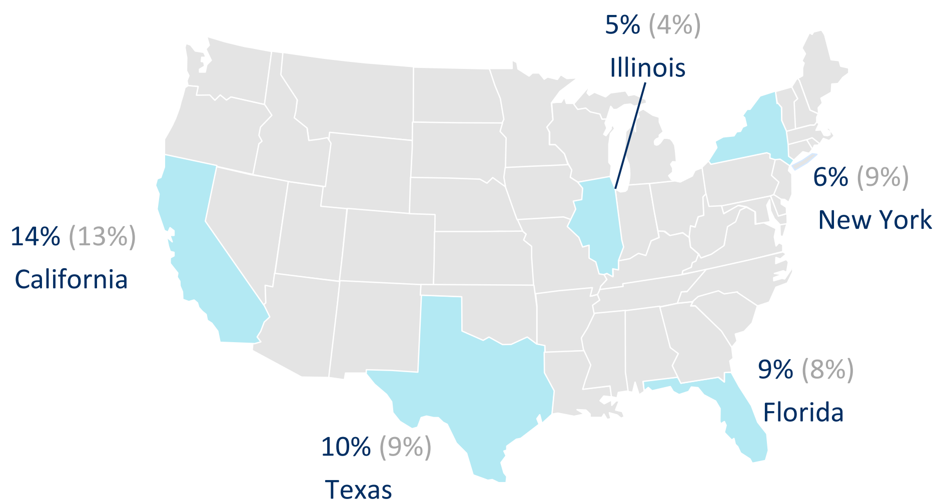
Other alcoholic beverages enjoyed by Super Premiums

(%): All US Premium wine drinkers
Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, Jul' '21, (n=559) US premium wine drinkers

SUPER PREMIUMS: WHERE DO THEY LIVE AND WITH WHOM?

Broad range of drinkers in the Super Premium segment in terms of life-stage and state of residence, mirroring the profile of premium drinkers in general

Where are they?



What's their relationship status?

Married	69% (67%)
Single	18% (20%)
In a relationship	5% (5%)
Widowed	3% (4%)
In a civil partnership	3% (2%)
Engaged	1% (1%)

Who do they live with?

I live with a partner and children	45% (41%)
I live with a partner and no children	29% (30%)
I live alone	10% (11%)
I live with children, no partner	7% (7%)
I live with my parents	5% (6%)
I live in a shared house / apartment	2% (3%)

(%): All US Premium wine drinkers
↑ / ↓ : Statistically significantly higher / lower than the 2014 wave at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, Jun' 14, Jul' '21, (n≥559) US premium wine drinkers

SUPER PREMIUMS: VALUES, ATTITUDES & INTERESTS

Super Premiums are typically keen users of social media and see using the platforms as an important part of their daily lives

What's important to them?

- Super Premiums have embraced social media as part of their lifestyle, using it as a source of inspiration and information in their lives, including for wine suggestions and recommendations
- They typically enjoy leading active social lives, exploring local activities and traveling when they can

What are their interests?

% who stated they are interested in each of the following subjects

Cooking 56% (58%)

Movies or TV shows 50% (57%)

Healthcare 41% (39%)

Politics 39% (40%)

Following sport 39% (36%)

Home remodelling 39% (36%)

Participating in sport or fitness 38% (35%)

Finance / Investments 37% (40%)

What are their attitudes?

% who 'agree' or 'strongly agree' with each statement

During a given week, I cook meals frequently – 53% (50%)

I like to take my time to find out the best value option in everything I do – 48% (45%)

My cultural / ethnic heritage is an important part of who I am – 47% (43%)

I am typically willing to pay more for high-quality items – 45% (44%)

My home is an expression of my personal style – 42% (49%)

I expect the brands I buy to support social causes – 41% (33%)

Following others on social media is an important part of my daily life – 37% (24%)

Posting on social media is an important part of my daily life – 37% (24%)

I like to live a lifestyle that impresses others – 36% (23%)

"For our tenth anniversary my husband and I biked through the Loire Valley and did a tour there and drank the wine. We drank Sancerre for the first time and it became our favorite wine."
Super Premium, Female, Illinois

(%): All US Premium wine drinkers
↑ / ↓ : Statistically significantly higher / lower than the 2014 wave at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, Jun' 14, Jul' '21, (n≥559) US premium wine drinkers

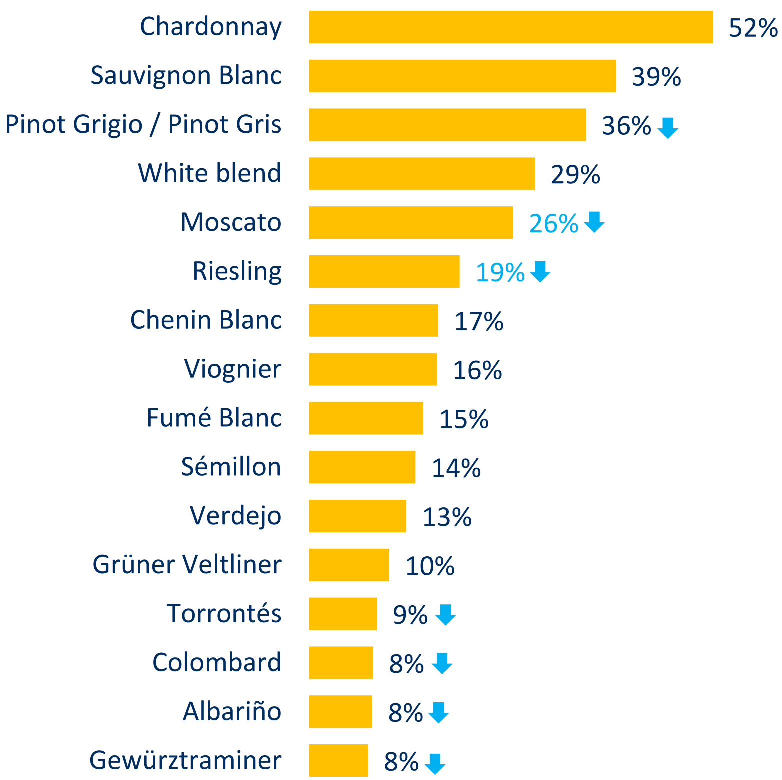
SUPER PREMIUMS: VARIETAL CONSUMPTION

wine intelligence

Super Premiums enjoy a broad range of white varietals, with less of a preference for sweeter styles

White varietal consumption

% who have drunk the following varietals or wine types in the past 6 months
Base = All US Super Premiums wine drinkers (n=193)



White wines enjoyed by Super Premiums

"I really like Sauvignon Blancs for white, I just think they taste really crisp."
Super Premium, Female, California

↑ / ↓ : Statistically significantly higher / lower than the 2014 wave at a 95% confidence level
Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

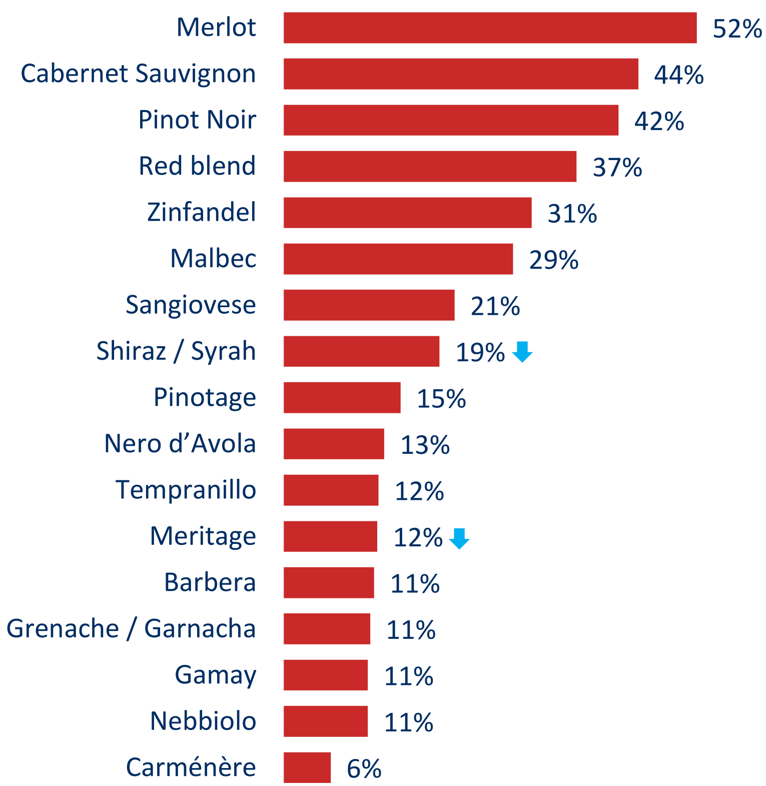
vinitrac®

SUPER PREMIUMS: VARIETAL CONSUMPTION

Super Premiums are reasonably knowledgeable about a range of red varietals and their flavor profiles, often having specific favorites

Red varietal consumption

% who have drunk the following varietals or wine types in the past 6 months
Base = All US Super Premiums wine drinkers (n=193)



Red wine in a Super Premium's home

"I don't like anything that's too acidic-y. I like stuff that has more smooth, earthy tones. Not as fruity… If you get a good Merlot, it can be really good. I do prefer Pinots and Cabs but that's just personal preference."
Super Premium, Male, Illinois

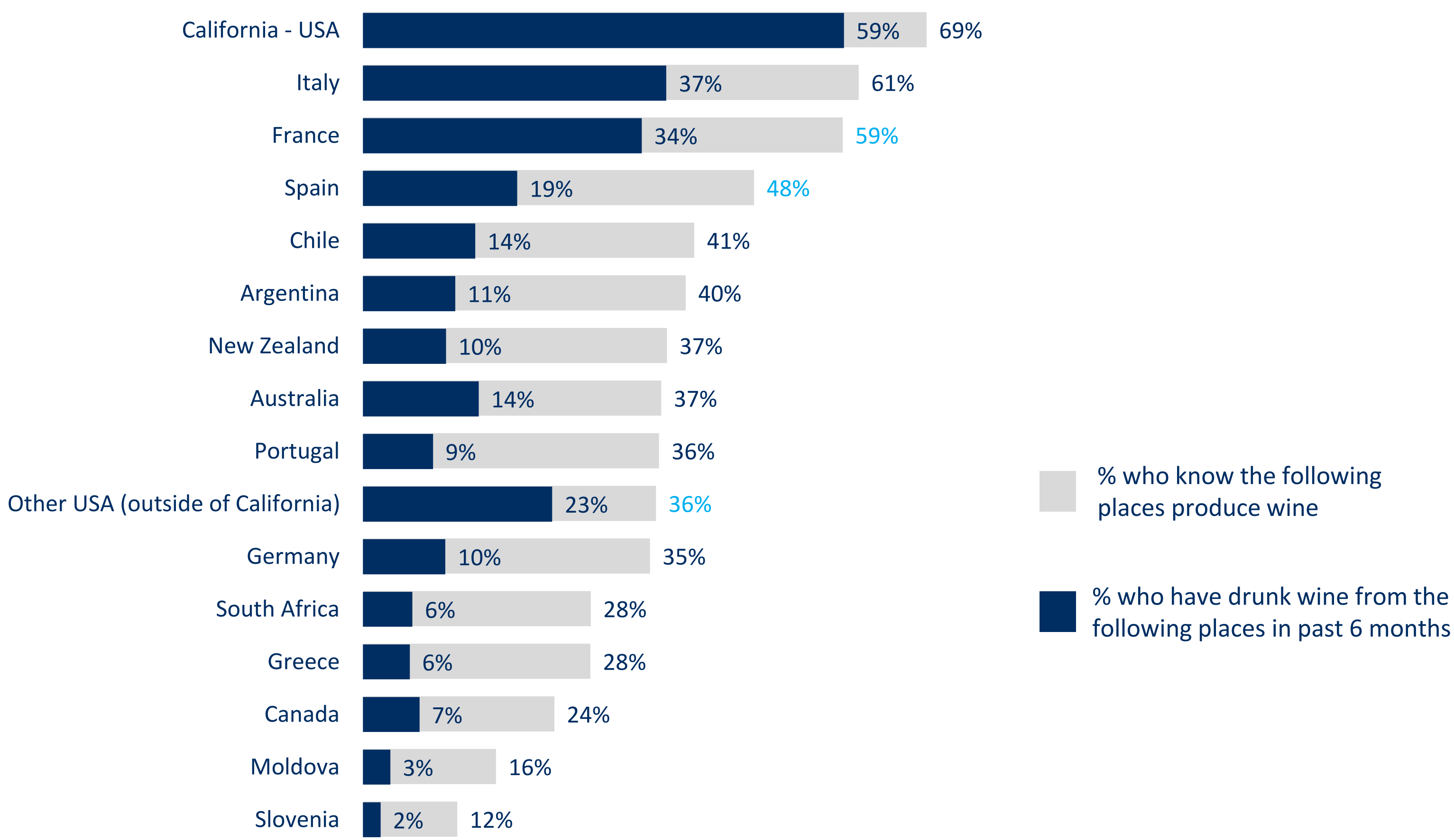
↑ / ↓ : Statistically significantly higher / lower than the 2014 wave at a 95% confidence level
Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

SUPER PREMIUMS: COUNTRY OF ORIGIN

While Super Premiums are proportionally less aware of wines from France, Spain and the US (outside of California), those who are aware buy them at similar rates as all premium consumers

Country of origin **awareness and consumption**

% who have drunk wine from the following places in the past 6 months
Base = All US Super Premiums wine drinkers (n=193)



Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

SUPER PREMIUMS: COUNTRY OF ORIGIN

Awareness and consumption levels for most countries of origin have remained stable among Super Premiums since 2014

Country of origin **awareness**: Tracking

% who know the following places produce wine
Base = All US Super Premiums wine drinkers (n≥193)

Rank 2021	n=	2014 279	2019 215	2020 248	2021 193	Tracking vs. '14	 vs. '19	 vs. '20
1	California - USA	72%	74%	74%	69%	→	→	→
2	Italy	69%	61%	67%	61%	→	→	→
3	France	71%	71%	64%	59%	↓	↓	→
4	Spain	59%	57%	50%	48%	↓	→	→
5	Chile	47%	39%	37%	41%	→	→	→
6	Argentina	47%	37%	36%	40%	→	→	→
7=	New Zealand	38%	37%	37%	37%	→	→	→
7=	Australia	49%	41%	43%	37%	↓	→	→
9=	Portugal	37%	34%	36%	36%	→	→	→
9=	Other USA (outside of California)	51%	36%	40%	36%	↓	→	→

Country of origin **purchase**: Tracking

% who have drunk wine from the following places in the past 6 months
Base = All US Super Premiums wine drinkers (n≥193)

Rank 2021	n=	2014 279	2019 215	2020 248	2021 193	Tracking vs. '14	 vs. '19	 vs. '20
1	California - USA	53%	67%	65%	59%	→	→	→
2	Italy	37%	40%	42%	37%	→	→	→
3	France	43%	49%	39%	34%	→	↓	→
4	Other USA (outside of California)	31%	20%	28%	23%	→	→	→
5	Spain	23%	30%	19%	19%	→	↓	→
6=	Australia	18%	20%	19%	14%	→	→	→
6=	Chile	18%	19%	17%	14%	→	→	→
8	Argentina	15%	12%	15%	11%	→	→	→
9=	New Zealand	12%	16%	14%	10%	→	→	→
9=	Germany	14%	14%	12%	10%	→	→	→

- Country of origin is a top choice cue for Super Premiums (70% vs 65% for all PWD) and holds equal importance to brand when it comes to driving purchase decisions
- Wine from California still the dominates country of origin preference for Super Premiums. There was a strong tendency to purchase local (domestic) wines during Covid-19 in 2020 and in early 2021

"American wines are fantastic, from Napa. Love those. French wines are good. I prefer Italian wines… Chianti Classicos are the ones with the rooster on it… South American wines I really like. I haven't had an Australian wine that's blown me away yet."
Super Premium, Male, Illinois

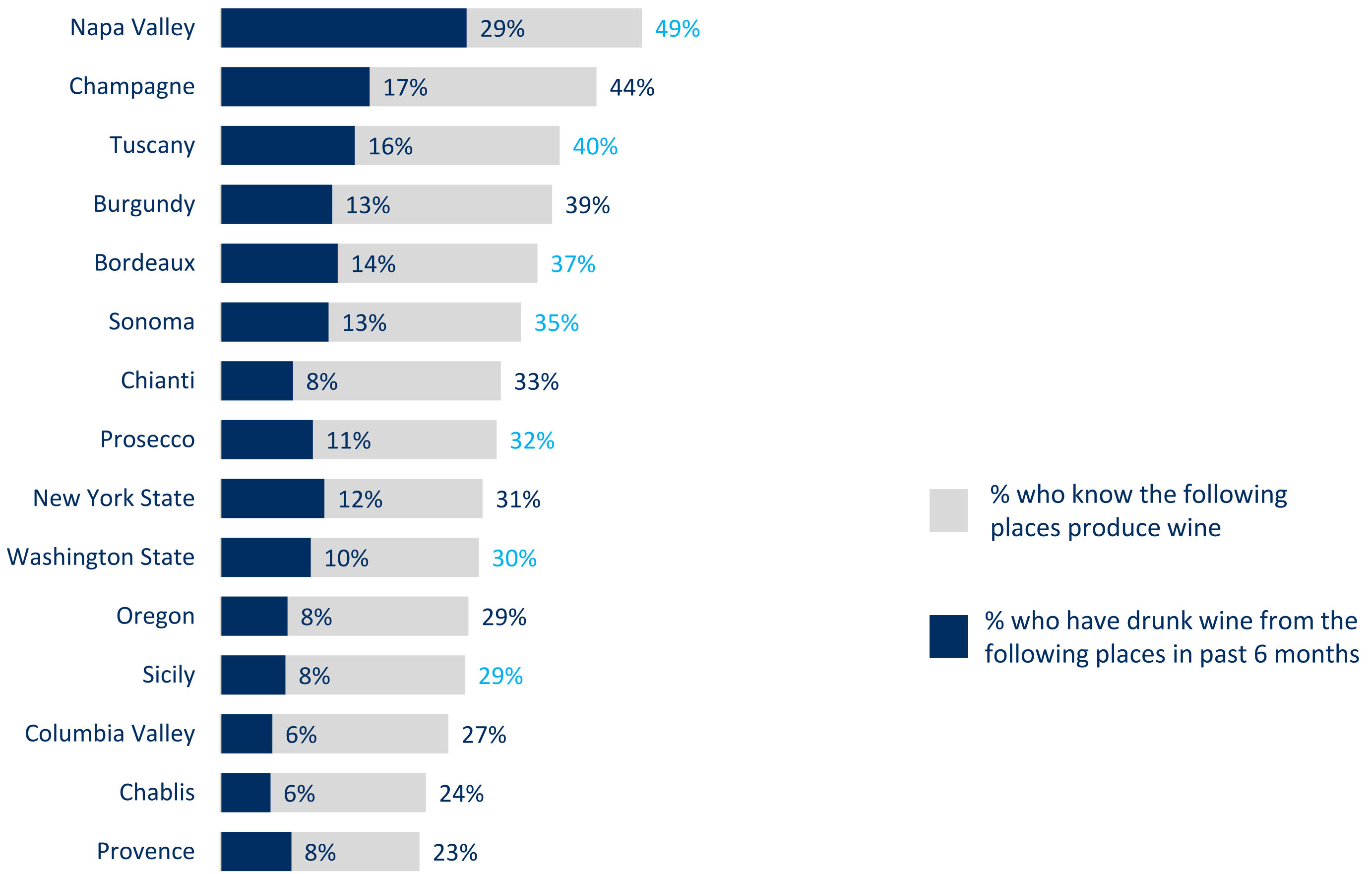
↑ / ↓ : Statistically significantly higher / lower than previous wave at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, Jun' 14, Jul' '19, Jul' '20, Jul' '21, (n≥559) US premium wine drinkers

SUPER PREMIUMS: REGION OF ORIGIN

Super Premiums have lower awareness of a range of regions of origin compared with all US premium consumers, but consume from them in similar proportions

Top 15 region of origin **awareness and consumption**

% who have drunk wine from the following places in the past 6 months
Base = All US Super Premiums wine drinkers (n=193)



Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

SUPER PREMIUMS: REGION OF ORIGIN

Long-term decline in awareness of the most popular regions of origins among Super Premiums since 2014 as region has become less dominant in influencing wine choices

wine intelligence

Region of origin **awareness**: Tracking

% who know the following places produce wine
Base = All US Super Premiums wine drinkers (n≥193)

Rank 2021	n=	2014 279	2019 215	2020 248	2021 193	Tracking vs. '14	Tracking vs. '19	Tracking vs. '20
1	Napa Valley	59%	51%	54%	49%	⬇	➡	➡
2	Champagne	54%	46%	44%	44%	⬇	➡	➡
3	Tuscany	59%	46%	47%	40%	⬇	➡	➡
4	Burgundy	45%	37%	38%	39%	➡	➡	➡
5	Bordeaux	54%	38%	42%	37%	⬇	➡	➡
6	Sonoma	40%	34%	41%	35%	➡	➡	➡
7	Chianti	34%	33%	32%	33%	➡	➡	➡
8	Prosecco	29%	32%	36%	32%	➡	➡	➡
9	New York State	40%	37%	33%	31%	⬇	➡	➡
10	Washington State	37%	30%	32%	30%	➡	➡	➡

Region of origin **purchase**: Tracking

% who have drunk wine from the following places in the past 6 months
Base = All US Super Premiums wine drinkers (n≥193)

Rank 2021	n=	2014 279	2019 215	2020 248	2021 193	Tracking vs. '14	Tracking vs. '19	Tracking vs. '20
1	Napa Valley	57%	34%	36%	29%	⬇	➡	➡
2	Champagne	39%	19%	14%	17%	⬇	➡	➡
3	Tuscany	n/a	17%	20%	16%	n/a	➡	➡
4	Bordeaux	13%	15%	13%	14%	➡	➡	➡
5=	Burgundy	7%	10%	10%	13%	⬆	➡	➡
5=	Sonoma	40%	17%	19%	13%	➡	➡	➡
7	New York State	74%	14%	12%	12%	⬇	➡	➡
8	Prosecco	53%	13%	13%	11%	➡	➡	➡
9	Washington State	56%	11%	11%	10%	⬇	➡	➡
10=	Chianti	16%	10%	8%	8%	➡	➡	➡

- Regions of origin are not a dominant choice cue for Super Premiums as they find they often find wine regions to be overly complex – unless they happen to have visited the area

"If I'm looking for a bottle from [Tuscany] to remind us of our trip, I'll get a bottle of Chianti Classico, they have this whole thing about the only Chianti Classicos are the ones with the rooster on them. If it doesn't have that, it can't be called a Chianti Classico."
Super Premium, Male, Illinois

"Region of origin is not necessarily important to me, I think I just am familiar with certain regions of California."
Super Premium, Female, California

⬆ / ⬇ : Statistically significantly higher / lower than previous wave at a 95% confidence level

: Low sample size (n<50)

Source: Wine Intelligence, Vinitrac® US, Jun' 14, Jul' '19, Jul' '20, Jul' '21, (n≥559) US premium wine drinkers

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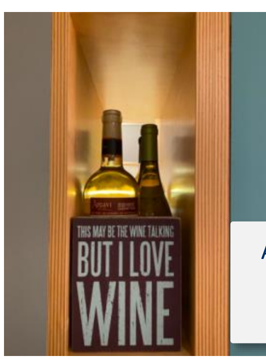
SUPER PREMIUMS: RELATIONSHIP WITH WINE

Super Premiums are open to experimenting with their wine choices, which they find both pleasurable and motivating

- Super Premiums are looking to learn about wine. They are seeking out opportunities to expand upon their existing knowledge and are open to trialing out new types and styles of wine

"I'd say that I know a decent amount about wine... but I'm not nearly as knowledgeable as some others in the wine industry."
Super Premium, Male, Illinois

"I'm way more into trying a new wine than trying a bunch of wines that I've had before, because what's the fun in that?"
Super Premium, Male, Illinois



A Super Premium's wine storage and signage

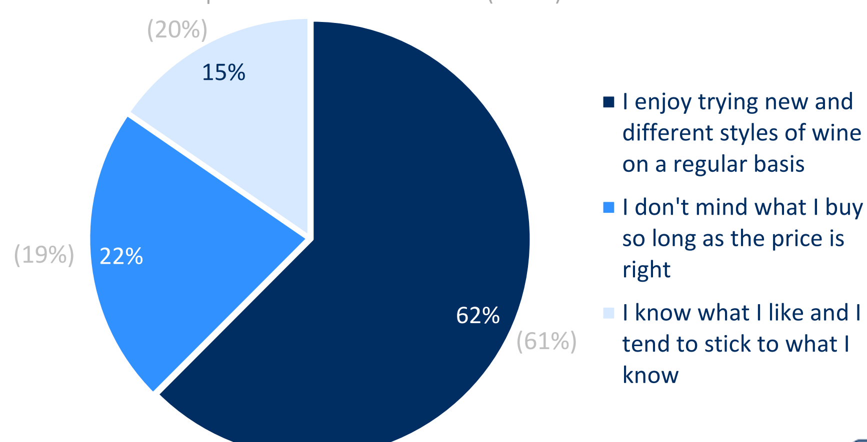
Involvement and perceived expertise in wine

% who 'agree' or 'strongly agree' with the following statements
Base = All US Super Premiums wine drinkers (n=193)

Rank 2021	*n=*	2021 193
1	Drinking wine gives me pleasure	84%
2	I always look for the best quality wines I can get for my budget	78%
3	Deciding which wine to buy is an important decision	75%
4	I like to take my time when I purchase a bottle of wine	74%
5	I have a strong interest in wine	73%
6	Generally speaking, wine is reasonably priced	69%
7	Wine is important to me in my lifestyle	68%
8	I feel competent about my knowledge of wine	65%
9	Generally speaking, wine is an expensive drink	43%
10	Compared to others, I know less about the subject of wine	41%
11	I don't understand much about wine	26%

Attitudes towards wine

% who agree with the following statements about wine
Base = All US Super Premiums wine drinkers (n=193)



(%): All US Premium wine drinkers
Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

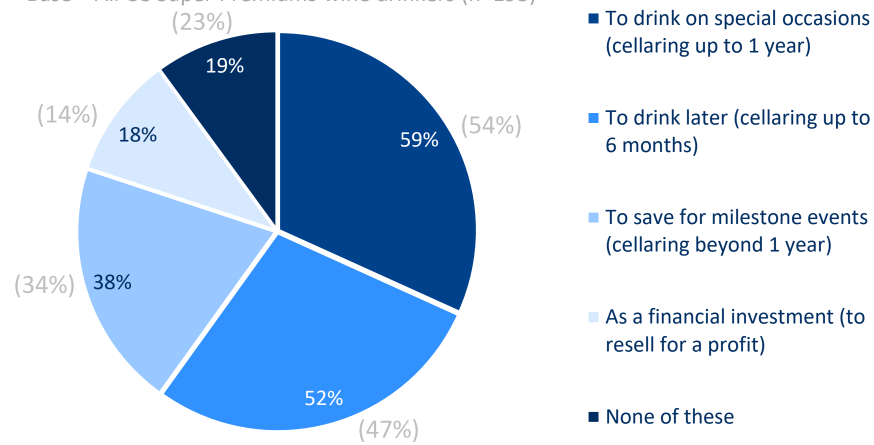
SUPER PREMIUMS: CELLARING

Super Premiums buy wine to keep in ‘stock’ for special occasions; typically, they store a small collection of bottles visibly in a room in their home

- Super Premiums have built up a small selection of wines at home, although they typically do not have a wine ‘cellar’, instead displaying wine in their kitchens or dining spaces at home
- They do keep specific bottles for special occasions, but they are not doing so for the purpose of letting the wine age

Wine activities

% who buy wine for the following purposes
Base = All US Super Premiums wine drinkers (n=193)



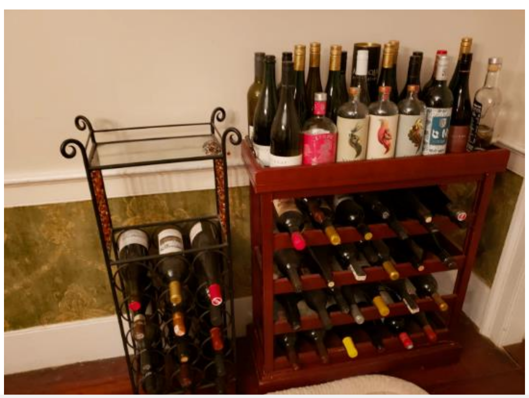


Image from a Super Premium’s wine rack

Number of bottles in cellar

% who currently have the following number of bottles in a cellar
Base = All US Super Premiums wine drinkers (n=193)

(%): All US Premium wine drinkers
Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

SUPER PREMIUMS: CHOICE CUES

When buying wine, Super Premiums are more influenced by the availability of wine online and social media influencers compared with other premium drinkers

Choice cues

% who indicate each of the following factors is 'important' or 'very important' when buying wine
Base = All US Super Premium wine drinkers (n=193)

"Food pairings influence my wine choices… to share with others and to continue to expand my palate."
Super Premium, Male, California

Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

SUPER PREMIUMS: WHERE THEY BUY

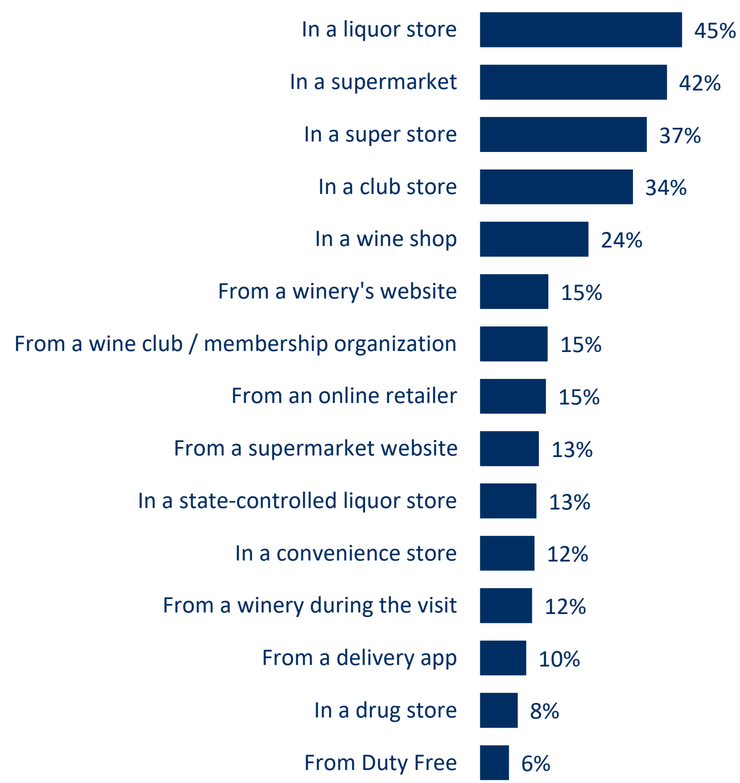
Super Premiums do most of their shopping in supermarkets or liquor stores, but are open to ordering online and in alternative formats

- Super Premium primarily buy their wine from liquor stores, grocery stores and super stores
- They are also occasional purchasers from wineries (and they may feel obliged to buy after a tasting!)
- Super Premiums aim to buy a range of wines to experiment and discover

"I once signed up to a wine subscription where 6 single serve pours were delivered in test tubes… it was a nice idea, but I think the test tubes seemed to mess with the taste of the wine."
Super Premium, Female, Washington

Wine-buying channels

% who have bought wine from the following channels in the past 6 months
Base = All US Super Premium wine drinkers (n=193)



Wine-buying retailers: Top five

% who have bought wine from the following channels in the past 6 months
Base = All US Super Premium wine drinkers (n=193)

Walmart	Costco Wholesale	Target	Total Wine & More	Whole Foods Market
34%	27%	19%	13%	15%
(30%)	(22%)	(19%)	(15%)	(8%)

"Last time I was in the store, I picked out a good assortment of different styles and different labels I like."
Super Premium, Female, California

(%): All US Premium wine drinkers
Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

SUPER PREMIUMS: SOURCES OF WINE INFORMATION

Super Premiums seek out information from their personal networks and from wine labels

- Super Premiums discover new information on wine through word-of-mouth – either through a person they know or through online sources or social media

Source of information for wine: Top five

% who pay attention to opinions / recommendations about wine from the following sources
Base = All US Super Premium wine drinkers (n=193)

Friends, family or colleagues – 14% (16%)

Information on the label or back label – 11% (11%)

When visiting a winery – 8% (10%)

Wine guide / book – 7% (3%)

Online review by wine experts – 6% (6%)

"We try to go to places where we know the staff, so we can have conversations with them and sometimes they'll tell us which wine to take and what to stay away from, which helps in drinking."
Super Premium, Male, Illinois

Wine publication usage

% who pay attention to opinions / recommendations about wine from the following sources
Base = All US Super Premium wine drinkers (n=193)

Wine Enthusiast – 10% (7%)

The Wall Street Journal – 8% (6%)

Wine.com – 7% (10%)

Wine Spector Magazine – 7% (6%)

Bon Appétit– 7% (10%)

(%): All US Premium wine drinkers
Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

CONTENTS

ULTRA PREMIUMS

WHO

- **The youngest** of the premium drinker segments with nearly 2/3 of them Gen Z or Millennials and 2/3 are men

INTERESTS AND VALUES

- Wine is an important part of their lifestyle, and they have a strong interest in the category
- Enjoy participating in sports and fitness
- Environmentally conscious

RELATIONSHIP WITH WINE

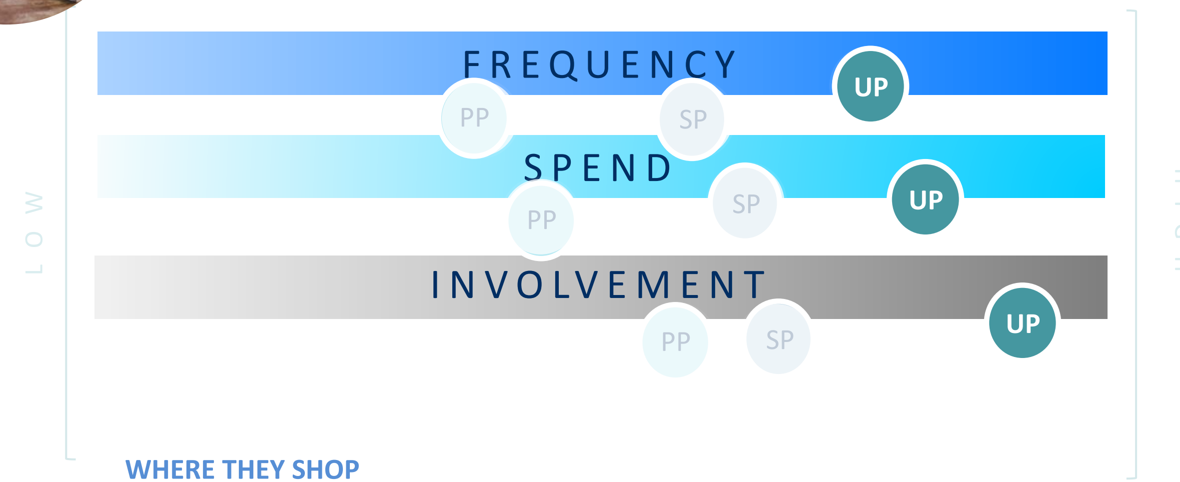
- **Personal** – wine is passion and they are eager to deepen their knowledge
- **Confident** – Highest level of wine confidence and are highly involved with the category
- **Experimental** – The most open to trying different or new styles of wine
- **Highest spenders** – The highest spenders on wine among all premium drinkers

HOW TO ENGAGE THEM WITH WINE

- **At wineries** e.g. wine clubs, special releases
- **Events with the winemaker (online and off-line)** e.g. a learning + social opportunity
- **Privileged access** e.g. Exclusive access to a special release

KEY CHALLENGE FOR WINE BRANDS

- **Staying local.** Harder for international producers to get on their radar
- **Crave details.** Want to know all about the winemaker, winery and wine making techniques



WHERE THEY SHOP

Mixture of liquor stores, super stores and club stores, and online

Ralphs, Whole Foods Market, ABC Fine Wine & Spirits, wine.com, BevMo!, Total Wine & More

BRANDS THEY DRINK

Small range of small producers / special releases

Kim Crawford, Two Hands Wines, Mount Veeder Winery, Villa Maria New Zealand, Clos Du Val, Meiomi Wines, Whispering Angel, Marchesi Antinori, Reynvaan, Joseph Phelps Vineyards, Frescobaldi Toscana

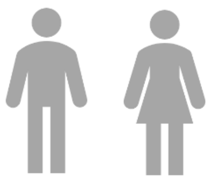
Typical Ultra Premiums behavior

- ✓ They often have a 'cellar' (storage area) at home (in basements, closets, cupboards)
- ✓ The person people will call on for advice about which wine to buy
- ✓ Can tell you about a wine producer they respect and why
- ✓ Tend to be members of a wine club and buy wine frequently online

ULTRA PREMIUMS: DEMOGRAPHICS

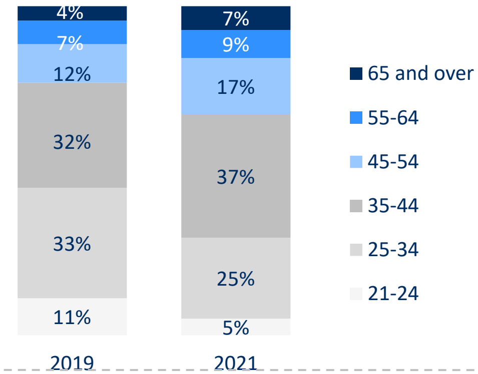
Ultra Premiums remain male dominated and typically under 50 years old

Gender: US Ultra Premium wine drinkers



2021	68%	32%
2019	69%	31%

Age: US Ultra Premium wine drinkers



US divisions: US Ultra Premium wine drinkers

	2021
New England	4%
Middle Atlantic	20%
East North Central	9%
West North Central	7%
South Atlantic	22%
East South Central	2%
West South Central	10%
Mountain	4%
Pacific	23%

Annual household income (before tax): US Ultra Premium wine drinkers

	2021
Under $30,000	1%
$30,000-$49.99	4%
$50,000-$99,99	46%
$100,00-$149,99	27%
$150,000-$199,99	13%
$200,00+	9%
Prefer not to answer	1%

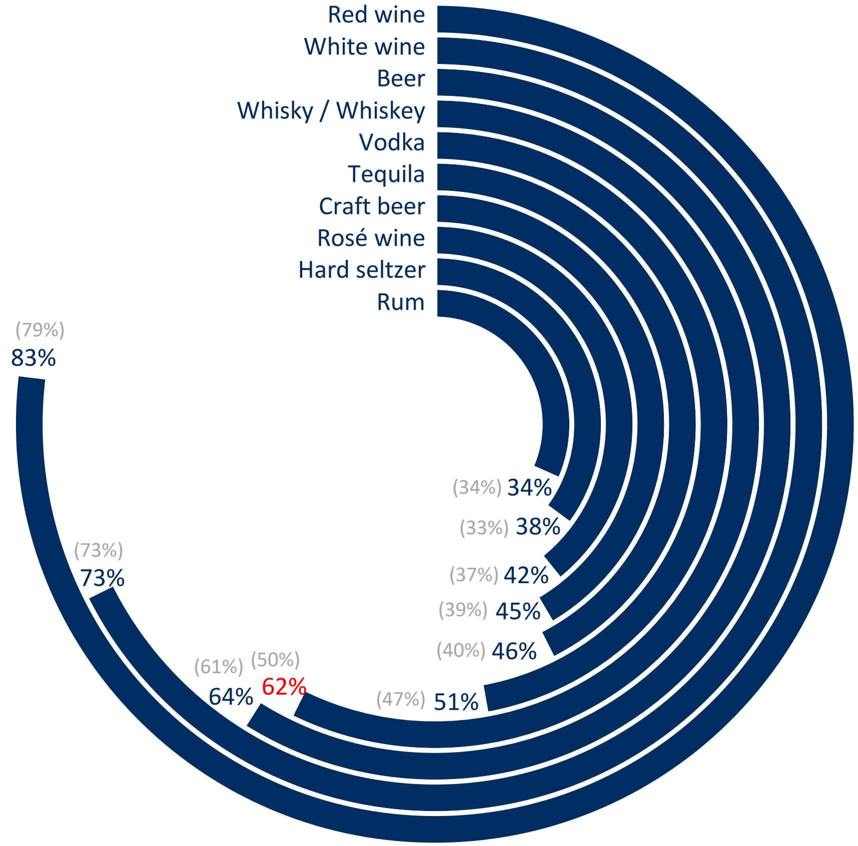
⬆ / ⬇ : Statistically significantly higher / lower than the 2019 wave at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, Jun' 19, Jul' '21, (n≥559) US premium wine drinkers

ULTRA PREMIUMS: BEVERAGE REPERTOIRE

While wine is the primary drink of choice for Ultra Premiums, they are also core Whiskey drinkers

Beverage repertoire

% who have drunk the following beverages in the past 6 months
Base = All US Ultra Premium wine drinkers (n=98)



Other alcoholic beverages enjoyed by Ultra Premiums

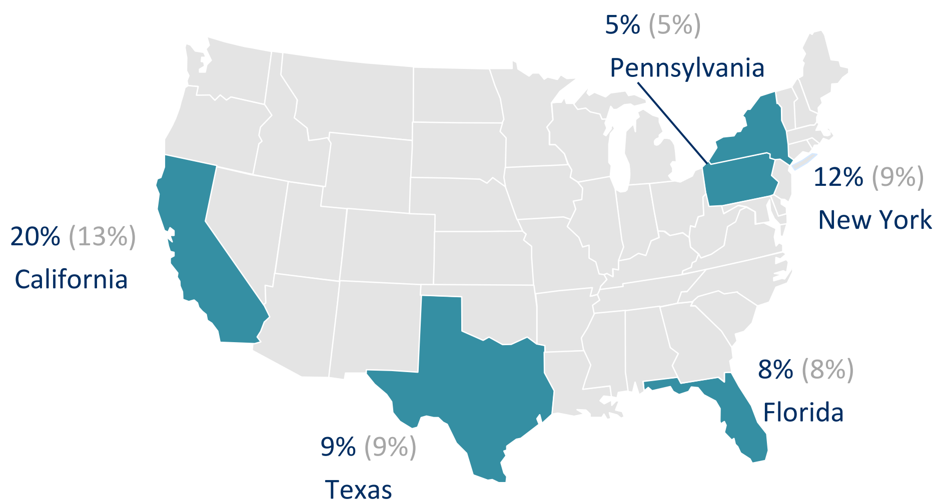
"Liquor-wise we usually have some kind of whiskey or bourbon, a tequila and a gin in the house."
Ultra Premium, Female, New York

(%): All US Premium wine drinkers
Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, Jul' '21, (n=559) US premium wine drinkers

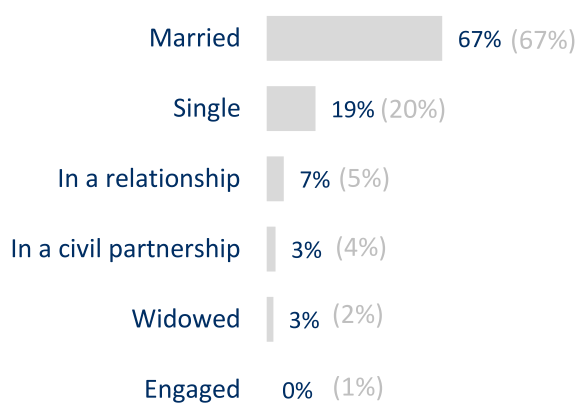
ULTRA PREMIUMS: WHERE DO THEY LIVE AND WITH WHOM?

In line with their age, a higher proportion of Ultra Premiums live with partners and children, but overall are diverse in terms of their life stage and state of residence

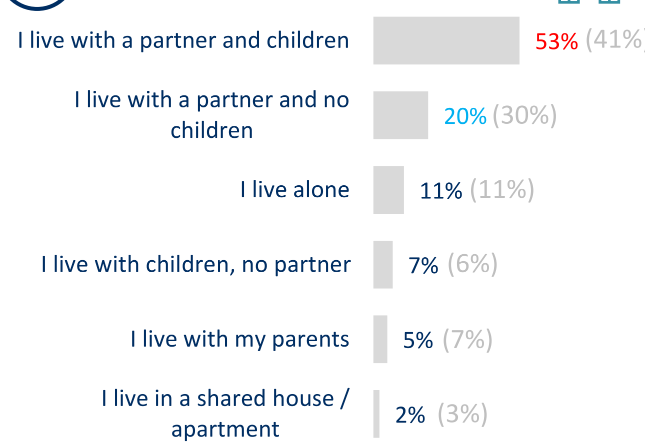
Where are they?



What's their relationship status?



Who do they live with?



(%): All US premium wine drinkers

⬆ / ⬇ : Statistically significantly higher / lower than the 2014 wave at a 95% confidence level

Source: Wine Intelligence, Vinitrac® US, Jun' 14, Jul' '21, (n≥559) US premium wine drinkers

ULTRA PREMIUMS: VALUES, ATTITUDES & INTERESTS

Ultra Premium consumers are frequent travelers who use their vacations abroad as opportunities to explore their passion for wine

What's important to them?

- Ultra Premiums are frequent travellers, often both within and outside of the US/. They like to combine vacations with their passions, from adventure sports to visiting wine regions
- Deep appreciation of good food. They enjoy cooking and dinning outside their homes
- Like to shop locally and value sustainably-produced products, especially for food

What are their interests?

% who stated they are interested in each of the following subjects

- Cooking 59% (58%)
- Movies or TV shows 55% (57%)
- Finance / Investments 46% (40%)
- Following sport 46% (36%)
- Participating in sport or fitness 46% (35%)
- Environmental and sustainable causes 41% (33%)
- Business 40% (33%)
- Fashion 35% (31%)

What are their attitudes?

% who 'agree' or 'strongly agree' with each statement

- My home is an expression of my personal style – 62% (49%)
- I frequently choose active vacations with lots to do – 51% (32%)
- I try to buy food that is grown or produced locally – 43% (36%)
- I am willing to give up convenience in return for a product that is environmentally or sustainably produced – 42% (28%)
- On average, brands that are advertised are better in quality than brands that are not advertised – 37% (23%)
- I often seek the advice of others before making a purchase – 34% (25%)
- Posting on social media is an important part of my daily life – 31% (24%)
- I love keeping up with celebrity news and gossip – 29% (20%)
- I like to live a lifestyle that impresses others – 26% (23%)

(%): All US premium wine drinkers

↑ / ↓ : Statistically significantly higher / lower than the 2014 wave at a 95% confidence level

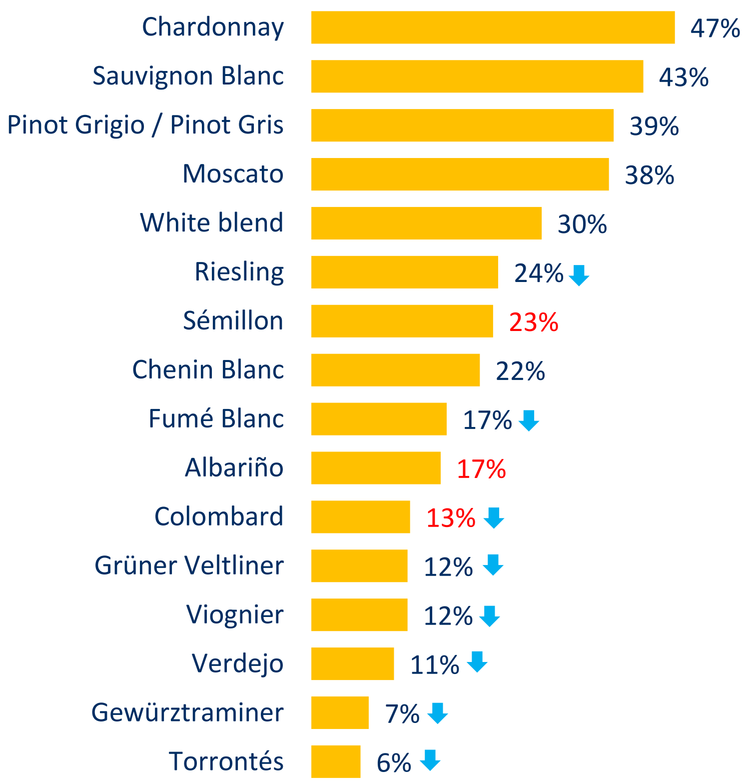
Source: Wine Intelligence, Vinitrac® US, Jun' 14, Jul' '21, (n≥559) US premium wine drinkers

ULTRA PREMIUMS: VARIETAL CONSUMPTION

In line with their desire to explore and experiment with wine, Ultra Premiums are more likely than other drinkers to consume Sémillon, Albariño and Colombard

White varietal consumption

% who have drunk the following varietals or wine types in the past 6 months
Base = All US Ultra Premium wine drinkers (n=98)



Note: Ultra Premiums are more likely to cite red varietals as their favorites than white varietals

White wines in Ultra Premiums' homes

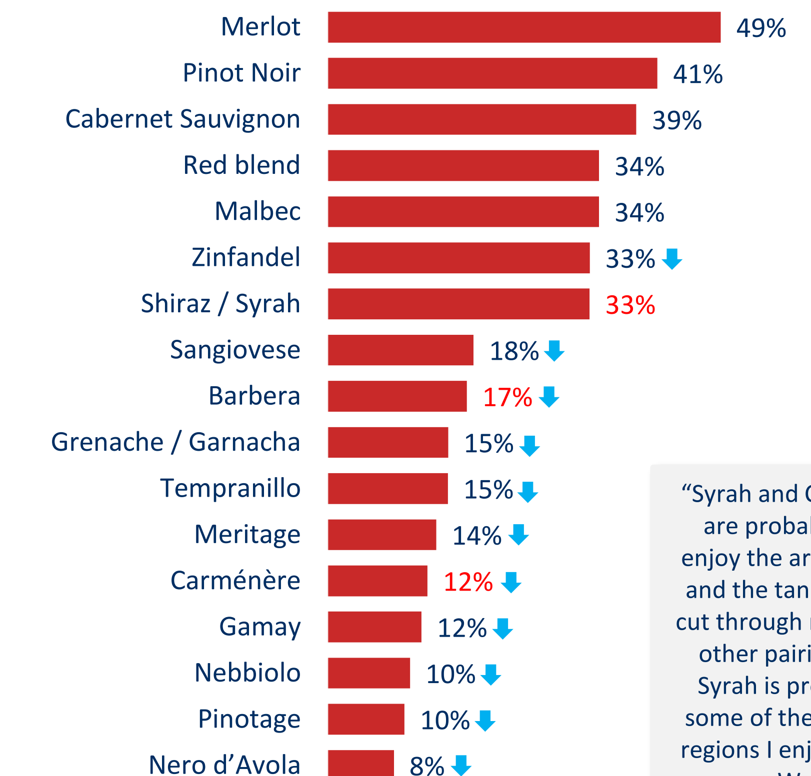
⬆ / ⬇ : Statistically significantly higher / lower than the 2014 wave at a 95% confidence level
Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

ULTRA PREMIUMS: VARIETAL CONSUMPTION

Ultra Premiums gravitate towards varietals they know and like, but also have a willingness to experiment with lesser-known grapes; though this has declined for many lesser-known ones since 2014

Red varietal consumption

% who have drunk the following varietals or wine types in the past 6 months
Base = All US Ultra Premium wine drinkers (n=98)



"Syrah and Cabernet Sauvignon are probably my favorites. I enjoy the aromas of each grape and the tannins they have that cut through meats, cheeses, and other pairings… my focus on Syrah is probably because of some of the producers and the regions I enjoy like Walla Walla, Washington."
Ultra Premium, Male, New York

Red wines in Ultra Premiums' homes

"Varietals in the major wine regions (Piedmont, Tuscany, Bordeaux, Burgundy, Barossa, Napa, and the like) are often the varietals that I try most and that likely have more of a premium reputation. But grapes from other parts of the world from Greece or some Hungarian varietals are delicious and are gaining a reputation as more people learn about them."
Ultra Premium, Male, New York

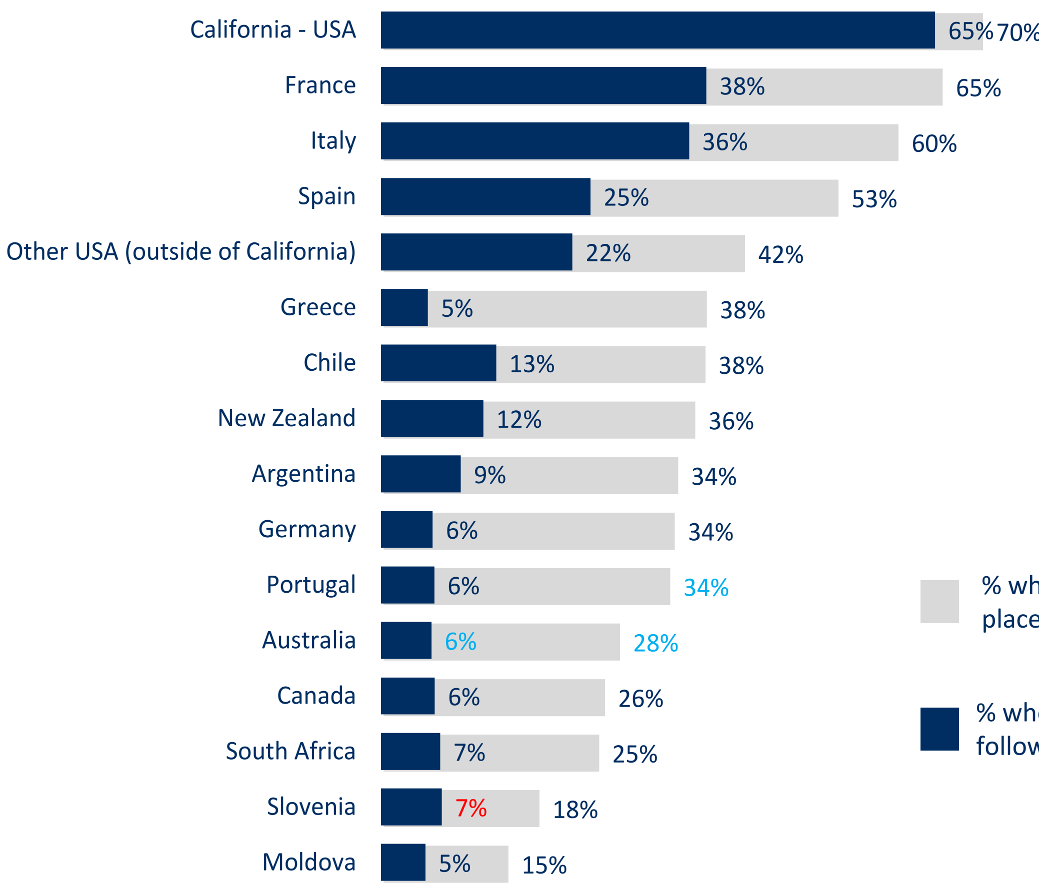
↑ / ↓ : Statistically significantly higher / lower than the 2014 wave at a 95% confidence level
Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

ULTRA PREMIUMS: COUNTRY OF ORIGIN

Ultra Premium consumers are aware of and purchase wine from different countries of origin, with a particularly strong following of Californian wine

Country of origin **awareness and consumption**

% who have drunk wine from the following places in the past 6 months
Base = All US Ultra Premium wine drinkers (n=98)



% who know the following places produce wine

% who have drunk wine from the following places in past 6 months

Californian wines in Ultra Premiums' homes

Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

ULTRA PREMIUMS: COUNTRY OF ORIGIN

Awareness and purchase of wines from California have increased in the long term while the metrics have remained stable for other countries since 2014

- Ultra Premiums place less emphasis on countries of origin when making their wine purchases. Instead, Ultra Premiums have a much greater interest in the more granular regions of origin

Country of origin **awareness**: Tracking

% who know the following places produce wine
Base = All US Ultra Premium wine drinkers (n≥98)

Rank 2021	n=	2014 109	2019 123	2020 113	2021 98	Tracking vs. '14	 vs. '19	 vs. '20
1	California - USA	55%	60%	68%	70%	↑	→	→
2	France	57%	57%	56%	65%	→	→	→
3	Italy	51%	56%	51%	60%	→	→	→
4	Spain	51%	50%	47%	53%	→	→	→
5	Other USA (outside of California)	39%	39%	34%	42%	→	→	→
6=	Greece	n/a	27%	36%	38%	n/a	→	→
6=	Chile	41%	32%	33%	38%	→	→	→
8	New Zealand	34%	39%	24%	36%	→	→	↑
9=	Argentina	34%	35%	29%	34%	→	→	→
9=	Germany	42%	31%	30%	34%	→	→	→

Country of origin **purchase**: Tracking

% who have drunk wine from the following places in the past 6 months
Base = All US Ultra Premium wine drinkers (n≥98)

Rank 2021	n=	2014 109	2019 123	2020 113	2021 98	Tracking vs. '14	 vs. '19	 vs. '20
1	California - USA	36%	53%	57%	65%	↑	→	→
2	France	38%	30%	37%	38%	→	→	→
3	Italy	33%	35%	35%	36%	→	→	→
4	Spain	28%	23%	19%	25%	→	→	→
5	Other USA (outside of California)	22%	28%	24%	22%	→	→	→
6	Chile	21%	14%	15%	13%	→	→	→
7	New Zealand	16%	24%	7%	12%	→	↓	→
8	Argentina	10%	13%	13%	9%	→	→	→
9=	Slovenia	0%	6%	5%	7%	↑	→	→
9=	South Africa	6%	10%	4%	7%	→	→	→

"Country of origin is not super important. I prefer Napa wines and Sonoma wines only because they're local and I think it'd be great business for the winery if I love the local wine … I definitely tried my share of Italian wines, dabbled even a little bit in Argentinian, Greece, Australia. So all those places."
Ultra Premium, Male, California

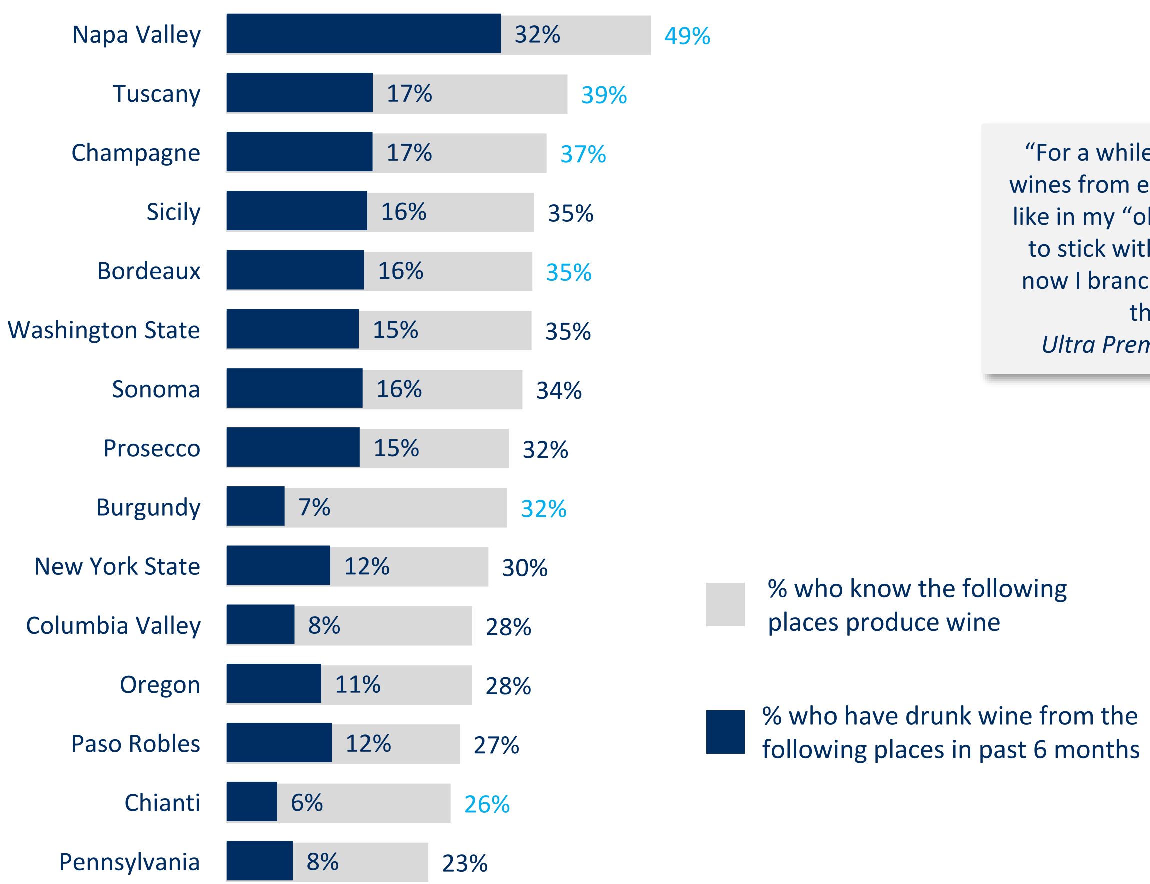
↑ / ↓ : Statistically significantly higher / lower than previous wave at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, Jun' 14, Jul' '19, Jul' '20, Jul' '21, (n≥559) US premium wine drinkers

ULTRA PREMIUMS: REGION OF ORIGIN

Though region of origin is an important choice cue for Ultra Premiums when buying wine, they have low awareness for many

Top 15 region of origin **awareness and consumption**

% who have drunk wine from the following places in the past 6 months
Base = All US Ultra Premium wine drinkers (n=98)



"For a while I was really into trying wines from everywhere…but I do feel like in my "older age", I have learned to stick with regions I like. And so, now I branch out with producers in those regions."
Ultra Premium, Male, New York

Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

ULTRA PREMIUMS: REGION OF ORIGIN

Awareness has remained stable for all regions of origins, but purchase has decreased over the long term

Region of origin **awareness**: Tracking

% who know the following places produce wine
Base = All US Ultra Premium wine drinkers (n≥98)

Rank 2021	n=	2014	2019	2020	2021	Tracking vs. '14	Tracking vs. '19	Tracking vs. '20
	n=	109	123	113	98			
1	Napa Valley	42%	40%	38%	49%	→	→	→
2	Tuscany	39%	30%	30%	39%	→	→	→
3	Champagne	42%	42%	32%	37%	→	→	→
4=	Sicily	41%	27%	28%	35%	→	→	→
4=	Bordeaux	37%	34%	29%	35%	→	→	→
4=	Washington State	39%	35%	27%	35%	→	→	→
7	Sonoma	30%	34%	34%	34%	→	→	→
8=	Prosecco	29%	30%	27%	32%	→	→	→
8=	Burgundy	28%	31%	26%	32%	→	→	→
10	New York State	39%	34%	22%	30%	→	→	→

Region of origin **purchase**: Tracking

% who have drunk wine from the following places in the past 6 months
Base = All US Ultra Premium wine drinkers (n≥98)

Rank 2021	n=	2014	2019	2020	2021	Tracking vs. '14	Tracking vs. '19	Tracking vs. '20
	n=	109	123	113	98			
1	Napa Valley	45%	29%	24%	32%	→	→	→
2=	Tuscany	n/a	11%	16%	17%	n/a	→	→
2=	Champagne	40%	15%	12%	17%	↓	→	→
4=	Sicily	n/a	11%	10%	16%	n/a	→	→
4=	Bordeaux	8%	12%	14%	16%	→	→	→
4=	Sonoma	60%	17%	15%	16%	↓	→	→
7=	Prosecco	52%	15%	9%	15%	↓	→	→
7=	Washington State	66%	16%	13%	15%	↓	→	→
9=	Paso Robles	56%	8%	9%	12%	↓	→	→
9=	New York State	59%	15%	8%	12%	↓	→	→

- For Ultra Premiums, region of origins is the chief choice cue - an important anchor for navigating expectations of how a wine should be and taste
- Typically, Ultra Premiums are experts in a particular set of regions
- The majority of Ultra Premium's wine consumption is made up of regions they know well, typically domestic
- International regions are more likely to be consumed by those who have visited the places and carry fond memories of their experiences

"You can make really great wine in really, not traditionally great places - and really terrible wine in traditionally great places... but, I wouldn't necessarily take a chance on a region I wasn't as familiar with because the ratio of 'great: less great' could be a lot wider than a well-known French region, for example."
Ultra Premium, Female, New York

↑ / ↓ : Statistically significantly higher / lower than previous wave at a 95% confidence level
: Low sample size (n<50)

Source: Wine Intelligence, Vinitrac® US, Jun' 14, Jul' '19, Jul' '20, Jul' '21, (n≥559) US premium wine drinkers

ULTRA PREMIUMS: RELATIONSHIP WITH WINE

Ultra Premiums are the most open to experimenting with their wine and dedicate time & money to pursing wine as a passion

- Typically drawn into the world of wine thanks to a 'key influencer' in their life – such as a family member. They can often recall a key moment that triggered their passion for wine
- They are often proud of their wine knowledge, but also aware there is much more to explore. The opportunity for continuous learning is part of their attraction to the world of wine
- Use price as a positive benchmark of quality - below $30 is unlikely to be something they'll really enjoy. Love to apply their knowledge of regions and producers to try and find a good 'steal'

"Wine to me is always a rabbit hole that you go down where you think you know something, but you always can know more. It's that kind of continuous pushing that I really enjoy."
Ultra Premium, Male, New York

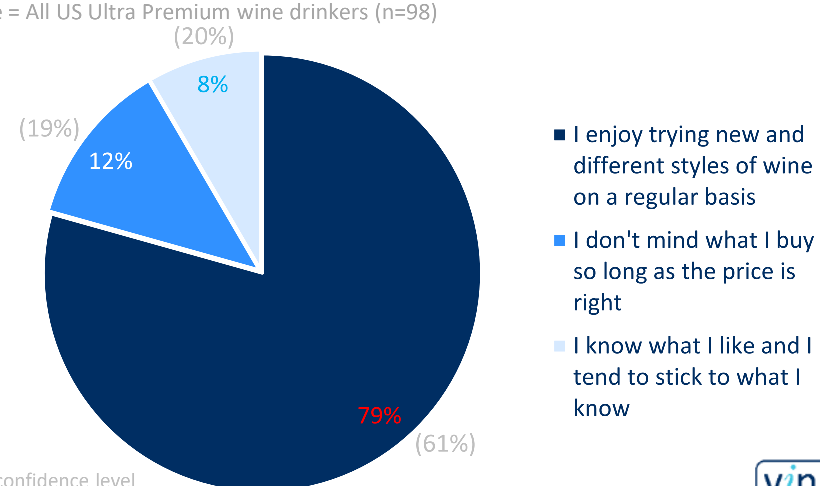
Involvement and perceived expertise in wine

% who 'agree' or 'strongly agree' with the following statements
Base = All US Ultra Premium wine drinkers (n=98)

Rank 2021	*n=*	2021 98
1	Drinking wine gives me pleasure	91%
2	Deciding which wine to buy is an important decision	86%
3	I like to take my time when I purchase a bottle of wine	81%
4=	I have a strong interest in wine	80%
4=	Wine is important to me in my lifestyle	80%
6	I always look for the best quality wines I can get for my budget	76%
7	I feel competent about my knowledge of wine	71%
8	Generally speaking, wine is reasonably priced	70%
9	Generally speaking, wine is an expensive drink	57%
10	Compared to others, I know less about the subject of wine	43%
11	I don't understand much about wine	33%

Attitudes towards wine

% who agree with the following statements about wine
Base = All US Ultra Premium wine drinkers (n=98)



(%): All US premium wine drinkers
Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

ULTRA PREMIUMS: CELLARING

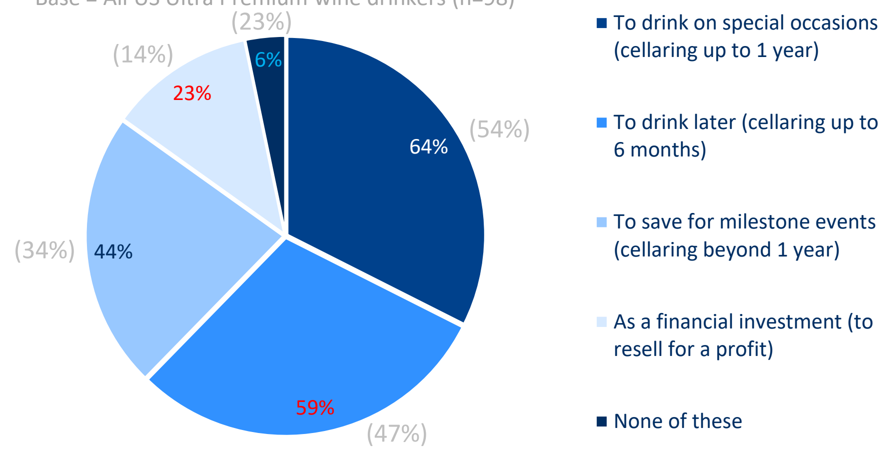
Ultra Premiums are the segment most likely to purchase wine as a financial investment and have multiple cases in their cellars

- Ultra Premiums are keen to store wine at home and use wherever they find space that is at a "suitable temperature" to do this - from basements to closets
- They may also catalogue their wine with some care - from Excel spreadsheets to handwritten Post-its - so they can be sure to enjoy their wine at the right time

Image from an Ultra Premium's wine rack

Wine activities

% who buy wine for the following purposes
Base = All US Ultra Premium wine drinkers (n=98)



Number of bottles in cellar

% who currently have the following number of bottles in a cellar
Base = All US Ultra Premium wine drinkers (n=98)

1-3 bottles	22%
6 bottles	16%
1 case	14%
2-5 cases	24%
6-10 cases	13%
11+ cases	8%
I don't know	1%

"As someone who has a big-ish wine cellar selection, I have definitely fallen victim to wine going bad … I realized that now I have a ton of wine that is all for special occasions and not enough special occasions at which to drink it."
Ultra Premium, Male, New York

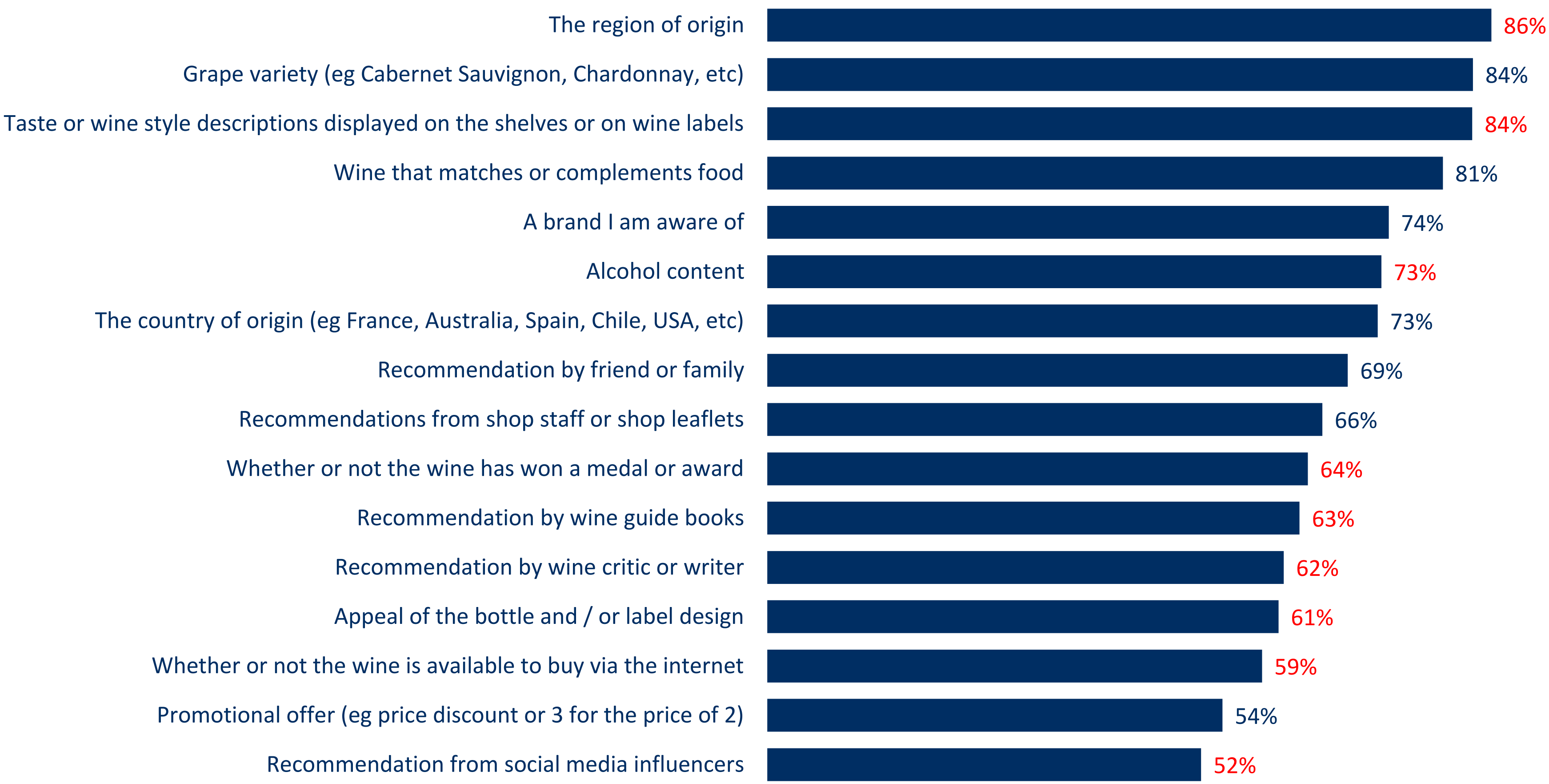
(%): All US premium wine drinkers
Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

ULTRA PREMIUMS: CHOICE CUES

Ultra Premiums look to many different cues when buying wine, and are especially driven to purchase by regions of origin, grape varieties and cues coming from descriptions from shelves or labels

Choice cues

% who indicate each of the following factors is 'important' or 'very important' when buying wine
Base = All US Ultra Premium wine drinkers (n=98)



Red / Blue: Statistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

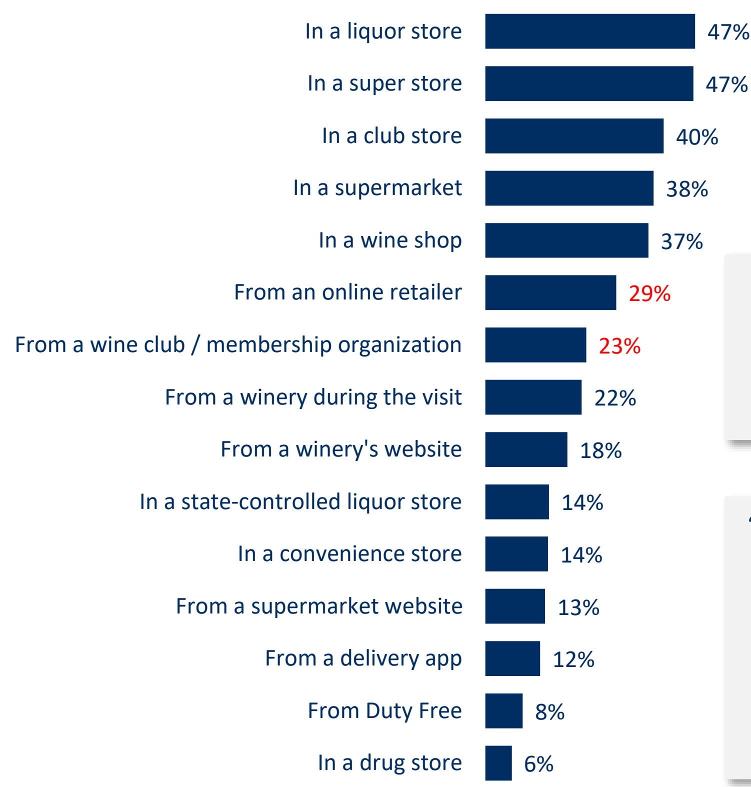
ULTRA PREMIUMS: WHERE THEY BUY

Ultra Premiums shop for their wine mostly in liquor stores or in superstores; they overindex on buying wine online and from clubs compared to all premium drinkers

- Ultra Premiums' wine shopping is a mix of part intentional and part impulse buys. Intentionally shopping for cases to store at home, they ensure that they have a strong supply of excellent wines for everyday drinking but also top up with random wines that catch their attention
- They love shopping in specialist wine stores where they can be delighted by interesting, unique finds. This is balanced by convenience, however, as wine shopping often happens alongside the weekly grocery shop
- They are open to buying wine online, especially for bottles that are harder to source locally

Wine-buying channels

% who have bought wine from the following channels in the past 6 months
Base = All US Ultra Premium wine drinkers (n=98)



"I just like going in to a wine store and talking to people and geeking out."
Ultra Premium, Male, New York

"For the last five years I've been a member of the Viticole Wine Club, which is an online club run by a former Master Sommelier."
Ultra Premium, Male, New York

Wine-buying retailers: Top five

% who have bought wine from the following channels in the past 6 months
Base = All US Ultra Premium wine drinkers (n=98)

Walmart	Costco Wholesale	Target	Total Wine & More	Whole Foods Market
32%	24%	21%	16%	12%
(30%)	(22%)	(19%)	(15%)	(8%)

(%): All US Premium wine drinkers
Red / Blue: Stistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

ULTRA PREMIUMS: SOURCES OF WINE INFORMATION

In contrast to other segments, Ultra Premiums' main source of information is from online reviews by wine experts

- Ultra Premiums look to a range of wine information for inspiration to grow their collections and expand their learning. They like to question what they read and use it to establish their own opinions
- They combine the use of more traditional sources (Wine Spectator, Decanter, wine books) to new sources of information, and more specifically online sources (wine.com, Vivino, Instagram)

"My philosophy is you always have to find someone that has the same palate as you. It doesn't matter who's the most famous. I have friends on Instagram that'll also influence me sometimes - if I see that someone was drinking this and then I see it in the store the next day, I'm like, "Oh, I appreciate that person's opinion, I'll try that"."
Ultra Premium, Female, New York

"Nathan Kendall posted on Instagram that Pascaline Lepeltier, a sommelier at a restaurant in New York just partnered with a guy here in the Finger Lakes to make wine. I was out at a restaurant the other week and someone pulled out a bottle and I recognized it and assume it is worth trying."
Ultra Premium, Male, New York

Source of information for wine: Top five

% who pay attention to opinions / recommendations about wine from the following sources
Base = All US Ultra Premium wine drinkers (n=98)

Online reviews by wine experts – 12% (6%)
Information on the label or back label – 10% (11%)
Friends, family or colleagues– 8% (16%)
Online reviews by other wine consumers – 8% (5%)
When visiting a winery – 8% (10%)

Wine publication usage

% who pay attention to opinions / recommendations about wine from the following sources
Base = All US Ultra Premium wine drinkers (n=98)

Wine.com – 25% (10%)
USA Today – 11% (5%)
Wine and Spirits Magazine – 8% (5%)
TheWineDoctor.com – 8% (5%)
The New York Times – 6% (5%)

(%): All US Premium wine drinkers
Red / Blue: Stistically significantly higher / lower than all premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

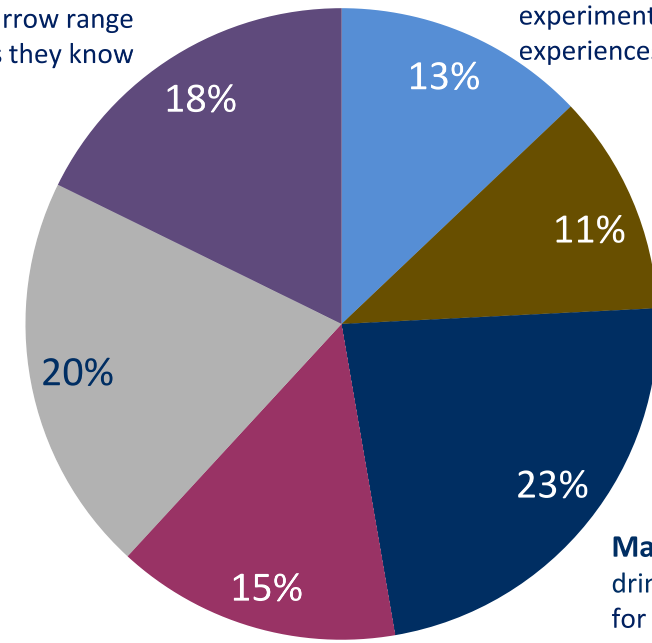
CONTENTS

US PORTRAITS: WINE DRINKER SEGMENTATION (2021)

% share of US regular wine drinkers by Portraits segments US 2021

Kitchen Casuals: One of the oldest segments, they are infrequent and low-spending wine drinkers, with very few consuming wine in the on-premise. They show a limited interest in the wine category, sticking to the narrow range of wines they know

Engaged Explorers: A younger to mid-aged segment (typically Millennial and Gen X), they are one of the most frequent wine drinking segments and the highest spenders on wine, buying from a broad repertoire of wine styles, countries and regions. The most experimental group, actively seeking opportunities to build wine experiences with highest wine knowledge and confidence



Generation Treaters: One of the younger segments (mainly Millennials), who are the most frequent drinkers but only mid-range spenders. They have lower levels of wine knowledge due to being 'newer to wine drinkers', but are confident drinkers who are exploring and learning about the category, open to trying a wide variety of wine types

Senior Bargain Hunters: The least frequent and oldest wine drinking segment. Time in the category has led to relatively strong wine knowledge, however they purchase from a narrow repertoire of wine styles and brands, being strongly value driven

Mainstream Suburbans: Mid and older aged drinkers, who are frequent wine drinkers (mainly for informal occasions), yet among the lowest spenders per bottle. Their time spent in the category leads to high wine knowledge and confidence and they enjoy drinking a broad range of more mainstream wines

Social Newbies: The youngest segment, drinking wine quite frequently (on average twice a week), who are mid to higher spenders with wine not yet fully integrated into their lifestyle. They have limited wine knowledge and rely heavily on recommendations when it comes to buying wine and they are usually happy to drink what is poured for them

Source: Wine Intelligence, Vinitrac® US, July and October '20, (n=10,000) US regular wine drinkers
Wine Intelligence, consumer interviews

US PORTRAITS AND US PREMIUM WINE DRINKER SEGMENTS

Under half of US Premium wine drinkers are classified as Engaged Explorers and around a quarter are Social Newbies, both Portraits that are the highest spending in the US market

US Portraits and US premium wine drinker segments

% of US premium wine drinkers within each US Portraits segment
Base = All US premium wine drinkers (n=559)

	US premium wine drinkers	Popular Premiums	Super Premiums	Ultra Premiums
n=	*559*	*267*	*193*	*98*
Engaged Explorers	43%	23%	48%	87%
Generation Treaters	9%	9%	12%	4%
Mainstream Suburbans	10%	18%	4%	1%
Social Newbies	23%	29%	24%	5%
Senior Bargain Hunters	7%	12%	4%	0%
Kitchen Casuals	8%	9%	7%	4%

Engaged Explorers, the highest spenders of all Portraits segments, are more likely to be categorized as one of the higher spending US premium segments: Super Premiums and Ultra Premiums

Significantly higher proportions of Portraits segments Mainstream Suburban and Senior Bargain Hunters, are classified as Popular Premium wine drinkers

Red / Blue: statistically significantly higher / lower than all US premium wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, July 2021, (n=559) US premium wine drinkers

RESEARCH METHODOLOGY: QUANTITATIVE

- The data was collected in the US in June 2014, July 2019, July 2020 and July 2021
- Data was gathered via Wine Intelligence's Vinitrac® online survey
- Respondents were screened to ensure that they were at least 21 years old; drank red, white, rosé or blush wine at least once a week; and typically spend USD $15+ on a bottle of wine in the off-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 premium wine drinkers in terms of gender, age and US Divisions
- The distribution of the sample is shown in the table:

		Jun-14	Jul-19	Jul-20	Jul-21
	n=	*707*	*605*	*617*	*559*
Gender	Male	63%	64%	64%	51%
	Female	37%	36%	36%	49%
	Total	***100%***	***100%***	***100%***	***100%***
Age	21-24	12%	8%	9%	4%
	25-34	36%	32%	31%	21%
	35-44	23%	19%	19%	25%
	45-54	16%	18%	17%	18%
	55-64	7%	13%	13%	15%
	65 and over	6%	10%	12%	17%
	Total	***100%***	***100%***	***100%***	***100%***
US Divisions	New England	7%	5%	4%	5%
	Middle Atlantic	18%	15%	16%	18%
	East North Central	10%	9%	10%	10%
	West North Central	6%	2%	3%	6%
	South Atlantic	19%	20%	19%	19%
	East South Central	8%	5%	5%	6%
	West South Central	9%	13%	12%	12%
	Mountain	6%	6%	5%	7%
	Pacific	18%	25%	25%	18%
	Total	***100%***	***100%***	***100%***	***100%***

Source: Wine Intelligence, Vinitrac® US, 2014 - 2021 (n ≥ 559) US premium wine drinkers

RESEARCH METHODOLOGY: QUALITITATIVE

CONSUMER INTERVIEWS

Date: October 2021

Interview length: 45 – 60 minutes
- 15 minutes of questions on wine attitudes
- 20 minutes of questions on wine consumption habits
- 20 minutes of questions on wine preferences

Method: Online qualitative video interviews

Sample: 9 men and 9 women

Recruitment specifications:
- Must spend at least $15+ on a bottle of wine
- Assigned to premium segments based on typical spend

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