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Australian Grape and Wine Authority

University of South Australia | Ehrenberg-Bass Institute for Marketing Science

China Wine Barometer – Wave 4

INTERIM REPORT to

AUSTRALIAN GRAPE AND WINE AUTHORITY

Project Number: **USA-1202**

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Research Organisation: **Ehrenberg-Bass Institute for Marketing Science – UniSA**

Date: **12/03/2015**

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Executive summary (1/2)

1. In terms of awareness, red continues dominance; white dipping back to 2013 levels; rosé and sparkling showing pronounced decline from trend analysis.
2. The quintessential bottle of imported wine continues to be a French Cabernet Sauvignon from Bordeaux priced below RMB 200.
3. Awareness for France has recently stabilised within a long term trend of decline; there is notable decline for awareness of Australia and NZ wines.
4. The Australia regions with the highest awareness scores in wave 3 have displayed sharpest declines with McLaren Vale suffering the most.
5. Chinese wine drinkers spend less, but buy more frequently for informal/casual occasions, with the inverse happening with celebrations/formal occasions.
6. French and Chinese wines continue to be the most purchased with 'Old World' securing higher repurchase rates suggesting satisfaction across channels.

Executive summary (2/2)

7. 3/4 of wine purchasing in China is planned with considerable time spent searching for product information prior to, and during, purchase occasion.
8. Retail channel does not impact ‘purchase drivers’, but consumption occasion does shift the relative importance consumers have in their decision rules.
9. Leading wine retail channels continue to be hypermarkets, specialty wine retailers and online wine retailers with 80% of retail channels having penetration levels above 60%.
10. ‘Brick and Mortar’ conversion continues to be highest for large format retailers with Walmart and Carrefour leading.

    Online platforms - Tmall, Taobao and Jiuxian - have grown rapidly in 2014 with Yesmywine holding their ground with overall growth evident in the online sector.

Research overview

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This research

This report presents the findings of the fourth wave of the AGWA funded project "**The China Wine Barometer (CWB): A look into the future**".

Similarly to Wave 2 of the **CWB**, this wave focuses on the awareness, attitudes, and perceptions Chinese consumers have about wine and their specific attitudes and behaviours in brick and mortar stores, direct sales from distributors and online sectors.

The data was collected for the **CWB** in November 2014.

Who we surveyed (n=895)

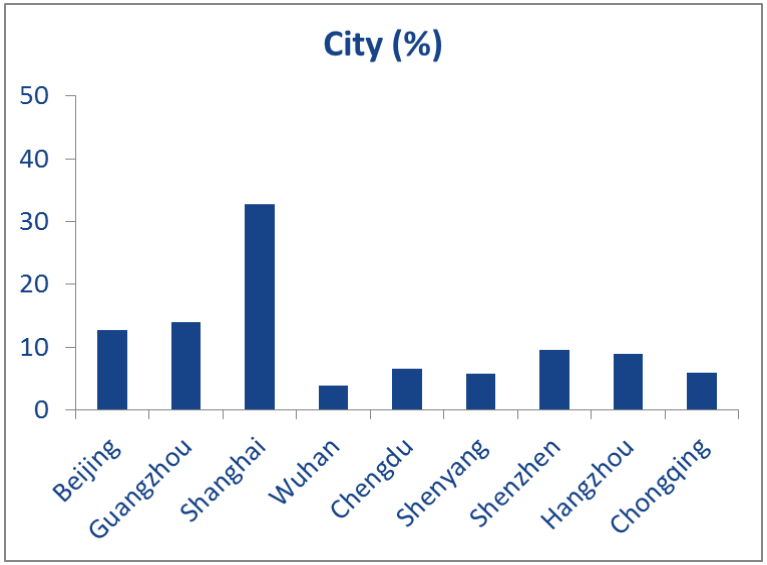
The sample obtained is socio-demographically representative in terms of age, gender and income of the upper-middle class urban population aged 18-49 living in Beijing, Shanghai, Guangzhou, Chengdu, Shenyang, Wuhan, Shenzhen, Hangzhou, and Chongqing who drink imported wine at least twice a year.

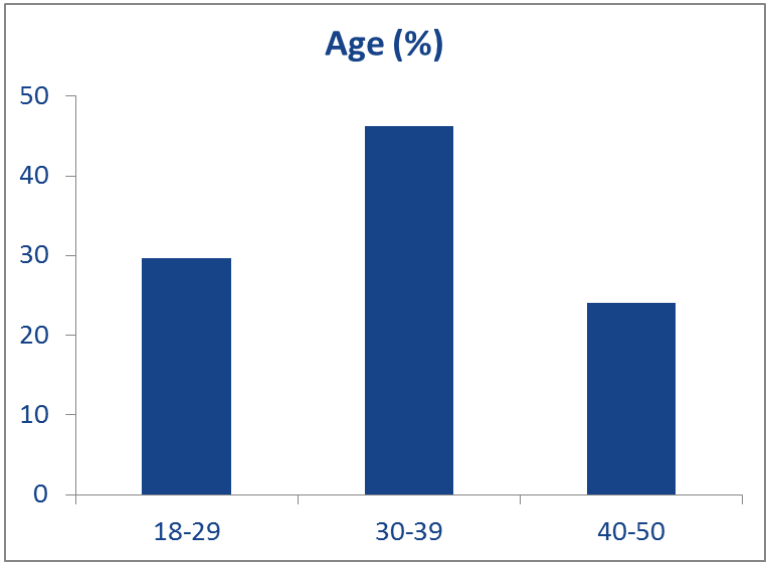
The respondents are characterised as follows:

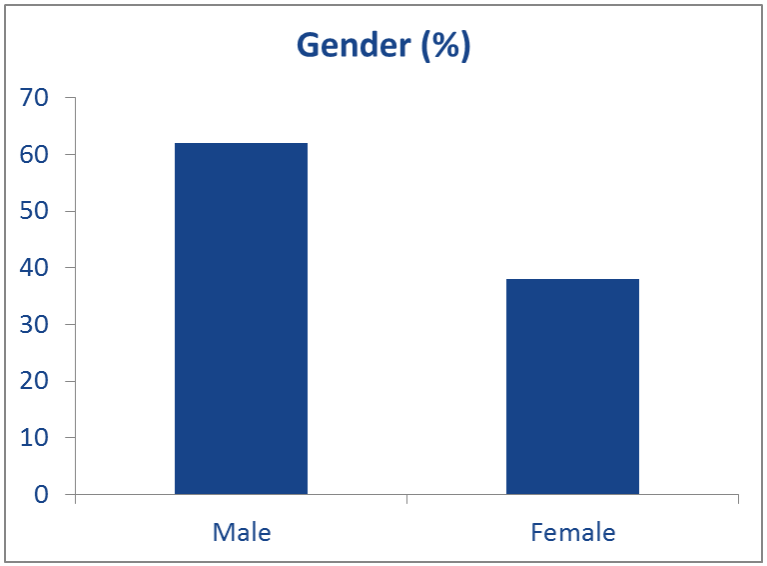
- **Cities**: 33% Shanghai, 14% Guangzhou, 13% Beijing, 10% Shenzhen
- **Gender**: Male 62% – Female 38%
- **Age:** 46% are 30-39
- **Income**: 57% > RMB 10,000 (~ AUD 1800) a month; 82% > RMB 7,000 (~ AUD 1300) a month
- **Academic degree** & **English speaking:** ~ 80%

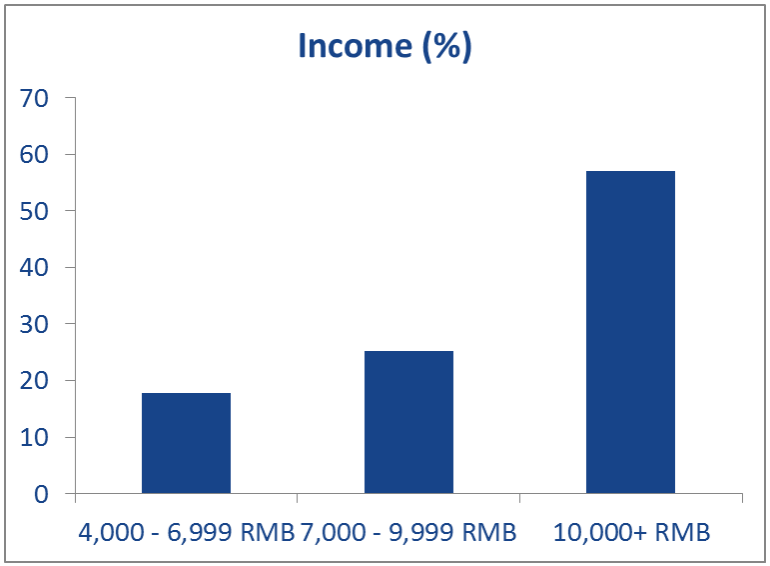
*As in Wave 3, the **CWB** now covers a total of 9 cities in China*

Snapshot of sample









Reporting approach

This report is provided in sections:

1. The **awareness levels** of wine and its associated attributes in China.
2. **Reported behaviour** of wine-buying by Chinese consumers follows.
3. **Choice drivers** for wine in the retail sector.
4. The **attitudes** and **perceptions** Chinese consumers have about retailers in the 'brick and mortar, direct sales from distributors and the online sector.

Reporting is based on conventional market research techniques. Three methods, **Retrospective Recall, Best-Worst Scaling** and **Pick-Any**, that have the potential to add further insight and are part of the Ehrenberg-Bass Institute tool kit, are applied and described in further detail in the following slides.

Methods

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Repeat purchase analysis

This analysis provides measures of which product attributes (e.g., country of origin, region of origin, grape variety, price point, etc.) feature in the purchase decisions of consumers.

Two measures are calculated and presented:

- **Penetration**: % number of buyers of any given product attribute over the total number of shoppers. This measure is important, because increasing the number of buyers is the key to brand growth.
- **Repeat purchase rate**: % of buyers of product attribute *i* conditional on being a previous buyer of the same attribute *i*. This is a well-known measure of loyalty and suited for the data collected in this study.

Best-Worst Scaling

Best-Worst Scaling is a choice-based approach for measuring relative attribute importance. Respondents are asked to select the most-important (best) item and the least-important (worst) item from sets of three or more items.

The method is a break-through in market research because it uniquely produces a ratio-level scale of consumer preference. It also overcomes some of the response bias and discrimination problems of traditional techniques.

The most important element takes on a value of 100, and all less important attributes are a ratio relative to the most important attribute. This indexed display allows for ease of comparison, e.g. an item rated 75 is 75% as likely to be rated most important, compared with an item at 100. This method provides a more realistic measure of the tradeoffs consumers make in a decision-making process.

Pick-Any method

A **Pick-Any** method measures the perceptions consumers have about different elements (retailers, here) using selected representative attributes that are key decision dimensions. They can be interpreted and visualised in a number of formats in order to extract maximum insight from the data.

Respondents are required to assess the items within each attribute and indicate which, if any, retailer they would associate with each item. There is no restriction on the number of associations that can be held per item and these can span multiple countries, retailers or other dimensions.

The measure is a proxy for the mental networks consumers have related to the area measured (retailers, here).

Results

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Awareness and consumption behaviour

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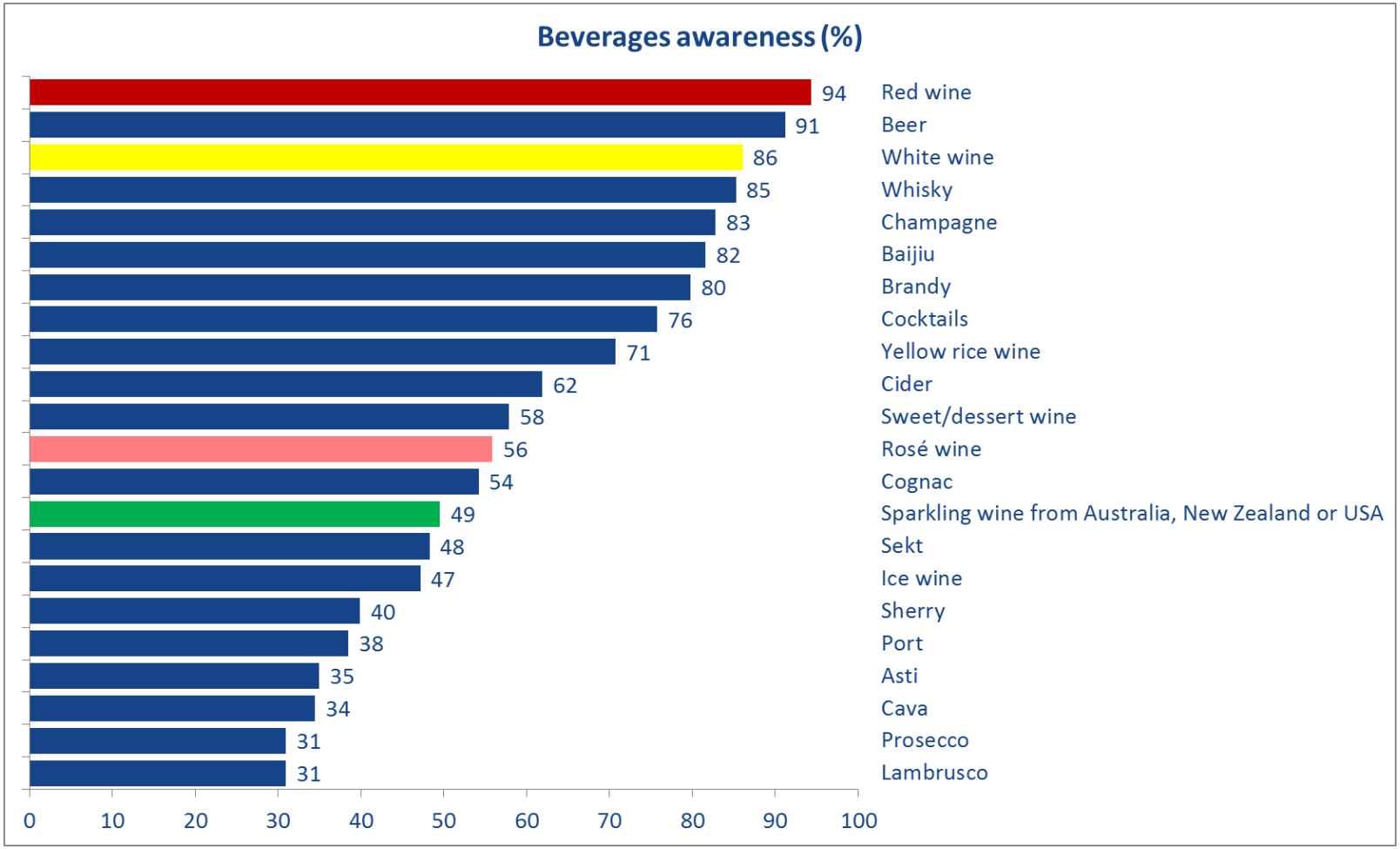
Awareness of red wine continues to be dominant
Awareness of white wine has decreased to 2013 levels
Awareness of rosé and sparkling declined



Results have been interpreted in consideration of trends apparent from prior waves

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The ‘quintessential’ bottle of imported wine continues to be a French Cabernet Sauvignon from Bordeaux priced below RMB 200 (based on % ‘aware’ of and % spending off-premise)

France	**93**
China	81
Italy	72
Australia	66

Ningxia	**77**
Bordeaux	74
Provence	56
Barossa Valley	31

Cab Sauv	**72**
Riesling	47
Sauv Blanc	46
Shiraz	30

< RMB 200	**54**
RMB 200-499	34
≥ RMB 500	12

(off-premise)

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Ningxia continues to be the most known wine region with cause for concern due to marked Australian country, regional and varietal decline.

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Overarching decline in awareness of country – across the board

Country awareness	March 2013 %	October 2013 %	March 2014 %	October 2014 %	Difference Oct. '14/Mar '13 %
France	97	98	93	93	- 4
China	84	86	85	81	- 3
Italy	83	81	75	72	- 11
Australia	76	77	74	66	- 10
Spain	74	72	65	59	- 15
New Zealand	62	64	58	55	- 7
Chile	60	59	54	46	- 14
California	59	55	53	40	- 19

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Regional awareness in decline

Region awareness	March 2013 %	October 2013 %	March 2014 %	October 2014 %	Difference Oct. '14/Mar '13 %
Ningxia	na	80	80	77	na
Bordeaux	87	83	76	74	-13
Provence	59	65	64	56	- 3
Sicily	47	52	58	49	2
Burgundy	48	57	53	46	- 2
Côtes du Rhône	52	55	51	45	- 7
Médoc	41	48	47	35	- 6
Barossa Valley	54	46	44	31	-23
Napa Valley	57	46	43	36	-21
Loire	34	39	42	33	- 1

Sharpest declines in the most well-known Australian wine regions

Australian regions awareness	March 2014 %	October 2014 %	Difference %
Barossa Valley	44	31	-13
McLaren Vale	42	25	-17
Margaret River	41	27	-14
Yarra Valley	35	31	- 4
Hunter Valley	35	22	-13
Mornington Peninsula	na	29	na
Coonawarra	na	28	na
Clare Valley	na	24	na
Langhorne Creek	na	21	na

Expanded trend reporting for additional regions available in future reports.

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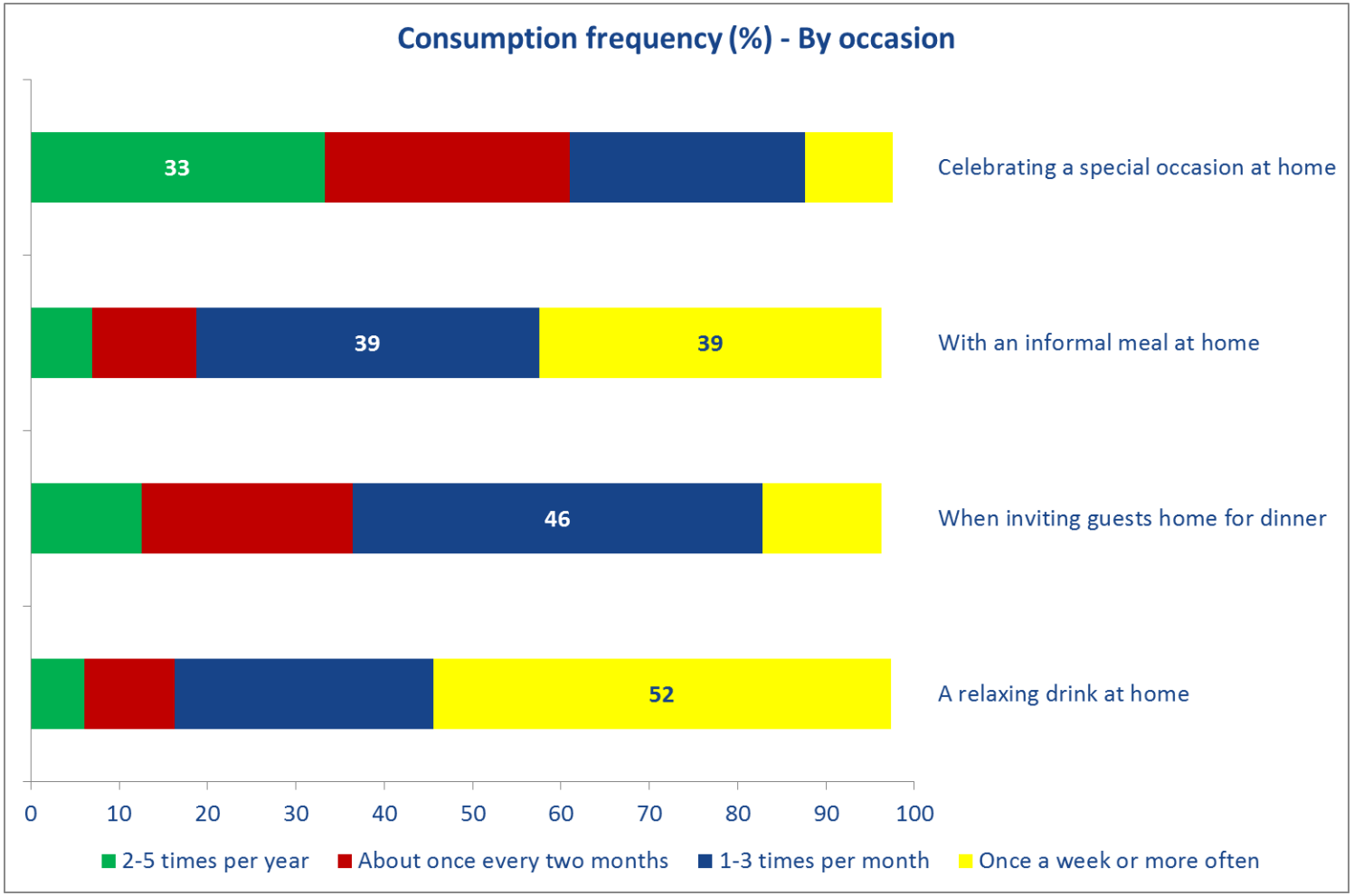
Decline in awareness of 'traditional' varieties - growing awareness for Pinot Grigio/Gris, Riesling and Sauvignon Blanc

Grape variety awareness	March 2013 %	October 2013 %	March 2014 %	October 2014 %	Difference Oct. '14/Mar '13 %
Cabernet Sauvignon	83	82	72	74	- 9
Riesling	52	54	47	56	4
Sauvignon Blanc	53	59	46	56	3
Pinot Noir	49	53	40	50	1
Merlot	50	51	38	49	- 1
Chardonnay	55	52	43	49	- 6
Cabernet Franc	na	na	40	48	na
Pinot Blanc	na	na	40	47	na
Pinot Grigio/Pinot Gris	31	39	30	39	8
Shiraz / Syrah	37	44	30	33	- 4

Weekly consumption prevalent for relaxing and informal occasions with frequency diminishing for hosting guests and celebrations



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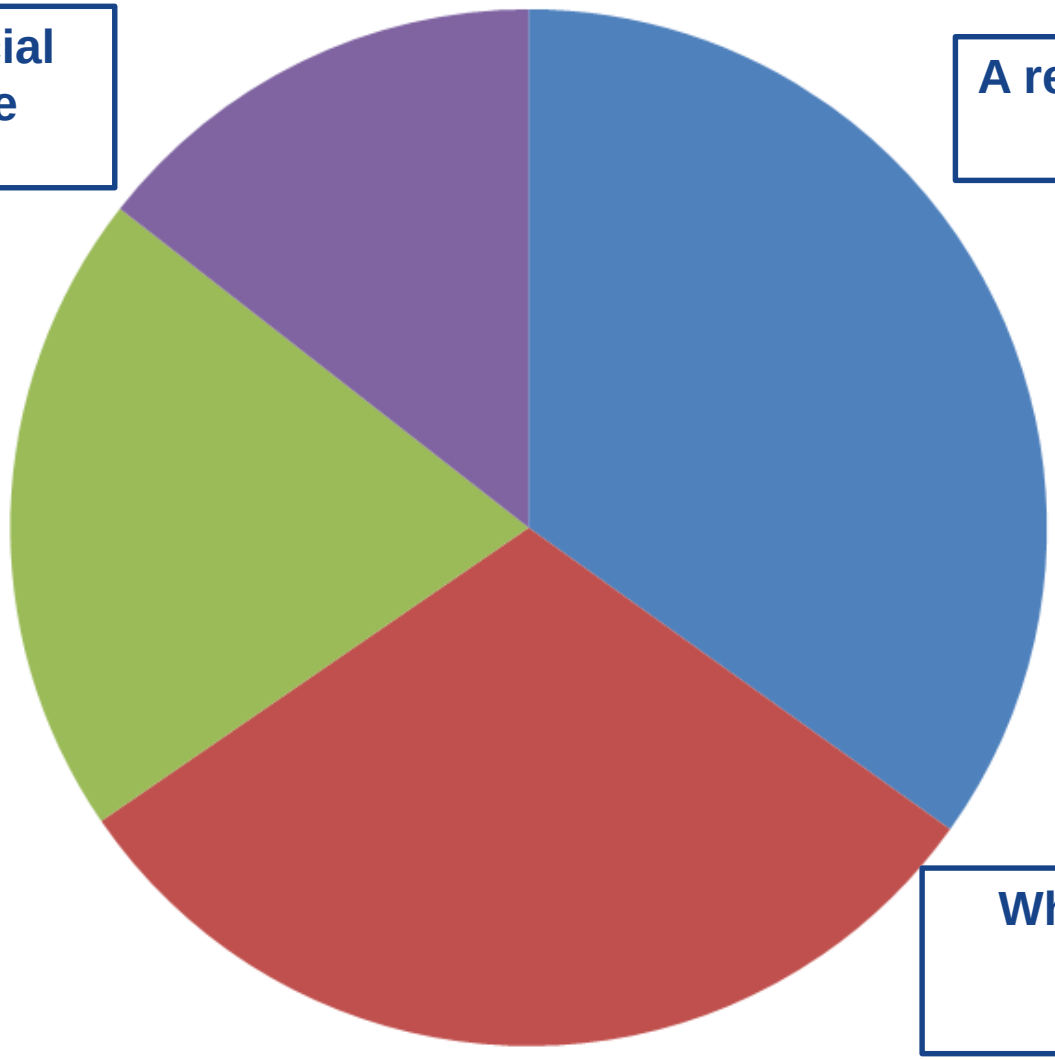
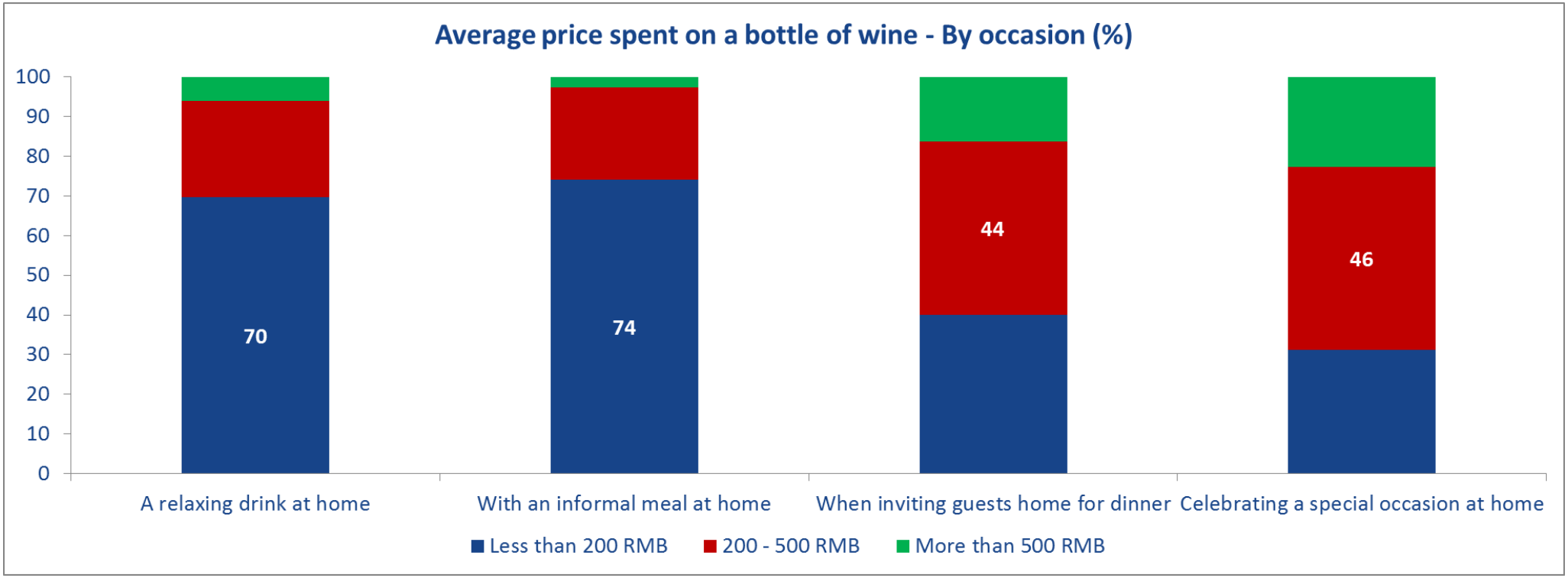
Most buying for ‘relaxed drink’ and ‘hosting dinner’; less frequently for ‘informal meals’ and ‘special occasions’

Estimated market shares by consumption frequency (%) - By occasion



Higher priced wines more commonly bought for special occasion and hosting guests; lower spend for informal occasions



Wine drinkers with a higher income tend to spend more per occasion on average. However, when it comes to hosting a dinner, young people spend more than older consumers

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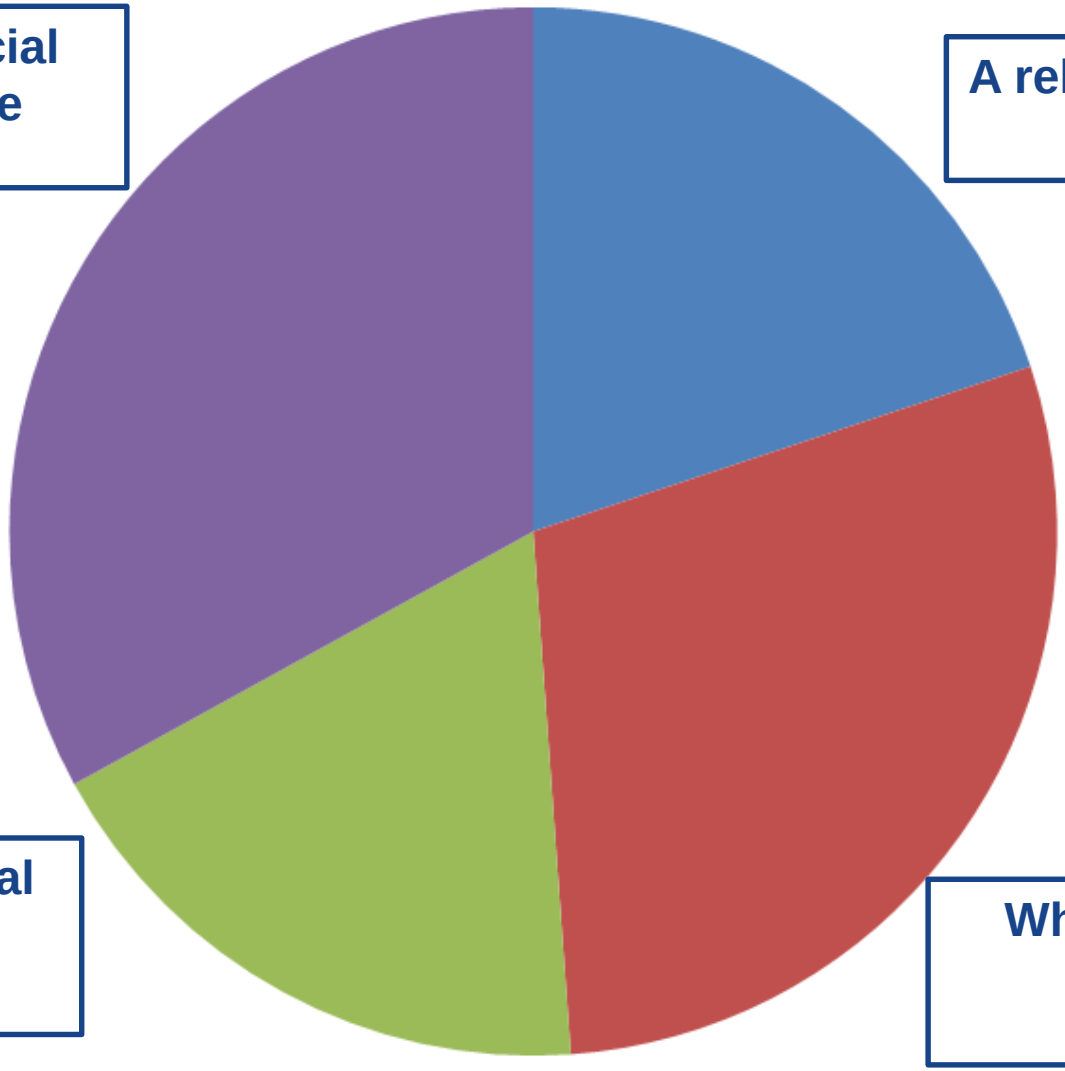
Despite being least frequently purchased, highest spend for 'celebrating special occasion' followed by 'hosting a dinner'

Estimated market shares by value (%) - By occasion



Off-premise repeat purchase patterns

Based upon retrospective recall

Data collected across three channels: hypermarkets, specialty wine shops & online retailers.

Reported as aggregate with significant differences listed below

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French and Chinese wines continue to be the most purchased; 'Old World' secures higher repurchase rates suggesting satisfaction across channels

Country of origin	Penetration (%)	Repeat Purchase Rate (%)
France	48	36
China	30	55
Italy	4	28
Australia	4	16
Chile	3	17
Portugal	2	21
Spain	2	0
California	2	18
Germany	1	13
New Zealand	1	0
South Africa	1	0

Chinese wines have a 10% higher penetration in hypermarkets (37%) than online retail (26%).
French wines have a 10% higher penetration in online retail (51%) than hypermarkets (41%).

Higher repurchase rate rate for Germany is possibly an artefact of its low penetration and must be considered carefully.

Ningxia & Bordeaux most purchased - higher repurchase for Ningxia - Burgundy, Provence and Côtes du Rhône outperformed by Napa, Barossa, Sicily and Medoc

Region of origin	Penetration (%)	Repeat Purchase Rate (%)
Ningxia	26	50
Bordeaux	24	25
Burgundy	8	6
Provence	6	8
Côtes du Rhône	3	5
Sicily	3	18
Barossa Valley	3	19
Napa Valley	2	23
Médoc	2	17
Tuscany	1	0
Marlborough	1	13
Langhorne Creek	1	0
Loire	1	14

Ningxia has higher penetration in hypermarkets (31%) and speciality wine channels (28%) and does not perform well online (22%).

Higher repurchase rates for Marlborough and Loire possibly an artefact of low penetration and must be considered carefully.

Cabernet Sauvignon continues to be dominant variety, with higher than expected repeat purchase for Grenache, Merlot, Riesling and Malbec

Grape variety	Penetration (%)	Repeat Purchase Rate (%)
Cabernet Sauvignon	33	38
Chardonnay	5	10
Pinot Noir	5	7
Sauvignon Blanc	4	8
Merlot	4	18
Riesling	3	19
Cabernet Franc	3	0
Grenache	3	24
Carmenére	2	0
Gamay	2	13
Garnacha Tinta	2	7
Malbec	2	18
Shiraz / Syrah	2	10

Higher repeat purchase rates could possibly be an artefact of low penetration and must be considered carefully.

Higher penetration for more expensive price tiers with highest repurchase rate for wines priced 75-99 RMB and over 500 RMB

Price (retail)	Penetration (%)	Repeat Purchase Rate (%)
Less than 50 RMB	1	67
50 to 74 RMB	1	38
75 to 99 RMB	5	59
100 to 124 RMB	7	31
125 to 149 RMB	7	13
150 to 174 RMB	8	17
175 to 199 RMB	7	27
200 to 249 RMB	18	27
250 to 299 RMB	11	23
300 to 499 RMB	18	28
500 RMB or more	14	54

Leading reason to purchase wine was “hosting a dinner”

Consumption occasion	Penetration (%)	Repeat Purchase Rate (%)
Inviting guests at home for dinner	35	29
A relaxing drink at home	23	25
Celebrating a special occasion at home	23	32
An informal meal at home	16	28

Shoppers favour online channel (39%) for buying wines for having guests at home for dinner compared to hypermarkets (30%) / wine specialty stores (35%).

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3/4 of wine purchasing in China is planned with considerable time spent searching for product information prior to and during purchase occasion

Purchase type	Penetration (%)	Repeat Purchase Rate (%)
Planned	74	74
Impulse	19	44

Purchase type	Avg. time spent pre-purchase (minutes)	Avg. time spent during purchase (minutes)
Last purchase	29	24
2nd to last purchase	27	23

Planned buying higher at supermarket (76%) / specialty wine shop (75%) compared to online (65%). Impulse buying higher online (28%) compared to speciality wine (18%) / supermarkets (15%)

Length of time dedicated to product decision is possibly an artefact of the sample being highly involved wine drinkers.

Retail choice drivers

Measurement extended this wave to investigate:

- **Channel differences: hypermarket, specialty wine shop & online**
- **Home consumption occasions: ‘dinner w/ guests’, ‘special occasion’ and ‘informal meal’**

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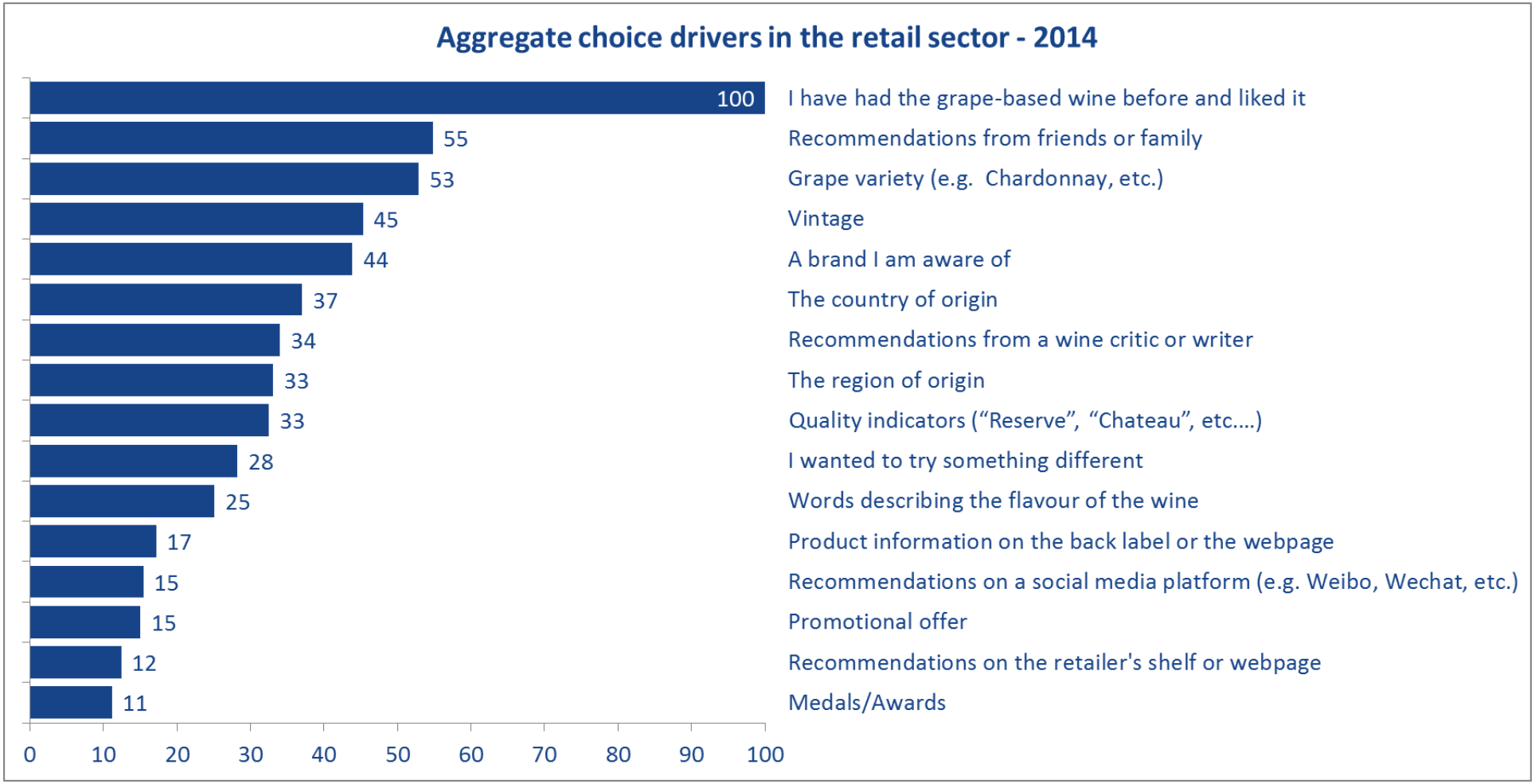
“Tried a wine previously” is the most important element that drives choice in retail - almost twice as important as recommendations from friends/family and grape variety



Lowest impact from back label, social media, retailer actions and medals/awards.

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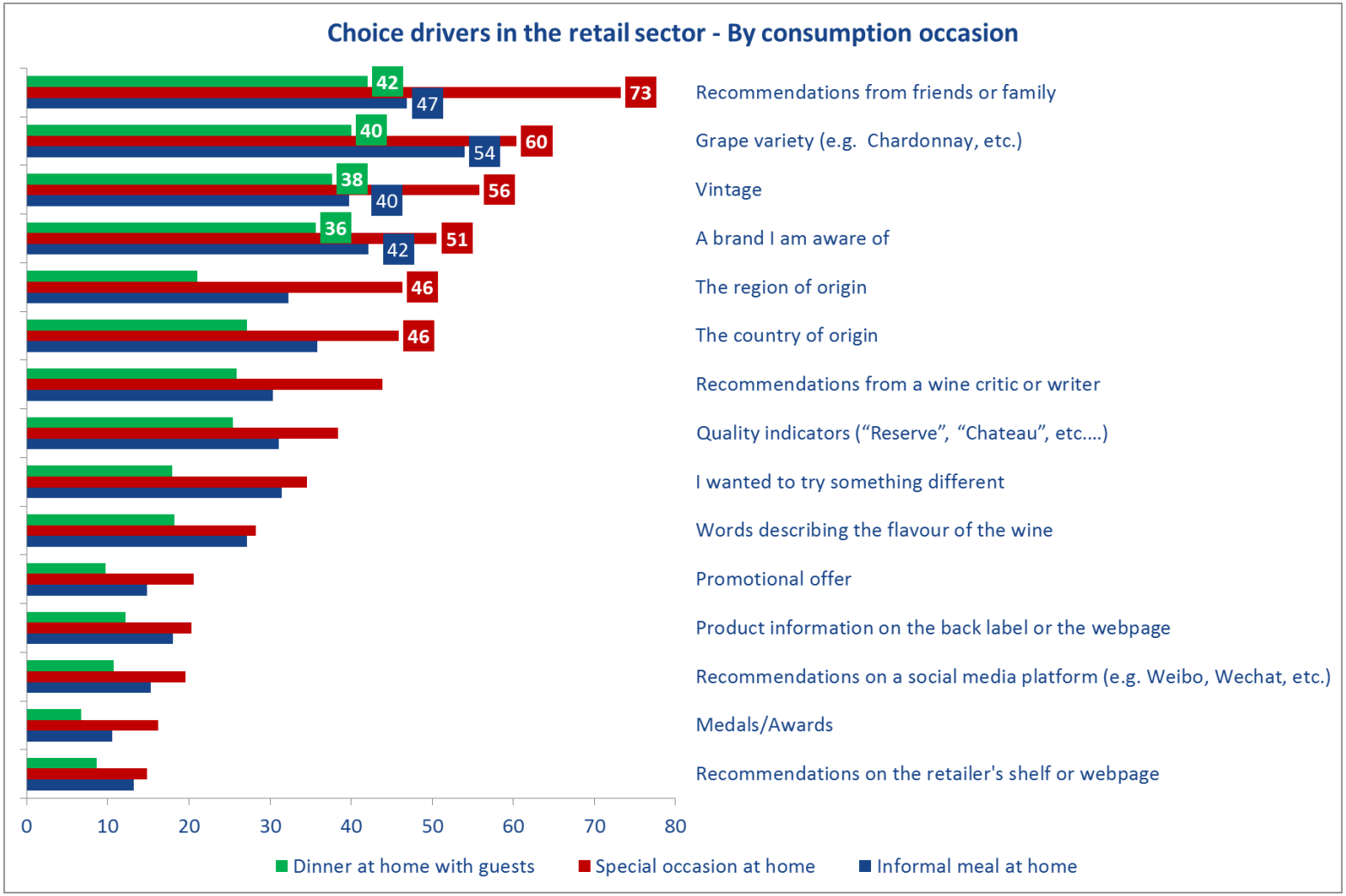
‘Special occasion’ elevates the importance of choice drivers. ‘Informal meal at home’ sees a larger breadth of choice influencers suggesting increased curiosity



No significant differences in choice drivers by channels, differences evident by context and reported above.

Wine retail behaviour

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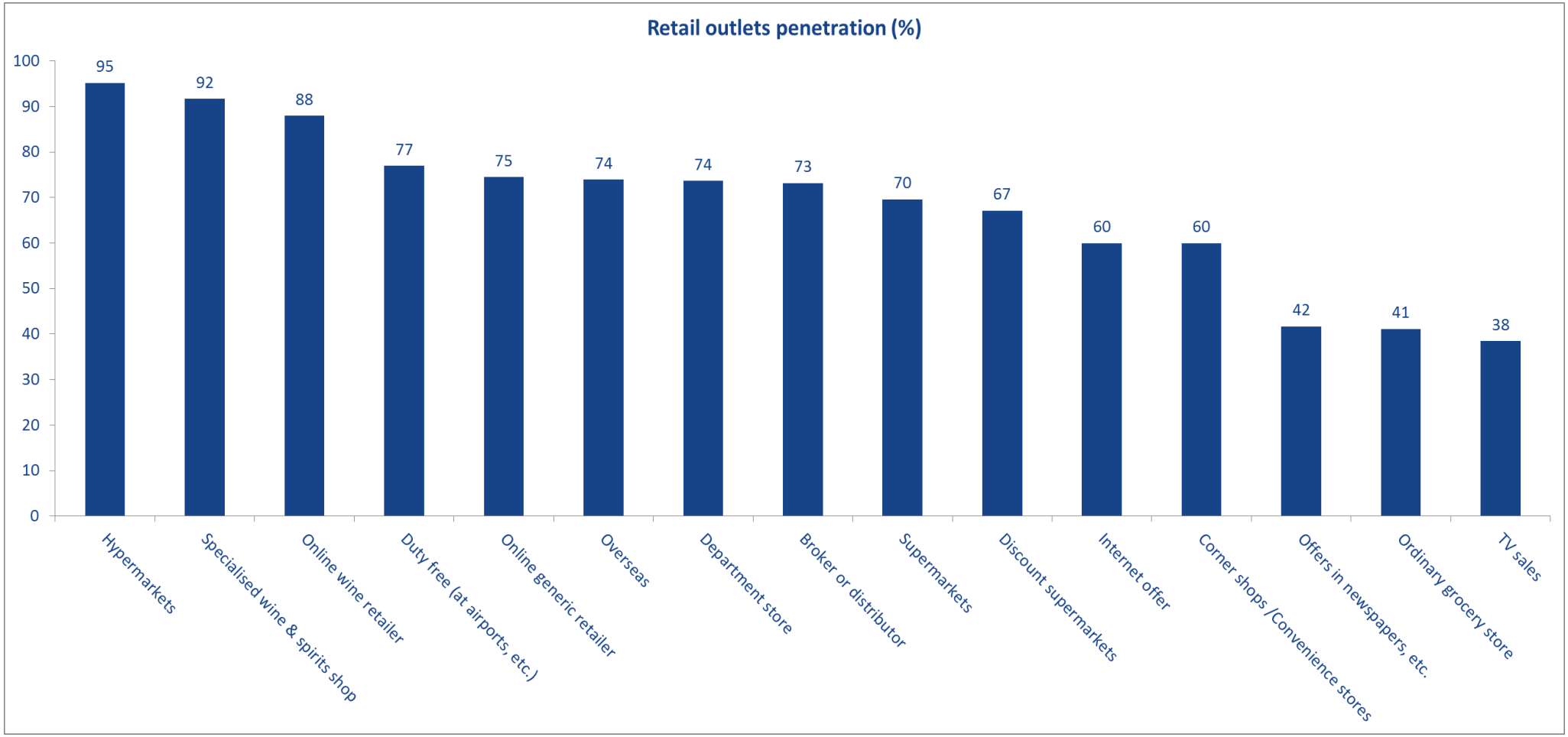
Leading wine retail channels continue to be hypermarkets, specialty wine retailers and online wine retailers with 80% of retail channels having penetration levels above 60%



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With only 2 measurement points it is not possible to yet identify trends. Based on 2013 data, there is a slight elevation of online wine buying and a decline in buying from supermarkets.

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Approximately half of buyers indicate static channel patronage. Higher buying reported in specialty wine and online wine retailers by roughly a 1/3 of drinkers

Thinking about the retail channels where you have purchased wine from, would you say you have purchased more often, less often or the same compared to last year?

THE SAME

AVG = 56%

Wine shop / shop specialised in alcohol (+29%)
Online wine retailer (+28%)
Hypermarkets (+18%)
Overseas (+8%)
Duty free (at airports, etc.) (+7%)
Internet offer (+6%)
Online generic retailer (+5%)
Broker or distributor (+4%)
Department store (+4%)
Discount supermarkets (+3%)

TV sales (-6%)
Ordinary grocery store (-9%)
Supermarkets (-10%)
Offers in newspaper, mail catalogues, magazines (-11%)
Corner shops /Convenience stores (-22%)

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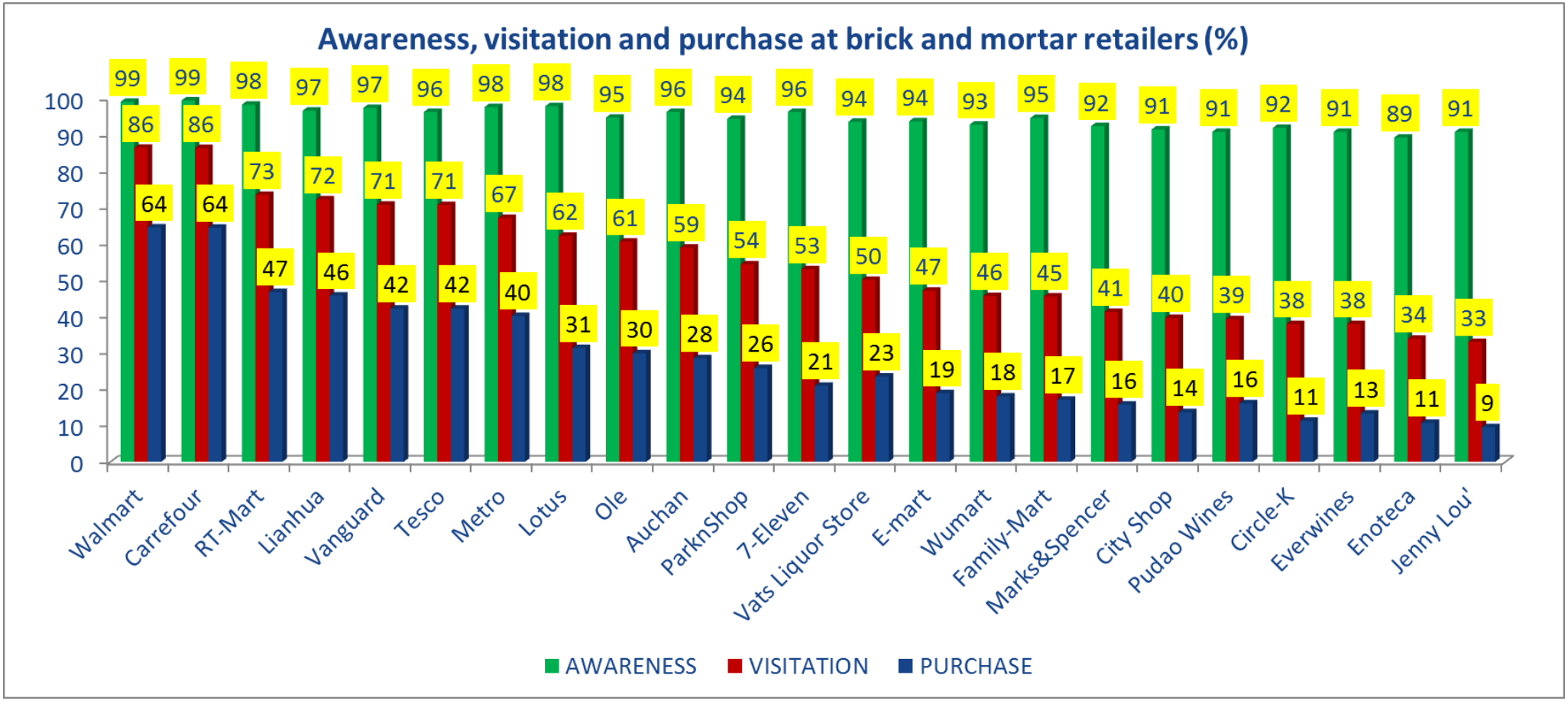
‘Brick and Mortar’ conversion continues to be highest for large format retailers - Walmart and Carrefour leading



Awareness and visitation much higher than 2012 data possibly suggesting ‘brick and mortar’ playing larger role in ‘share of mind’ of consumers in 2013.

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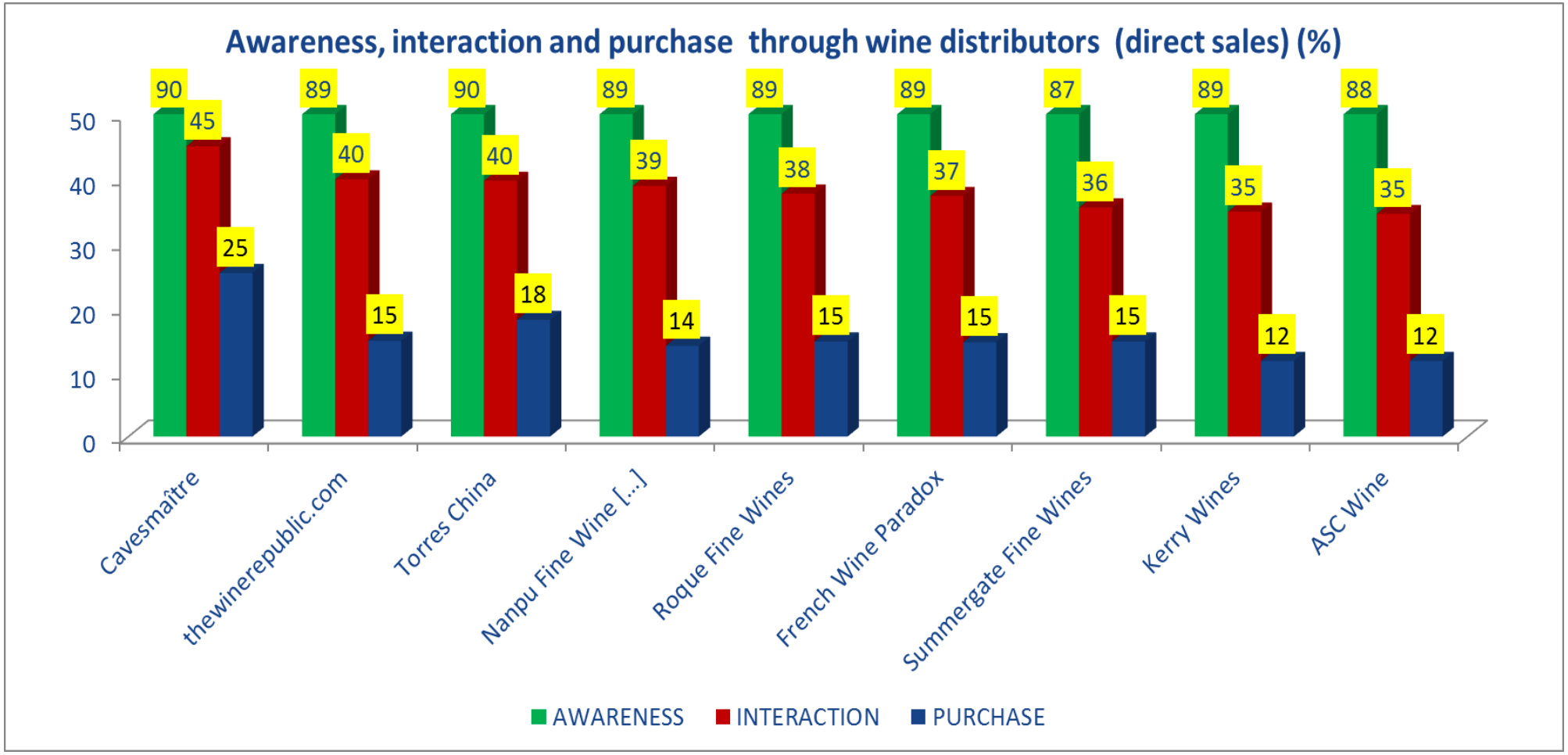
Cavesmaître is highest performer in conversion to B2C purchase



Larger sample of direct sales from distributors measured in 2013. Noticeably higher awareness for distributor brands, with brand interaction and conversion stable (for brands repeated from 2013).

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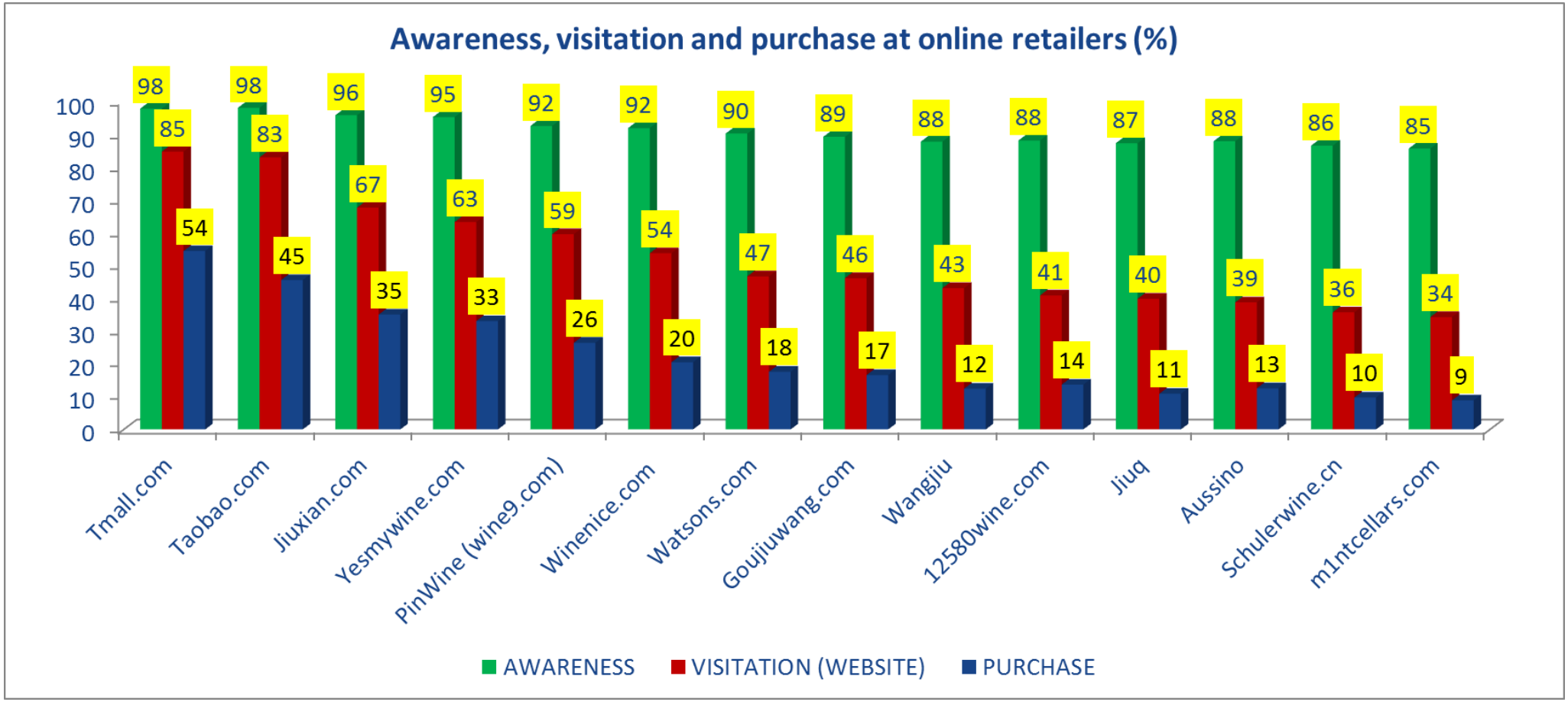
Chinese platforms, Tmall, Taobao and Jiuxian, have grown rapidly in 2014 with Yesmywine holding their ground with overall growth evident in the online sector



Awareness of online retail brands much higher than previous year. Not surprisingly, website visitation year on year higher with markedly higher purchasing rates for Tmall and Taobao.

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Wine retailer perceptions (WRP)

Sample of retailers non-exhaustive

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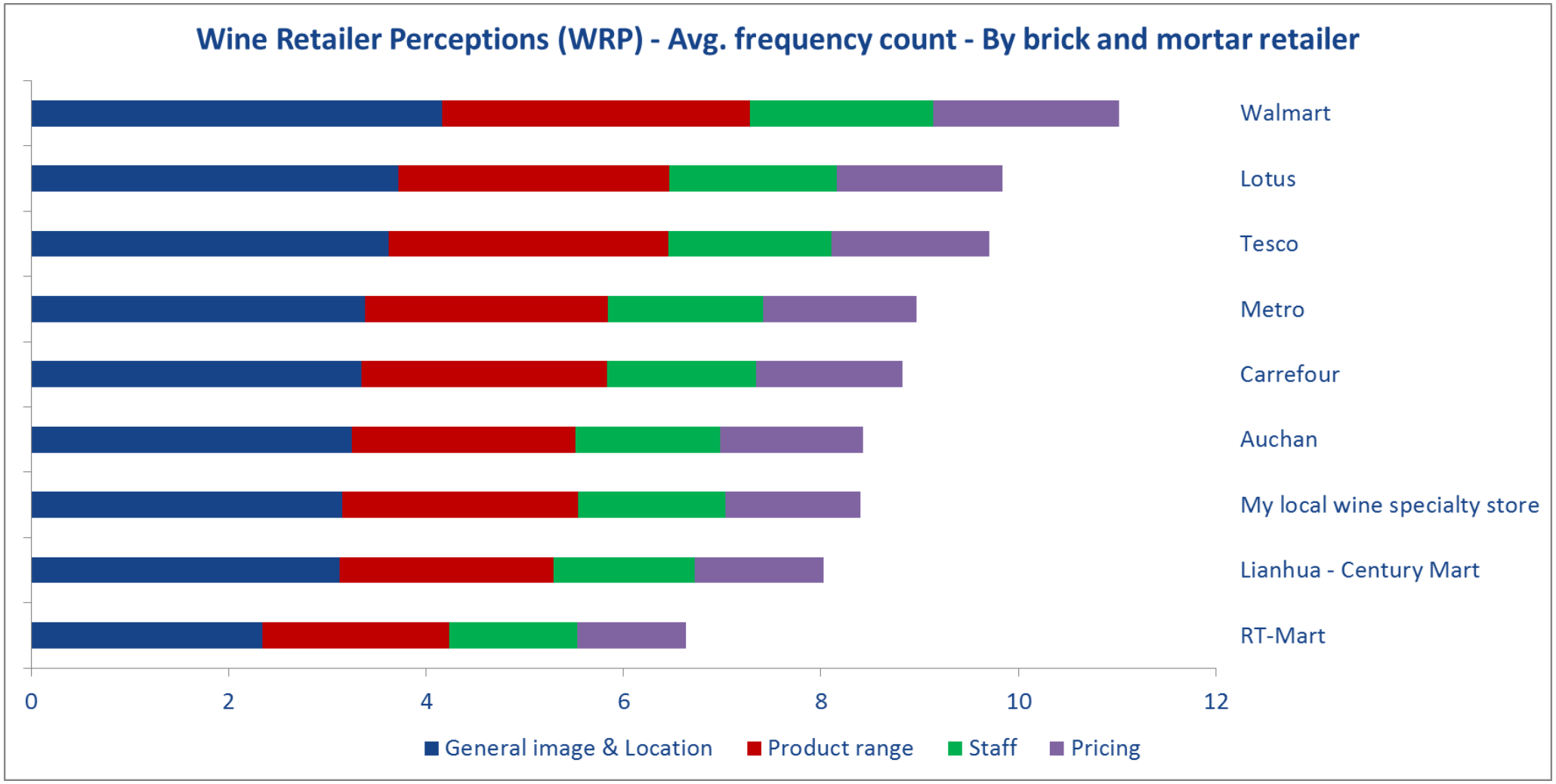
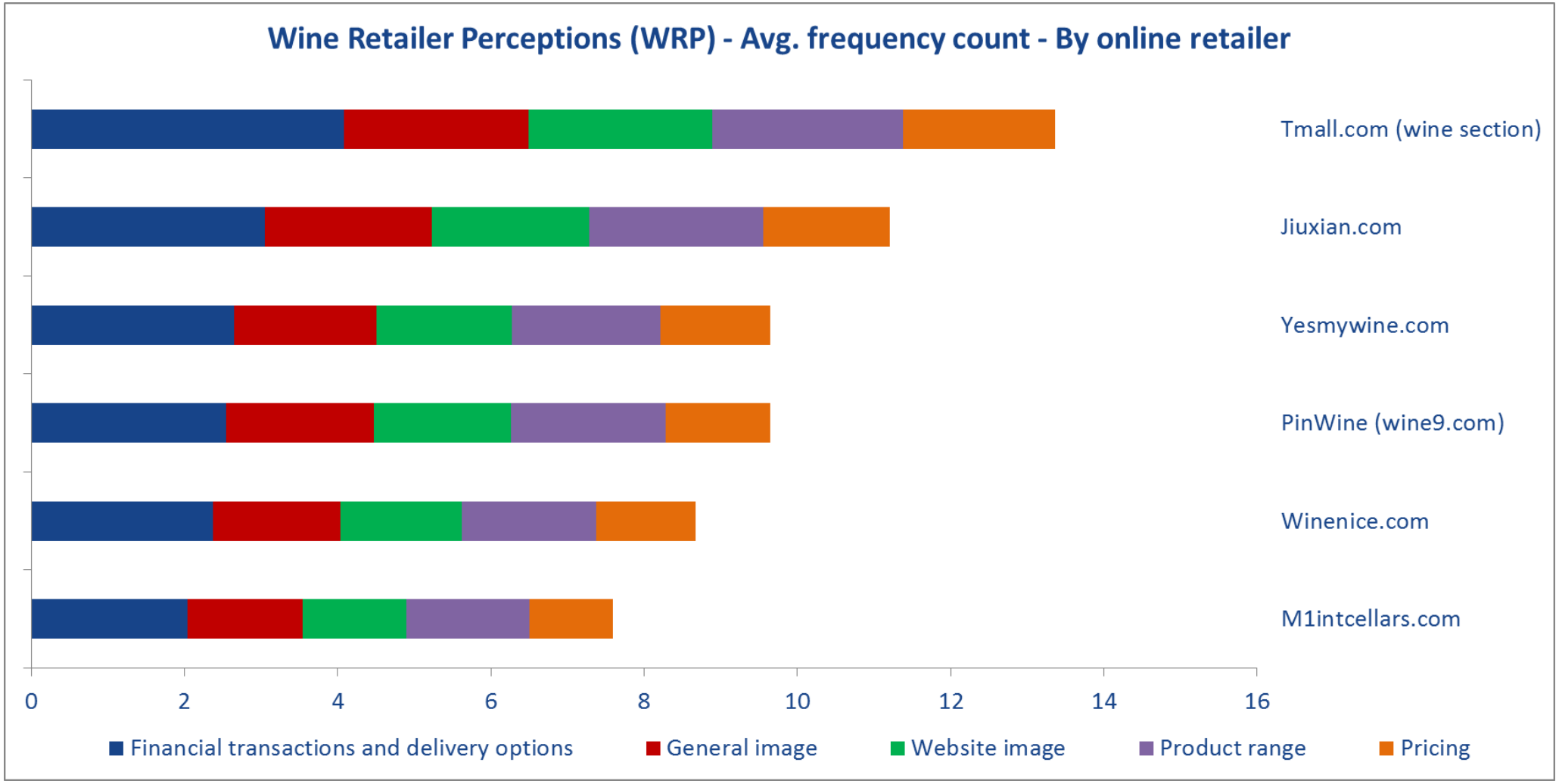
Brick and Mortar: Walmart has largest 'share of mind'; retailer perceptions driven by 'general image & location' followed by 'product range' - 'pricing' has less impact



Online: Tmall has largest ‘share of mind’; perceptions driven by ‘financial transactions & delivery’



Wine retailer perceptions (WRP)

Brick and mortar: strengths and weaknesses

Sample of retailers non-exhaustive

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Strengths and weaknesses analysis

This analysis presents the top 5 and bottom 5 **Wine Retailer Perception (WRP)** associations based on the percentage of wine drinkers who select the applicable statements that relate to the brick and mortar or online retailer using the **Pick-Any** method.

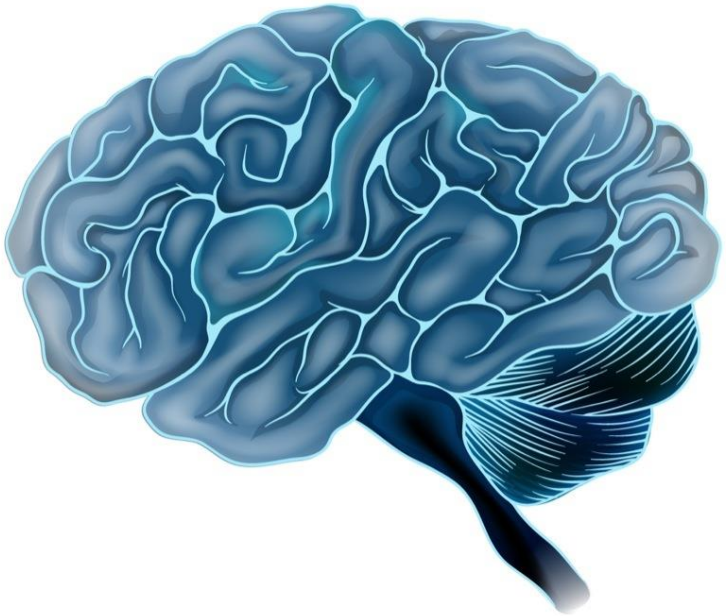
The data presented makes 3 notable contributions:

- **Strengths**: The top 5 associations identify the most salient aspects of a ***WRP***.
- **Weaknesses**: The bottom 5 associations identify the least salient aspects of a *WRP*. Many of the bottom associations are perceptions a wine retailer would avoid. This is another quality performance measure.
- **Magnitude**: The percentages of each association are listed for comparison across retailers.

Walmart recognised for good customer service with friendly staff and having clean stores in convenient locations with products priced clearly

Walmart

Walmart 沃尔玛



BOTTOM 5

- This retailer projects a conservative image (24%)
- I buy online from this retailer (26%)
- This retailer serves the middleclass (35%)
- This retailer has a clear Chinese appeal (35%)
- This retailer operates an easy return policy for wines (35%)

TOP 5

- This retailer makes the prices of the wines easily visible on the shelf (54%)
- The retailer personnel are friendly (52%)
- The retailer's stores are clean and tidy (49%)
- This retailer provides good customer service (49%)
- The retailer's store are located in convenient locations (48%)

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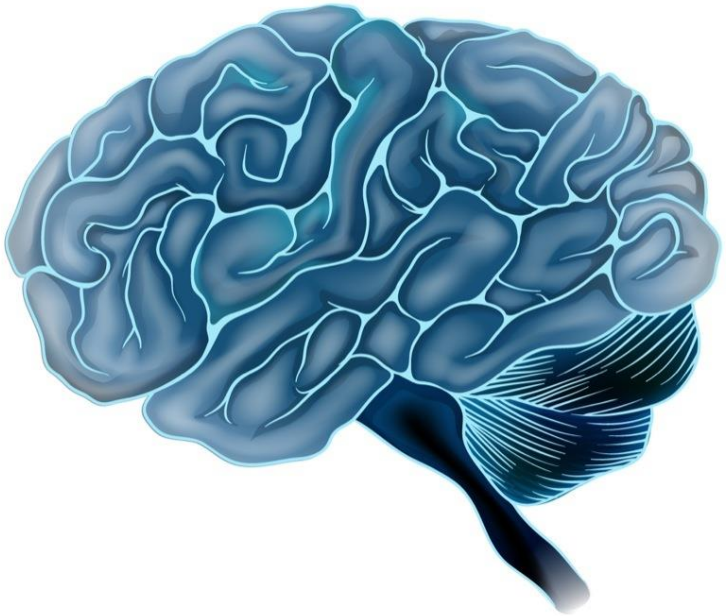
Carrefour recognised for being located conveniently and having good customer service from friendly staff with wines that are easy to find and priced clearly

Carrefour

BOTTOM 5

- I buy online from this retailer (21%)
- This retailer projects a conservative image (21%)
- This retailer operates an easy return policy for wines (31%)
- The wines sold by this retailer are fashionable (31%)
- This retailer has a clear Chinese appeal (32%)



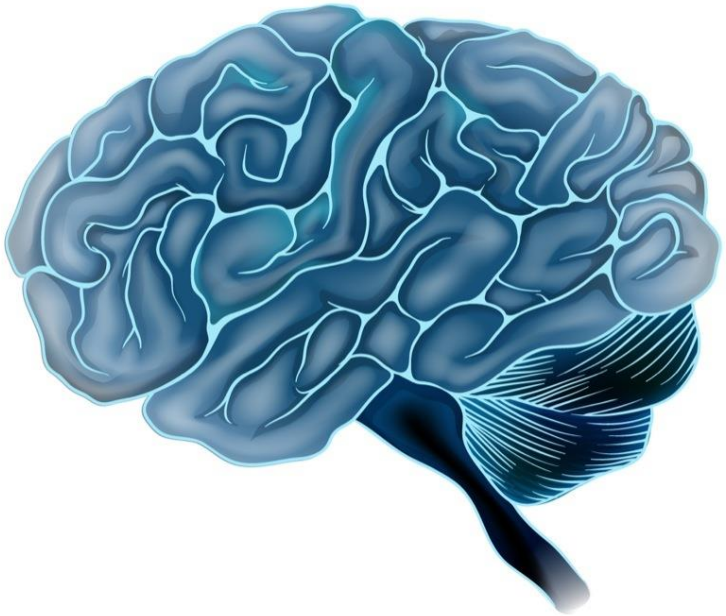
TOP 5

- The retailer makes the prices of the wines easily visible on the shelf (50%)
- The retailer personnel are friendly (47%)
- The retailer provides good customer service (45%)
- The wines that I want are easy to find on shelf (45%)
- The retailer's store are located in convenient locations (45%)

Metro recognised for good customer service and friendly staff that sell good value-for-money wines priced clearly in clean and tidy stores

Metro

METRO



BOTTOM 5

- This retailer projects a conservative image (21%)
- I buy online from this retailer (23%)
- This retailer has a clear Chinese appeal (28%)
- This retailer operates an easy return policy for wines (29%)
- The retailer's stores are located in convenient locations (32%)

TOP 5

- This retailer makes the prices of the wines easily visible on the shelf (46%)
- The retailer's stores are clean and tidy (45%)
- This retailer provides good customer service (44%)
- You get good-value-for-money on the wines sold by the retailer (43%)
- The retailer personnel are friendly (42%)

Australian Government
Australian Grape and Wine Authority

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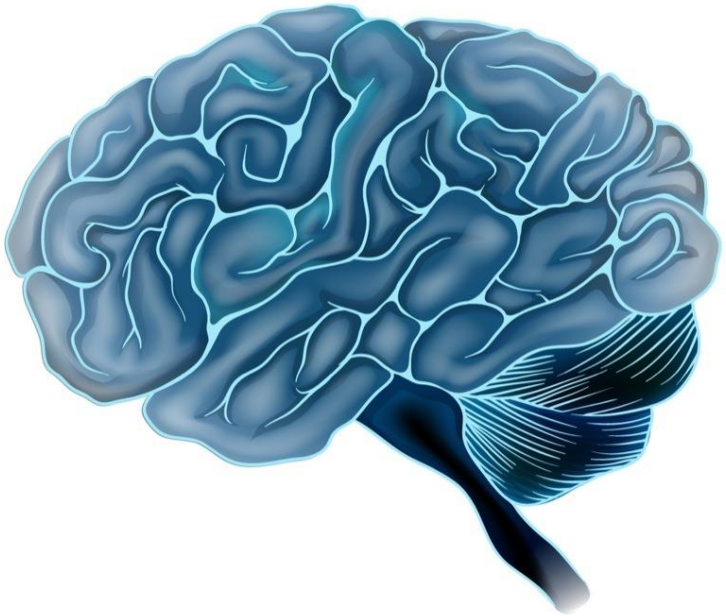
RT-Mart recognised for being trustworthy retailer with friendly staff who develop relationships with customers while operating clean stores with clearly priced wines

RT-Mart

大潤發 RT-MART



BOTTOM 5

- I buy online from this retailer (23%)
- This retailer is a world class wine retailer (24%)
- This retailer projects a conservative image (25%)
- The retailer's stores atmosphere is excellent (29%)
- This retailer always carry the wines that I want in stock (30%)

TOP 5

- This retailer makes the prices of the wines easily visible on the shelf (46%)
- The retailer's personnel are friendly (43%)
- I find this retailer totally trustworthy (39%)
- The retailer's stores are clean and tidy (39%)
- The staff develop a good relationship with the customers in store (39%)

Australian Government
Australian Grape and Wine Authority

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Lotus recognised for reliable image and good customer service with friendly staff who operate clean stores with clearly priced wines

BOTTOM 5

I buy online from this retailer (18%)

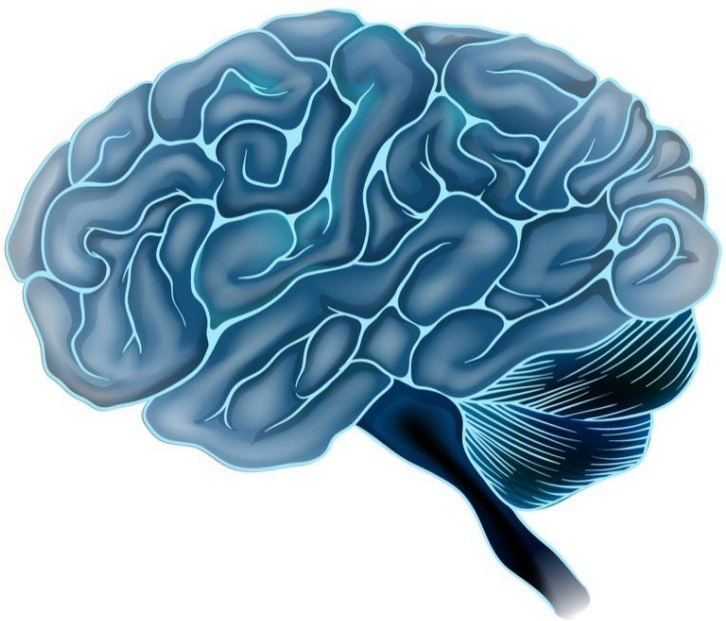
This retailer projects a conservative image (21%)

The wines stocked by this retailer are of good quality (25%)

This retailer always carry the wines that I want in stock (27%)

This retailer operates an easy return policy for wines (27%)

Lotus



TOP 5

This retailer makes the prices of the wines easily visible on the shelf (41%)

The retailer's personnel are friendly (40%)

The retailer's stores are clean and tidy (36%)

This retailer provides good customer service (36%)

This retailer transmits a reliable image (35%)

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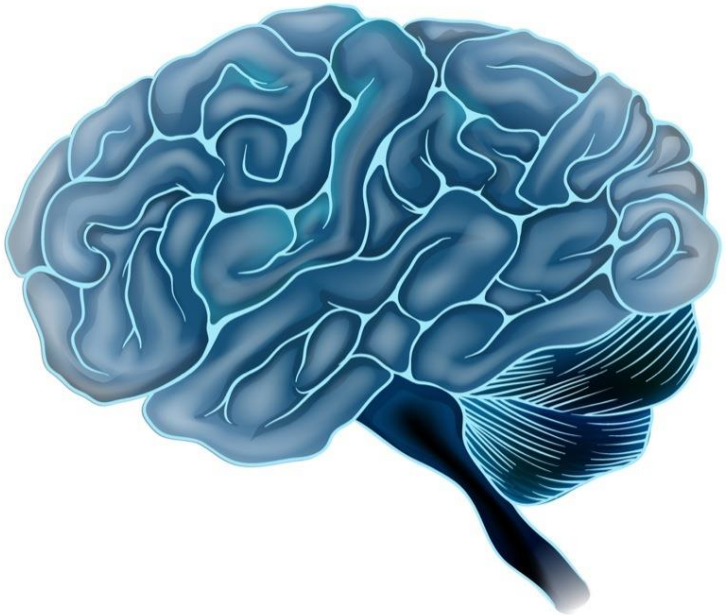
Lianhua recognised for clean and tidy stores with clear pricing with friendly staff who develop relationships with their customers through good customer service

Lianhua Century Mart

世纪联华 CenturyMart



BOTTOM 5

- I buy online from this retailer (19%)
- This retailer is a world class retailer (23%)
- This retailer projects a conservative image (25%)
- This retailer operates an easy return policy for wines (25%)
- The retailer private label brands are reliable (26%)

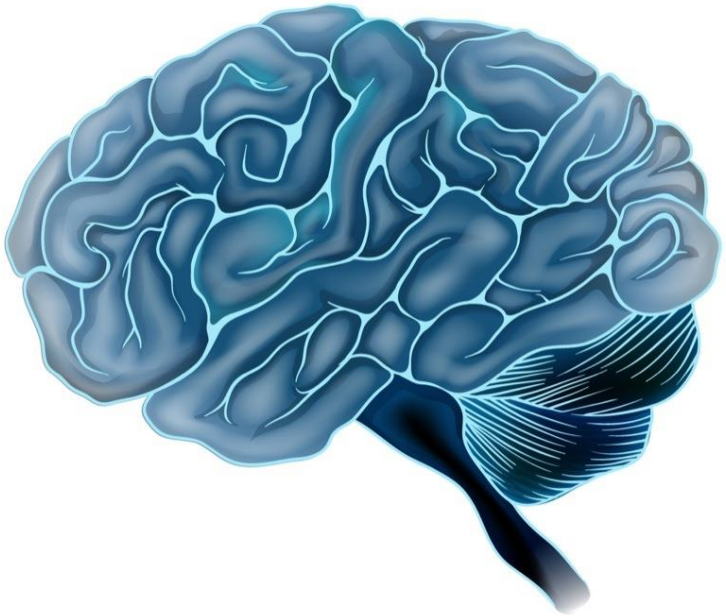
TOP 5

- This retailer makes the prices of the wines easily visible on the shelf (46%)
- The retailer's personnel are friendly (42%)
- The retailer's stores are clean and tidy (38%)
- The staff develops a good relationship with the customers in store (36%)
- This retailer provides good customer service (36%)

Tesco recognised for having clean and tidy stores with easy to find and clearly priced wines with friendly staff who develop relationships with their customers

Tesco

TESCO 乐购



BOTTOM 5

- This retailer projects a conservative image (21%)
- This retailer is a world class retailer (27%)
- The wines stocked by this retailer are of good quality (27%)
- The retailer private label brands are reliable (29%)
- This retailer operates an easy return policy for wines (30%)

TOP 5

- The retailer's personnel are friendly (43%)
- This retailer makes the prices of the wines easily visible on the shelf (42%)
- The retailer's stores are clean and tidy (40%)
- The wines that I want are easy to find on shelf (39%)
- The staff develops a good relationship with the customers in store (38%)

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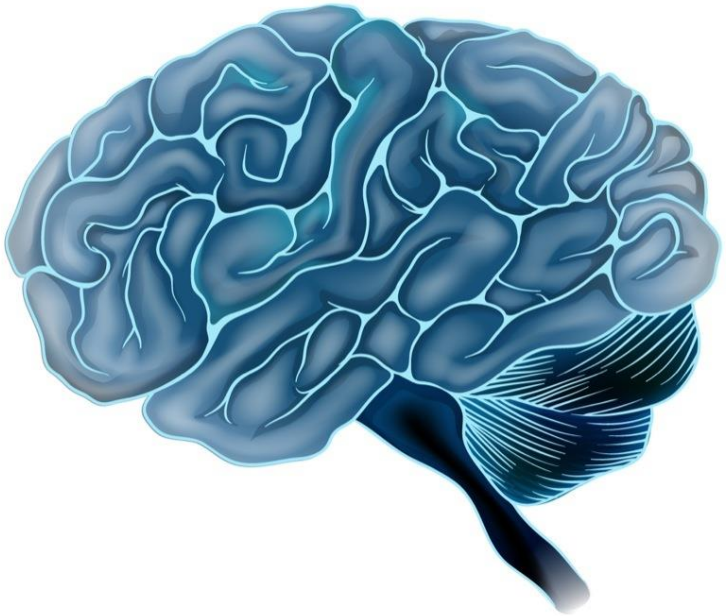
Auchan recognised for selling good value-for-money wines with clear pricing that have friendly staff who are able to give product recommendations and good customer service

Auchan

Auchan 欧尚



BOTTOM 5

This retailer projects a conservative image (18%)

I buy online from this retailer (24%)

The retailer's private label brands are reliable (28%)

Discounts are available from this retailer (28%)

This retailer always carries the wines that I want in stock (28%)

TOP 5

This retailer makes the prices of the wines easily visible on the shelf (42%)

The staff is able to give recommendations about the wines (39%)

The retailer's personnel are friendly (38%)

You get good-value-for-money on the wines sold by this retailer (38%)

This retailer provides good customer service (38%)

Australian Government
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Local wine specialty stores recognised for staff that are friendly who are able to give recommendations, develop relationships with customers selling clearly priced wines

My local wine specialty store

BOTTOM 5

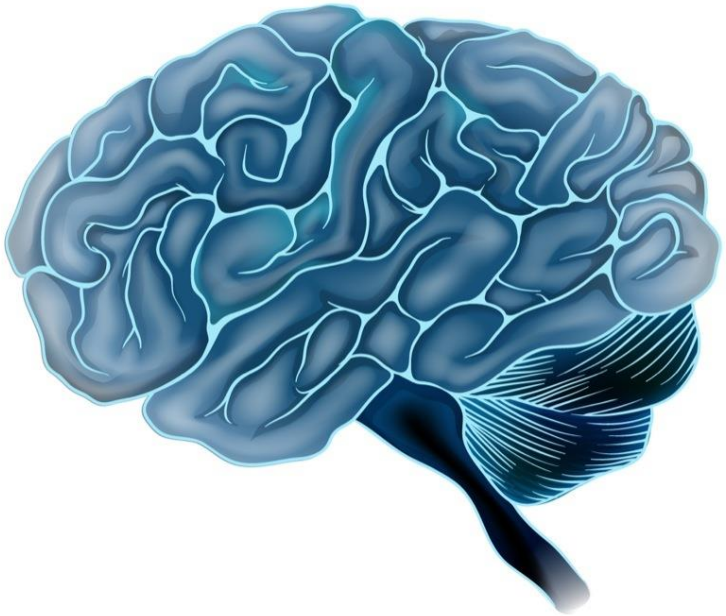
I buy online from this retailer (15%)

This retailer projects a conservative image (17%)

This retailer is a world class retailer (17%)

The retailer's private label brands are reliable (21%)

The retailer's store atmosphere is excellent (22%)



TOP 5

The staff is able to give recommendations about the wines (36%)

This retailer makes the prices of the wines easily visible on the shelf (32%)

The staff develops a good relationship with the customers in the store (32%)

This retailer provides good customer service (31%)

The retailer personnel are friendly (31%)

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Wine retailer perceptions (WRP)

Online retailer: strengths and weaknesses

Sample of e-retailers non-exhaustive

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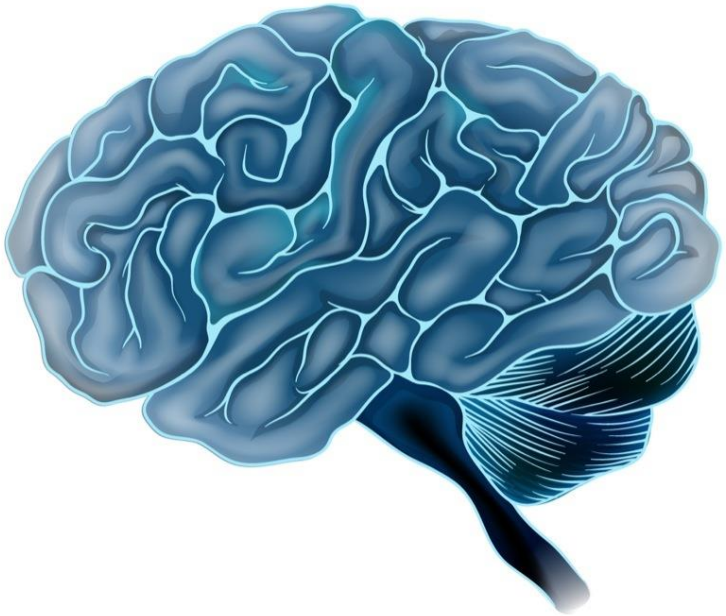
Yesmywine recognised for its wide selection of good value-for-money wines with an easy to navigate website that has clear pricing suitable for the middle class

Yesmywine

也买酒
yesmywine.com



BOTTOM 5

- This retailer projects a conservative image (22%)
- This retailer delivers wines fast (25%)
- This retailer has safe financial transactions (27%)
- This retailer keeps my personal data confidential (28%)
- The wines sold by this retailer are of good quality (29%)

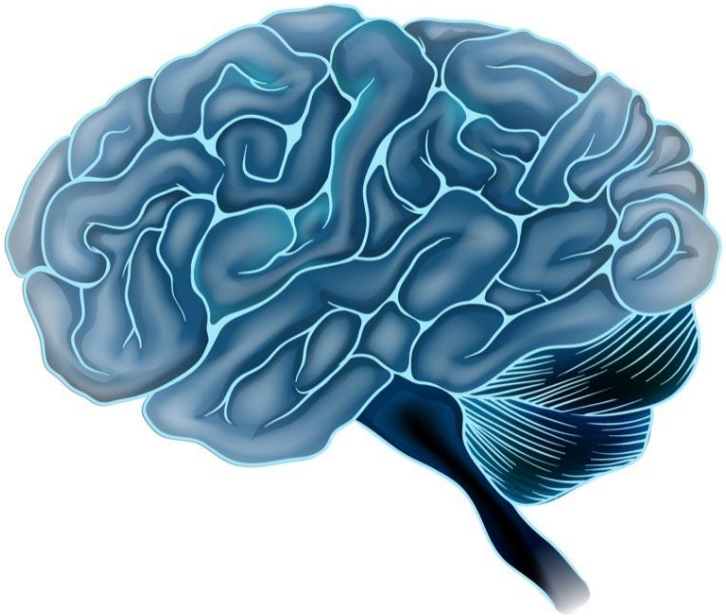
TOP 5

- This retailer makes the prices of the wines easily visible on the website (40%)
- This retailer carries a wide selection of wines (39%)
- The website is easy to navigate (39%)
- You get good value-for-money on the wines sold by this retailer (37%)
- This retailer serves the middleclass (31%)

Tmall recognised for having a wide selection of wines on an easy to navigate attractive website with clear pricing and safe financial transactions

Tmall

天猫 TMALL.COM



BOTTOM 5

- This retailer projects a conservative image (26%)
- The wines sold by this retailer are of good quality (34%)
- The retailers' private label brands are reliable (35%)
- This retailer is a world class wine retailer (36%)
- This retailer keeps my personal data confidential (39%)

TOP 5

- The website is easy to navigate (56%)
- The website is attractive (53%)
- This retailer has safe financial transactions (52%)
- This retailer carries a wide selection of wines (52%)
- This retailer makes the prices of the wines easily visible on the website (51%)

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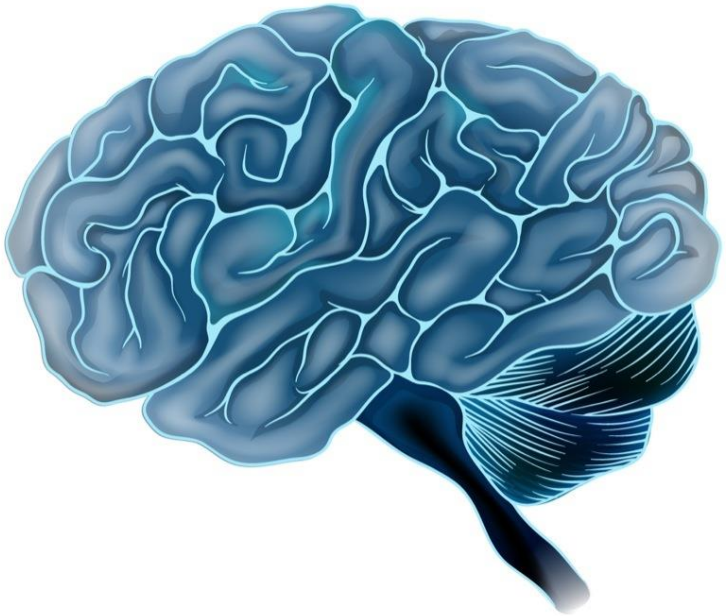
Jiuxian recognised for its Chinese appeal and having an easy to navigate website with clear pricing that carries a wide range of good value-for-money wines

Jiuxian

BOTTOM 5

- This retailer projects a conservative image (27%)
- This retailer has fast financial transactions (31%)
- The retailers' private label brands are reliable (31%)
- This retailer has safe financial transactions (31%)
- This retailer delivers wines fast (32%)



TOP 5

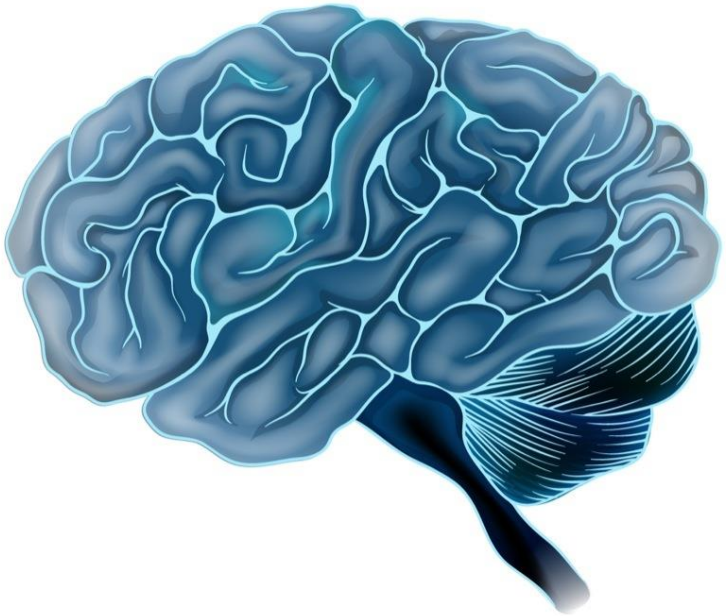
- The website is easy to navigate (46%)
- This retailer carries a wide selection of wines (44%)
- This retailer makes the prices of the wines easily visible on the website (44%)
- You get good value-for money on the wines sold by this retailer (43%)
- This retailer has a clear Chinese appeal (42%)

Australian Government
Australian Grape and Wine Authority

PinWine recognised for serving the middle class with a wide range of good value-for-money wines with clear pricing on a website that provides good recommendations

PinWine

品尚红酒
www.wine9.com



BOTTOM 5

- This retailer projects a conservative image (23%)
- This retailer has fast financial transactions (26%)
- This retailer delivers wines fast (26%)
- This retailer keeps my personal data confidential (27%)
- This retailer delivers wine safely (27%)

TOP 5

- This retailer carries a wide selection of wines (39%)
- You get good value-for money on the wines sold by this retailer (38%)
- This retailer serves the middleclass (38%)
- This retailer makes the prices of the wines easily visible on the website (38%)
- The website provides good recommendations about the wines (37%)

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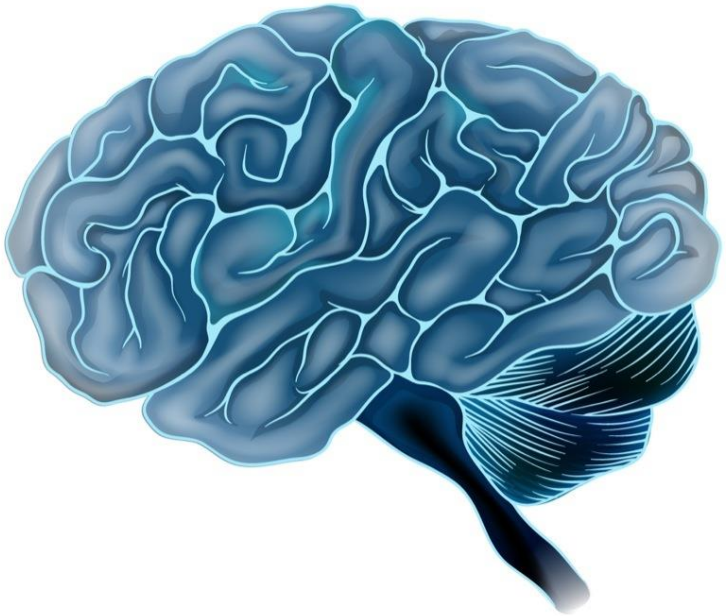
JiuMei is recognised for having an easy to navigate website with clear pricing and good recommendations and carries a wide range of good value-for-money wines

JiuMei

酒美网
JiuMei.com



BOTTOM 5

This retailer projects a conservative image (24%)

This retailer keeps my personal data confidential (25%)

I frequently see advertisement about this retailer off the internet (25%)

This retailer delivers wine fast (26%)

This retailer is a world class wine retailer (26%)

TOP 5

You get good value-for money on the wines sold by this retailer (35%)

This retailer carries a wide selection of wines (35%)

The website is easy to navigate (34%)

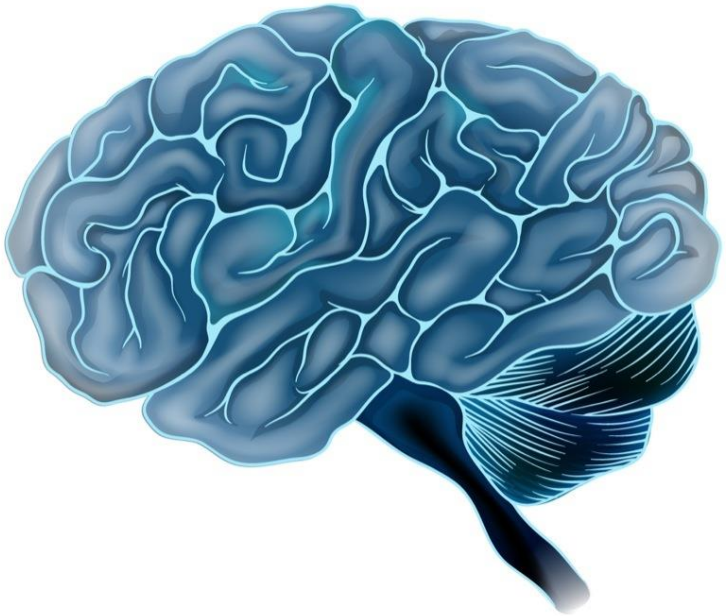
This retailer makes the prices of the wines easily visible on the website (33%)

The website provides good recommendations about the wines (33%)

M1ntcellars recognised for being a world class retailer selling a wide selection of good quality and good value-for-money wines with clear pricing

M1ntcellars

M1NTCELLARS.COM



BOTTOM 5

- This retailer projects a conservative image (19%)
- This retailer delivers wine fast (20%)
- This retailer has a clear Chinese appeal (22%)
- This retailer delivers wine safely (22%)
- I frequently see advertisement about this retailer off the internet (22%)

TOP 5

- This retailer makes the prices of the wines easily visible on the website (31%)
- You get good value-for-money on the wines sold by this retailer (31%)
- This retailer is a world class retailer (29%)
- This retailer carries a wide selection of wines (29%)
- The wines sold by this retailer are of good quality (29%)

Australian Government
Australian Grape and Wine Authority

Recommendations

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The opportunity for Australia

The issue of dropping awareness for Australia and Australian wine regions is of concern.

This seems to be part of a trend, as Chinese consumers may be overwhelmed with information or just not as interested in detailed information as before, as the market matures.

Of note is the continued rise of online retailing which may offer opportunity.

Industry-level actions:

- Australia as a country and its constituting wine regions must continue to be promoted widely to invert the decline in awareness and increase their top-of-mind awareness among Chinese consumers.
- The move to more in-home usage of wine means Australia must continue to develop retail channels and portray informal and at-home occasions as part of its promotional strategy. Positive referrals by previous wine users are key for wine selection.

The opportunity for Australia (cont.)

Following from the country-level recommendations above, producers must work hard to get visibility for their wines in both brick and mortar stores and online.

Producer level actions:

- Australian producers must continue to promote their wines and educate the trade. Consumers like the taste of Australian wines, so use this in promotion.
- Australian producers must emphasise their regional origins both on the package and in communication and education. The grape variety-region association is weakening and should be strengthened.
- There is growth in both online channels and purchasing for in-home consumption. Wine producers need to be online and communicate quality, history, clean and green messages. China is moving towards less formal wine consumption and Australian producers can be the touchstone.

Contact details

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