A division of the IWSR Group

Opportunities in Lower and No-Alcohol Wine 2023

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Wine Intelligence Viewpoint

There is positive momentum for lower and no-alcohol wine with growing volumes; challenges persist in consumer perceptions of taste and quality.

Lower and no-alcohol wine volumes are growing at a healthy rate, bucking the wider trend of decline in still wine volumes. This is reflected as well in improvements in Alternative Wine Opportunity Index scores for both segments.

Continued growth in moderation among wine drinkers is a key driver of this, with health concerns contributing to a general desire to reduce alcohol consumption. Awareness levels have improved in Australia, Japan and Canada, while purchase rates have grown in Canada and the US, further demonstrating the positive momentum for the categories where moderation is increasing in importance.

Globally, just under one fifth of category consumers are new entrants in the last year, represented in its majority by younger consumers entering the LDA, which suggests the market is maturing. However, there is still a large gap between awareness of these products and actual purchases.

Health benefits and functional reasons for cutting down on alcohol like driving are still the top motivators for choosing lower and no-alcohol wines, with taste and the perception they are not really wines the top barriers.

Tackling these barriers by improving wine drinkers' perception on the low/no category, together with an improvements to flavour, are the core areas that should be addressed to continue to grow lower and no-alcohol wines' reach.

Opportunities

Growing awareness of the category
Growing volumes
Moderation levels increasing
Health concerns around alcohol

Threats

Still perceived as an inferior product
Unwillingness to spend more on low/no products
Poor economic climate hitting spend
Moderation translating into not drinking instead of low/no products

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Lower and no-alcohol beverage definitions

In the questionnaire used for the consumer data in this report, respondents were not offered formal definitions of lower and no-alcohol wine. Answers were based on wine drinkers' own perceptions of these terms. For convenience, we shorten the category definition to low/no throughout the report.

Market data comes from IWSR, which has formal definitions for low/no drink types as shown here.

	No-Alcohol		Low-Alcohol
	Alcohol-Free	No-Alcohol	
Beer/Cider	<0.05% ABV	0.05–0.5% ABV	>0.5–3.5% ABV
Wine	<0.05% ABV	0.05–0.5% ABV	>0.5–7.5% ABV
Spirits	<0.05% ABV	0.05–0.5% ABV	>0.5–30% ABV (non-liqueurs) >0.5–10% ABV (liqueurs)
RTDs	<0.05% ABV	0.05–0.5% ABV	>0.5–3% ABV

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Management Summary

Management summary

1. Lower and no-alcohol wine forecast to grow

Lower and no-alcohol still wine have grown from a small base in recent years and are expected to grow further as younger adult consumers look for healthier lifestyles.

2. Improvement in the Opportunity Index score

There is more potential for both lower and no-alcohol wine, with growth in Opportunity Index scores for both segments.

3. Challenge to convert awareness into purchases

Increased awareness isn't reflected in higher purchases in all countries. There is opportunity to narrow the gap between wine drinkers knowing about the category and spending money in it.

4. Despite industry efforts, taste continues to be the main barrier

Wine drinkers who appreciate the influence of alcohol on the flavour of wine continue rejecting the category.

5. Expectations of paying less could hinder demand

An expectation of paying less for wines with lower alcohol could hinder demand, especially in times of economic instability when consumers are likely to reduce overall consumption.

6. Moderation and health are the biggest drivers

Situations where alcohol intake has to be reduced, health benefits like fewer calories, or avoiding the effects of alcohol all give lower and no-alcohol wine a strong advantage over full-strength beverages.

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1. Lower and no-alcohol wine forecast to grow

Despite a decline in overall still wine volumes in recent years, lower and no-alcohol still and sparkling wines have seen rapid growth in volumes, driven by moderation, health concerns and better visibility in the market. However, they are still a very small proportion of total wine volumes

Overview market share
(000s 9-litre Cases)

	Market Share	Volume 2021	CAGR 16-21	CAGR F 21-26
Total		1,207,222.5		
Still wine	87%	1,048,635.7	-1.8%	-1.2%
Sparkling wine	12%	141,287.9	0.4%	1.1%
Lower-alcohol wine				
Still wine	0.8%	9,200.1	38.5%	21.2%
Sparkling wine	0.1%	1,783.1	1.1%	4.2%
No-alcohol wine				
Still wine	0.3%	3,300.8	17.4%	10.3%
Sparkling wine	0.2%	3,014.9	7.4%	7.5%

Source: IWSR

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2. Improvement in the Opportunity Index score

The Opportunity Index scores for both lower and no-alcohol wine have increased in recent years, suggesting that more growth in the category is possible. Wine drinkers have become more aware of low/no and are more likely to consider to buying it in the future or to recommend it to family and friends

Opportunity Index

Base = Global regular wine drinkers (n=19,835)

	2023 Opportunity index	Score Change 2023 vs 2022	Score Change 2023 vs 2021
Natural wine	63.3	8.8	n/a
Organic wine	58.3	8.0	10.3
Sustainably produced wine	54.6	6.1	10.5
Environmentally friendly wine	52.9	8.0	12.0
Lower-alcohol wine	45.0	7.0	13.4
Non-alcoholic wine	34.3	3.6	7.7

Green / red: represents higher / lower index score compared to 2023 opportunity index

Source: Wine Intelligence, Vinitrac®, Oct '22, (n=19,835), Global regular wine drinkers drawn from Argentina, Australia, Brazil, Canada, Denmark, France, Germany, Hong Kong, Ireland, Japan, NZ, Portugal, Singapore, South Korea, Spain, UK, US and Chinese urban upper-middle class semi-annual imported wine drinkers

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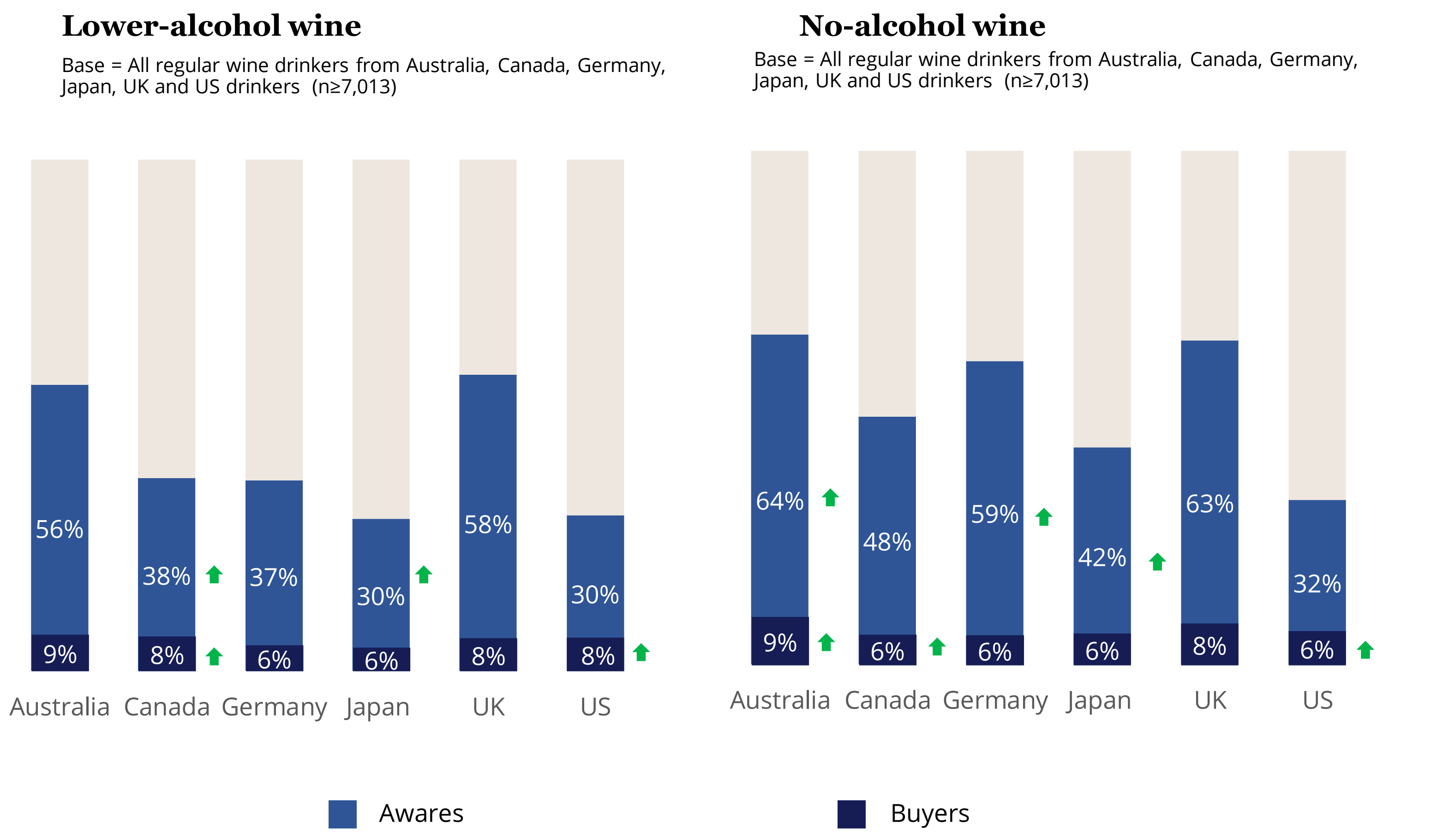
3. Challenge to convert awareness into purchases

Awareness has slightly increased in key markets, including Japan, Germany and Australia, yet purchase rates remain lower with a notable gap between awareness and buying. Countries where the moderation trend has had a bigger impact, such as the US, have experienced an increase in purchase rates, but it is still sub-10%, highlighting the work to be done bridging this gap



: Statistically significantly higher / lower than Oct '20 wave at a 95% confidence level

Source: Wine Intelligence, Vinitrac®, Oct '20 (n=7,013), Jan 23, (n=7,608), Global regular wine drinkers from Australia, Canada, Germany, Japan, UK and US

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4. Despite industry efforts, taste continues to be the main barrier

Taste is an important motivator for drinkers of the categories and barrier for those who choose not to buy them. The belief that these products are not real wine is also a key, and likely connected, barrier, highlighting how brands in this space still need to overcome these negative perceptions

Lower-alcohol barriers: top 5

% who would see the following as reasons not to buy lower-alcohol wine
Base = Those who are aware of lower-alcohol wine but have not sought to buy and would not consider buying it

		Global average	Australia	Canada	Germany	Japan	UK	US
1	I dislike the taste	28%	26%	26%	25%	25%	33%	25%
2	It's not really wine	25%	26%	25%	27%	23%	30%	22%
3	My favourite wine does not come in a lower alcohol version	21%	20%	24%	25%	22%	19%	24%
4	Lower quality than standard wine	20%	20%	21%	16%	17%	22%	25%
5	Does not contain enough alcohol to feel an effect	18%	22%	23%	10%	23%	19%	22%

No-alcohol barriers: top 5

% who would see the following as reasons not to buy no-alcohol wine
Base = Those who are aware of no-alcohol wine but have not sought to buy and would not consider buying it

		Global average	Australia	Canada	Germany	Japan	UK	US
1	It's not really wine	33%	32%	35%	33%	36%	34%	31%
2	I dislike the taste	31%	24%	26%	33%	27%	33%	25%
3	Does not contain alcohol	28%	32%	31%	23%	33%	25%	33%
4=	My favourite wine does not come in a non-alcoholic version	17%	21%	19%	17%	13%	18%	23%
4=	Lower quality than standard wine	17%	19%	20%	11%	11%	19%	19%

Global weighted average includes data from Argentina, Australia, Canada, China, Germany, Japan, Netherlands, New Zealand, Portugal, Sweden, UK, USA
% / %: Statistically significantly higher / lower than global average at a 95% confidence level
Source: Wine Intelligence, Vinitrac® Jan'23, (n=12,599), global regular wine drinkers

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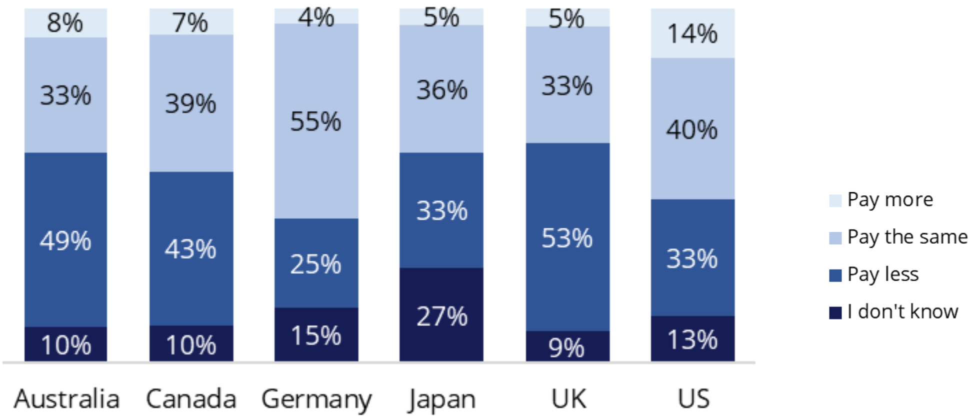
5. Expectations of paying less could hinder demand

Another challenge in bridging the gap between awareness and purchases is that a large proportion of lower and no-alcohol drinkers expect to pay lower prices for the categories despite these products often being more expensive than full ABV versions. Any further squeeze on consumer incomes could dent the willingness to spend on these products, impacting demand

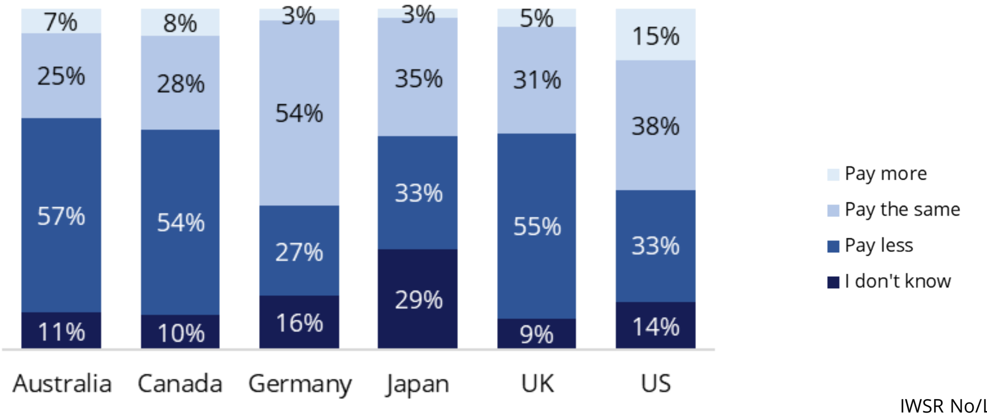
Lower-alcohol wine

Base = low/no alcohol buyers (n=2,985)



No-alcohol wine

Base = low/no alcohol buyers (n=2,985)



IWSR No/Low Strategic Study Dec 2022

Source: Wine Intelligence, Vinitrac® Q3 22, (n=2,985), no/low alcohol buyers from Australia, Canada, Germany, Japan, UK and US

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6. Moderation and health are the biggest drivers

However, despite the challenges mentioned, there are still structural trends in lower and no-alcohol wine's favour. Moderation levels are growing, with 50% globally cutting down in some capacity. Factors driving moderation like health and avoiding the impact of alcohol are the top motivators for consumers of lower and no-alcohol wine

Lower-alcohol motivations: top 5

% who would be motivated by the following factors to buy lower-alcohol wines
Base = Those who have sought to buy or would consider buying lower-alcohol wine

		Global average	Australia	Canada	Germany	Japan	UK	US
1	It's better for my health	52%	57%	51%	52%	57%	56%	47%
2	I enjoy the taste	41%	36%	47%	34%	40%	40%	45%
3	I like to stay in control	40%	42%	44%	35%	45%	37%	36%
4	I will be driving	34%	45%	34%	43%	10%	36%	32%
5	Fewer calories than standard wine	33%	36%	33%	29%	31%	35%	35%

No-alcohol motivations: top 5

% who would be motivated by the following factors to buy no-alcohol wines
Base = Those who have sought to buy or would consider buying no-alcohol wine

		Global average	Australia	Canada	Germany	Japan	UK	US
1=	It's better for my health	46%	56%	41%	42%	48%	49%	40%
1=	I will be driving	46%	47%	44%	58%	40%	47%	44%
3	I like to stay in control	36%	41%	41%	30%	43%	31%	39%
4	I enjoy the taste	34%	31%	41%	27%	37%	33%	41%
5	Fewer calories than alcoholic wines	27%	37%	22%	24%	21%	27%	32%

Global weighted average includes data from Argentina, Australia, Canada, China, Germany, Japan, Netherlands, New Zealand, Portugal, Sweden, UK, USA
% / %: Statistically significantly higher / lower than global average at a 95% confidence level
Source: Wine Intelligence, Vinitrac® Jan'23, (n=12,599), global regular wine drinkers

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Global overview

Key takeaways

1. Lower and no-alcohol wine is expected to grow

Despite low overall volumes, the lower and no-alcohol wine category is expected to grow as more young consumers enter the drinks market and the trend towards moderation and a healthy lifestyles continues.

2. Opportunity scores improve driven by higher awareness

Despite variation in awareness levels between markets, the general trend is it is growing or stable. This has helped boost lower and no-alcohol wines Opportunity Index scores overall. However, there is still a significant gap between awareness and purchase levels, suggesting greater opportunity for growth.

3. Consumer perceptions and cost remain barriers

Despite this positive momentum, taste and general perceptions of lower and no-alcohol wines remain a major barrier to consumption. Alongside, this the expectation these products should be cheaper than their full-ABV equivalents poses a challenge

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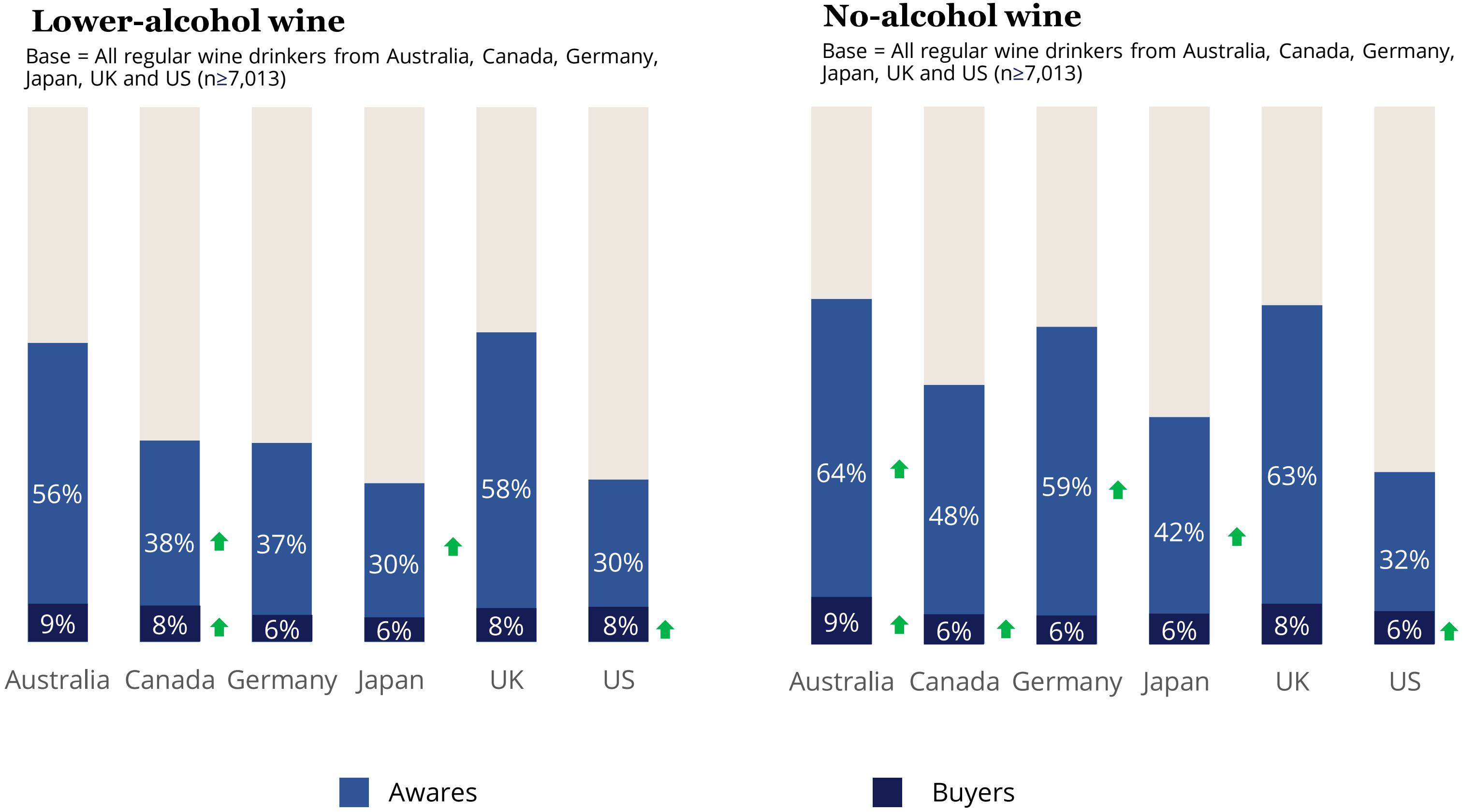
Market sizing

Japan and Germany have experienced an increase in awareness; the US has more purchasers, driven by moderation habits; there has been little change in the UK



↑/↓: Statistically significantly higher / lower than Oct '20 wave at a 95% confidence level

Source: Wine Intelligence, Vinitrac®, Oct '20 (n=7,013), Jan 23, (n=7,608), Global regular wine drinkers from Australia, Canada, Germany, Japan, UK and US

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Lower/no-alcohol still wine volumes

The US is the leader in volumes of low and no-alcohol wines; most countries have seen an increase in the number of products on the market and are forecast to grow

Lower-alcohol still wine
(000s 9-litre Cases)

		2019	2021	CAGR 16-21	CAGR F 21-26
	Total	3,185.3	9,200.1	38.5%	21.2%
1	US	2,557.0	8,521.5	45.0%	22.1%
2	UK	375.0	334.0	-5.7%	2.2%
3	Germany	205.0	230.0	n/a	2.9%
4	Canada	28.3	64.7	n/a	23.9%
5	Australia	20.0	49.9	16.7%	7.2%

No-alcohol still wine
(000s 9-litre Cases)

		2019	2021	CAGR 16-21	CAGR F 21-26
	Total	2,237.8	3,300.8	17.6%	10.3%
1	US	475.5	850.5	19.6%	13.2%
2	UK	605.0	802.0	18.6%	6.9%
3	France	503.3	558.0	8.9%	2.3%
4	Germany	350.0	450.0	7.1%	6.0%
5	Australia	144.0	436.4	52.4%	18.2%
6	Spain	135.0	110.0	17.1%	18.8%
7	Japan	n/a	50.0	n/a	7.7%
8	Canada	25.0	43.9	n/a	21.6%

n/a=no data available
Source: IWSR

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Lower/no-alcohol sparkling wine volumes

Lower and no-alcohol sparkling wine is growing; growth is predicted to continue in most markets; no-alcohol sparkling is performing particularly well in the UK

Lower-alcohol Sparkling wine

(000s 9-litre Cases)

		2019	2021	CAGR 16-21	CAGR F 21-26
	Total	1,947.1	1,783.1	1.1%	4.2%
1	Germany	820.0	760.0	-0.4%	1.3%
2	Spain	614.0	510.3	1.6%	6.1%
3	Japan	273.0	198.0	-7.0%	5.1%
4	Australia	133.0	142.0	15.5%	1.5%
5	France	73.3	80.0	4.2%	4.6%
6	US	26.8	53.3	36.5%	12.5%
7	Canada	n/a	32.0	n/a	18.7%
8	UK	7.0	7.6	-5.3%	13.6%

No-alcohol Sparkling wine

(000s 9-litre Cases)

		2019	2021	CAGR 16-21	CAGR F 21-26
	Total	2,663.4	3,014.9	7.7%	7.5%
1	Germany	1,634.9	1,575.0	0.8%	4.6%
2	UK	215.0	568.8	141.3%	14.1%
3	France	588.7	520.0	3.0%	3.6%
4	US	126.0	160.8	8.5%	5.6%
5	Australia	41.0	108.0	45.2%	15.5%
6	Japan	34.5	50.5	27.5%	9.4%
7	Spain	17.3	19.8	81.6%	35.7%
8	Canada	6.0	12.2	n/a	18.7%

n/a=no data available
Source: IWSR

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Alcohol moderation

Globally, around half of wine drinkers are actively limiting alcohol intake; not drinking at all is the most popular strategy, followed by switching to lower and no-alcohol

Alcohol moderation among regular wine drinkers

% who agree the following statements apply to them
Base = All global regular wine drinkers (n=12,599)

	Global average (n=12,599)	Australia (n=1,008)	Canada (n=1,551)	Germany (n=1,003)	Japan (n=1,004)	UK (n=1,007)	US (n=2,035)
I'm actively reducing the amount of alcohol I drink by not drinking alcohol at some occasions	27%	32%	27%	33%	21%	28%	26%
I'm actively reducing the amount of alcohol I drink by switching to lower alcohol options at some occasions	21%	20%	15%	18%	17%	17%	22%
I'm actively reducing the amount of alcohol I drink by switching to non-alcoholic drinks at some occasions	16%	14%	13%	20%	15%	10%	19%
I'm NOT actively reducing the amount of alcohol I drink	50%	48%	55%	43%	58%	55%	51%

In the US, the proportion of wine drinkers actively moderating alcohol consumption has increased significantly.

The UK has seen an increase in switching to low-alcohol drinks when moderating alcohol intake, driven by younger LDA consumers.

Global weighted average includes data from Argentina, Australia, Canada, China, Germany, Japan, Netherlands, New Zealand, Portugal, Sweden, UK, USA
% / %: Statistically significantly higher / lower than global average at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, Oct '21, Jan'22, (n=12,599), global regular wine drinkers

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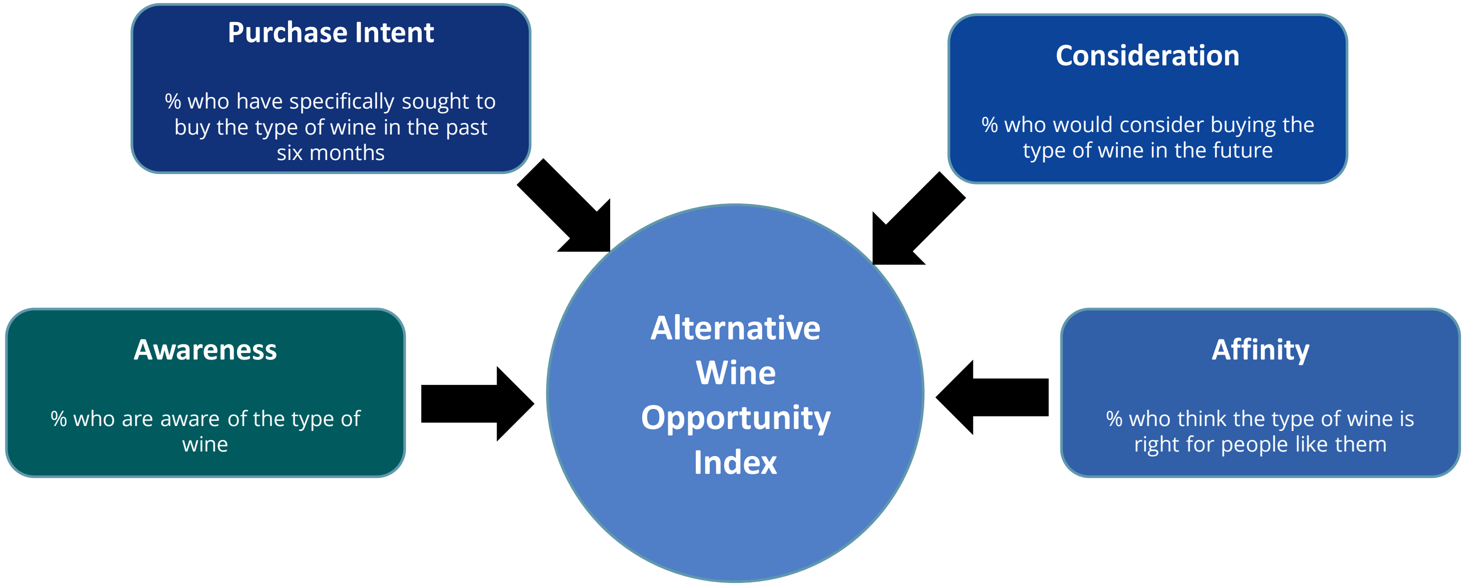
Calculating the Alternative Wine Opportunity Index

Using four measures (awareness, intent to purchase, purchase consideration and affinity), an index is created to show which alternative wine types have the strongest market opportunities

The index is weighted to reflect the size of the wine-drinking population in each market, enabling the Alternative Wine Opportunity Index to be reflective of the global market opportunity



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Opportunity index by type of wine

Lower-alcohol options have more potential for growth in Brazil and Asia, particularly China and Singapore; no-alcohol wine's biggest opportunity lies in China and Sweden

Lower-alcohol wine Opportunity Index 2023

Base = Global regular wine drinkers (n=19,835)

Lower-alcohol wine			No-alcohol wine		
1	Brazil	54.8	1	China	43.4
2	China	50.1	2	Sweden	35.7
3	Singapore	41.7	3	Ireland	35.4
4	Hong Kong	41.0	4	Singapore	33.7
5	Argentina	39.5	5	Brazil	33.6
6=	New Zealand	38.3	6	UK	33.1
6=	South Korea	38.3	7	Hong Kong	32.3
8	Australia	37.9	8	Germany	32.1
9	Ireland	37.8	9	Australia	31.9
10	US	35.4	10	South Korea	31.7
11	Portugal	34.8	11	New Zealand	30.1
12	UK	34.7	12	Japan	29.2
13	Japan	33.8	13	Canada	26.5
14	Germany	31.5	14	US	25.1
15	Spain	30.5	15	Spain	22.7
16	Canada	30.2	16	Argentina	19.9
17	France	24.0	17	France	17.6
18	Sweden	23.9	18	Portugal	16.2

An explanation of how our Opportunity Index is calculated can be found on slide 19

Source: Wine Intelligence, Vinitrac®, Oct '22, (n=19,835), Global regular wine drinkers drawn from Argentina, Australia, Brazil, Canada, Denmark, France, Germany, Hong Kong, Ireland, Japan, NZ, Portugal, Singapore, South Korea, Spain, UK, US and Chinese urban upper-middle class semi-annual imported wine drinkers

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Lower-alcohol wine Opportunity Index

China and Singapore show a small decrease in the Opportunity Index scores for lower-alcohol; Brazil, Australia and the US have increased their potential

Lower-alcohol wine Opportunity Index 2023

Base = Global regular wine drinkers (n=19,835)

		2023 Opportunity Index	Score Change 2023 vs 2022	Rank difference 2023 vs 2022
1	Brazil	54.8	3.6	1 ⬆
2	China	50.1	-2.6	-1 ⬇
3	Singapore	41.7	-2.4	=
4	Hong Kong	41.0	n/a	n/a
5	Argentina	39.5	n/a	n/a
6	New Zealand	38.3	-2.9	-2 ⬇
7	South Korea	38.3	n/a	n/a
8	Australia	37.9	3.7	-1 ⬇
9	Ireland	37.8	-2.4	n/a
10	US	35.4	3.6	-1 ⬇
11	Portugal	34.8	4.7	-1 ⬇
12	UK	34.7	-2.7	-6 ⬇
13	Japan	33.8	1.7	-5 ⬇
14	Germany	31.5	3.0	-2 ⬇
15	Spain	30.5	1.5	-4 ⬇
16	Canada	30.2	2.3	-3 ⬇
17	France	24.0	n/a	n/a
18	Sweden	23.9	n/a	n/a

An explanation of how our Opportunity Index is calculated can be found on slide 19

n/a=no data available

⬆ / ⬇: Rank changed higher / lower than previous wave

Green / red: represents higher / lower index score compared to global average

Source: Wine Intelligence, Vinitrac®, Oct, 21, Oct '22, (n ≥ 19,835), Global regular wine drinkers drawn from Argentina, Australia, Brazil, Canada, Denmark, France, Germany, Hong Kong, Ireland, Japan, NZ, Portugal, Singapore, South Korea, Spain, UK, US and Chinese urban upper-middle class semi-annual imported wine drinkers

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No-alcohol wine Opportunity Index

Asia and some European countries, notably Sweden and Ireland, show the strongest opportunities for no-alcohol wine growth

No-alcohol wine Opportunity Index 2023

Base = Global regular wine drinkers (n=19,835)

		2023 Opportunity Index	Score Change 2023 vs 2022	Rank difference 2023 vs 2022
1	China	43.4	-2.5	=
2	Sweden	35.7	n/a	n/a
3	Ireland	35.4	-2.5	-1 ↓
4	Singapore	33.7	-0.9	-1 ↓
5	Brazil	33.6	0.0	=
6	UK	33.1	-0.7	-2 ↓
7	Hong Kong	32.3	n/a	n/a
8	Australia	31.9	3.7	-1 ↓
9	South Korea	31.7	n/a	n/a
10	New Zealand	30.1	0.1	-4 ↓
11	Germany	29.5	2.0	-3 ↓
12	Japan	29.2	2.4	-3 ↓
13	Canada	26.5	0.3	-3 ↓
14	US	25.1	1.5	-2 ↓
15	Spain	22.7	0.1	-3 ↓
16	Argentina	19.9	n/a	n/a
17	France	17.6	n/a	n/a
18	Portugal	16.2	1.4	-5 ↓

An explanation of how our Opportunity Index is calculated can be found on slide 19

n/a=no data available

↑ / ↓: Rank changed higher / lower than previous wave

Green / red: represents higher / lower index score compared to global average

Source: Wine Intelligence, Vinitrac®, Oct, 21, Oct '22, (n ≥ 19,835), Global regular wine drinkers drawn from Argentina, Australia, Brazil, Canada, Denmark, France, Germany, Hong Kong, Ireland, Japan, NZ, Portugal, Singapore, South Korea, Spain, UK, US and Chinese urban upper-middle class semi-annual imported wine drinkers

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Context: Alternative Wine Opportunity Index

Lower and no-alcohol wines increased their Opportunity Index score over the past year, driven by rising awareness; however, they are still not performing as well as other alternative wine types

Lower and no-alcohol wine Opportunity Index 2023

Base = Global regular wine drinkers (n=19,835)

	2023 Opportunity Index	2022 score difference	2021 score difference
Natural wine	49.2	-1.5	3.1
Sustainably produced wine	41.9	-0.8	-0.3
Organic wine	41.6	0.5	-0.7
Fairtrade wine	39.1	3.9	3.2
Preservative free wine	38.9	-0.1	-1.3
Lower-alcohol wine	37.9	3.7	-1.6
No-alcohol wine	31.9	3.7	0.8

An explanation of how our Opportunity Index is calculated can be found on slide 19

Green / red: represents higher / lower index score compared to global average

Source: Wine Intelligence, Vinitrac®, Oct 20, Oct, 21, Oct '22, (n ≥ 19,835), Global regular wine drinkers drawn from Argentina, Australia, Brazil, Canada, Denmark, France, Germany, Hong Kong, Ireland, Japan, NZ, Portugal, Singapore, South Korea, Spain, UK, US and Chinese urban upper-middle class semi-annual imported wine drinkers

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Lower/no-alcohol wine health

Australia and UK show a notably higher awareness on No and lower-alcohol wines while US and Japan show the lowest percentage. Despite these low numbers US shows one of the highest conversion rates

Global lower and no-alcohol wine health

Base = All global regular wine drinkers (n= 12,599)

	Global average (n=12,599)	Australia (n=1,008)	Canada (n=1,551)	Germany (n=1,003)	Japan (n=1,004)	UK (n=1,007)	US (n=2,035)
Base = All sample		Awareness					
No-alcohol wine	50%	64%	48%	59%	42%	63%	32%
Lower-alcohol wine	40%	56%	38%	37%	30%	58%	30%
Base = All sample		Purchase					
No-alcohol wine	7%	9%	6%	6%	6%	8%	6%
Lower-alcohol wine	7%	9%	8%	6%	6%	8%	8%
Base = Those who are aware of the following types of wine		Conversion					
No-alcohol wine	13%	14%	12%	9%	14%	12%	20%
Lower-alcohol wine	17%	16%	22%	17%	19%	14%	27%
Base = Those who are aware of the following types of wine		Consideration					
No-alcohol wine	24%	30%	22%	20%	21%	25%	31%
Lower-alcohol wine	32%	40%	35%	30%	28%	30%	44%
Base = Those who are aware of the following types of wine		Affinity					
No-alcohol wine	19%	24%	16%	13%	16%	17%	26%
Lower-alcohol wine	30%	37%	31%	29%	32%	23%	41%

Global weighted average includes data from Argentina, Australia, Canada, China, Germany, Japan, Netherlands, New Zealand, Portugal, Sweden, UK, USA

% / %: Statistically significantly higher / lower than global average at a 95% confidence level

Source: Wine Intelligence, Vinitrac® Jan'23, (n=12,599), global regular wine drinkers

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Lower-alcohol wine purchase motivations

Health is the main motivation for choosing lower-alcohol wine globally in all core markets; taste is also a strong motivation, especially in Canada; social pressures motivate people more in the US

Lower-alcohol wine purchase motivations

% who would be motivated by the following factors to buy lower-alcohol wines
Base = Those who have sought to buy or would consider buying lower-alcohol wine

		Global average	Australia	Canada	Germany	Japan	UK	US
1	It's better for my health	52%	57%	51%	52%	57%	56%	47%
2	I enjoy the taste	41%	36%	47%	34%	40%	40%	45%
3	I like to stay in control	40%	42%	44%	35%	45%	37%	36%
4	I will be driving	34%	45%	34%	43%	10%	36%	32%
5	Fewer calories than standard wine	33%	36%	33%	29%	31%	35%	35%
6	It goes better with food	25%	18%	27%	30%	42%	15%	32%
7	Price is lower than standard wine	25%	29%	28%	13%	22%	29%	25%
8	It gives me fewer headaches	25%	26%	25%	23%	31%	22%	26%
9	I'm on a diet	16%	18%	18%	5%	14%	16%	20%
10	Most of my friends are drinking it	12%	11%	10%	11%	14%	5%	19%
11	I like to be seen drinking it	9%	6%	7%	7%	7%	5%	17%

Global weighted average includes data from Argentina, Australia, Canada, China, Germany, Japan, Netherlands, New Zealand, Portugal, Sweden, UK, USA
% / %: Statistically significantly higher / lower than global average at a 95% confidence level
Source: Wine Intelligence, Vinitrac® Jan'23, (n=12,599), global regular wine drinkers

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Lower-alcohol wine barriers for purchasing

Taste, quality, linked to the perception that lower-alcohol wine is not really wine and unavailability of lower-alcohol versions of favourite wines are the main barriers for purchase

Lower-alcohol wine barriers to purchase

% who would see the following as reasons not to buy lower-alcohol wine
Base = Those who are aware of lower-alcohol wine but have not sought to buy and would not consider buying it

		Global average	Australia	Canada	Germany	Japan	UK	US
1	I dislike the taste	28%	26%	26%	25%	25%	33%	25%
2	It's not really wine	25%	26%	25%	27%	23%	30%	22%
3	My favourite wine does not come in a lower alcohol version	21%	20%	24%	25%	22%	19%	24%
4	Lower quality than standard wine	20%	20%	21%	16%	17%	22%	25%
5	Does not contain enough alcohol to feel an effect	18%	22%	23%	10%	23%	19%	22%
6	Poor quality wines	16%	21%	26%	5%	7%	20%	20%
7=	Higher price than standard wine	11%	16%	10%	10%	7%	12%	14%
7=	Lower alcohol wines are an aberration	11%	7%	11%	10%	17%	13%	13%
9	Difficult to find where I shop for wine	9%	8%	11%	12%	15%	5%	10%
10=	I'm not aware of these products	8%	3%	8%	17%	6%	3%	7%
10=	My friends don't seem to drink it	8%	9%	11%	7%	6%	5%	9%
12	It's not clear from the bottle what it is	6%	4%	6%	6%	17%	5%	7%
13	They are mass produced wines	5%	5%	5%	6%	5%	4%	8%
14	I would be embarrassed to be seen drinking it	4%	6%	4%	4%	2%	3%	9%

UK, has one of the highest awareness rates, along with the highest proportion of wine drinkers rejecting the category because of the taste profile

Global weighted average includes data from Argentina, Australia, Canada, China, Germany, Japan, Netherlands, New Zealand, Portugal, Sweden, UK, USA
% / %: Statistically significantly higher / lower than global average at a 95% confidence level
Source: Wine Intelligence, Vinitrac® Jan'23, (n=12,599), global regular wine drinkers

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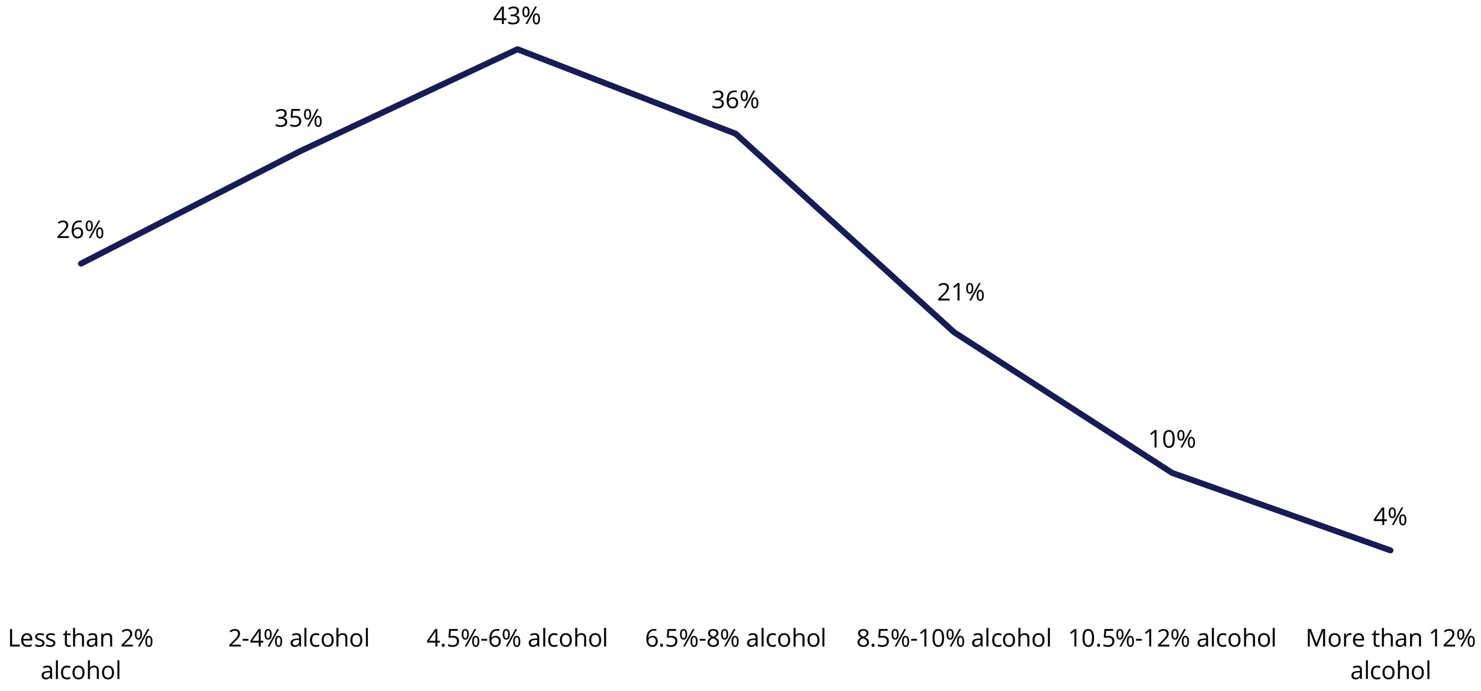
Consumer perceptions of ABV level

4.5–6% ABV is considered to be the definition of lower-alcohol wine by 43% of consumers; 14% consider it to be wines of more than 10.5% ABV, well within the range of full-strength wine

Lower-alcohol wine meaning

% who consider the following levels of ABV as "lower-alcohol" when thinking about wine
Base = those who have sought to buy or would consider buying lower-alcohol wine



Market insights

- Across markets, wine drinkers consider 4.5–6% abv to be the level for lower-alcohol wines.
- The US has expectations of slightly higher alcohol content than the global average, while the UK tends to expect lower ABVs.

Global weighted average includes data from Argentina, Australia, Canada, China, Germany, Japan, Netherlands, New Zealand, Portugal, Sweden, UK, USA
Source: Wine Intelligence, Vinitrac®, Jan'22, (n=12,599), global regular wine drinkers

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No-alcohol wine purchase motivations

Health benefits and avoiding alcohol when driving are the main motivations for no-alcohol consumption; food pairing is important in Japan and the US, while peer group perceptions are important in the US

No-alcohol wine purchase motivations

% who would be motivated by the following factors to buy no-alcohol wines
Base = Those who have sought to buy or would consider buying no-alcohol wine

		Global average	Australia	Canada	Germany	Japan	UK	US
1=	It's better for my health	46%	56%	41%	42%	48%	49%	40%
1=	I will be driving	46%	47%	44%	58%	40%	47%	44%
3	I like to stay in control	36%	41%	41%	30%	43%	31%	39%
4	I enjoy the taste	34%	31%	41%	27%	37%	33%	41%
5	Fewer calories than alcoholic wines	27%	37%	22%	24%	21%	27%	32%
6	It goes better with food	21%	17%	18%	21%	38%	8%	33%
7	Price is lower than standard wine	20%	27%	20%	9%	17%	26%	22%
8	I can't drink alcohol for health reasons	19%	21%	15%	24%	18%	17%	21%
9	I'm on a diet	18%	19%	13%	9%	20%	20%	24%
10	Most of my friends are drinking it	12%	10%	11%	8%	18%	5%	22%
11	I like to be seen drinking it	10%	11%	8%	6%	6%	7%	20%
12	I can't drink alcohol for religious reasons	8%	9%	4%	5%	13%	3%	15%

Global weighted average includes data from Argentina, Australia, Canada, China, Germany, Japan, Netherlands, New Zealand, Portugal, Sweden, UK, USA
% / %: Statistically significantly higher / lower than global average at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, Oct '21, Jan'22, (n=12,599), global regular wine drinkers

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No-alcohol wine barriers for purchasing

Taste and ‘not really wine’ are the top barriers; lack of alcohol is more important in Australia, Japan and the US, while unavailability of no-alcohol versions of favourite wines ranks highly in Australia and the US

No-alcohol wine barriers to purchase

% who would see the following as reasons not to buy no-alcohol wine
Base = Those who are aware of no-alcohol wine but have not sought to buy and would not consider buying it

		Global average	Australia	Canada	Germany	Japan	UK	US
1	It’s not really wine	33%	32%	35%	33%	36%	34%	31%
2	I dislike the taste	31%	24%	26%	33%	27%	33%	25%
3	Does not contain alcohol	28%	32%	31%	23%	33%	25%	33%
4=	My favourite wine does not come in a non-alcoholic version	17%	21%	19%	17%	13%	18%	23%
4=	Lower quality than standard wine	17%	19%	20%	11%	11%	19%	19%
6	My friends don’t seem to drink it	7%	9%	10%	8%	2%	5%	10%
7=	Difficult to find where I shop for wine	6%	5%	7%	8%	7%	4%	10%
7=	None of these / no opinion	6%	6%	7%	4%	3%	9%	6%
7=	I’m not aware of these products	6%	1%	7%	13%	3%	2%	8%
10	It's not clear from the bottle what it is	5%	4%	4%	3%	7%	3%	8%
11	I would be embarrassed to be seen drinking it	3%	4%	5%	2%	3%	3%	6%

Global weighted average includes data from Argentina, Australia, Canada, China, Germany, Japan, Netherlands, New Zealand, Portugal, Sweden, UK, USA
% / %: Statistically significantly higher / lower than global average at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, Oct ‘21, Jan’22, (n=12,599), global regular wine drinkers

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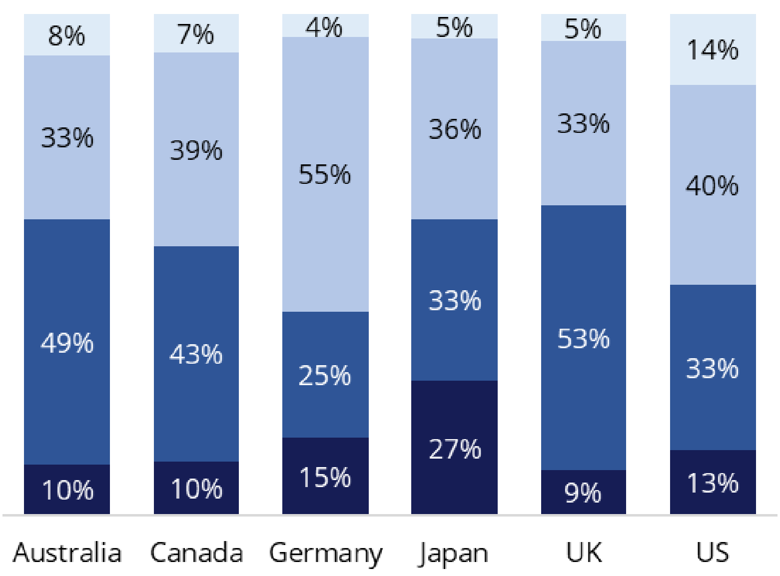
Price sensitivity

With some variation between countries, lower and no-alcohol wines are expected to cost less than their full-strength counterparts for a large proportion of low/no drinkers

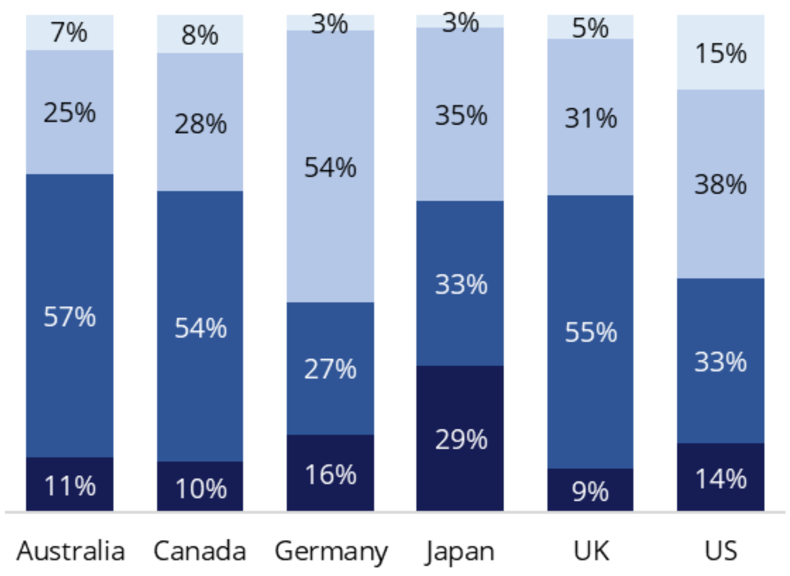
Lower-alcohol wine

Base: Australia, Canada, Germany, Japan, UK, US low/no-alcohol buyers (n=2,985)



No-alcohol wine

Base: Australia, Canada, Germany, Japan, UK, US low/no-alcohol buyers (n=2,985)



I don't know Pay less Pay the same Pay more

IWSR No/Low Strategic Study Dec 2022

Source: Wine Intelligence, Vinitrac® Q3 22, (n=2,985), no/low alcohol buyers from Australia, Canada, Germany, Japan, UK and US

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Market Focus: Australia

Key takeaways

1. Younger generations drive purchases

Millennials and Gen Z are the consumer groups driving lower and no-alcohol wine consumption. Moreover, they represent the highest proportion of new entrants in the low/no category

2. Category forecast to grow

Along with a steady growth lower and no-alcohol still and sparkling wine alternatives are predicted to grow in the future.

3. Health benefits and occasions are key motivations

Both lower and no-alcohol wine are consumed for the positive effects of the absence of alcohol on health, and on occasions where alcohol intake needs to be limited, such as driving.

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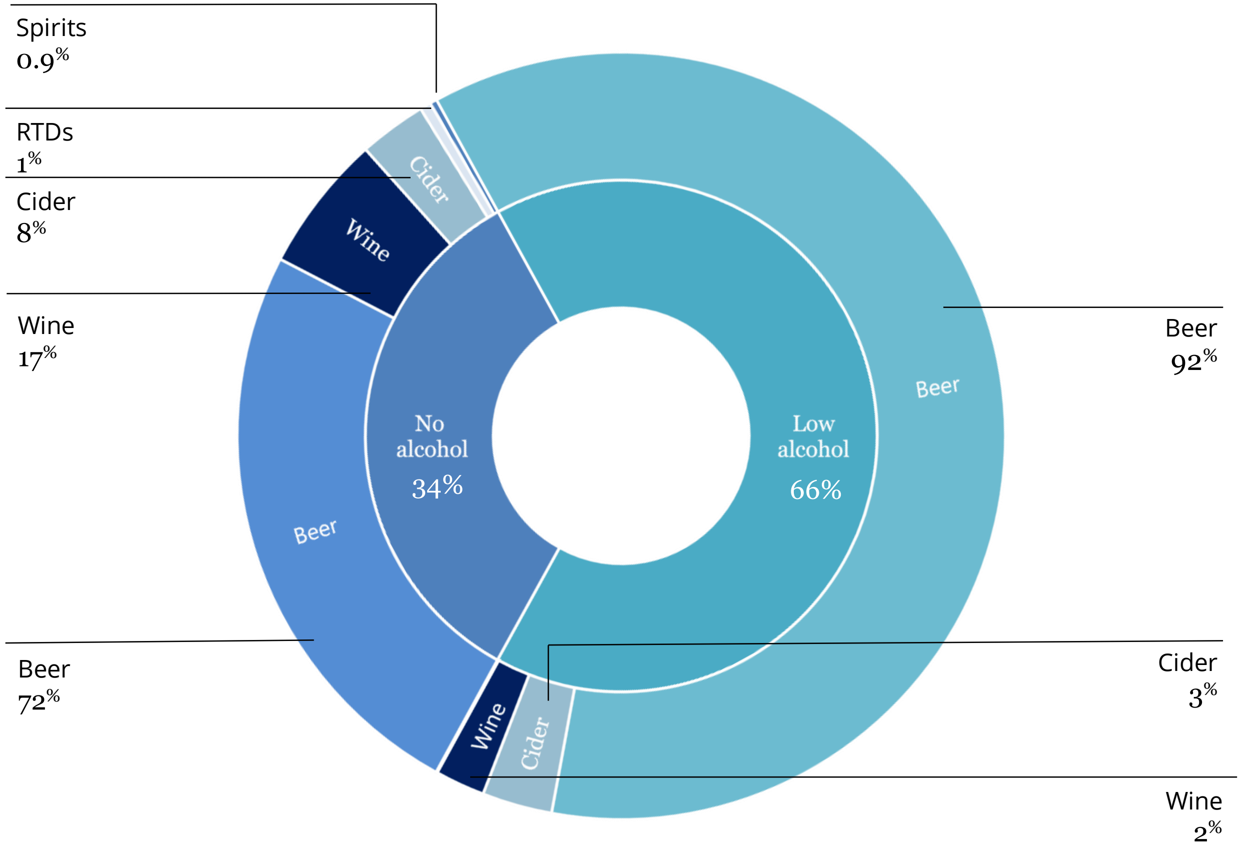
Lower/no-alcohol market size

Beer accounts for the majority of low/no alcohol by volume; lower and no-alcohol wine is seeing steady growth, with a forecast for this trend to continue in the future

Low/no category market share



Market overview 2021

Volume 000s 9-litre cases

	Market Share	Category Volume	CAGR 16-21	CAGR F 21-26
Still wine	85.8%	46,019.0	-2.7%	-1.8%
Low-alcohol still wine	0.1%	49.9	16.7%	7.2%
No-alcohol still wine	0.8%	436.4	52.4%	18.2%
Sparkling wine	12.8%	6,851.5	6.0%	0.9%
Low-alcohol sparkling wine	0.3%	142.0	15.5%	1.5%
No-alcohol sparkling wine	0.2%	108.0	45.2%	15.5%

Source: IWSR

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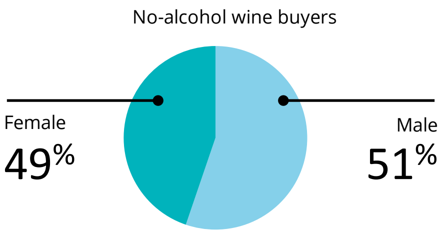
Lower/no-alcohol wine buyers

Despite older people having more awareness of lower and no-alcohol wine, younger age groups are driving purchases in Australia

Gender



Lower-alcohol wine awareness and purchase

	RWD (n=1008)	Awares (n=564)	Buyers (n=89)
Gen Z (18-24)	8%	8%	17%
Millennials (25-39)	32%	24%	35%
Gen X (40-54)	28%	28%	26%
Boomers (55+)	32%	40%	21%

No-alcohol wine buyers demographics

	RWD (n=1008)	Awares (n=647)	Buyers (n=91)
Gen Z (18-24)	8%	7%	14%
Millennials (25-39)	32%	28%	41%
Gen X (40-54)	28%	27%	18%
Boomers (55+)	32%	38%	26%

% / %: Statistically significantly higher / lower than regular wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, Jan '23, (n=1,008), Australian regular wine drinkers

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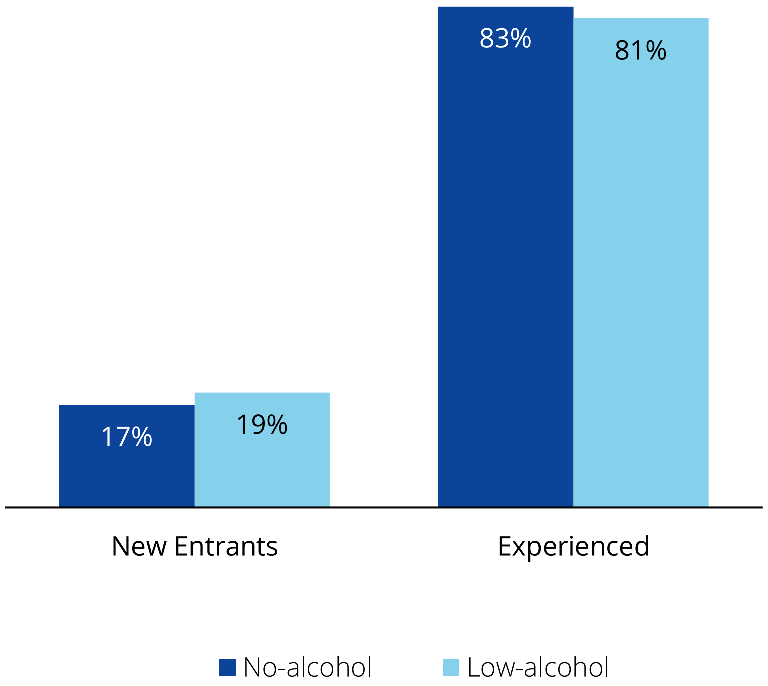
Market maturity and consumption change

The low proportion of new entrants into the category suggests the market for low and no-alcohol beverages is mature, with most drinkers having entered the category at least three years ago

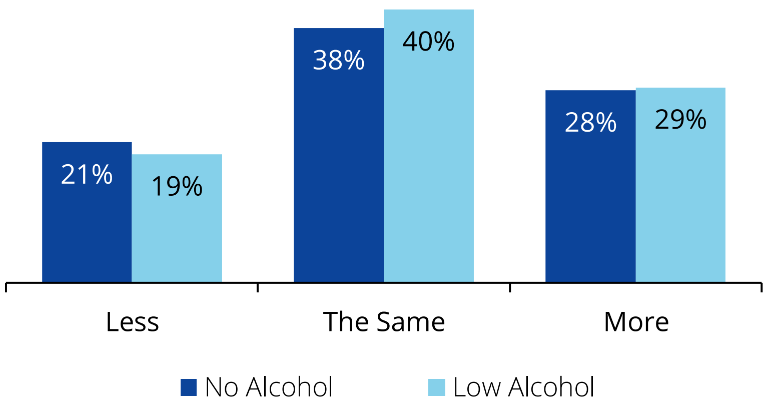
Consumer Maturity

Base = Australians who have drunk no/low beverages



Consumption Frequency Change in the last year

Base = Australians who have bought no/low beverages



Demographic insights

- New entrants are mostly younger consumers who have just attained the legal drinking age.

IWSR No/Low Strategic Study Dec 2022 – Australia
Source: Wine Intelligence, Vinitrac®,Nov '22, (n= 408), low/no-alcohol buyers

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Alcohol moderation

Attitudes towards moderation are stable; Millennials and Gen Z are the main age group switching to lower-alcohol options

Alcohol moderation among regular wine drinkers

% who agree the following statements apply to them
Base = All Australians regular wine drinkers (n≥1,000)

	2020 (n=1,000)	2022 (n=1,011)	2023 (n=1,008)	Tracking vs. '20	Tracking vs. '22
I'm actively reducing the amount of alcohol I drink by not drinking alcohol at some occasions	28%	31%	32%	↑	→
I'm actively reducing the amount of alcohol I drink by switching to lower alcohol options at some occasions	18%	22%	20%	→	→
I'm actively reducing the amount of alcohol I drink by switching to non-alcoholic drinks at some occasions	15%	12%	14%	→	→
I'm NOT actively reducing the amount of alcohol I drink	54%	50%	48%	↓	→

Alcohol moderation by age groups

	RWD (n=1008)	18-24 Gen Z (n=81)	25-39 Millennials (n=321)	40-54 Gen X (n=279)	55+ Boomers (n=327)
I'm actively reducing the amount of alcohol I drink by not drinking alcohol at some occasions	32%	42%	32%	28%	32%
I'm actively reducing the amount of alcohol I drink by switching to lower alcohol options at some occasions	20%	36%	28%	18%	11%
I'm actively reducing the amount of alcohol I drink by switching to non-alcoholic drinks at some occasions	14%	21%	18%	10%	10%
I'm NOT actively reducing the amount of alcohol I drink	48%	28%	36%	54%	60%

↑ / ↓: Statistically significantly higher / lower than previous waves at a 95% confidence level
% / %: Statistically significantly higher / lower than RWD at 95% confidence level
Source: Wine Intelligence, Vinitrac®, Oct'20, Jan '22, Jan '23, (n≥1,000), Australian regular wine drinkers

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Australia Alternative Wine Opportunity index

Lower and no-alcohol wines have seen good levels of growth in the Alternative Wine Opportunity Index, but score less well than some other categories, including natural and sustainably produced wine

Australian Alternative Wine Opportunity index
Base = Australian regular wine drinkers (n≥1,000)

	2023 Opportunity Index	2022 score difference	2021 score difference
Natural wine	49.2	-1.5	3.1
Sustainably produced wine	41.9	-0.8	-0.3
Organic wine	41.6	0.5	-0.7
Fairtrade wine	39.1	3.9	3.2
Preservative free wine	38.9	-0.1	-1.3
Lower alcohol wine	37.9	3.7	-1.6
No-alcohol wine	31.9	3.7	0.8

An explanation of how our Opportunity Index is calculated can be found on slide 19

higher / lower than the current wave

Source: Wine Intelligence, Vinitrac®, Oct'20, Oct '21, Oct '22, (n≥1,000), Australian regular wine drinkers

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Lower/no-alcohol wine health

No-alcohol wine has become more well-known among regular wine drinkers and this has translated into higher purchase levels than previous years

Australian lower and no-alcohol wine health

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

Awareness Base = All sample	2020	2021	2023	Tracking vs. '20	 vs. '21
No-alcohol wine	**57%**	**46%**	**64%**	↑	↑
Lower alcohol wine	**54%**	**42%**	**56%**	→	↑
Purchase Base = All sample					
No-alcohol wine	**6%**	**5%**	**9%**	↑	↑
Lower alcohol wine	**9%**	**7%**	**9%**	→	→
Conversion Base = Those who are aware of the following types of wine					
No-alcohol wine	**11%**	**12%**	**14%**	→	→
Lower alcohol wine	**17%**	**17%**	**16%**	→	→
Consideration Base = Those who are aware of the following types of wine					
No-alcohol wine	**23%**	**27%**	**30%**	↑	→
Lower alcohol wine	**40%**	**39%**	**40%**	→	→
Affinity Base = Those who are aware of the following types of wine					
No-alcohol wine	**18%**	**19%**	**24%**	↑	↑
Lower alcohol wine	**37%**	**34%**	**37%**	→	→

Demographic insights

- Older people are more aware of lower and no-alcohol wine, but younger generations, especially Gen Z, purchase both lower and no-alcohol beverages at higher levels.

↑ / ↓: Statistically significantly higher / lower than previous waves at a 95% confidence level

Source: Wine Intelligence, Vinitrac®, Oct '20, Oct '21, Jan '23, (n≥1,000), Australian regular wine drinkers

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Lower-alcohol wine purchasing motivations

Health benefits and the need to drink lower-alcohol beverages when driving continue to be the most important motivations for lower-alcohol wine consumption, with the importance of taste and food pairing decreasing

Lower-alcohol wine purchase motivations: tracking

% who would be motivated by the following factors to buy lower-alcohol wines
Base = those who have sought to buy or would consider buying lower-alcohol wine

Ranking '23		2020 (n=1,000)	2021 (n=1,000)	2023 (n=1,008)	Tracking vs. '20	Tracking vs. '21
1	It's better for my health	63%	54%	57%	→	→
2	I will be driving	45%	45%	45%	→	→
3	I like to stay in control	39%	44%	42%	→	→
4=	I enjoy the taste	48%	43%	36%	↓	→
4=	Fewer calories than other wines	38%	40%	36%	→	→
6	Price is lower than standard wine	29%	32%	29%	→	→
7	It gives me fewer headaches	28%	30%	26%	→	→
8=	I'm on a diet	19%	14%	18%	→	→
8=	It goes better with food	24%	26%	18%	→	↓
10	Most of my friends are drinking it	12%	9%	11%	→	→
11	I like to be seen drinking it	10%	7%	6%	→	→

Demographic insights

- For younger age groups, especially Gen Z, avoiding the effects of alcohol is a stronger motivation.

↑ / ↓: Statistically significantly higher / lower than previous waves at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, Oct '20, Oct '21, Jan '23, (n≥1,000), Australian regular wine drinkers

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Lower-alcohol wine barriers to purchase

The image and popularity of lower-alcohol wines is improving; taste remains the main barrier

Lower-alcohol wine barriers to purchase: tracking

% who would see the following as reasons not to buy lower-alcohol wine
Base = those who are aware of lower-alcohol wine but have not sought to buy and would not consider buying it

Ranking '23		2020 (n=1,000)	2021 (n=1,000)	2023 (n=1,008)	Tracking vs. '20	Tracking vs. '21
1=	I dislike the taste	25%	25%	26%	→	→
1=	It's not really wine	28%	27%	26%	→	→
3	Does not contain enough alcohol to feel an effect	22%	21%	22%	→	→
4	Poor quality wines	18%	20%	21%	→	→
5=	Lower quality than standard wine	21%	21%	20%	→	→
5=	My favourite wine does not come in a lower alcohol version	25%	20%	20%	→	→
7	Higher price than standard wine	21%	14%	16%	→	→
8	My friends don't seem to drink it	14%	13%	9%	↓	→
9	Difficult to find where I shop for wine	8%	5%	8%	→	→
10	Lower alcohol wines are an aberration	14%	14%	7%	↓	↓
11	I would be embarrassed to be seen drinking it	7%	5%	6%	→	→
12	They are mass produced wines	7%	7%	5%	→	→
13	It's not clear from the bottle what it is	10%	9%	4%	↓	↓
14	I'm not aware of these products	8%	4%	3%	↓	→

Demographic insights

- Boomers are more conscious of price, with a quarter perceiving that lower-alcohol costing more than regular wine is a barrier.

↑ / ↓: Statistically significantly higher / lower than previous waves at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, Oct '20, Oct '21, Jan '23, (n≥1,000), Australian regular wine drinkers

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No-alcohol wine purchase motivations

Similar to lower-alcohol wine, health and occasions continue to be the main motivations for purchases

No-alcohol wine purchase motivation

% who would be motivated by the following factors to buy no-alcohol wines
Base = those who have sought to buy or would consider buying no-alcohol wine

Ranking '23		2021 (n=1,000)	2023 (n=1,008)	Tracking vs. '21
1	It's better for my health	55%	56%	➡
2	I will be driving	52%	47%	➡
3	I like to stay in control	35%	41%	➡
4	Fewer calories than standard wine	24%	37%	⬆
5	I enjoy the taste	39%	31%	➡
6	Price is lower than standard wine	32%	27%	➡
7	I can't drink alcohol for health reasons	14%	21%	➡
8	I'm on a diet	12%	19%	➡
9	It goes better with food	21%	17%	➡
10	I like to be seen drinking it	7%	11%	➡
11	Most of my friends are drinking it	6%	10%	➡
12	I can't drink alcohol for religious reasons	6%	9%	➡

⬆ / ⬇: Statistically significantly higher / lower than previous waves at a 95% confidence level
Source: Wine Intelligence, Vinitrac® Oct '21, Jan '23, (n≥1,000), Australian regular wine drinkers

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No-alcohol wine barriers to purchase

While awareness of no-alcohol wines has increased, a lack of alcohol content and taste are still the main barriers for wine drinkers

No-alcohol wine barriers to purchase

% who would see the following as reasons not to buy no-alcohol wine
Base = those who are aware of no-alcohol wine but have not sought to buy and would not consider buying it

Ranking '23		2021 (n=1,000)	2023 (n=1,008)	Tracking vs. '21
1=	Does not contain alcohol	**35%**	**32%**	→
1=	It’s not really wine	**36%**	**32%**	→
3	I dislike the taste	**25%**	**24%**	→
4	My favourite wine does not come in a no-alcohol version	**18%**	**21%**	→
5	Lower quality than standard wine	**21%**	**19%**	→
6=	My friends don’t seem to drink it	**11%**	**9%**	→
6=	Non-alcoholic wines are an aberration	**12%**	**9%**	→
8	Difficult to find where I shop for wine	**6%**	**5%**	→
9=	I would be embarrassed to be seen drinking it	**6%**	**4%**	→
9=	It's not clear from the bottle what it is	**8%**	**4%**	↓
11	I’m not aware of these products	**4%**	**1%**	↓

↑ / ↓: Statistically significantly higher / lower than previous waves at a 95% confidence level
Source: Wine Intelligence, Vinitrac® Oct ’21, Jan ‘23, (n≥1,000), Australian regular wine drinkers

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Market Focus: Canada

Key takeaways

1. No-alcohol wine skews towards women and Millennials

No-alcohol wine is more accepted by women and Millennials, while lower-alcohol wine consumption is more equally spread across genders and age groups.

2. Dislike of the taste is the main barrier

Rejection of the taste of lower and no-alcohol wine continues to be the main barrier for wine drinkers.

3. Health the top motivator

Both lower and no-alcohol wine are consumed for the positive effect of an absence of alcohol on health, and when driving.

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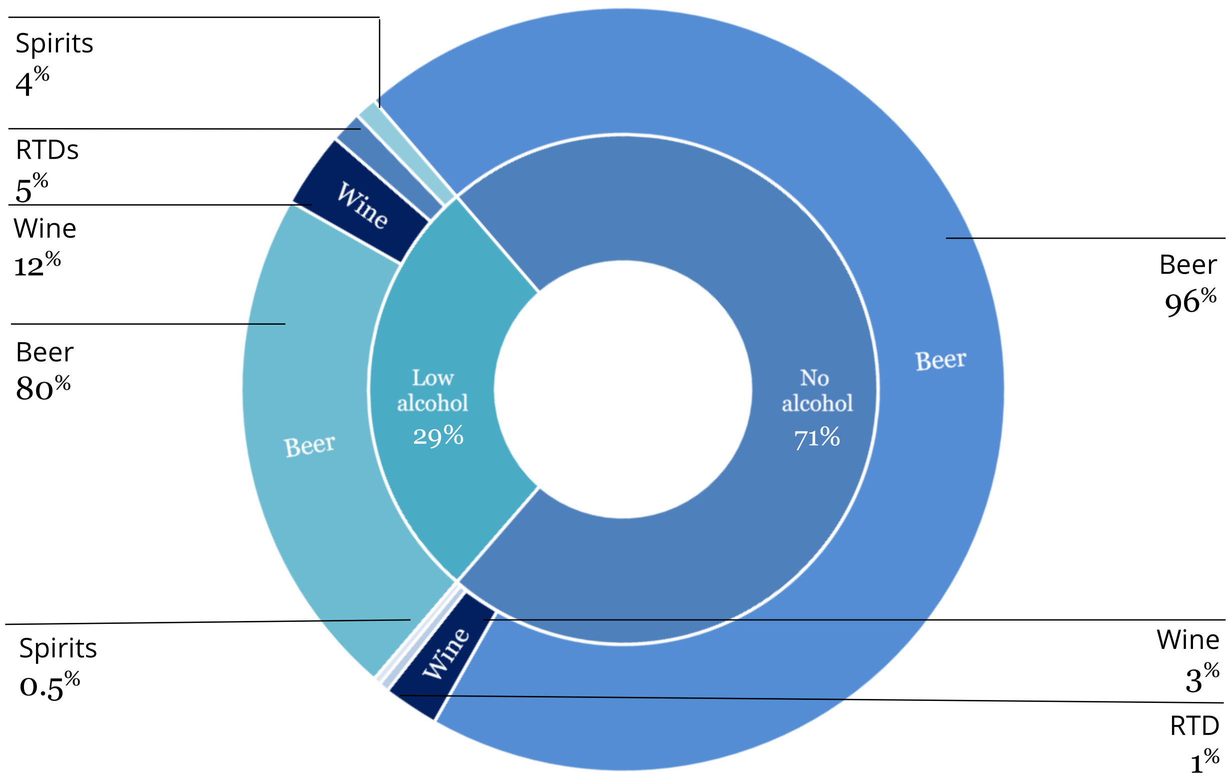
Lower/no-alcohol market size

Beer dominates low/no volumes, followed by wine; for both still and sparkling wine there is positive growth forecast in the coming years

Low/no category market share



Market overview 2021

Volume 000s 9-litre cases

	Market share	Category volume	CAGR 16-21	CAGR F 21-26
Still wine	94.3%	46,151.1	0.2%	-0.3%
Low-alcohol still wine	0.1%	64.7	n/a	23.9%
No-alcohol still wine	0.9%	436.4	n/a	21.6%
	0.00			
Sparkling wine	5.4%	2,617.9	8.2%	5.6%
Low-alcohol sparkling wine	0.1%	32.0	n/a	18.7%
No-alcohol sparkling wine	0.0%	12.2	n/a	18.7%

Lower-alcohol wines have increased in quality in recent years. Moreover, light wines targeted at health-conscious consumers are well-positioned to compete with other lower-ABV drinks.

Source: IWSR

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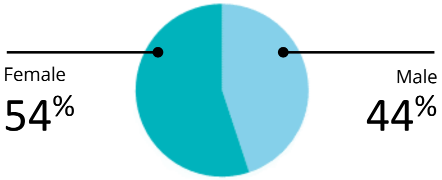
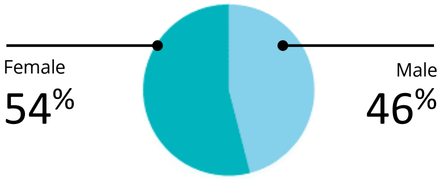
Lower/no-alcohol wine buyers

Lower and no-alcohol wine purchasers skew towards younger age groups

Gender





Lower-alcohol awareness and purchase

	RWD (n=1551)	Awares (n=584)	Buyers (n=130)
Gen Z (19-24)	**7%**	**8%**	**18%**
Millennials (25-39)	**28%**	**25%**	**31%**
Gen X (40-54)	**28%**	**28%**	**22%**
Boomers (55+)	**37%**	**39%**	**29%**

No-alcohol awareness and purchase

	RWD (n=1551)	Awares (n=748)	Buyers (n=89)
Gen Z (19-24)	**7%**	**7%**	**17%**
Millennials (25-39)	**28%**	**26%**	**40%**
Gen X (40-54)	**28%**	**25%**	**13%**
Boomers (55+)	**37%**	**41%**	**30%**

% / %: Statistically significantly higher / lower than regular wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® Jan '23, (n=1,551), Canadian regular wine drinkers

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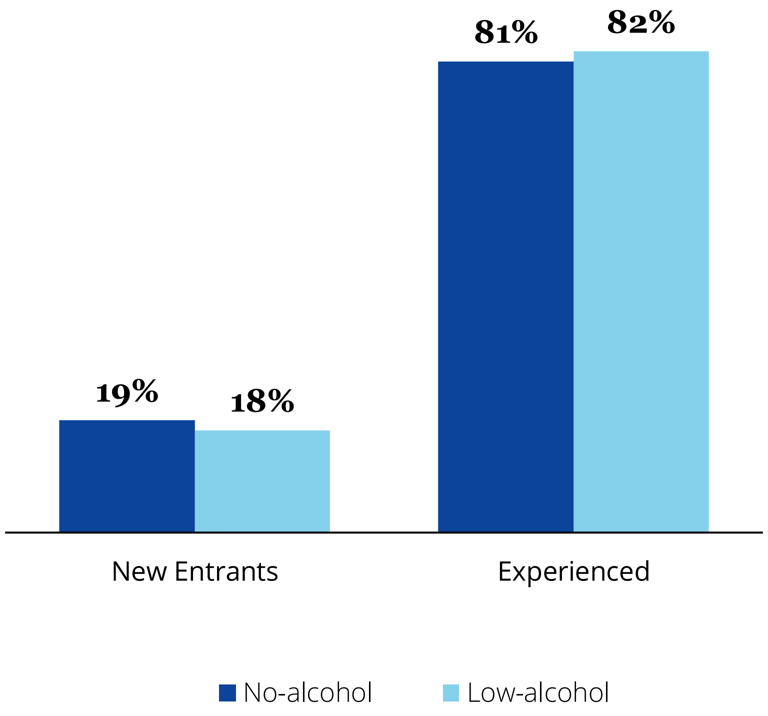
Market maturity and consumption change

The Canadian low/no beverage market shows maturity, with fewer new entrants to the category

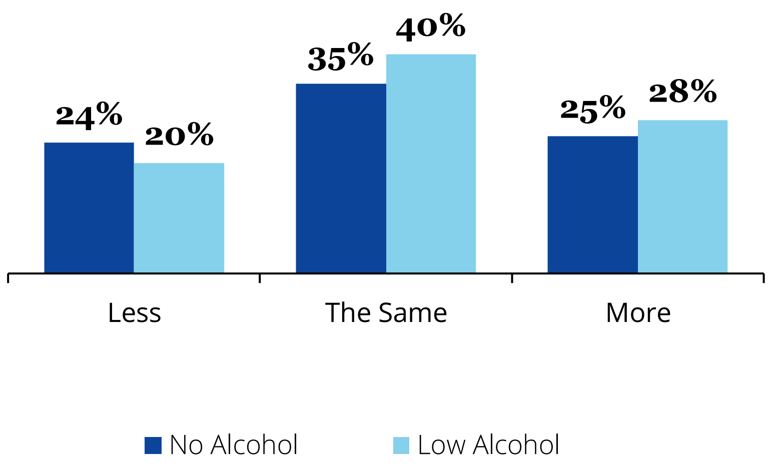
Consumer Maturity

Base = Canadians who have drunk no/low beverages



Consumption Frequency Change

Base = Canadians who have bought no/low beverages



Demographic insights

Millennials make up the highest proportion of new entrants. Boomers tend to be more experienced no/low drinkers.

IWSR No/Low Strategic Study Dec 2022 – Canada
Source: Wine Intelligence, Vinitrac®,Nov '22, (n= 410), Canadian low/no-alcohol buyers

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Alcohol moderation

Younger age groups are actively reducing alcohol consumption the most, using a combination of strategies, from not drinking to switching to both lower and no-alcohol beverages

Alcohol moderation among regular wine drinkers

% who agree the following statements apply to them
Base = All Canadian regular wine drinkers (n≥1,013)

	2020 (n=1,013)	2022 (n=1,024)	2023 (n=1,551)	Tracking vs. '20	Tracking vs. '22
I'm actively reducing the amount of alcohol I drink by not drinking alcohol at some occasions	21%	33%	27%	↑	↓
I'm actively reducing the amount of alcohol I drink by switching to lower alcohol options at some occasions	13%	17%	15%	→	→
I'm actively reducing the amount of alcohol I drink by switching to non-alcoholic drinks at some occasions	13%	15%	13%	→	→
I'm actively reducing the amount of alcohol I drink by switching to cannabis products	4%	6%	4%	→	↓
I'm NOT actively reducing the amount of alcohol I drink	63%	53%	55%	↓	→

Alcohol moderation by age groups

	RWD (n=1551)	19-24 Gen Z (n=105)	25-39 Millennials (n=439)	40-54 Gen X (n=435)	55+ Boomers (n=572)
I'm actively reducing the amount of alcohol I drink by not drinking alcohol at some occasions	27%	38%	27%	26%	25%
I'm actively reducing the amount of alcohol I drink by switching to lower alcohol options at some occasions	15%	30%	21%	15%	9%
I'm actively reducing the amount of alcohol I drink by switching to non-alcoholic drinks at some occasions	13%	21%	17%	12%	8%
I'm actively reducing the amount of alcohol I drink by switching to cannabis products	4%	14%	6%	5%	1%
I'm NOT actively reducing the amount of alcohol I drink	55%	33%	48%	54%	65%

↑ / ↓: Statistically significantly higher / lower than previous waves at a 95% confidence level
% / %: Statistically significantly higher / lower than RWD at 95% confidence level
Source: Wine Intelligence, Vinitrac®, Oct'20, Oct'22, Jan '23, (n≥1,013), Canadian regular wine drinkers

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Context: Alternative Wine Opportunity Index

Lower and no-alcohol wines have increased their opportunity scores from 2022, but still perform less well than other alternative wines types

Canada Alternative Wine Opportunity index

Base = Canadian regular wine drinkers (n≥1,013)

	2023 Opportunity Index	2022 score difference	2021 score difference
Organic wine	46.3	-1.2	2.5
Natural wine	46.1	-0.5	4.7
Sustainably produced wine	43.5	0.5	4.8
Environmentally friendly wine	39.8	2.8	3.3
Sulphite free wine	37.5	0.2	3.1
Lower-alcohol wine	30.2	2.0	3.3
No-alcohol wine	26.5	2.0	1.6

An explanation of how our Opportunity Index is calculated can be found on slide 19

higher / lower than the current waves

Source: Wine Intelligence, Vinitrac®, Oct'20, Oct'21, Oct '22, (n≥1,013), Canadian regular wine drinkers

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Lower/no-alcohol wine health

Purchase rates have increased in the long run, translating into higher conversion for lower-alcohol wines

Canadian lower and no-alcohol wine health

Base = All Canadian regular wine drinkers (n≥1,013)

Awareness Base = All sample	2020	2021	2023	Tracking vs. '20	 vs. '21
No-alcohol wine	**45%**	**46%**	**48%**	→	→
Lower alcohol wine	**30%**	**36%**	**38%**	↑	→
Purchase Base = All sample					
No-alcohol wine	**4%**	**5%**	**6%**	↑	→
Lower alcohol wine	**4%**	**6%**	**8%**	↑	↑
Conversion Base = Those who are aware of the following types of wine					
No-alcohol wine	**9%**	**12%**	**12%**	→	→
Lower alcohol wine	**14%**	**16%**	**22%**	↑	↑
Consideration Base = Those who are aware of the following types of wine					
No-alcohol wine	**17%**	**21%**	**22%**	↑	→
Lower alcohol wine	**34%**	**31%**	**35%**	→	→
Affinity Base = Those who are aware of the following types of wine					
No-alcohol wine	**16%**	**15%**	**16%**	→	→
Lower alcohol wine	**29%**	**26%**	**31%**	→	↑

Demographic insights

Gen Z is driving purchases for both lower and no-alcohol wines.

↑ / ↓: Statistically significantly higher / lower than previous waves at a 95% confidence level

Source: Wine Intelligence, Vinitrac®, Oct'20, Oct'21, Jan '23, (n≥1,013), Canadian regular wine drinkers

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Lower-alcohol wine purchasing motivations

Health is the main driver for lower-alcohol wine consumption and has retained the top ranking since the previous wave

Lower-alcohol wine purchase motivations: tracking

% who would be motivated by the following factors to buy lower-alcohol wines
Base = those who have sought to buy or would consider buying lower-alcohol wine

Ranking '23		2021 (n=1,223)	2023 (n=1,551)	Tracking vs. '21
1	It's better for my health	47%	51%	➡
2	I enjoy the taste	48%	47%	➡
3	I like to stay in control	42%	44%	➡
4	I will be driving	35%	34%	➡
5	Fewer calories than standard wine	39%	33%	➡
6	Price is lower than standard wine	27%	28%	➡
7	It goes better with food	34%	27%	➡
8	It gives me fewer headaches	29%	25%	➡
9	I'm on a diet	16%	18%	➡
10	Most of my friends are drinking it	12%	10%	➡
11	I like to be seen drinking it	10%	7%	➡

⬆ / ⬇: Statistically significantly higher / lower than previous waves at a 95% confidence level
Source: Wine Intelligence, Vinitrac® Oct'21, Jan '23, (n≥1,223), Canadian regular wine drinkers

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Lower-alcohol wine barriers to purchase

Despite innovation and more lower-alcohol wine options on the Canadian market, poor quality and dislike of taste continue to be the main reasons to reject the category

Lower-alcohol wine barriers to purchase: tracking

% who would see the following as reasons not to buy lower-alcohol wine
Base = those who are aware of lower-alcohol wine but have not sought to buy and would not consider buying it

Ranking '23		2021 (n=1,223)	2023 (n=1,551)	Tracking vs. '21
1=	Poor quality wines	16%	26%	⬆
1=	I dislike the taste	22%	26%	➡
3	It's not really wine	23%	25%	➡
4	My favourite wine does not come in a lower alcohol version	29%	24%	➡
5	Does not contain enough alcohol to feel an effect	22%	23%	➡
6	Lower quality than standard wine	16%	21%	➡
7=	Lower alcohol wines are an aberration	13%	11%	➡
7=	Difficult to find where I shop for wine	8%	11%	➡
7=	My friends don't seem to drink it	13%	11%	➡
10	Higher price than standard wine	10%	10%	➡
11	I'm not aware of these products	10%	8%	➡
12	It's not clear from the bottle what it is	8%	6%	➡
13	They are mass produced wines	4%	5%	➡
14	I would be embarrassed to be seen drinking it	4%	4%	➡

⬆ / ⬇: Statistically significantly higher / lower than previous waves at a 95% confidence level
Source: Wine Intelligence, Vinitrac® Oct'21, Jan '23, (n≥1,223), Canadian regular wine drinkers

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No-alcohol wine purchase motivations

No-alcohol is popular when driving and for its health benefits and taste

No-alcohol wine purchase motivation

% who would be motivated by the following factors to buy no-alcohol wines
Base = those who have sought to buy or would consider buying no-alcohol wine

Ranking '23		2021 (n=1,223)	2023 (n=1,551)	Tracking vs. '21
1	I will be driving	54%	44%	➡
2=	It's better for my health	35%	41%	➡
2=	I enjoy the taste	39%	41%	➡
2=	I like to stay in control	32%	41%	➡
5	Fewer calories than alcoholic wines	27%	22%	➡
6	Price is lower than standard wine	22%	20%	➡
7	It goes better with food	11%	18%	➡
8	I can't drink alcohol for health reasons	23%	15%	➡
9	I'm on a diet	15%	13%	➡
10	Most of my friends are drinking it	11%	11%	➡
11	I like to be seen drinking it	11%	8%	➡
12	I can't drink alcohol for religious reasons	4%	4%	➡

⬆ / ⬇: Statistically significantly higher / lower than previous waves at a 95% confidence level
Source: Wine Intelligence, Vinitrac® Oct'21, Jan '23, (n≥1,223), Canadian regular wine drinkers

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No-alcohol wine barriers to purchase

The importance of not containing alcohol has decreased in the past year; the perception of no-alcohol not being real wine is the main reason to reject it

No-alcohol wine barriers to purchase

% who would see the following as reasons not to buy no-alcohol wine
Base = those who are aware of no-alcohol wine but have not sought to buy and would not consider buying it

Ranking '23		2021 (n=1,223)	2023 (n=1,551)	Tracking vs. '21
1	It's not really wine	38%	35%	→
2	Does not contain alcohol	42%	31%	↓
3	I dislike the taste	29%	26%	→
4	Lower quality than standard wine	17%	20%	→
5	My favourite wine does not come in a no-alcohol version	21%	19%	→
6	My friends don't seem to drink it	11%	10%	→
7	Non-alcoholic wines are an aberration	11%	9%	→
8=	Difficult to find where I shop for wine	6%	7%	→
8=	I'm not aware of these products	8%	7%	→
10	I would be embarrassed to be seen drinking it	5%	5%	→
11	It's not clear from the bottle what it is	6%	4%	→

↑ / ↓: Statistically significantly higher / lower than previous waves at a 95% confidence level
Source: Wine Intelligence, Vinitrac® Oct'21, Jan '23, (n≥1,223), Canadian regular wine drinkers

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Market Focus: Germany

Key takeaways

1. No-alcohol wine skews to women and Millennial wine drinkers

No-alcohol wine is more accepted by women, while lower-alcohol wine consumption is more equally spread between genders and age groups.

2. Dislike of taste is the main barrier

Rejection of the taste of lower and no-alcohol wine continues to be the main barrier for wine drinkers.

3. Health and occasions such as driving are key motivations

Both lower and no-alcohol wine are consumed for the positive effects of the absence of alcohol on health, and in situations when alcohol intake needs to be limited such as driving.

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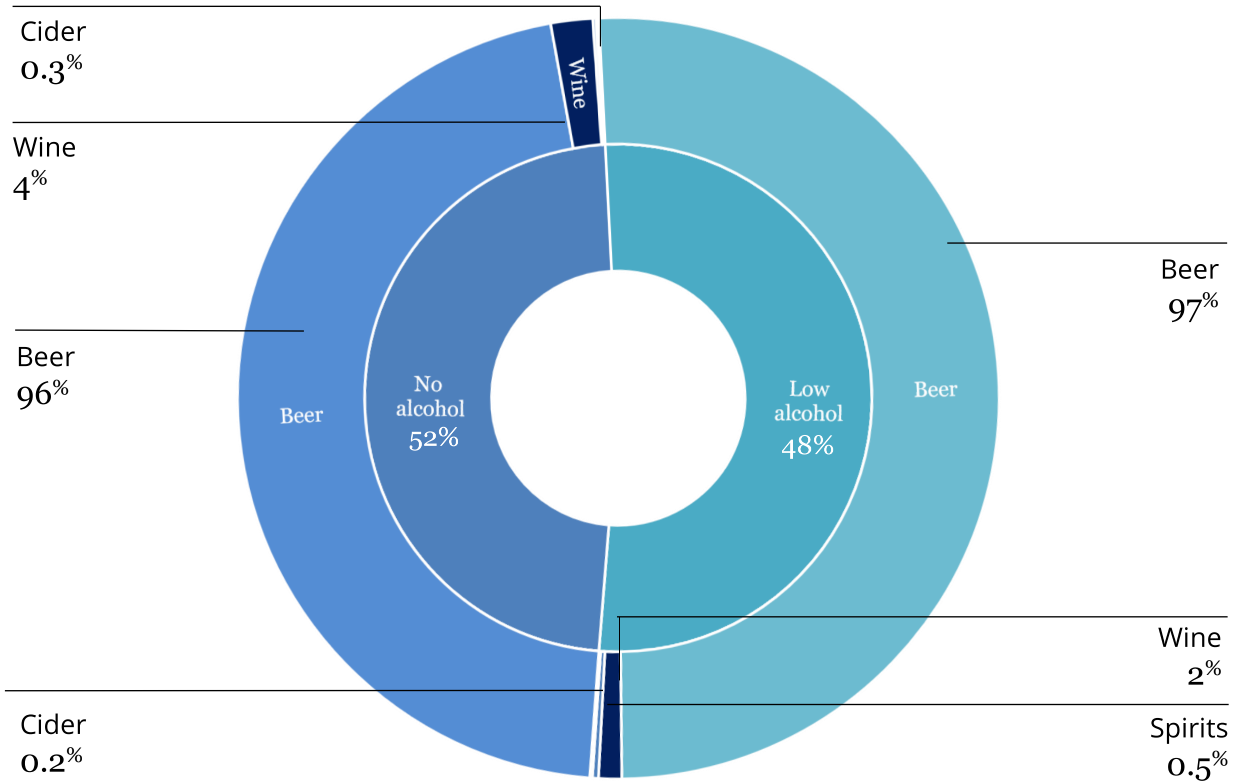
Lower/no-alcohol market size

Wine represents a very small percentage of the low/no category, which is dominated by beer

Low/no category market share



Market overview 2021

Volume 000s 9-litre cases

	Market share	Category volume	CAGR 16-21	CAGR F 21-26
Still wine	83.0%	211,880.0	-0.9%	-0.2%
Low-alcohol still wine	0.1%	230.0	n/a	2.9%
No-alcohol still wine	0.2%	450.0	7.1%	6.0%
	0.00			
Sparkling wine	15.8%	40,250.6	-2.4%	0.3%
Low-alcohol sparkling wine	0.3%	760.0	-0.4%	1.3%
No-alcohol sparkling wine	0.6%	1,575.0	0.9%	4.6%

Low and no-alcohol sparkling wine has greater acceptance among German consumers than still wine.

Categories below 0.2% not shown in the graph
Source: IWSR

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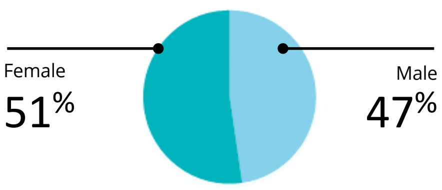
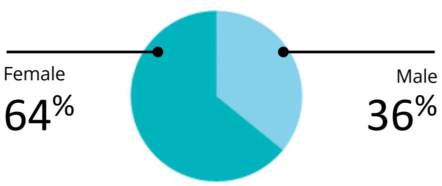
Lower/no-alcohol wine buyers

The gender and age spread is evenly distributed for lower-alcohol wine and skewed towards women and Millennials for no-alcohol

Gender





Lower-alcohol awareness and purchase

	RWD (n=1003)	Awares (n=373)	Buyers (n=63)
Gen Z (18-24)	**7%**	**5%**	**12%**
Millennials (25-39)	**19%**	**18%**	**25%**
Gen X (40-54)	**26%**	**25%**	**27%**
Boomers (55+)	**48%**	**51%**	**35%**

No-alcohol awareness and purchase

	RWD (n=1003)	Awares (n=592)	Buyers (n=56)
Gen Z (18-24)	**7%**	**4%**	**8%**
Millennials (25-39)	**19%**	**16%**	**32%**
Gen X (40-54)	**26%**	**27%**	**25%**
Boomers (55+)	**48%**	**54%**	**34%**

% / %: Statistically significantly higher / lower than regular wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® Jan '23, (n=1,003), German regular wine drinkers

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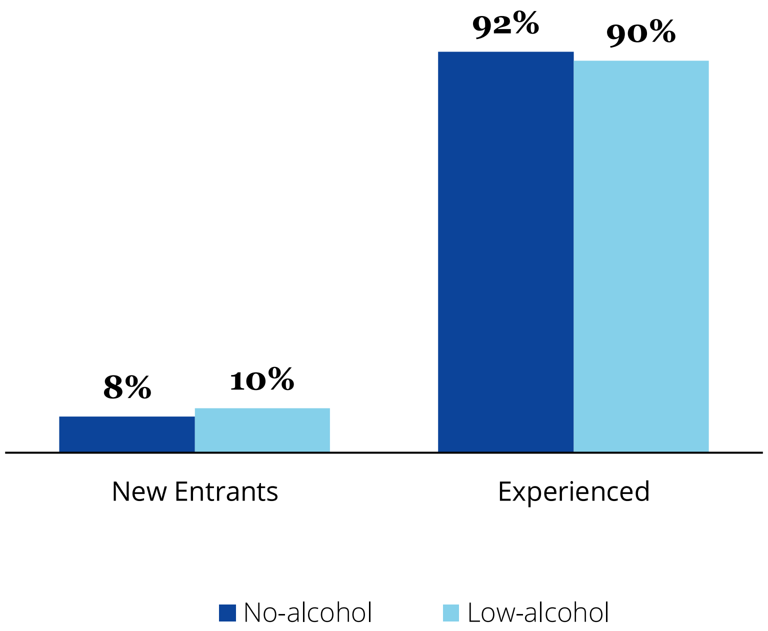
Market maturity and consumption change

The lower and no-alcohol market is reaching maturity with very few new drinkers entering the category for the first time in the past year

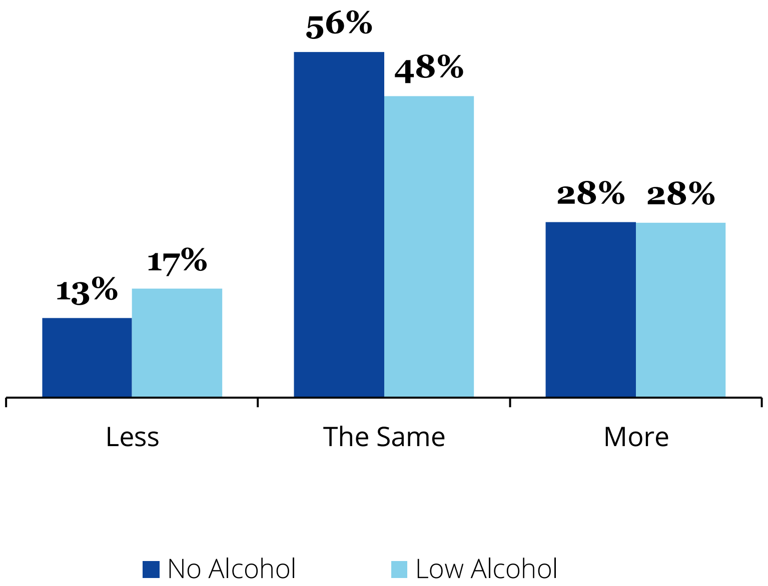
Consumer Maturity

Base = Germans who have drunk no/low beverages



Consumption Frequency Change

Base = Germans who have bought no/low beverages



Across lower and no-alcohol buyers, frequency of consumption has had a positive net change, with most individuals' consumption either increasing or remaining stable, with a lower percentage drinking less often.

IWSR No/Low Strategic Study Dec 2022 – Germany
Source: Wine Intelligence, Vinitrac®,Nov '22, (n= 238), German low/no-alcohol buyers

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Alcohol moderation

Younger wine drinkers are switching to lower-alcohol wines when moderating their alcohol intake but no-alcohol has lost popularity; Millennials are more likely to turn to no-alcohol alternatives

Alcohol moderation among regular wine drinkers

% who agree the following statements apply to them
Base = All German regular wine drinkers (n≥1,000),

	2019 (n=1,014)	2020 (n=1,000)	2023 (n=1,003)	Tracking vs. '19	Tracking vs. '20
I'm actively reducing the amount of alcohol I drink by not drinking alcohol at some occasions	35%	33%	33%	→	→
I'm actively reducing the amount of alcohol I drink by switching to lower alcohol options at some occasions	18%	15%	18%	→	→
I'm actively reducing the amount of alcohol I drink by switching to non-alcoholic drinks at some occasions	26%	25%	20%	↓	↓
I'm NOT actively reducing the amount of alcohol I drink	39%	44%	43%	→	→

Alcohol moderation by age groups

	RWD (n=1008)	18-24 Gen Z (n=70)	25-39 Millennials (n=189)	40-54 Gen X (n=266)	55+ Boomers (n=478)
I'm actively reducing the amount of alcohol I drink by not drinking alcohol at some occasions	33%	39%	34%	30%	34%
I'm actively reducing the amount of alcohol I drink by switching to lower alcohol options at some occasions	18%	42%	27%	16%	11%
I'm actively reducing the amount of alcohol I drink by switching to non-alcoholic drinks at some occasions	20%	15%	29%	15%	21%
I'm NOT actively reducing the amount of alcohol I drink	43%	21%	32%	51%	46%

↑ / ↓: Statistically significantly higher / lower than previous waves at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, Jan '19, Oct '20, Jan '23, (n≥1,000), German regular wine drinkers

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Context: Alternative Wine Opportunity Index

Lower and no-alcohol wines have increased their potential the most in the past year, but overall scores are still lower than other alternative wine types

German Alternative Wine Opportunity Index

Base = German regular wine drinkers (n≥1,000)

	2023 Opportunity Index	2022 score difference	2021 score difference
Organic wine	**54.7**	**0.5**	**0.8**
Sustainably produced wine	**50.1**	**-1.2**	**3.9**
Fairtrade wine	**43.5**	**-3.1**	**-1.4**
Natural wine	**41.4**	**0.6**	**1.5**
Environmentally friendly wine	**39.5**	**-2.1**	**0.4**
Lower-alcohol wine	**31.5**	**3.0**	**2.3**
No-alcohol wine	**29.5**	**2.0**	**1.3**

An explanation of how our Opportunity Index is calculated can be found on slide 19

higher / lower than the current waves

Source: Wine Intelligence, Vinitrac®, Oct'20, Oct '21, Oct '22, (n≥1,000), German regular wine drinkers

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Lower/no-alcohol wine health

Most metrics are stable, but awareness of no-alcohol wine has increased in the longer term

German lower and no-alcohol wine health

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

				Tracking	
Awareness Base = All sample	2020	2021	2023	vs. '20	vs. '21
No-alcohol wine	**51%**	**55%**	**59%**	↑	→
Lower alcohol wine	**34%**	**35%**	**37%**	→	→
Purchase Base = All sample					
No-alcohol wine	**5%**	**5%**	**6%**	→	→
Lower alcohol wine	**5%**	**6%**	**6%**	→	→
Conversion Base = Those who are aware of the following types of wine					
No-alcohol wine	**10%**	**10%**	**9%**	→	→
Lower alcohol wine	**14%**	**16%**	**17%**	→	→
Consideration Base = Those who are aware of the following types of wine					
No-alcohol wine	**23%**	**15%**	**20%**	→	↑
Lower alcohol wine	**37%**	**30%**	**30%**	→	→
Affinity Base = Those who are aware of the following types of wine					
No-alcohol wine	**16%**	**13%**	**13%**	→	→
Lower alcohol wine	**29%**	**28%**	**29%**	→	→

Demographic insights

No-alcohol wine is well-known among older wine drinkers, but they are the age group that is less actively decreasing their alcohol consumption and are less interested in the category.

↑ / ↓: Statistically significantly higher / lower than previous waves at a 95% confidence level

Source: Wine Intelligence, Vinitrac®, Oct '20, Oct '21, Jan '23, (n≥1,000), German regular wine drinkers

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Lower-alcohol wine purchasing motivations

Motivations for lower-alcohol consumption have been stable in recent years, with a fall in the number of wine drinkers that would consume it for a diet

Lower alcohol wine purchase motivations: tracking

% who would be motivated by the following factors to buy lower alcohol wines
Base = those who have sought to buy or would consider buying lower alcohol wine

Ranking '23		2021 (n=1,001)	2023 (n=1,003)	Tracking vs. '21
1	It's better for my health	53%	52%	➡
2	I will be driving	38%	43%	➡
3	I like to stay in control	42%	35%	➡
4	I enjoy the taste	31%	34%	➡
5	It goes better with food	27%	30%	➡
6	Fewer calories than standard wine	34%	29%	➡
7	It gives me fewer headaches	33%	23%	➡
8	Price is lower than standard wine	15%	13%	➡
9	Most of my friends are drinking it	11%	11%	➡
10	I like to be seen drinking it	13%	7%	➡
11	I'm on a diet	14%	5%	⬇

⬆ / ⬇: Statistically significantly higher / lower than previous waves at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, Oct '21, Jan '23, (n≥1,001), German regular wine drinkers

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Lower-alcohol wine barriers to purchase

Rejection because of taste and poor quality has decreased in recent years, as has the fact that an individual's social circle is not drinking it

Lower-alcohol wine barriers to purchase: tracking

% who would see the following as reasons not to buy lower alcohol wine
Base = those who are aware of lower alcohol wine but have not sought to buy and would not consider buying it

Ranking '23		2021 (n=1,001)	2023 (n=1,003)	Tracking vs. '21
1	It's not really wine	34%	27%	➡
2=	My favourite wine does not come in a lower alcohol version	31%	25%	➡
2=	I dislike the taste	34%	25%	⬇
4	I can't think of any reason not to buy lower alcohol wines	19%	20%	➡
5	I'm not aware of these products	14%	17%	➡
6	Lower quality than standard wine	19%	16%	➡
7	Difficult to find where I shop for wine	15%	12%	➡
8=	Lower alcohol wines are an aberration	12%	10%	➡
8=	Does not contain enough alcohol to feel an effect	13%	10%	➡
8=	Higher price than standard wine	11%	10%	➡
11	My friends don't seem to drink it	15%	7%	⬇
12=	It's not clear from the bottle what it is	8%	6%	➡
12=	They are mass produced wines	10%	6%	➡
14	Poor quality wines	10%	5%	⬇
15	I would be embarrassed to be seen drinking it	4%	4%	➡

⬆ / ⬇: Statistically significantly higher / lower than previous waves at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, Oct '21, Jan '23, (n≥1,001), German regular wine drinkers

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No-alcohol wine purchase motivations

No-alcohol wine is a clear favourite when driving, with 58% of its consumers stating this as a motivation for consumption

No-alcohol wine purchase motivation

% who would be motivated by the following factors to buy no-alcohol wines
Base = those who have sought to buy or would consider buying no-alcohol wine

Ranking '23		2021 (n=1,001)	2023 (n=1,003)	Tracking vs. '21
1	I will be driving	**52%**	**58%**	➡
2	It's better for my health	**49%**	**42%**	➡
3	I like to stay in control	**33%**	**30%**	➡
4	I enjoy the taste	**32%**	**27%**	➡
5=	I can't drink alcohol for health reasons	**27%**	**24%**	➡
5=	Fewer calories than alcoholic wines	**35%**	**24%**	➡
7	It goes better with food	**19%**	**21%**	➡
8=	Price is lower than standard wine	**12%**	**9%**	➡
8=	I'm on a diet	**21%**	**9%**	➡
10	Most of my friends are drinking it	**16%**	**8%**	➡
11	I like to be seen drinking it	**12%**	**6%**	➡
12	I can't drink alcohol for religious reasons	**8%**	**5%**	➡

⬆ / ⬇: Statistically significantly higher / lower than previous waves at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, Oct '21, Jan '23, (n≥1,001), German regular wine drinkers

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No-alcohol wine barriers to purchase

Taste and not considering no-alcohol wine to be real wine continue to be the main barriers to consumption

No-alcohol wine barriers to purchase

% who would see the following as reasons not to buy no-alcohol wine
Base = those who are aware of no-alcohol wine but have not sought to buy and would not consider buying it

Ranking '23		2021 (n=1,001)	2023 (n=1,003)	Tracking vs. '21
1=	It's not really wine	37%	33%	➡
1=	I dislike the taste	38%	33%	➡
3	Does not contain alcohol	24%	23%	➡
4	My favourite wine does not come in a no-alcohol version	23%	17%	➡
5	I can't think of any reason not to buy no-alcohol wines	14%	15%	➡
6	I'm not aware of these products	14%	13%	➡
7	Non-alcoholic wines are an aberration	11%	12%	➡
8	Lower quality than standard wine	15%	11%	➡
9=	My friends don't seem to drink it	9%	8%	➡
9=	Difficult to find where I shop for wine	8%	8%	➡
11	It's not clear from the bottle what it is	5%	3%	➡
12	I would be embarrassed to be seen drinking it	1%	2%	➡

⬆ / ⬇: Statistically significantly higher / lower than previous waves at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, Oct '21, Jan '23, (n≥1,001), German regular wine drinkers

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Market Focus: Japan

Key takeaways

1. Men are more likely to be lower-alcohol purchasers

Men and women buy no-alcohol beverages at similar levels, but lower-alcohol is favoured more by male consumers.

2. Health benefits are the main driver of purchase

The benefit that removing alcohol from wine has on health is the main motivation when purchasing both lower and no-alcohol wine.

3. Taste and the absence of alcohol are the main barriers

Lower and no-alcohol wines are still not considered real wines and the lower quality and taste that results from the removal of alcohol are most likely to see them rejected by wine drinkers.

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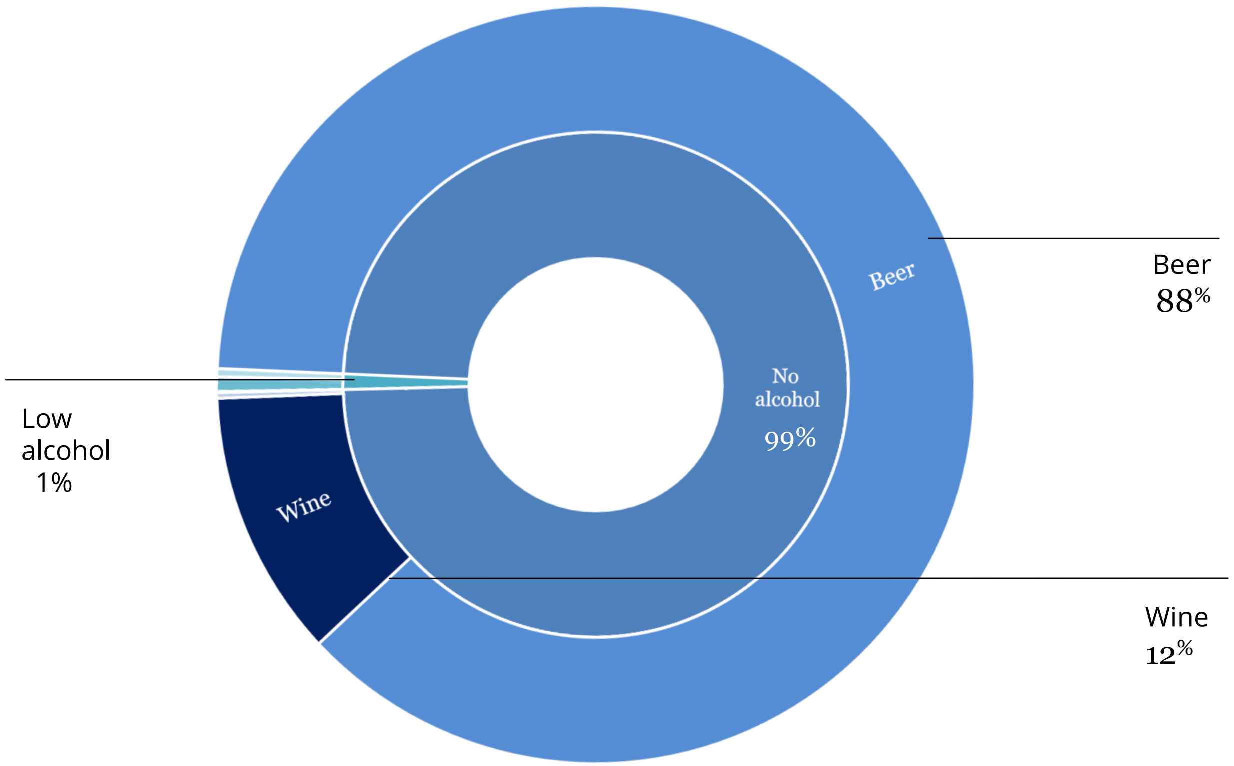
Lower/no-alcohol market size

Low-alcohol sparkling wines are more established; no-alcohol fizz has grown and is predicted to continue to do so in the near future

Low/no category market share



Market overview 2021

Volume 000s 9-litre cases

	Market share	Category volume	CAGR 16-21	CAGR F 21-26
Still wine	88.6%	31,110.8	-3.3%	3.5%
No-alcohol still wine	0.1%	50.0	n/a	7.7%
	0.00			
Sparkling wine	10.6%	3,706.5	-0.3%	4.4%
Low-alcohol sparkling wine	0.6%	198.0	-7.0%	5.1%
No-alcohol sparkling wine	0.1%	50.5	27.5%	9.4%

Increased investment by major players and launches in 2022 will contribute to growth in the low/no wine category in 2023.

Categories below 0.2% not shown in the graph
Source: IWSR

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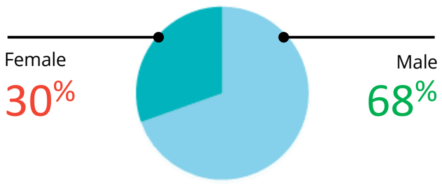
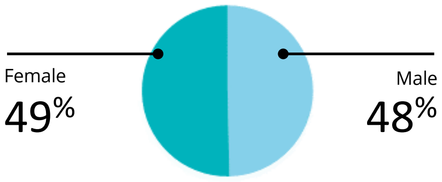
Lower/no-alcohol wine buyers

Low-alcohol purchases skew towards men, while no-alcohol is evenly distributed between men and women

Gender





Lower-alcohol awareness and purchase

	RWD (n=1004)	Awares (n=299)	Buyers (n=57)
Gen Z (20-24)	4%	5%	6%
Millennials (25-39)	16%	18%	25%
Gen X (40-54)	23%	27%	32%
Boomers (55+)	57%	50%	38%

No-alcohol awareness and purchase

	RWD (n=1004)	Awares (n=423)	Buyers (n=59)
Gen Z (20-24)	4%	3%	7%
Millennials (25-39)	16%	14%	27%
Gen X (40-54)	23%	24%	42%
Boomers (55+)	57%	59%	23%

% / %: Statistically significantly higher / lower than regular wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® Jan '23, (n≥1,004), Japanese regular wine drinkers

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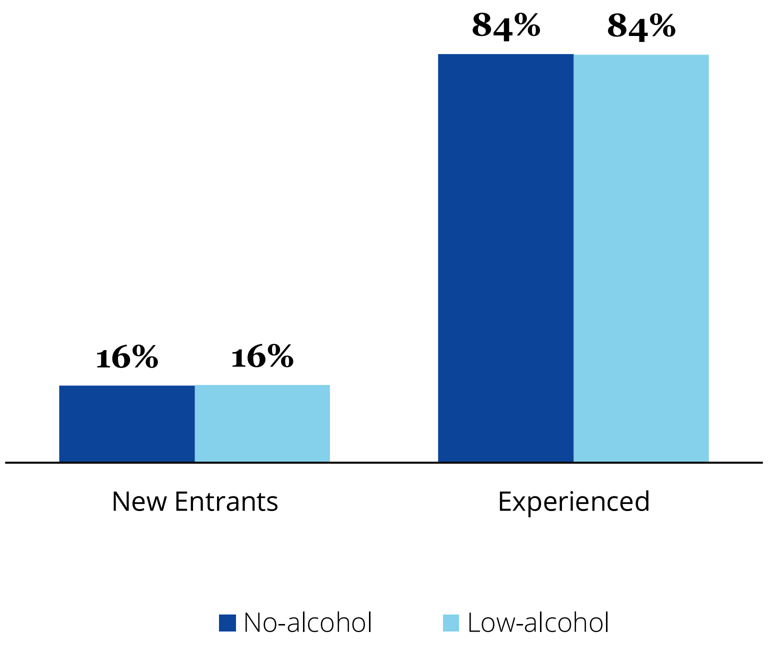
Market maturity and consumption change

Japan's lower and no-alcohol market has reached maturity, with only 16% of drinkers entering the category in the past year

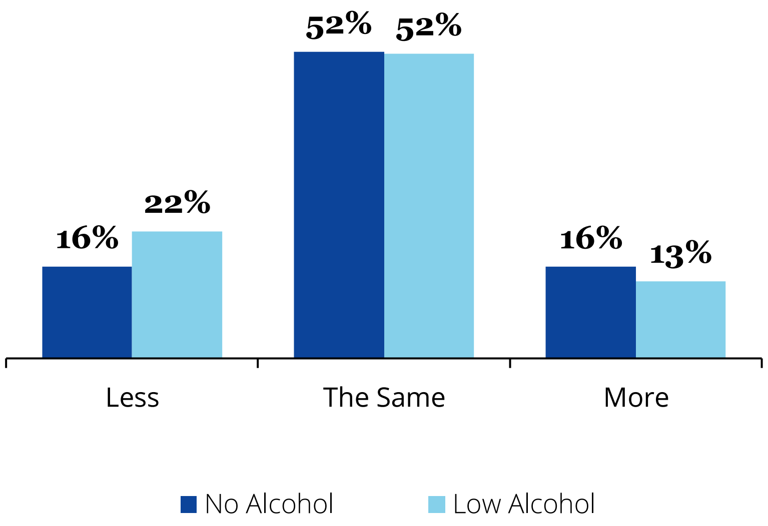
Consumer Maturity

Base = Japanese who have drink no/low beverages



Consumption Frequency Change

Base = Japanese who have bought no/low beverages



Demographic insights

Unlike other core markets, new entrants to the lower and no-alcohol category are spread across age groups.

IWSR No/Low Strategic Study Dec 2022 – Japan
Source: Wine Intelligence, Vinitrac®,Nov '22, (n= 405), Japanese low/no-alcohol beverage buyers

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Alcohol moderation

Millennials are the consumer cohort switching to lower and no-alcohol beverages the most, while older age groups are less likely to limit their alcohol intake

Alcohol moderation among regular wine drinkers

% who agree the following statements apply to them
Base = All Japanese regular wine drinkers (n≥1,000)

	2020 (n=1,000)	2022 (n=1,080)	2023 (n=1,004)	Tracking vs. '20	Tracking vs. '22
I'm actively reducing the amount of alcohol I drink by not drinking alcohol at some occasions	20%	18%	21%	→	→
I'm actively reducing the amount of alcohol I drink by switching to lower alcohol options at some occasions	13%	21%	17%	↑	↓
I'm actively reducing the amount of alcohol I drink by switching to non-alcoholic drinks at some occasions	12%	13%	15%	→	→
I'm NOT actively reducing the amount of alcohol I drink	64%	60%	58%	↓	→

Alcohol moderation by age groups

	RWD (n=1004)	20-24 Gen Z* (n=42)	25-39 Millennials (n=159)	40-54 Gen X (n=231)	55+ Boomers (n=571)
I'm actively reducing the amount of alcohol I drink by not drinking alcohol at some occasions	21%	45%	27%	20%	18%
I'm actively reducing the amount of alcohol I drink by switching to lower alcohol options at some occasions	17%	66%	25%	18%	11%
I'm actively reducing the amount of alcohol I drink by switching to non-alcoholic drinks at some occasions	15%	24%	26%	16%	10%
I'm NOT actively reducing the amount of alcohol I drink	58%	11%	44%	57%	66%

*Grey shadow = low sample size

↑ / ↓: Statistically significantly higher / lower than previous waves at a 95% confidence level

% / %: Statistically significantly higher / lower than RWD at 95% confidence level

Source: Wine Intelligence, Vinitrac®, Oct '20, Jan '22, Jan '23, (n≥1,000), Japanese regular wine drinkers

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Context: Alternative Wine Opportunity Index

Lower-alcohol wine has significantly increased its Opportunity Index score over the past two years, but both lower and no-alcohol wine still score less than other alternative wine types

Japan Alternative Wine Opportunity Index

Base = Japan regular wine drinkers (n≥1,000)

	2023 Opportunity Index	2022 score difference	2021 score difference
Preservative free wine	57.9	1.2	3.2
Organic wine	51.8	1.7	1.7
Natural wine	50.4	5.2	9.9
Sulphite free wine	44.5	2.8	7.3
Sustainably produced wine	41.4	9.8	13.1
Lower-alcohol wine	33.8	10.1	10.5
No-alcohol wine	29.2	5.7	6.9

An explanation of how our Opportunity Index is calculated can be found on slide 19

higher / lower than the waves

Source: Wine Intelligence, Vinitrac®, Oct '20, Oct 21, Oct '22, (n≥1,000), Japanese regular wine drinkers

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Lower/no-alcohol wine health

More wine drinkers are aware of lower and no-alcohol wine, but there has been no significant change in purchase rates

Japanese lower and no-alcohol wine health

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

Awareness				Tracking	
Base = All sample	2020	2022	2023	vs. '20	vs. '22
No-alcohol wine	30%	34%	42%	⬆	⬆
Lower alcohol wine	19%	23%	30%	⬆	⬆
Purchase					
Base = All sample					
No-alcohol wine	5%	7%	6%	➡	➡
Lower alcohol wine	4%	7%	6%	➡	➡
Conversion					
Base = Those who are aware of the following types of wine					
No-alcohol wine	16%	20%	14%	➡	⬇
Lower alcohol wine	20%	30%	19%	➡	⬇
Consideration					
Base = Those who are aware of the following types of wine					
No-alcohol wine	22%	28%	21%	➡	⬇
Lower alcohol wine	32%	39%	28%	➡	⬇
Affinity					
Base = Those who are aware of the following types of wine					
No-alcohol wine	18%	22%	16%	➡	⬇
Lower alcohol wine	26%	40%	32%	➡	➡

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

Source: Wine Intelligence, Vinitrac®, Oct '20, Jan '22, Jan '23, (n≥1,000), Japanese regular wine drinkers

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Lower-alcohol wine purchasing motivations

Health and avoiding the effects of alcohol are the most important drivers of lower-alcohol wine consumption

Lower-alcohol wine purchase motivations: tracking

% who would be motivated by the following factors to buy lower-alcohol wines
Base = those who have sought to buy or would consider buying lower-alcohol wine

Ranking '23		2020 (n=1,000)	2022 (n=1,080)	2023 (n=1,004)	Tracking vs. '20	Tracking vs. '22
1	It's better for my health	61%	60%	57%	→	→
2	I like to stay in control	58%	57%	45%	→	→
3	It goes better with food	50%	59%	42%	→	↓
4	I enjoy the taste	43%	45%	40%	→	→
5=	It gives me fewer headaches	46%	41%	31%	→	→
5=	Fewer calories than standard wine	28%	29%	31%	→	→
7	Price is lower than standard wine	24%	25%	22%	→	→
8=	Most of my friends are drinking it	11%	7%	14%	→	→
8=	I'm on a diet	18%	14%	14%	→	→
10	I will be driving	11%	7%	10%	→	→
11	I like to be seen drinking it	13%	10%	7%	→	→

↑ / ↓: Statistically significantly higher / lower than previous waves at a 95% confidence level

Source: Wine Intelligence, Vinitrac®, Oct '20, Jan '22, Jan '23, (n≥1,000), Japanese regular wine drinkers

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Lower-alcohol wine barriers to purchase

Taste and lack of alcohol remain the top barriers; more people consider low/no not being real wine to be a barrier than in 2020

Lower-alcohol wine barriers to purchase: tracking

% who would see the following as reasons not to buy lower-alcohol wine
Base = those who are aware of lower-alcohol wine but have not sought to buy and would not consider buying it

Ranking '23		2020 (n=1,000)	2022 (n=1,080)	2023 (n=1,004)	Tracking vs. '20	Tracking vs. '22
1	I dislike the taste	28%	21%	25%	→	→
2=	Does not contain enough alcohol to feel an effect	20%	15%	23%	→	→
2=	It's not really wine	14%	16%	23%	↑	→
4	My favourite wine does not come in a lower alcohol version	26%	25%	22%	→	→
5=	Lower alcohol wines are an aberration	11%	10%	17%	→	→
5=	It's not clear from the bottle what it is	11%	10%	17%	→	→
5=	Lower quality than standard wine	9%	21%	17%	→	→
8	Difficult to find where I shop for wine	18%	14%	15%	→	→
9=	Poor quality wines	2%	3%	7%	↑	→
9=	Higher price than standard wine	5%	7%	7%	→	→
11=	I'm not aware of these products	4%	9%	6%	→	→
11=	My friends don't seem to drink it	6%	1%	6%	→	↑
13	They are mass produced wines	2%	5%	5%	→	→
14	I would be embarrassed to be seen drinking it	4%	1%	2%	→	→

↑ / ↓: Statistically significantly higher / lower than previous waves at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, Oct '20, Jan '22, Jan '23, (n≥1,000), Japanese regular wine drinkers

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No-alcohol wine purchase motivations

Health benefits remain the top driver of consumption, although this has fallen significantly over the past year; avoiding the effects of alcohol and driving are important motivations

No-alcohol wine purchase motivation

% who would be motivated by the following factors to buy no-alcohol wines
Base = those who have sought to buy or would consider buying no-alcohol wine

Ranking '23		2022 (n=1,080)	2023 (n=1,004)	Tracking vs. '22
1	It's better for my health	62%	48%	⬇
2	I like to stay in control	47%	43%	➡
3	I will be driving	53%	40%	➡
4	It goes better with food	32%	38%	➡
5	I enjoy the taste	40%	37%	➡
6	Fewer calories than alcoholic wines	30%	21%	➡
7	I'm on a diet	18%	20%	➡
8=	I can't drink alcohol for health reasons	11%	18%	➡
8=	Most of my friends are drinking it	11%	18%	➡
10	Price is lower than standard wine	19%	17%	➡
11	I can't drink alcohol for religious reasons	7%	13%	➡
12	I like to be seen drinking it	6%	6%	➡

⬆ / ⬇: Statistically significantly higher / lower than previous waves at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, Jan '22, Jan '23, (n≥1,004), Japanese regular wine drinkers

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No-alcohol wine barriers to purchase

Perceptions of not being real wine and not containing alcohol are the main reasons to reject no-alcohol wine

No-alcohol wine barriers to purchase

% who would see the following as reasons not to buy no-alcohol wine
Base = those who are aware of no-alcohol wine but have not sought to buy and would not consider buying it

Ranking '23		2022 (n=1,080)	2023 (n=1,004)	Tracking vs. '22
1	It's not really wine	37%	36%	→
2	Does not contain alcohol	28%	33%	→
3	I dislike the taste	25%	27%	→
4	Non-alcoholic wines are an aberration	12%	16%	→
5	My favourite wine does not come in a no-alcohol version	14%	13%	→
6	Lower quality than standard wine	12%	11%	→
7=	Difficult to find where I shop for wine	9%	7%	→
7=	It's not clear from the bottle what it is	8%	7%	→
9=	I'm not aware of these products	3%	3%	→
9=	I would be embarrassed to be seen drinking it	2%	3%	→
11	My friends don't seem to drink it	1%	2%	→

⬆ / ⬇: Statistically significantly higher / lower than previous waves at a 95% confidence level
Source: Wine Intelligence, Vinitrac® Jan '22, Jan '23, (n≥1,004), Japanese regular wine drinkers

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Market Focus: UK

Key takeaways

1. Women are the main no-alcohol wine purchasers

The majority of consumers of lower-alcohol and, especially, no-alcohol wine are female wine drinkers.

2. Health benefits are the main driver of purchase

The health benefit of consuming less alcohol is the main motivation when purchasing in both lower and no-alcohol segments.

3. Taste continues to be the main barrier

Lower and no-alcohol wines are still not considered to be real wines and the lower quality and taste that result from the removal of alcohol are also rejected by wine drinkers.

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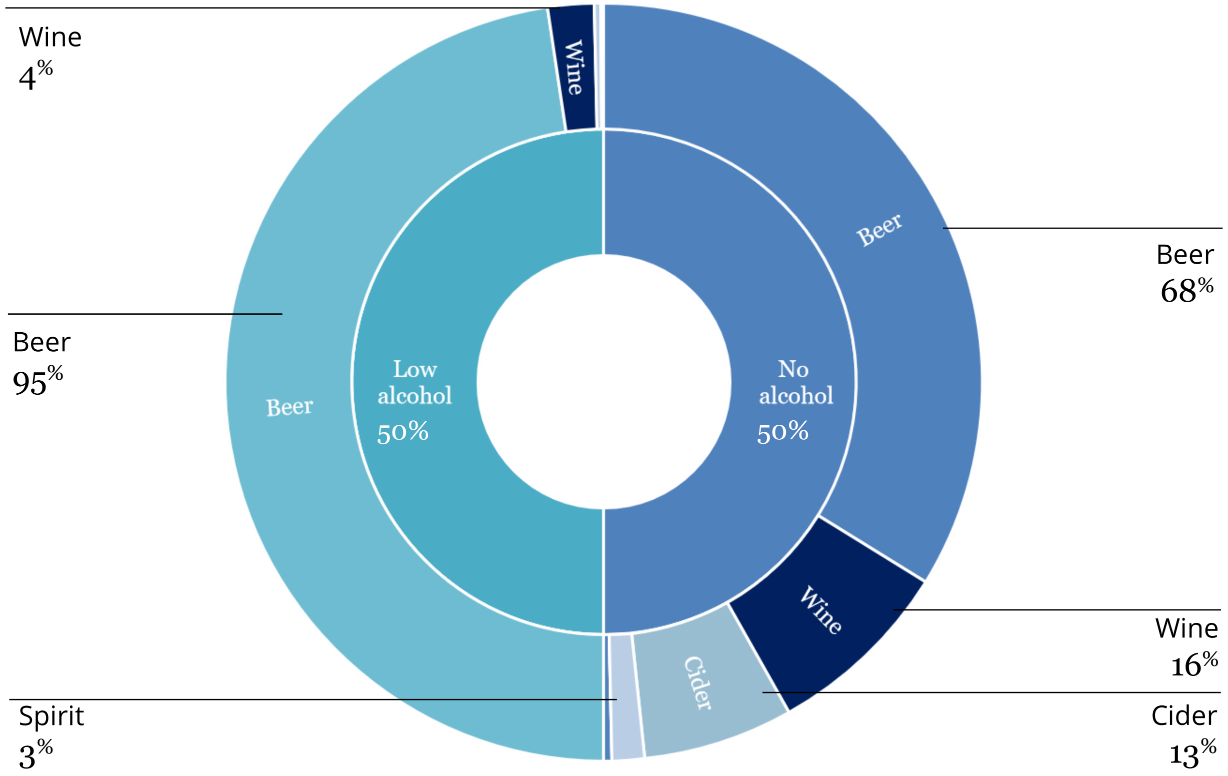
Lower/no-alcohol market size

No-alcohol sparkling wine has experienced huge growth in recent years, with no-alcohol still wine also performing well

Low/no category market share



Market overview 2021

Volume 000s 9-litre cases

	Market share	Category volume	CAGR 16-21	CAGR F 21-26
Still wine	84.8%	110,421.3	-1.2%	-2.7%
Low-alcohol still wine	0.3%	334.0	-5.7%	2.2%
No-alcohol still wine	0.6%	802.0	18.6%	6.9%
	0.00			
Sparkling wine	13.9%	18,073.7	1.8%	-1.8%
Low-alcohol sparkling wine	0.0%	7.6	-5.3%	13.6%
No-alcohol sparkling wine	0.4%	568.8	141.3%	14.1%

Beer has seen a large improvement in taste, more choice and wider availability, leading it to have a bigger volume share than other low and no-alcohol drinks.

Categories below 0.2% ABV not shown in the graph

Source: IWSR

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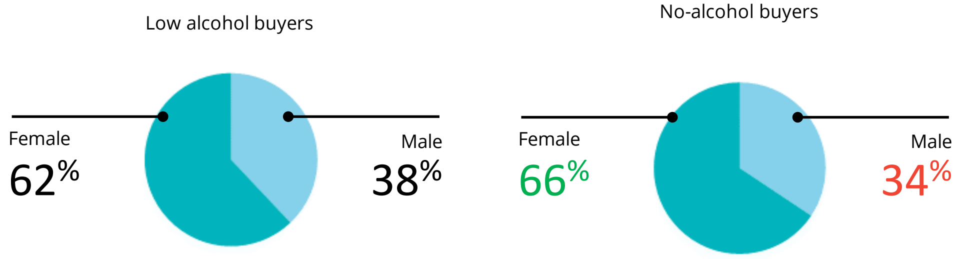
Lower/no-alcohol wine buyers

Women are over-represented as buyers of no-alcohol wine; Boomers are more aware of lower and no-alcohol wines but have lower purchase rates

Gender



Low-alcohol awareness and purchase

	RWD (n=1007)	Awares (n=583)	Buyers (n=79)
Gen Z (18-24)	**5%**	**3%**	**8%**
Millennials (25-39)	**20%**	**15%**	**27%**
Gen X (40-54)	**26%**	**25%**	**29%**
Boomers (55+)	**48%**	**57%**	**37%**

No-alcohol awareness and purchase

	RWD (n=1007)	Awares (n=635)	Buyers (n=78)
Gen Z (18-24)	**5%**	**3%**	**4%**
Millennials (25-39)	**20%**	**17%**	**32%**
Gen X (40-54)	**26%**	**24%**	**25%**
Boomers (55+)	**48%**	**57%**	**39%**

% / %: Statistically significantly higher / lower than regular wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® Jan '23, (n=1,007), UK regular wine drinkers

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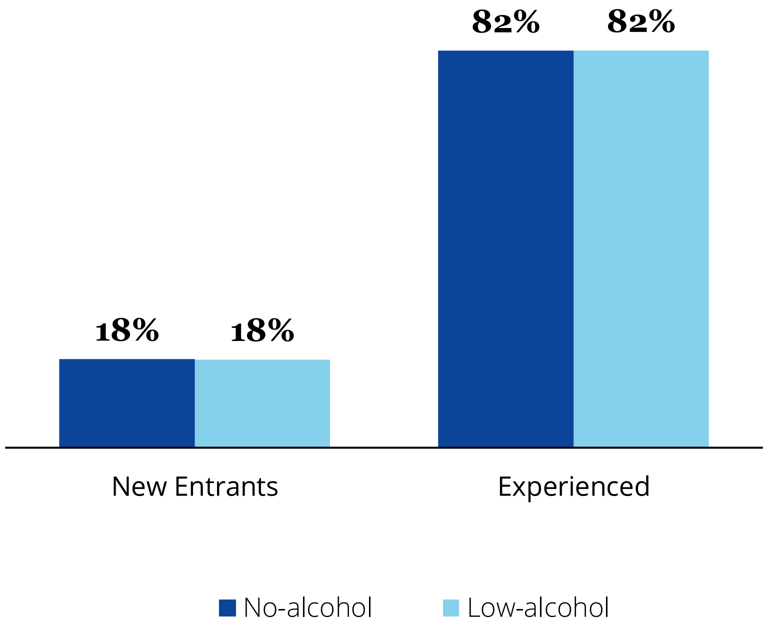
Market maturity and consumption change

Most consumers started drinking both lower and no-alcohol beverages more than three years ago; younger low/no buyers are the largest proportion of new entrants to the category

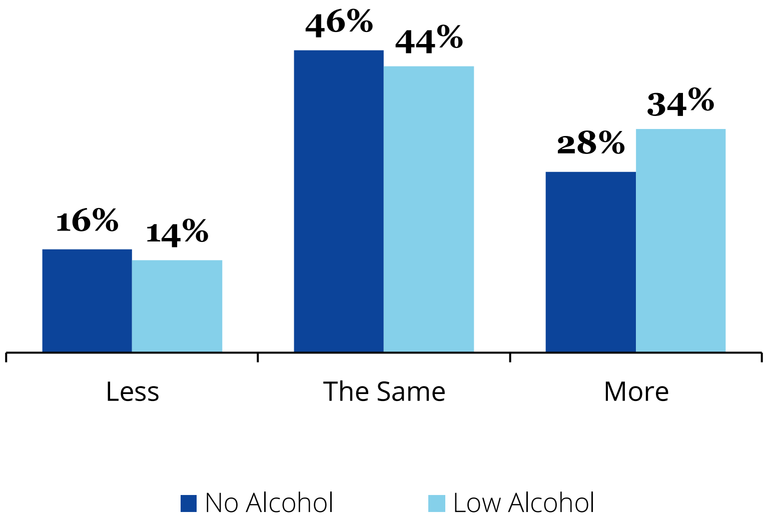
Consumer Maturity

Base = UK consumers who have drunk low/no beverages



Consumption Frequency Change

Base = UK consumers who have bought low/no beverages



Demographic insights

Millennials are consuming lower and no-alcohol beverages less often than in 2021.

IWSR No/Low Strategic Study Dec 2022 – UK

Source: Wine Intelligence, Vinitrac®,Nov '22, (n= 404), UK low/no-alcohol beverage buyers

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Alcohol moderation

More consumers are trying to reduce their alcohol intake, with lower-alcohol options growing in popularity; this is especially true among Gen Z and Millennials

Alcohol moderation among regular wine drinkers

% who agree the following statements apply to them
Base = All UK regular wine drinkers (n≥1,000),

	2020 (n=1,000)	2022 (n=1,005)	2023 (n=1,007)	Tracking vs. '20	Tracking vs. '22
I'm actively reducing the amount of alcohol I drink by not drinking alcohol at some occasions	**26%**	**27%**	**28%**	→	→
I'm actively reducing the amount of alcohol I drink by switching to lower alcohol options at some occasions	**11%**	**12%**	**17%**	↑	↑
I'm actively reducing the amount of alcohol I drink by switching to non-alcoholic drinks at some occasions	**10%**	**10%**	**10%**	→	→
I'm NOT actively reducing the amount of alcohol I drink	**61%**	**59%**	**55%**	↓	→

Alcohol moderation by age groups

	RWD (n=1007)	18-24 Gen Z (n=54)	25-39 Millennials (n=206)	40-54 Gen X (n=262)	55+ Boomers (n=485)
I'm actively reducing the amount of alcohol I drink by not drinking alcohol at some occasions	**28%**	**38%**	**26%**	**28%**	**27%**
I'm actively reducing the amount of alcohol I drink by switching to lower alcohol options at some occasions	**17%**	**32%**	**39%**	**16%**	**6%**
I'm actively reducing the amount of alcohol I drink by switching to non-alcoholic drinks at some occasions	**10%**	**22%**	**12%**	**11%**	**8%**
I'm NOT actively reducing the amount of alcohol I drink	**55%**	**20%**	**38%**	**54%**	**66%**

↑ / ↓: Statistically significantly higher / lower than previous waves at a 95% confidence level
% / %: Statistically significantly higher / lower than RWD at 95% confidence level
Source: Wine Intelligence, Vinitrac®, Oct'20, Feb '22, Jan '23, (n≥1,000), UK regular wine drinkers

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Context: Alternative Wine Opportunity Index

Lower and no-alcohol wine have both seen a slight decline in their Opportunity Index scores, performing less well than other alternative wine types

UK Alternative Wine Opportunity Index

Base = UK regular wine drinkers (n≥1,000)

	2023 Opportunity Index	2022 score difference	2021 score difference
Fairtrade wine	51.6	-1.1	-1.3
Sustainably produced wine	48.4	3.6	5.3
Natural wine	45.2	3.6	0.0
Organic wine	44.7	0.4	-0.2
Environmentally friendly wine	42.7	0.5	2.3
Lower-alcohol wine	34.7	-0.8	-0.8
No-alcohol wine	33.1	-0.4	1.7

An explanation of how our Opportunity Index is calculated can be found on slide 19

Higher / lower than the current wave

Source: Wine Intelligence, Vinitrac®, Oct '20, Oct '21, Oct '22, (n≥1,000), UK regular wine drinkers

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Lower/no-alcohol wine health

Most metrics have remained stable compared with previous years, but awareness for lower-alcohol wines has experienced a decrease

UK lower and no-alcohol wine health

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

Awareness Base = All sample	2020	2022	2023	Tracking vs. '20	 vs. '22
No-alcohol wine	**60%**	**66%**	**63%**	➡	➡
Lower alcohol wine	**61%**	**67%**	**58%**	➡	⬇
Purchase Base = All sample					
No-alcohol wine	**6%**	**8%**	**8%**	➡	➡
Lower alcohol wine	**7%**	**9%**	**8%**	➡	➡
Conversion Base = Those who are aware of the following types of wine					
No-alcohol wine	**9%**	**12%**	**12%**	➡	➡
Lower alcohol wine	**12%**	**13%**	**14%**	➡	➡
Consideration Base = Those who are aware of the following types of wine					
No-alcohol wine	**23%**	**22%**	**25%**	➡	➡
Lower alcohol wine	**31%**	**28%**	**30%**	➡	➡
Affinity Base = Those who are aware of the following types of wine					
No-alcohol wine	**17%**	**17%**	**17%**	➡	➡
Lower alcohol wine	**24%**	**24%**	**23%**	➡	➡

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

Source: Wine Intelligence, Vinitrac®, Oct '20, Feb '22, Jan '23, (n≥1,000), UK regular wine drinkers

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Lower-alcohol wine purchasing motivations

With a smaller proportion of wine drinkers looking at the calories content, health remains the main driver for lower-alcohol wine consumption across consumer cohorts

Lower-alcohol wine purchase motivations: tracking

% who would be motivated by the following factors to buy lower-alcohol wines
Base = those who have sought to buy or would consider buying lower-alcohol wine

Ranking '23		2020 (n=1,000)	2022 (n=1,005)	2023 (n=1,007)	Tracking vs. '20	Tracking vs. '22
1	It's better for my health	57%	58%	56%	→	→
2	I enjoy the taste	47%	45%	40%	→	→
3	I like to stay in control	35%	35%	37%	→	→
4	I will be driving	34%	35%	36%	→	→
5	Fewer calories than standard wine	45%	41%	35%	↓	→
6	Price is lower than standard wine	31%	35%	29%	→	→
7	It gives me fewer headaches	24%	31%	22%	→	↓
8	I'm on a diet	22%	19%	16%	→	→
9	It goes better with food	21%	15%	15%	→	→
10=	I like to be seen drinking it	8%	6%	5%	→	→
10=	Most of my friends are drinking it	10%	7%	5%	↓	→

↑ / ↓: Statistically significantly higher / lower than previous waves at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, Oct '20, Feb '22, Jan '23, (n≥1,000), UK regular wine drinkers

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Lower-alcohol wine barriers to purchase

The main barriers to lower-alcohol consumption have remained unchanged in recent years: taste, quality and not considering lower-alcohol to be real wine

Lower-alcohol wine barriers to purchase: tracking

% who would see the following as reasons not to buy lower-alcohol wine
Base = those who are aware of lower-alcohol wine but have not sought to buy and would not consider buying it

Ranking '23		2020 (n=1,000)	2022 (n=1,005)	2023 (n=1,007)	Tracking vs. '20	Tracking vs. '22
1	I dislike the taste	32%	29%	33%	➡	➡
2	It's not really wine	34%	29%	30%	➡	➡
3	Lower quality than standard wine	24%	25%	22%	➡	➡
4	Poor quality wines	22%	19%	20%	➡	➡
5=	My favourite wine does not come in a lower alcohol version	23%	22%	19%	➡	➡
5=	Does not contain enough alcohol to feel an effect	23%	21%	19%	➡	➡
7	Lower alcohol wines are an aberration	17%	12%	13%	➡	➡
8	Higher price than standard wine	12%	11%	12%	➡	➡
9=	Difficult to find where I shop for wine	5%	4%	5%	➡	➡
9=	My friends don't seem to drink it	8%	6%	5%	➡	➡
9=	It's not clear from the bottle what it is	5%	5%	5%	➡	➡
12	They are mass produced wines	5%	4%	4%	➡	➡
13=	I'm not aware of these products	3%	4%	3%	➡	➡
13=	I would be embarrassed to be seen drinking it	6%	4%	3%	⬇	➡

⬆ / ⬇: Statistically significantly higher / lower than previous waves at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, Oct '20, Feb '22, Jan '23, (n≥1,000), UK regular wine drinkers

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No-alcohol wine purchase motivations

Lower and no-alcohol wine have similar motivations for purchase, with health the most important factor; driving is a common motivation among all age groups

No-alcohol wine purchase motivation

% who would be motivated by the following factors to buy no-alcohol wines
Base = those who have sought to buy or would consider buying no-alcohol wine

Ranking '23		2022 (n=1,005)	2023 (n=1,007)	Tracking vs. '22
1	It's better for my health	51%	49%	➡
2	I will be driving	50%	47%	➡
3	I enjoy the taste	43%	33%	➡
4	I like to stay in control	32%	31%	➡
5	Fewer calories than alcoholic wines	34%	27%	➡
6	Price is lower than standard wine	27%	26%	➡
7	I'm on a diet	20%	20%	➡
8	I can't drink alcohol for health reasons	13%	17%	➡
9	It goes better with food	13%	8%	➡
10	I like to be seen drinking it	4%	7%	➡
11	Most of my friends are drinking it	8%	5%	➡
12	I can't drink alcohol for religious reasons	5%	3%	➡

⬆ / ⬇: Statistically significantly higher / lower than previous waves at a 95% confidence level
Source: Wine Intelligence, Vinitrac® Feb '22, Jan '23, (n≥1,005), UK regular wine drinkers

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No-alcohol wine barriers to purchase

The belief that no-alcohol wine isn't real wine and a dislike of the taste are the top barriers; not containing alcohol ranks third but has declined in importance

No-alcohol wine barriers to purchase

% who would see the following as reasons not to buy no-alcohol wine
Base = those who are aware of no-alcohol wine but have not sought to buy and would not consider buying it

Ranking '23		2022 (n=1,005)	2023 (n=1,007)	Tracking vs. '22
1	It's not really wine	36%	34%	→
2	I dislike the taste	26%	33%	↑
3	Does not contain alcohol	33%	25%	↓
4	Lower quality than standard wine	23%	19%	→
5	My favourite wine does not come in a no-alcohol version	20%	18%	→
6	Non-alcoholic wines are an aberration	11%	13%	→
7	My friends don't seem to drink it	6%	5%	→
8	Difficult to find where I shop for wine	5%	4%	→
9=	It's not clear from the bottle what it is	4%	3%	→
9=	I would be embarrassed to be seen drinking it	3%	3%	→
11	I'm not aware of these products	3%	2%	→

↑ / ↓: Statistically significantly higher / lower than previous waves at a 95% confidence level
Source: Wine Intelligence, Vinitrac® Feb '22, Jan '23, (n≥1,005), UK regular wine drinkers

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Market Focus: US

Key takeaways

1. Moderation has increased in tandem with low/no wine purchases

A larger proportion of wine drinkers are increasing their lower and no-alcohol consumption as a result of reducing their alcohol intake.

2. Lower-alcohol is associated with health benefits

Wine drinkers associate lower-alcohol wine with health attributes like low-calorie and low-sugar. It is attracting more consumers, especially from younger age groups.

3. No-alcohol is seen as a good alternative when driving

Like lower-alcohol, no-alcohol is associated with health, but is more likely to be viewed as an alternative to alcohol when driving, across consumer cohorts.

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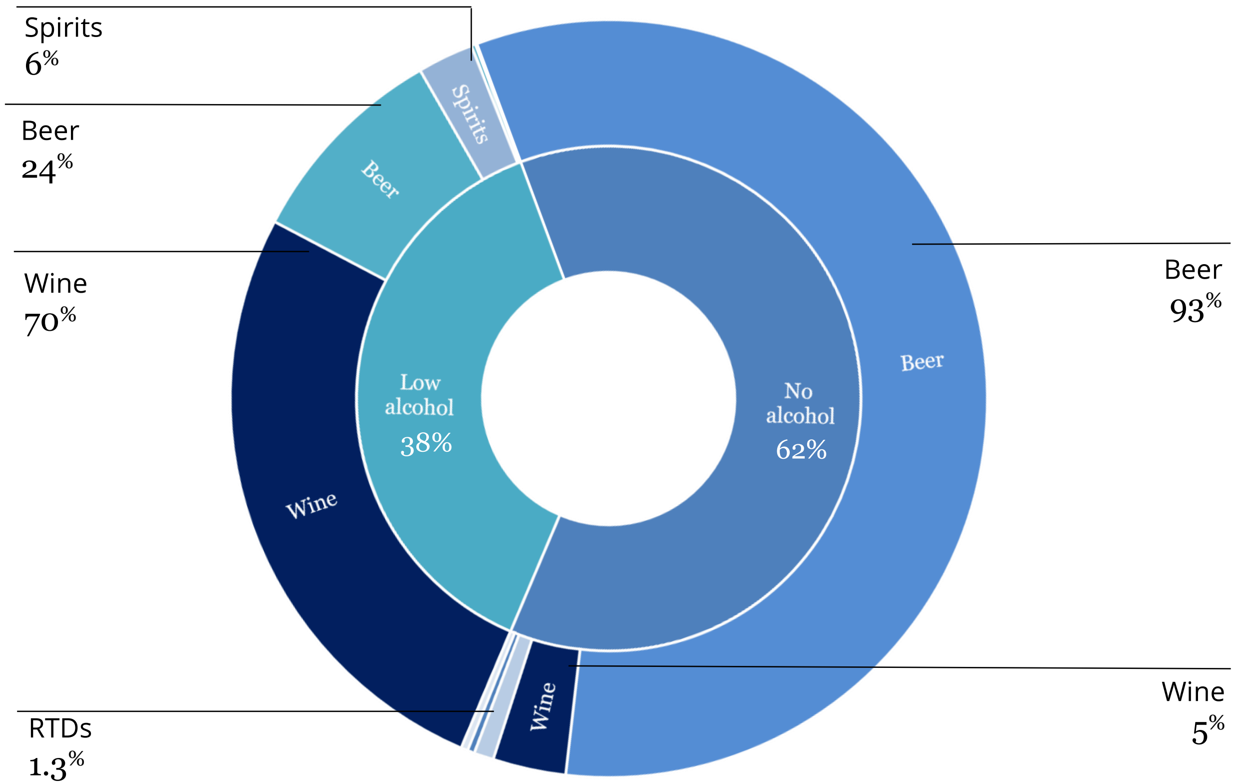
Lower/no-alcohol market size

Lower-alcohol wine has seen significant growth in recent years and is the lower-alcohol beverage type that makes up the most of the category

Low/no category market share



Market overview 2021

Volume 000s 9-litre cases

	Market share	Category volume	CAGR 16-21	CAGR F 21-26
Still wine	87.3%	304,303.4	-1.1%	-2.5%
Low-alcohol still wine	2.4%	8,521.5	45.0%	22.1%
No-alcohol still wine	0.2%	850.5	19.6%	13.2%
	0.00			
Sparkling wine	10.0%	34,715.9	4.8%	3.1%
Low-alcohol sparkling wine	0.0%	53.3	8.5%	5.6%
No-alcohol sparkling wine	0.1%	160.8	36.5%	12.5%

Lower-alcohol wines with health and wellness attributes, such as low calories, low sugar and low carbs, have been launched to target younger consumers.

Categories below 0.2% not shown in the graph

Source: IWSR

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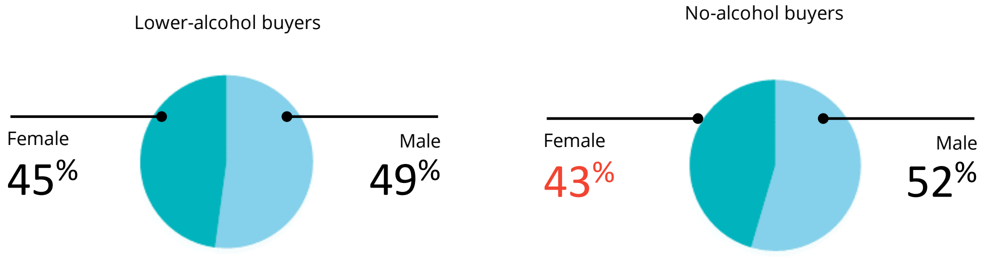
Lower/no-alcohol wine buyers

Millennials and males are more likely to purchase lower and no-alcohol wines

Gender



Lower-alcohol awareness and purchase

	RWD (n=2035)	Awares (n=619)	Buyers (n=164)
Gen Z (21-24)	4%	4%	5%
Millennials (25-39)	29%	28%	51%
Gen X (40-54)	26%	23%	29%
Boomers (55+)	41%	46%	15%

No-alcohol awareness and purchase

	RWD (n=2035)	Awares (n=583)	Buyers (n=130)
Gen Z (21-24)	4%	4%	8%
Millennials (25-39)	29%	25%	53%
Gen X (40-54)	26%	25%	24%
Boomers (55+)	41%	46%	15%

% / %: Statistically significantly higher / lower than regular wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® Jan '23, (n=2,035), US regular wine drinkers

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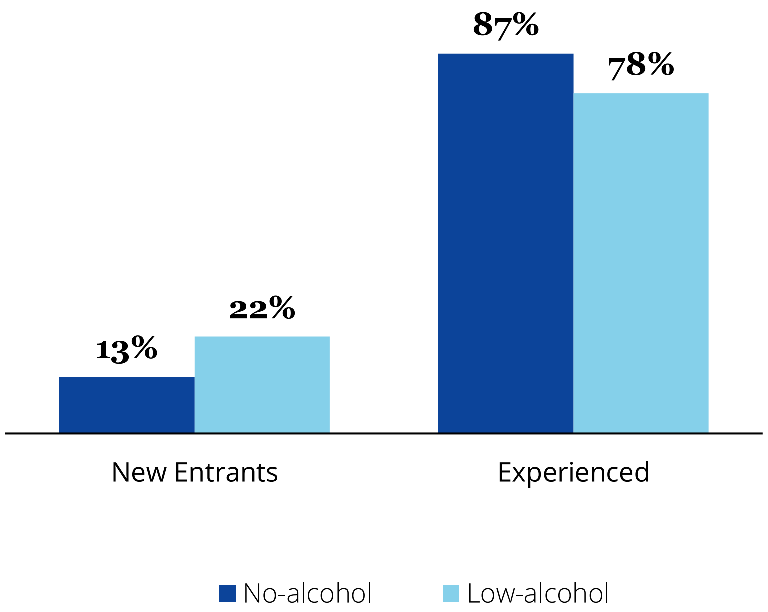
Market maturity and consumption change

The lower and no-alcohol market show similarities to other countries, with fewer alcohol drinkers entering the category, but slightly more drinkers consuming low/no more often

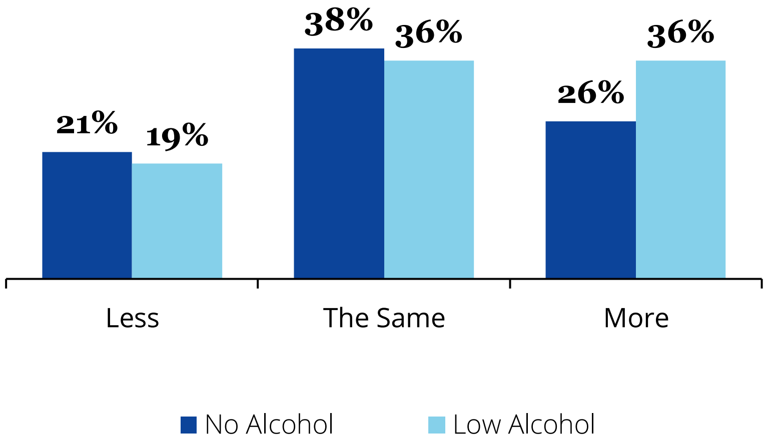
Consumer Maturity

Base = US consumers who have drink low/no beverages



Consumption Frequency Change

Base = US consumers who have bought low/no beverages



Millennials have increased their consumption frequency the most, especially for lower-alcohol beverages.

IWSR No/Low Strategic Study Dec 2022 – US

Source: Wine Intelligence, Vinitrac®,Nov '22, (n=813), US low/no-alcohol beverages buyers

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Alcohol moderation

Moderation levels are higher across the board, with cutting out drinking altogether the top strategy, followed by consumption of lower-alcohol options

Alcohol moderation among regular wine drinkers

% who agree the following statements apply to them
Base = All US regular wine drinkers (n≥2,000),

	2020 (n=2,000)	2022 (n=2,012)	2023 (n=2,035)	Tracking vs. '20	Tracking vs. '22
I'm actively reducing the amount of alcohol I drink by not drinking alcohol at some occasions	19%	21%	26%	↑	↑
I'm actively reducing the amount of alcohol I drink by switching to lower alcohol options at some occasions	14%	17%	22%	↑	↑
I'm actively reducing the amount of alcohol I drink by switching to non-alcoholic drinks at some occasions	12%	13%	19%	↑	↑
I'm actively reducing the amount of alcohol I drink by switching to cannabis products	7%	6%	8%	↑	↑
I'm NOT actively reducing the amount of alcohol I drink	64%	59%	51%	↓	↓

Alcohol moderation by age groups

	RWD (n=2035)	21-24 Gen Z (n=89)	25-39 Millennials (n=585)	40-54 Gen X (n=527)	55+ Boomers (n=834)
I'm actively reducing the amount of alcohol I drink by not drinking alcohol at some occasions	26%	40%	30%	28%	21%
I'm actively reducing the amount of alcohol I drink by switching to lower alcohol options at some occasions	22%	44%	35%	30%	7%
I'm actively reducing the amount of alcohol I drink by switching to non-alcoholic drinks at some occasions	19%	31%	27%	27%	7%
I'm actively reducing the amount of alcohol I drink by switching to cannabis products	8%	18%	10%	13%	3%
I'm NOT actively reducing the amount of alcohol I drink	51%	20%	32%	44%	72%

↑ / ↓: Statistically significantly higher / lower than previous waves at a 95% confidence level
% / %: Statistically significantly higher / lower than RWD at 95% confidence level
Source: Wine Intelligence, Vinitrac®, Oct '20, Jan '22, Jan '23, (n≥2,000), US regular wine drinkers

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Context: Alternative Wine Opportunity Index

Lower and no-alcohol wine have seen increases in their opportunity scores in recent years, but are still lower than other alternative wine types overall

US Alternative Wine Opportunity Index

Base = US regular wine drinkers (n≥2,000)

	2023 Opportunity Index	2022 score difference	2021 score difference
Natural wine	**57.3**	3.5	6.8
Organic wine	**48.0**	-0.4	0.3
Environmentally friendly wine	**47.8**	4.9	4.9
Sustainably produced wine	**44.4**	1.5	-0.9
Fairtrade wine	**41.0**	2.4	1.0
Lower-alcohol wine	**35.4**	7.0	7.3
No-alcohol wine	**25.1**	3.9	4.8

An explanation of how our Opportunity Index is calculated can be found on slide 19

Higher / lower than the current wave

Source: Wine Intelligence, Vinitrac®, Oct '20, Oct '21 , Oct '22, (n≥2,000), US regular wine drinkers

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Lower/no-alcohol wine health

Awareness levels of both lower and no-alcohol wine remain stable, but purchase as well as conversion rates have grown significantly

US lower and no-alcohol wine health

Base = All US regular wine drinkers (n≥2,000),

Awareness				Tracking	
Base = All sample	2020	2022	2023	vs. '20	vs. '22
No-alcohol wine	30%	33%	32%	→	→
Lower alcohol wine	29%	30%	30%	→	→
Purchase					
Base = All sample					
No-alcohol wine	3%	4%	6%	↑	↑
Lower alcohol wine	5%	6%	8%	↑	↑
Conversion					
Base = Those who are aware of the following types of wine					
No-alcohol wine	10%	11%	20%	↑	↑
Lower alcohol wine	16%	19%	27%	↑	↑
Consideration					
Base = Those who are aware of the following types of wine					
No-alcohol wine	22%	26%	31%	↑	→
Lower alcohol wine	36%	42%	44%	↑	→
Affinity					
Base = Those who are aware of the following types of wine					
No-alcohol wine	15%	19%	26%	↑	↑
Lower alcohol wine	31%	37%	41%	↑	→

Demographic insights

Boomers are less engaged than other groups with lower and no-alcohol wines. Millennials buy, consider and have an affinity with both lower and no-alcohol wines the most.

↑ / ↓: Statistically significantly higher / lower than previous waves at a 95% confidence level

Source: Wine Intelligence, Vinitrac®, Oct '20, Jan '22, Jan '23, (n≥2,000), US regular wine drinkers

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Lower-alcohol wine purchasing motivations

Health continues to be the main motivation for lower-alcohol wine consumption; as purchase levels increase, more wine drinkers find their friends are drinking lower-alcohol wines as well

Lower-alcohol wine purchase motivations: tracking

% who would be motivated by the following factors to buy lower alcohol wines
Base = those who have sought to buy or would consider buying lower alcohol wine

Ranking '23		2020 (n=2,000)	2022 (n=2,012)	2023 (n=2,035)	Tracking vs. '20	Tracking vs. '22
1	It's better for my health	**55%**	**50%**	**47%**	→	→
2	I enjoy the taste	**54%**	**49%**	**45%**	↓	→
3	I like to stay in control	**43%**	**36%**	**36%**	→	→
4	Fewer calories than standard wine	**44%**	**42%**	**35%**	↓	→
5=	It goes better with food	**35%**	**30%**	**32%**	→	→
5=	I will be driving	**30%**	**37%**	**32%**	→	→
7	It gives me fewer headaches	**34%**	**30%**	**26%**	↓	→
8	Price is lower than standard wine	**29%**	**24%**	**25%**	→	→
9	I'm on a diet	**20%**	**18%**	**20%**	→	→
10	Most of my friends are drinking it	**15%**	**12%**	**19%**	→	↑
11	I like to be seen drinking it	**13%**	**14%**	**17%**	→	→

↑ / ↓: Statistically significantly higher / lower than previous waves at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, Oct '20, Jan '22, Jan '23, (n≥2,000), US regular wine drinkers

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Lower-alcohol wine barriers to purchase

More wine drinkers accept lower-alcohol as a real wine, however consistent with previous years, taste and quality of lower-alcohol wines remain the main barriers to purchase

Lower-alcohol wine barriers to purchase: tracking

% who would see the following as reasons not to buy lower-alcohol wine
Base = those who are aware of lower-alcohol wine but have not sought to buy and would not consider buying it

Ranking '23		2020 (n=2,000)	2022 (n=2,012)	2023 (n=2,035)	Tracking vs. '20	Tracking vs. '22
1=	Lower quality than standard wine	25%	22%	25%	→	→
1=	I dislike the taste	25%	22%	25%	→	→
3	My favourite wine does not come in a lower alcohol version	29%	25%	24%	→	→
4=	It's not really wine	30%	19%	22%	↓	→
4=	Does not contain enough alcohol to feel an effect	36%	25%	22%	↓	→
6	Poor quality wines	23%	22%	20%	→	→
7	Higher price than standard wine	12%	12%	14%	→	→
8	Lower alcohol wines are an aberration	17%	11%	13%	→	→
9	Difficult to find where I shop for wine	12%	12%	10%	→	→
10=	I would be embarrassed to be seen drinking it	7%	5%	9%	→	→
10=	My friends don't seem to drink it	12%	10%	9%	→	→
12	They are mass produced wines	10%	3%	8%	→	↑
13=	It's not clear from the bottle what it is	10%	7%	7%	→	→
13=	I'm not aware of these products	12%	8%	7%	↓	→

↑ / ↓: Statistically significantly higher / lower than previous waves at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, Oct '20, Jan '22, Jan '23, (n≥2,000), US regular wine drinkers

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No-alcohol wine purchase motivations

The motivations for purchase remained stable in the past year, led by an alternative when driving, as well as wine drinkers attracted by the taste and health benefits

No-alcohol wine purchase motivation

% who would be motivated by the following factors to buy no-alcohol wines
Base = those who have sought to buy or would consider buying no-alcohol wine

Ranking '23		2022 (n=2,012)	2023 (n=2,035)	Tracking vs. '22
1	I will be driving	47%	44%	➡
2	I enjoy the taste	42%	41%	➡
3	It's better for my health	41%	40%	➡
4	I like to stay in control	36%	39%	➡
5	It goes better with food	27%	33%	➡
6	Fewer calories than alcoholic wines	30%	32%	➡
7	I'm on a diet	18%	24%	➡
8=	Price is lower than standard wine	22%	22%	➡
8=	Most of my friends are drinking it	17%	22%	➡
10	I can't drink alcohol for health reasons	21%	21%	➡
11	I like to be seen drinking it	15%	20%	➡
12	I can't drink alcohol for religious reasons	10%	15%	➡

⬆ / ⬇: Statistically significantly higher / lower than previous waves at a 95% confidence level
Source: Wine Intelligence, Vinitrac® Jan '22, Jan '23, (n≥2,012), US regular wine drinkers

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No-alcohol wine barriers to purchase

Wine drinkers who reject no-alcohol category consider the absence of alcohol to be the primary barrier and don't consider it to be a genuine wine

No-alcohol wine barriers to purchase

% who would see the following as reasons not to buy no-alcohol wine
Base = those who are aware of no-alcohol wine but have not sought to buy and would not consider buying it

Ranking '23		2022 (n=2,012)	2023 (n=2,035)	Tracking vs. '22
1	Does not contain alcohol	**36%**	**33%**	➡
2	It's not really wine	**31%**	**31%**	➡
3	I dislike the taste	**23%**	**25%**	➡
4	My favourite wine does not come in a no-alcohol version	**20%**	**23%**	➡
5	Lower quality than standard wine	**22%**	**19%**	➡
6	Non-alcoholic wines are an aberration	**10%**	**15%**	⬆
7=	My friends don't seem to drink it	**10%**	**10%**	➡
7=	Difficult to find where I shop for wine	**9%**	**10%**	➡
9=	It's not clear from the bottle what it is	**5%**	**8%**	➡
9=	I'm not aware of these products	**6%**	**8%**	➡
11	I would be embarrassed to be seen drinking it	**4%**	**6%**	➡

Demographic insights

Younger age groups are more influenced by their friends not drinking no-alcohol and are more likely to feel embarrassed drinking it.

⬆ / ⬇: Statistically significantly higher / lower than previous waves at a 95% confidence level
Source: Wine Intelligence, Vinitrac® Jan '22, Jan '23, (n≥2,012), US regular wine drinkers

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Research Methodology

Research methodology: Australia

QUANTITATIVE

- Data has been collected in Australia since October 2017
- The October 2020 and January 2022 waves were tracked against January 2023
- Data was gathered via Wine Intelligence's Vinitrac® online survey
- Respondents were screened to ensure that they were: at least 18 years old; drank red, white or rosé wine at least once a month; and bought wine in the off-premise or in the on-premise
- Invalid respondents (those who sped through the survey or gave inconsistent answers to selected questions) were removed before analysis
- The data is representative of Australian regular wine drinkers in terms of gender*, age and region
- The distribution of the sample is shown in the table

**Please note that additional gender categories were also surveyed. These categories fell naturally in the sample and were not enforced via quotas.*

		Oct-17	Jan-19	Mar-19	Jan-20	Oct-20	Oct-21	Jan-22	Jan-23
	n=	1,000	1,000	1,000	1,005	1,000	1,000	1,011	1,008
Gender	Male	50%	50%	50%	54%	54%	58%	58%	55%
	Female	50%	50%	50%	46%	46%	42%	41%	45%
	Total	***100%***	***100%***	***100%***	***100%***	***100%***	***100%***	***99%***	***100%***
Age	18-24	13%	13%	13%	9%	9%	8%	8%	8%
	25-34	19%	19%	19%	19%	19%	21%	21%	21%
	35-44	16%	16%	16%	18%	18%	23%	23%	21%
	45-54	15%	15%	15%	19%	19%	18%	18%	17%
	55-64	16%	16%	16%	16%	16%	11%	11%	12%
	65 and over	20%	20%	20%	19%	19%	18%	18%	20%
	Total	***100%***	***100%***	***100%***	***100%***	***100%***	***100%***	***100%***	***100%***
Region	Australian Capital Territory	1%	1%	1%	1%	1%	2%	2%	2%
	New South Wales	33%	33%	32%	33%	33%	36%	36%	35%
	Northern Territory	2%	2%	2%	1%	1%	1%	1%	1%
	Queensland	18%	18%	18%	20%	20%	19%	19%	19%
	South Australia	7%	7%	7%	7%	7%	6%	6%	7%
	Tasmania	1%	1%	1%	3%	3%	2%	2%	2%
	Victoria	29%	29%	29%	25%	25%	25%	25%	27%
	Western Australia	9%	9%	9%	9%	9%	9%	9%	8%
	Total	***100%***	***100%***	***100%***	***100%***	***100%***	***100%***	***100%***	***100%***

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Research methodology: Canada

QUANTITATIVE

- Data has been collected in Canada since October 2017
- The October 2020 and January 2022 waves were tracked against January 2023
- Data was gathered via Wine Intelligence's Vinitrac® online survey
- Respondents were screened to ensure that they were: at least 19 years old; drank red, white or rosé wine at least once a month; and bought wine in the off-premise or in the on-premise
- Invalid respondents (those who sped through the survey or gave inconsistent answers to selected questions) were removed before analysis
- The data is representative of Canadian regular wine drinkers in terms of gender*, age and Canada Provinces
- The distribution of the sample is shown in the table

**Please note that additional gender categories were also surveyed. These categories fell naturally in the sample and were not enforced via quotas.*

		Jan-17	Mar-19	Oct-20	Oct-21	Nov-22	Jan-23
	n=	1,000	2,479	1,013	1,223	1,220	1,551
Gender	Male	50%	50%	51%	51%	48%	49%
	Female	50%	50%	49%	49%	51%	51%
	Total	***100%***	***100%***	***100%***	***100%***	***99%***	***100%***
Age	19-24	9%	9%	7%	5%	7%	7%
	25-34	20%	20%	22%	22%	20%	19%
	35-44	22%	22%	18%	20%	19%	20%
	45-54	13%	13%	17%	17%	17%	17%
	55-64	18%	18%	17%	16%	16%	16%
	65 and over	18%	18%	20%	19%	21%	21%
	Total	***100%***	***100%***	***100%***	***100%***	***100%***	***100%***
Province	Quebec	25%	28%	25%	29%	29%	29%
	Ontario	39%	36%	38%	38%	38%	38%
	West	30%	30%	31%	27%	25%	28%
	Other Provinces	5%	6%	5%	6%	7%	5%
	Total	***100%***	***100%***	***100%***	***100%***	***100%***	***100%***

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Research methodology: Germany

QUANTITATIVE

- Data has been collected in Germany since January 2018
- The October 2020 and October 2021 waves were tracked against January 2023
- Data was gathered via Wine Intelligence's Vinitrac® online survey
- Respondents were screened to ensure that they were: at least 18 years old; drank red, white or rosé wine at least once a month; and bought wine in the off-trade or in the on-trade
- Invalid respondents (those who sped through the survey or gave inconsistent answers to selected questions) were removed before analysis
- The data is representative of German regular wine drinkers in terms of gender*, age and region
- The distribution of the sample is shown in the table

**Please note that additional gender categories were also surveyed. These categories fell naturally in the sample and were not enforced via quotas.*

		Jan-18	Jan-19	Oct-20	Oct-21	Nov-22	*Jan-23*
	n=	*1,001*	*1,014*	*1,000*	*1,001*	*1,005*	*1,003*
Gender	Male	43%	43%	43%	44%	47%	47%
	Female	57%	58%	58%	56%	53%	53%
	Total	***100%***	***100%***	***100%***	***100%***	***100%***	***100%***
Age	18-24	4%	4%	4%	5%	7%	7%
	25-34	12%	12%	12%	9%	12%	12%
	35-44	16%	16%	16%	12%	13%	13%
	45-54	22%	22%	22%	20%	20%	20%
	55-64	26%	30%	22%	17%	17%	17%
	65 and over	20%	16%	24%	37%	31%	31%
	Total	***100%***	***100%***	***100%***	***100%***	***100%***	***100%***
Region	Baden-Württemberg	15%	15%	15%	14%	15%	15%
	Bayern	17%	17%	17%	15%	16%	16%
	Berlin	4%	4%	4%	3%	5%	5%
	Brandenburg + Mecklenburg-Vorpommern	5%	5%	5%	5%	6%	6%
	Bremen + Niedersachsen	10%	10%	10%	10%	9%	9%
	Hamburg + Schleswig-Holstein	6%	6%	6%	5%	6%	6%
	Hessen	7%	7%	7%	9%	8%	8%
	Nordrhein-Westfalen	19%	19%	19%	22%	18%	18%
	Rheinland-Pfalz + Saarland	6%	6%	6%	6%	6%	6%
	Sachsen + Sachsen-Anhalt + Thüringen	11%	11%	11%	10%	12%	12%
	Total	***100%***	***100%***	***100%***	***100%***	***100%***	***100%***

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Research methodology: Japan

QUANTITATIVE

- Data has been collected in Japan since October 2017
- The October 2020 and January 2022 waves were tracked against January 2023
- Data was gathered via Wine Intelligence's Vinitrac® online survey
- Respondents were screened to ensure that they were: at least 20 years old; drank red, white or rosé wine at least once a month; and bought wine in the off-trade or in the on-trade
- Invalid respondents (those who sped through the survey or gave inconsistent answers to selected questions) were removed before analysis
- The data is representative of Japanese regular wine drinkers in terms of gender* and age
- The distribution of the sample is shown in the table

		Oct-17	Jan-19	Jan-20	Oct-20	Oct-21	Jan-22	Feb-23
	n=	1,000	1,008	1,000	1,000	1,004	1,080	1,004
Gender	Male	47%	47%	51%	51%	44%	44%	48%
	Female	53%	53%	49%	49%	56%	56%	51%
	Total	***100%***	***100%***	***100%***	***100%***	***100%***	***100%***	***100%***
Age	20-24	8%	8%	2%	2%	2%	2%	4%
	25-34	14%	14%	15%	15%	8%	7%	8%
	35-44	13%	13%	11%	11%	10%	10%	15%
	45-54	16%	16%	13%	13%	17%	16%	16%
	55 and over	49%	49%	59%	59%	63%	65%	57%
	Total	***100%***	***100%***	***100%***	***100%***	***100%***	***100%***	***100%***

**Please note that additional gender categories were also surveyed. These categories fell naturally in the sample and were not enforced via quotas.*

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Research methodology: UK

QUANTITATIVE

- Data has been collected in the UK since March 2019
- The October 2020 and February 2022 waves were tracked against January 2023
- Data was gathered via Wine Intelligence's Vinitrac® online survey
- Respondents were screened to ensure that they were: at least 18 years old; drank red, white or rosé wine at least once a month; and bought wine in the off-trade or in the on-trade
- Invalid respondents (those who sped through the survey or gave inconsistent answers to selected questions) were removed before analysis
- The data is representative of UK regular wine drinkers in terms of gender*, age, annual pre-tax household income and region
- The distribution of the sample is shown in the table:

**Please note that additional gender categories were also surveyed. These categories fell naturally in the sample and were not enforced via quotas.*

		Mar-19	***Jan-20***	***Oct-20***	***Oct-21***	***Feb-22***	***Jan-23***
	n=	***1,000***	***1,000***	***1,000***	***1,000***	***1,005***	***1,007***
Gender	Male	48%	49%	49%	44%	43%	48%
	Female	52%	51%	51%	56%	57%	52%
	Total	***100%***	***100%***	***100%***	***100%***	***100%***	***100%***
Age	18-24	9%	7%	7%	5%	4%	5%
	25-34	16%	17%	17%	9%	9%	13%
	35-44	16%	17%	17%	13%	13%	16%
	45-54	16%	18%	18%	17%	18%	18%
	55-64	15%	13%	13%	20%	19%	17%
	65+	27%	27%	27%	36%	37%	31%
	Total	***100%***	***100%***	***100%***	***100%***	***100%***	***100%***
Annual household income before taxes	Under £20,000	12%	11%	11%	11%	11%	12%
	£20,000 - £29,999	17%	19%	19%	19%	19%	14%
	£30,000 - £39,999	19%	18%	18%	18%	18%	24%
	£40,000 - £59,999	19%	17%	17%	17%	17%	15%
	£60,000+	23%	23%	23%	23%	23%	27%
	Don't know / Refused	10%	13%	13%	13%	13%	8%
	Total	***100%***	***100%***	***100%***	***100%***	***100%***	***100%***
Region	North	21%	22%	22%	23%	22%	22%
	Midlands	17%	14%	14%	16%	16%	16%
	South East + East	23%	23%	23%	27%	28%	26%
	London	13%	14%	14%	10%	10%	12%
	South West	9%	11%	11%	8%	8%	7%
	Wales	5%	5%	5%	7%	6%	5%
	Scotland	9%	8%	8%	8%	8%	8%
	Northern Ireland	3%	3%	3%	2%	2%	3%
	Total	***100%***	***100%***	***100%***	***100%***	***100%***	***100%***

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Research methodology: US

QUANTITATIVE

- Data has been collected in the US since January 2018
- The October 2020 and January 2022 waves were tracked against January 2023
- 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 month; and bought wine in the off-premise or in the on-premise
- Invalid respondents (those who sped through the survey or gave inconsistent answers to selected questions) were removed before analysis
- The data is representative of US regular wine drinkers in terms of gender*, age, US Divisions and annual pre-tax household income
- The distribution of the sample is shown in the table

**Please note that additional Gender categories were also surveyed. These categories fell naturally in the sample and were not enforced via quotas.*

		Jan-18	*Mar-19*	*Jan-20*	*Oct-20*	*Oct-21*	*Jan-22*	*Jan-23*
		2,000	*2,000*	*2,000*	*2,000*	*2,000*	*2,012*	*2,035*
Gender	Male	50%	50%	51%	51%	43%	43%	46%
	Female	50%	50%	49%	49%	57%	57%	53%
	Total	***100%***	***100%***	***100%***	***100%***	***100%***	***99%***	***99%***
Age	21-24	8%	8%	8%	7%	4%	4%	4%
	25-34	22%	22%	21%	21%	14%	14%	19%
	35-44	14%	14%	20%	20%	19%	20%	18%
	45-54	18%	18%	14%	14%	16%	16%	18%
	55-64	18%	18%	15%	15%	19%	19%	17%
	65 and over	21%	21%	22%	22%	28%	28%	24%
	Total	***100%***	***100%***	***100%***	***100%***	***100%***	***100%***	***100%***
US Divisions	New England	6%	6%	5%	5%	6%	6%	4%
	Middle Atlantic	14%	14%	15%	15%	17%	17%	16%
	East North Central	13%	13%	11%	11%	13%	13%	16%
	West North Central	4%	4%	7%	7%	7%	7%	5%
	South Atlantic	20%	20%	21%	21%	20%	20%	21%
	East South Central	5%	5%	4%	4%	6%	6%	4%
	West South Central	11%	11%	11%	11%	11%	11%	11%
	Mountain	6%	6%	7%	7%	6%	6%	6%
	Pacific	21%	21%	19%	19%	15%	15%	18%
	Total	***100%***	***100%***	***100%***	***100%***	***100%***	***100%***	***100%***
Annual household income before taxes	Under $50,000	n/a	n/a	n/a	n/a	28%	28%	25%
	$50,000 - $99,999	n/a	n/a	n/a	n/a	31%	31%	32%
	$100,000+	n/a	n/a	n/a	n/a	35%	35%	42%
	Prefer not to answer	n/a	n/a	n/a	n/a	6%	6%	1%
	Total	***100%***	***100%***	***100%***	***100%***	***100%***	***100%***	***100%***

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