USA – American and imported red wines – Market study and sensory evaluation analysis

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This study presents an analysis of wine consumption in the USA with predictions to 2021. It establishes relationships between market trends and organoleptic characteristics of local and imported red wines. The mappings included in the study represent tools for analysis and identification of technical lever of actions to aim at or strengthen the offer of wines in the different groups.

KEY ASPECTS OF THE STUDY

- General information about the market (still and sparkling wines)
- Market trends and predictions for 2021
- Success elements and consumer categories
- Sourcing of red wines in the United States (both American and imported)
- Sensory evaluation through an Expert Jury
- Sensory analysis of 60 American and 50 imported wines
- Segmentation of wines into 7 groups by sensory/organoleptic common characteristics
- Description of the different groups
- Tendencies for each group
- Example of levers of action at the vineyard and in the winery for each group

The United States have become the world’s largest wine consumer and the 4th world’s wine producer, confirming its market promising growth expectations.

In the USA, wine is not reserved for special occasions any longer and has found its place in every-day habits. Consumers are increasingly educated about wine and get to like it. Nevertheless, in spite of their first place in the world consumer ranking, consumption per capita is still low in the USA, with 10 L per capita per year against 45 L per capita per year in France for instance. The good growth expectations are therefore confirmed for the developing, yet very attractive US market. From this, the question is about the most promising segments and the key to success for this developing market.

In a constantly changing US market, this study will allow to access market data on wine consumption in the USA, on its specificities and on the competition existing in this market.

This unprecedented study allows to understand the relationship between market trends and sensory characteristics, and describes the best-selling wines in the American market. As it gives information about the best-selling segments and the profile of the demanded wines, this study represents a strategic tool for positioning a brand or wine in the United States.
Presentation of Vivelys methodology

1- Main market characteristics
   a. General data and predictions for 2021

After the economic crisis in 2008, although in most of the big wine-consuming countries wine consumption stagnated, and even decreased between 2010 and 2015, the United States was one of the only in the ranking where wine consumption has been in constant growth. This positions the country as the world’s largest wine consumer since 2010.

Although still wines are more represented than sparkling wines, the latter are the ones in the center of the trends. At the same time, it seems that the US market is turning towards consuming higher quality wines.

b. The American wine industry

If the USA is the 4th world’s largest wine producer, California represents 88% of wine production in the United States.

With an increasing local consumption, there is little need to enter the export market, and most part of the production is therefore sold in the local market.

American wine production is dominated by some brands, with groups sharing most sales. These brands know how to adapt their organoleptic profile, packaging and advertising to new consumer categories.

c. Imports

The United States is the world’s largest importer in value, with an impressive two-digit average annual growth. This way, regardless of the type of wine, imports in the USA are in constant growth, with a higher growth for sparkling wines predicted to 2021.

2- Sensory evaluation

The sensory part of the study aims at the organoleptic profiles of the wine market in the USA and divides wines from a sensory point of view. This unprecedented approach gives information about the sensory specificities of different wines and opens opportunities to stand out and add value in an increasingly competitive market.

This second part tries first to compare the “average” sensory profile of American wines with that of imported wines in the USA, so as to highlight the differences between both types of wines.

Secondly, the different sensory types frequently found in the US market were divided in groups whose profiles have been established afterwards.

This study focuses on the wines American consumers purchase the most. This allows to establish relationships between sales trends and sensory characteristics. The sensory descriptions of the groups are made by a panel of trained experts. They help wineries identify key actions at the vineyard and in the winery.
# MAIN BRANDS MENTIONED IN THE STUDY

## USA:
- Sutter Home
- Carlo Rossi
- Peter Vella
- Beringer
- Apohic
- Vendange
- Livingston
- Black Box
- Kendall Jackson
- Liberty Creek
- Inglenook
- E & J Gallo Twin Valley
- Ste Michelle
- Barefoot
- Arbor Mist
- Ménage à Trois
- Almaden
- Vendange
- Cup Cake
- Charles Shaw
- Bota Box
- Bogle
- Corbett Canyon
- Robert Mondavi
- Woodbridge
- Blossom Hill
- Rex Goliath
- Franzia
- La Crema
- Fetzer
- Blossom Hill
- Jack Rabbit
- Revolution
- Clos du Bois
- La Crema
- 14 Hands
- Meiomi
- ...

## Other Countries:

### Argentine:
- Terrazas
- Alamos Ridge

### France:
- La VieilleFerme
- Louis Jadot
- Gérard Bertrand
- Mouton Cadet
- Georges Duboeuf
- Veuve Clicquot
- Moët & Chandon
- Whispering Angel
- Dom Perignon

### Australia:
- Penfolds
- Lindemans
- Fish Eye
- Jacobs Creek
- Yellowtail
- Little Penguin

### Chili:
- Gato Negro
- Montes
- Casillero del Diablo
- Valdivieso

### Spain:
- Marqués de Cáceres
- Freixenet
- Muriel
- Cristalino
- Campo Viejo
- Marqués de Riscal
- Segura Viudas
- Cristalino

### Italy:
- La Marca
- Santa Margherita
- Ruffino
- La Marca
- Verdi
- Riunite
- Cavit
- Mionetto

### New Zealand:
- Oyster Bay
- Starborough
- Kim Crawford
MAIN GROUPS AND WINERIES MENTIONED IN THE STUDY

USA:
- The Wine Group
- Trinchero
- Bronco
- E&J Gallo
- Ste Michelle
- Accolade
- Jackson Family Wines
- Treasury
- Bogle
- CK Mondavi
- J. Lohr
- Don Sebastani & Sons
- Heck
- The Wine Group
- Francis Ford Coppola
- W.J. Deutsch
- Rodney Strong
- Riboli
- Delicato
- ...

OTHER COUNTRIES:
- Cavit
- Banfi Tuscany
- Louis Jadot
- Marqués de Caceres
- Casella Wines
- Freixenet
- Concha y Toro
- Pernod Ricard
- Ruffino
- Catena Zapata
- Gérard Bertrand
- LVMH
- Delegat’s
- Barcardi Martini
- Riuinite & CIV
- Zonin
- ...

FUENTES CONSULTADAS

Data:
- IWSR (database, US’ forecast 2021, Inaugural forecasting the future conference)
- OIV
- France AgriMer
- Agrex Consulting
- The Wine Institute
- Agriculture Counts (National Agricultural Statistics Service - NASS)
- TTB Datas
- Vitisphère
- IFV Sud-Ouest
- Sud de France
- Ministerio de Agricultura – Spain
- ISTAT – Italy
- Gallo Wine Trends Surveys
- The Wine Market Council’ annual presentation
- Nielsen’s Beverage Alcohol Practice Area)

Market visits (price collection, pictures of packaging, advertisements...):
- Walmart
- Costco
- BevMo !
- Safeway
- Target
- Trader Joe’s
- Total Wine & More
- CVS pharmacy
EXECUTIVE SUMMARY

I. General characteristics: the wine market in the USA
II. The American wine industry
III. Imports towards the United States
IV. The sensory evaluation

AIMS AND PRESENTATION OF THE STUDY

Aims of the study

METHODOLOGY

Resources
Market visits
American wines
Imported wines
Sensory method
A. The Sensory evaluation
Industries related to sensory evaluation
Sensory evaluation: main applications in companies
Main applications in the wine and spirits industry
B. Applied sensory method

1ST PART: MAIN CHARACTERISTICS OF THE MARKET

I. General information & projections for 2021

1) USA – the world’s largest market since 2010

World consumption: stagnation
When the US surpasses France
2) Tendencies by category (still / sparkling wines)
Still wines
Sparkling wines
3) Tendencies by color
4) Tendencies by price brackets
Still & sparkling wines
Local & imported wines
Still wines
Sparkling wines

II. The American wine industry

1) Vineyards & production
USA
California
2) Main agents of the wine industry
3) Export of US wines
The main exporting countries in the world
The main importing regions of American wines
The main importing countries of American wines
Exports by category and container
The main American exporters
4) The main American brands
5) Brands adapted to the targeted consumer  
   A research to know consumers “Millenials” take the lead!  
   Necessary adaptation to recruit « Millenials »  
   American brands that adapt to different categories

7) Imported brands adapted to the consumer according to the country

8) Main distributors

II. Imports

1) The main importing countries in the world
2) Market share of imported wines in the USA
3) Main import countries in the USA
4) Import tendencies by category: still and sparkling wines

5A) Import tendencies by category & country
   Still wines
   Sparkling wines

5B) Import tendencies by price bracket
   Still wines
   Sparkling wines

6) Main imported brands
   Imported brands in volume
   Imported brands in value
   Imported brands by price bracket
   By country (Top 7 countries)
   #1 Italy
   #2 France
   #3 Australia
   #4 Spain
   #5 Chili
   #6 Argentine
   #7 New Zealand

2\textsuperscript{nd} PART: SENSORY EVALUATION

I. General comparison: American wines Vs. imported wines

II. Detailed segmentation: 7 organoleptic groups

1) Group 1:
   Sensory characteristics
   Sales tendencies in the market

2) Group 2:
   Sensory characteristics
   Sales tendencies in the market

3) Group 3:
   Sensory characteristics
   Sales tendencies in the market

4) Group 4:
   Sensory characteristics
   Sales tendencies in the market

5) Group 5:
   Sensory characteristics
   Sales tendencies in the market
   A very dynamic sub-group

6) Group 6:
   Sensory characteristics
   Sales tendencies in the market

7) Group 7:
   Sensory characteristics
   Sales tendencies in the market

III. Summary of the groups

IV. Example of levers of technical actions at the vineyard and in the winery for each group
Annex 1– American wine companies: Top 30 US wine companies in the local & exports markets (in volume)
Annex 2A– American wine brands: Top 30 US wine brands in the local market (in volume)
Annex 2B– American wine brands: Top 30 US wine brands in the local market (in value)
Annex 2C– American wine brands: Top 15 US wine brands in the export markets (in value)
Annex 2D– American wine brands: Top 10 US wine brands by price bracket (in value)
Annex 3A– Imported brands: Top 30 imported brands in the USA (in volume)
Annex 3B– Imported brands: Top 30 imported brands in the USA (in value)
Annex 3C– Imported brands: Top 10 imported brands in the USA by price bracket (in value)
Annex 3D– Imported brands: Top 30 imported brands in the USA by country (in value)
Annex 4A– Sensory evaluation: Listing of American wines
Annex 4B– Sensory evaluation: Listing of imported wines
Annex 5A– Packaging of American wines: Classic codes
Annex 5B– Packaging of American wines: Contemporanean, extravagant codes
Annex 5C– Packaging of American wines: Contemporanean, extravagant codes (Premium & Super Premium price brackets)
Annex 5D– American brands: a crossed-brand strategy: Example of Barefoot (E&J Gallo)
Annex 5E– American brands: Promotions importantes, créatives
Annex 6A– Packaging of imported wines: Italy
Annex 6B– Packaging of imported wines: France
Annex 6C– Packaging of imported wines: Australia
Annex 6D– Packaging of imported wines: Spain
Annex 6E– Packaging of imported wines: Others (Chili, Argentine, New Zealand)
Annex 7– Sources used
ORDER FORM

Send to:
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Domaine du Chapitre
170 Bd du Chapitre
34750 Villeneuve-lès-Maguelone
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Phone: +33 (0)4 67 85 68 40
Email: contact@vivelys.com
www.vivelys.com

STUDY ORDERED:
USA – American and imported red wines
Market study & sensory evaluation

CLIENT INFORMATION

Name: ........................................
Surname: ......................................
Position: .........................................
Company: ....................................... 
Address: ........................................
Post code: .................................
City: ........................................
e-mail: ........................................
Phone number: ..............................
Intra-Community VAT No.: ................
SIRET No.: .................................

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