



2020 OREGON WINE AT RETAIL

NIelsen DATA FOR 52 WEEKS ENDING 1/2/2021

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OREGON WINE BOARD



OBSERVATIONS ON OREGON'S PERFORMANCE IN 2020

OVERALL: Oregon wine's growth in dollar value (+23.9%) and case volume (+22.5%) far outpaces the average table wine category's performance (+16.0% and +11.0% respectively).

COMPETITIVE REGIONS: Oregon's growth continues to outperform that of Washington State and California, despite commanding a significantly higher average price per bottle. This is true across the U.S. as a whole and in most of the major markets analyzed.

PRICE TIERS: Premium price segments enjoyed the largest growth rates during the COVID-19 lockdown.

- This trend benefits Oregon, as wines \$15+ comprise 56% of Oregon volume sold at retail, compared to 8.5% of all wines.

AVERAGE PRICE: Oregon's price per bottle grew slightly to \$16.66—more than double the category average of \$8.01.

- Reflecting the premiumization trend, the average price commanded for a 750 mL bottle of wine increased 4.5% in 2020.

VARIETIES: Oregon Pinot noir and Oregon Chardonnay continue to outperform their respective categories in both value and volume growth.

OBSERVATIONS ON OREGON'S PERFORMANCE IN 2020 (cont'd)

HOME MARKET: Oregon wine's growth rate is significantly lower in Oregon (+14%) than in the rest of the U.S. combined (+25%), which may be expected given its dominant market position in Oregon across price points.

- Oregon wine commands a 48% share of the \$15+ segment in Oregon compared with 5% share of that segment nationally.

PENETRATION: Oregon's national presence is at an all-time high of 51.7% ACV, indicating at least one Oregon wine was scanned in more than half of Nielsen-measured outlets during the year.

- The average number of items per point of distribution held steady at 6.6.

VELOCITY: Oregon's velocity, calculated as sales per point of distribution, was the primary driver of Oregon's overall growth in 2020, increasing 23.7%.

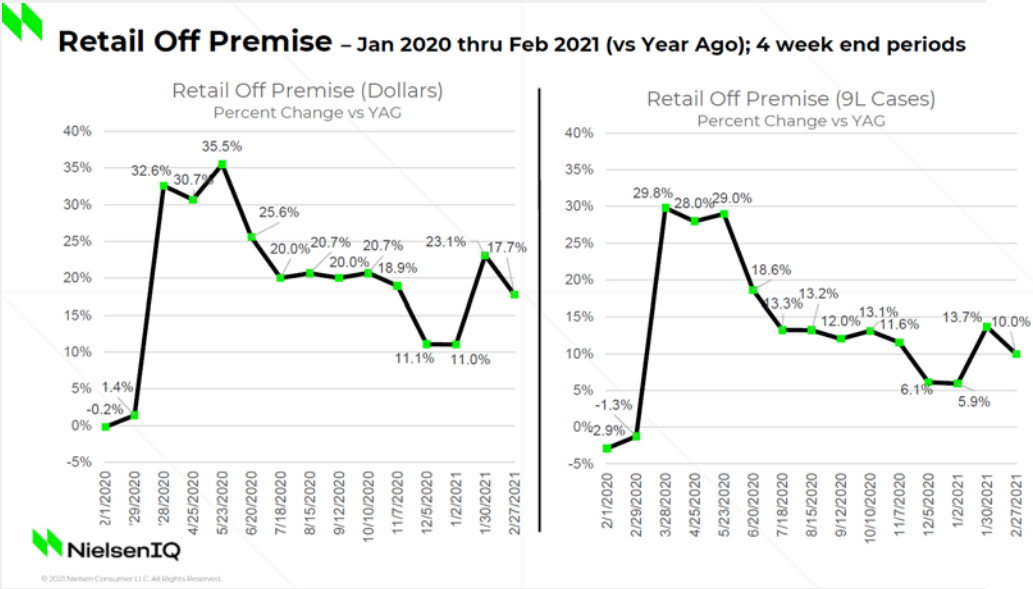
A NOTE ABOUT COVID-19 AND WINE AT OFF PREMISE RETAIL IN 2020

Stay-at-home policies and restaurant closures impacting consumer behavior nation-wide resulted in dramatic channel shifting for wine.

The retail channel benefitted heavily, with off-premise wine sales jumping from roughly flat growth heading into 2020 to the 30% range in March, April and May.

Growth rates settled into the 20% range (\$) and low-to-mid teens (volume) throughout the summer and fall, declining slightly at the holidays and picking up again in the last 2 periods that lap the pre-pandemic period.

For previous growth trends, see the [2019 report](#).



NielsenIQ chart shared with permission

NIELSEN'S RELEVANCE TO OREGON WINE

The volume reported through Nielsen accounts for a substantial amount of Oregon sales¹:

- 32% of Oregon wine sold globally across all channels

- 48% of Oregon wine sold through domestic wholesale channels outside of Oregon

The 2020 report comprises 365 Oregon brands and 1,437 Oregon UPCs

Nielsen's tracked outlets have grown substantially over the years to encompass as many channels as possible. Their modeling scales up scanned data to create a projection of the full universe of wine retail outlets. Stores scanned include:

- Traditional Grocery stores

- Liquor stores in many markets, including 16 major chains, e.g. BevMo, Total Wine, Binny's, Spec's, ABC Liquor

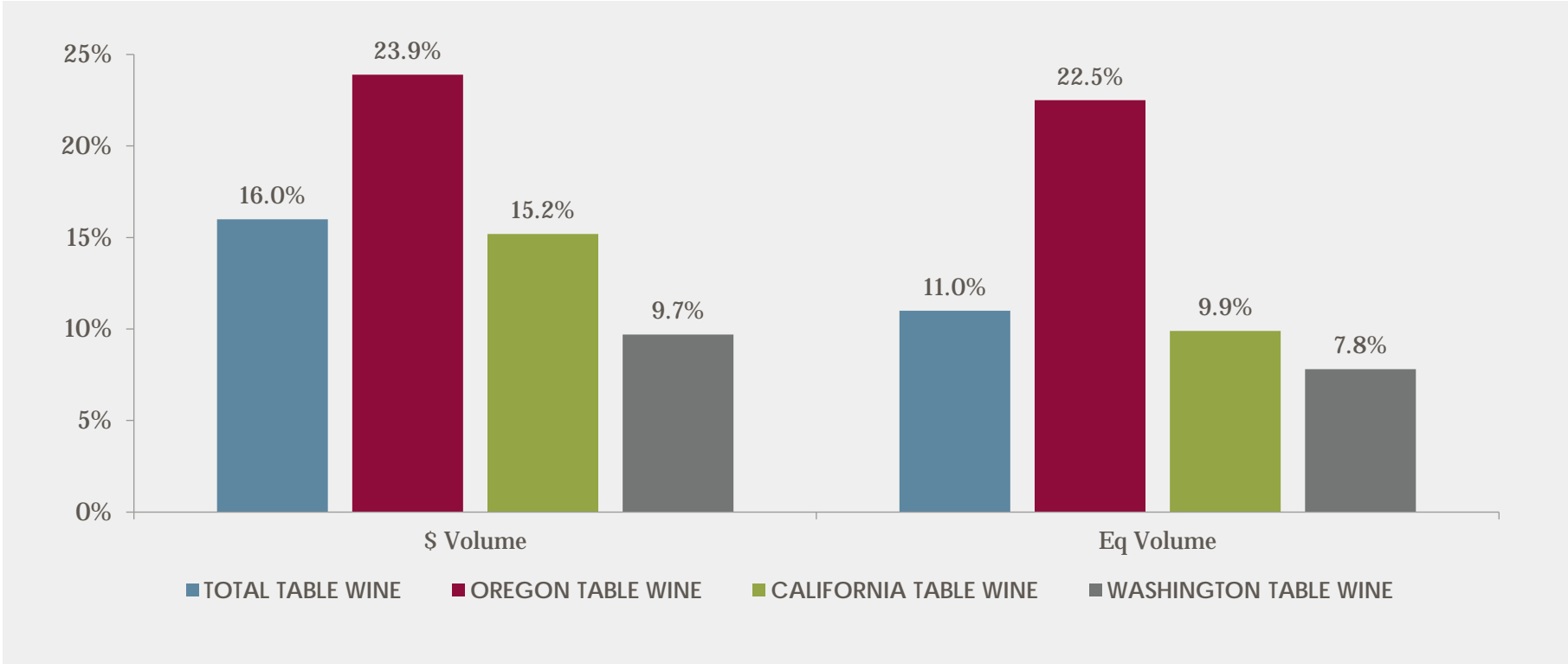
- Mass merchandisers (Target, Walmart)

- Club stores (BJ's, Sam's Club)

- Drug stores and the Dollar channel

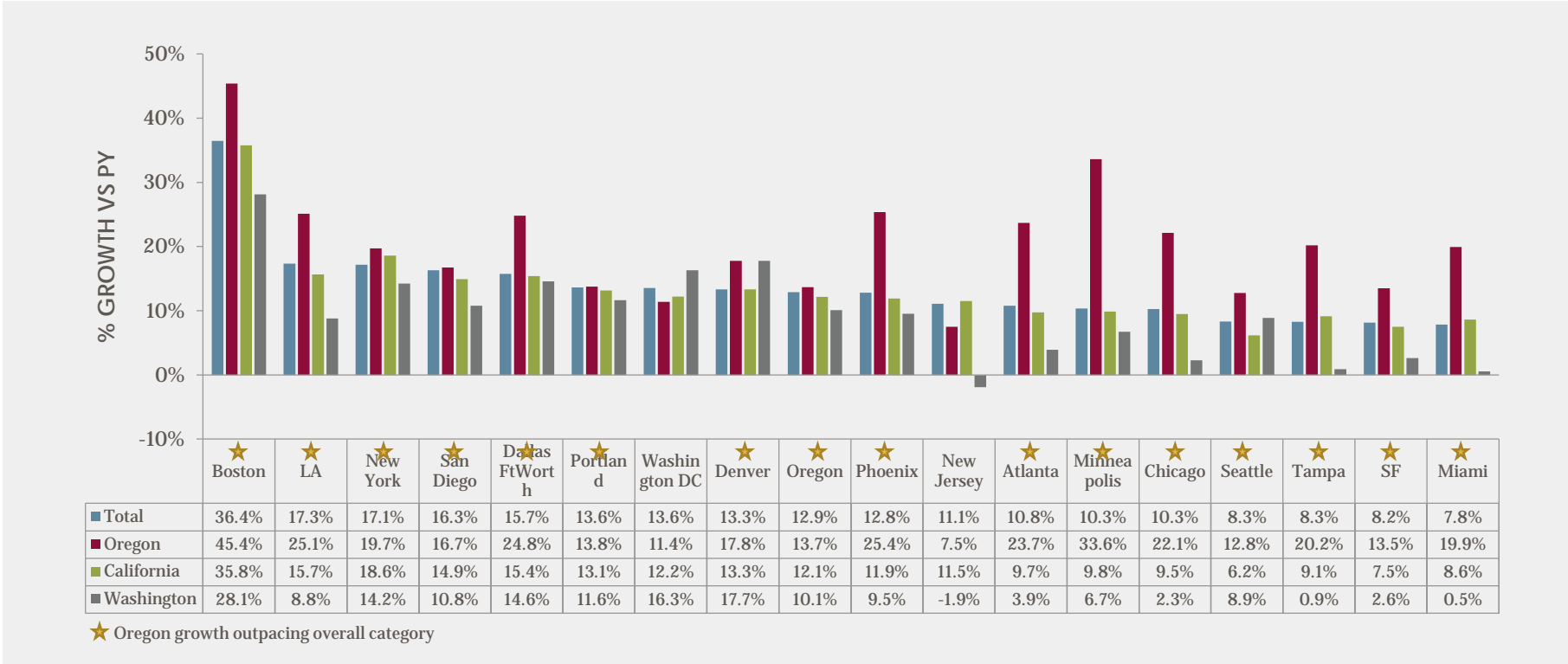
¹Nielsen, Total US xAOC + Liq Plus, 52 w/e 1/2/21 and 2019 Oregon Vineyard & Winery Report

GROWTH BY SEGMENT: NATIONAL



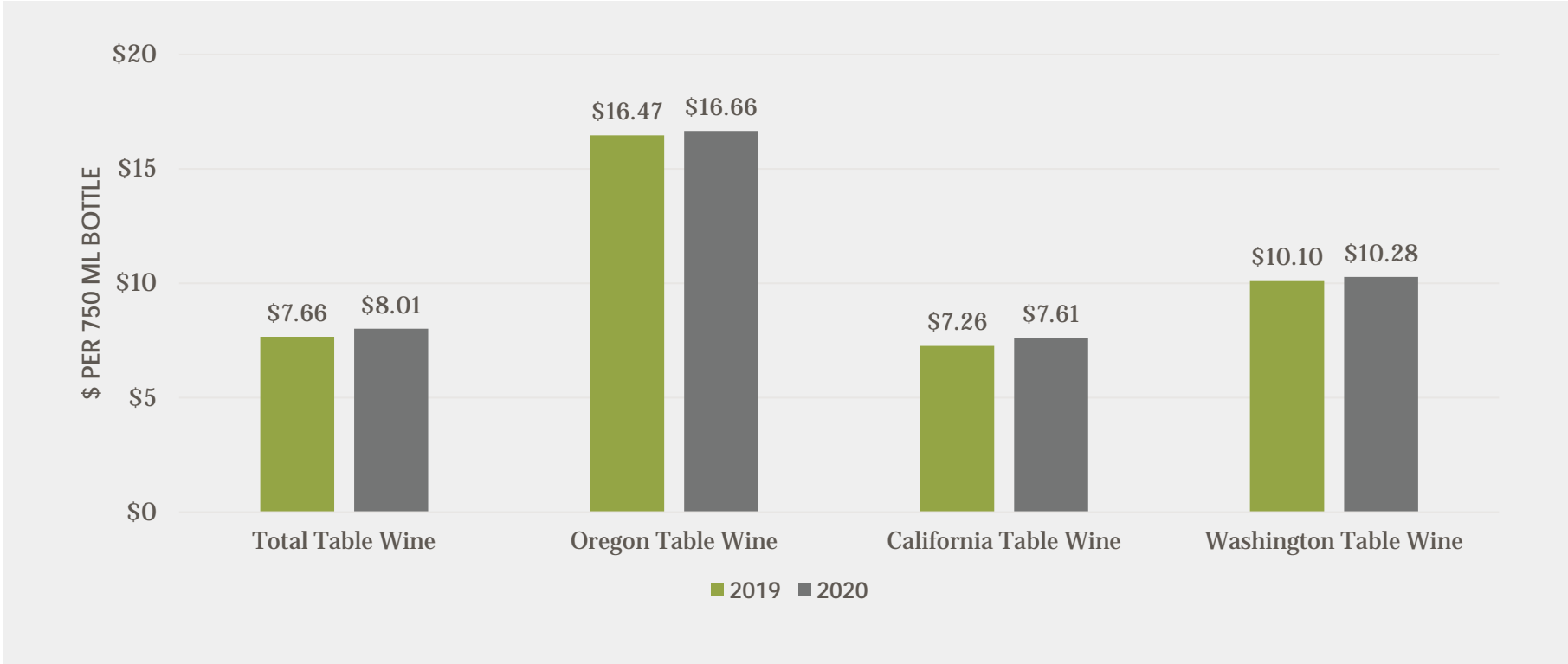
Source: Nielsen, Total US xAOC + Liq Plus, 52 w/e 1/2/21

\$ GROWTH BY SEGMENT BY MARKET



Source: Nielsen, Total US xAOC + Liq Plus, 52 w/e 1/2/21; markets listed in descending order of Total Table Wine growth rate

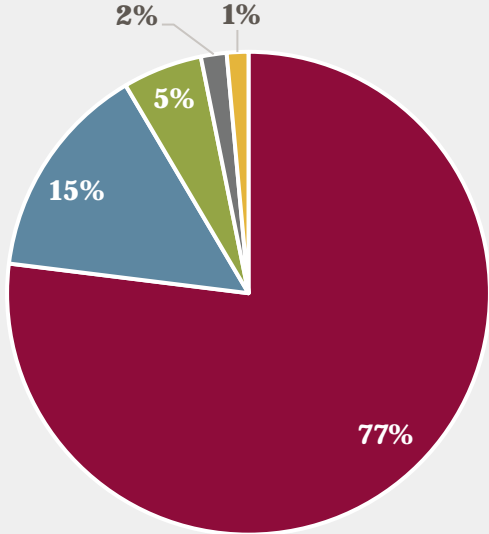
AVERAGE PRICE PER 750ML: NATIONAL



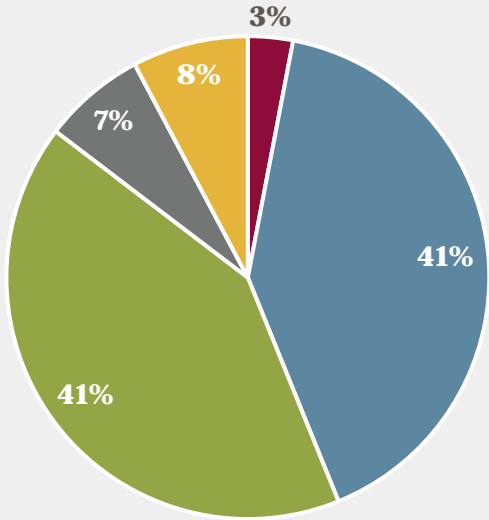
Source: Nielsen, Total US xAOC + Liq Plus, 52 w/e 1/2/21

% VOLUME SOLD BY PRICE TIER: NATIONAL

TOTAL TABLE WINE



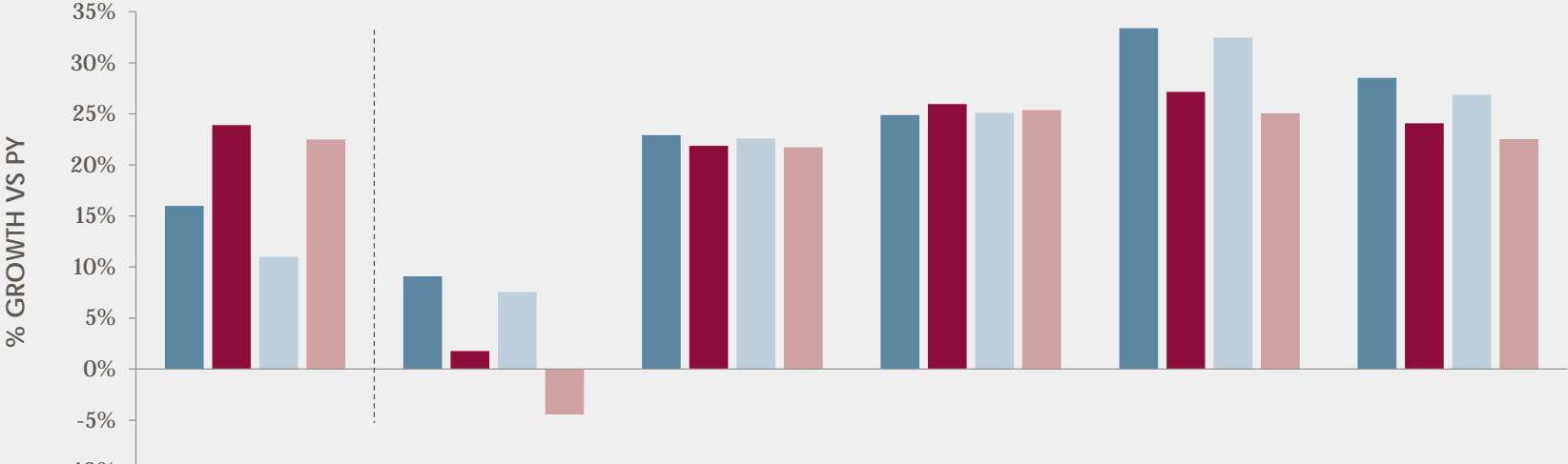
OREGON TABLE WINE



- <\$11
- \$11-14.99
- \$15-19.99
- \$20-24.99
- >\$25

Source: Nielsen, Total US xAOC + Liq Plus, 52 w/e 1/2/21

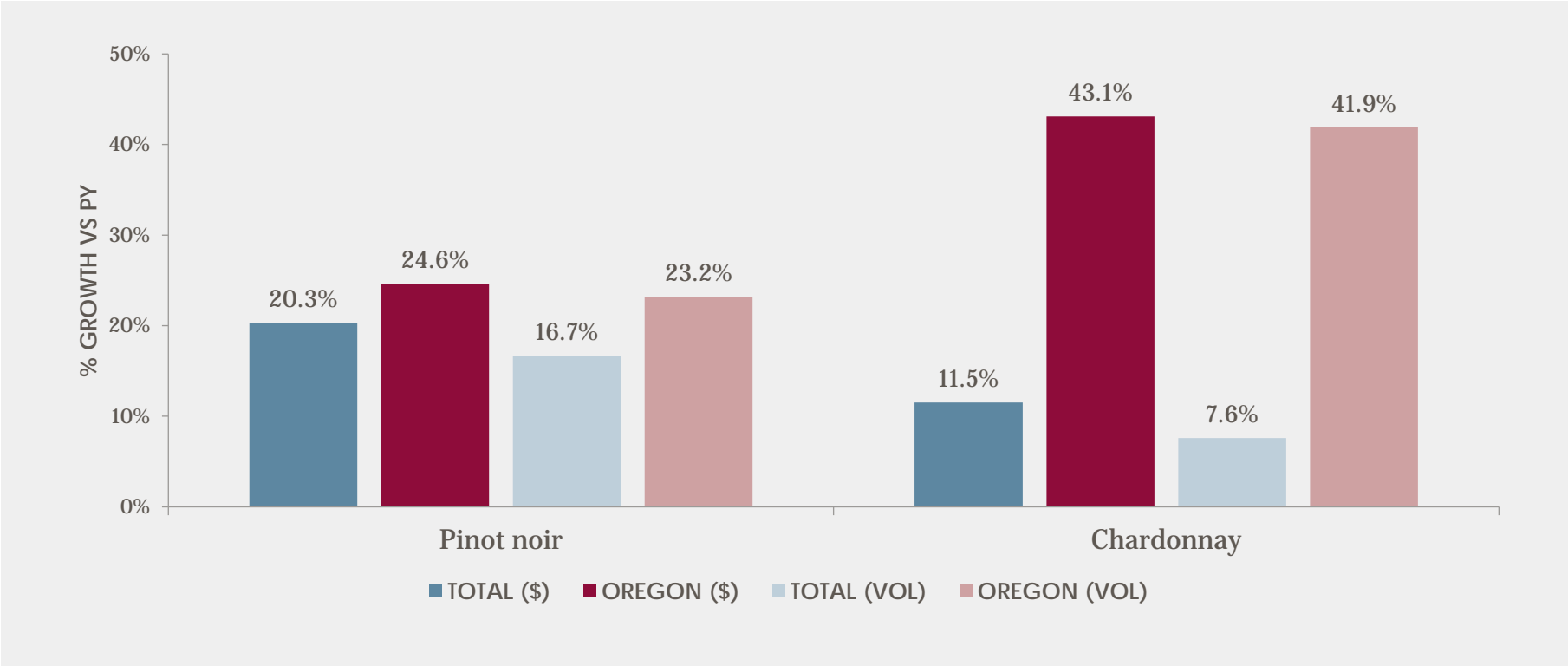
GROWTH BY PRICE TIER: NATIONAL



	Total	<\$11	\$11-14.99	\$15-19.99	\$20 - \$24.99	>\$25
■ Total (\$)	16.0%	9.1%	22.9%	24.9%	33.4%	28.5%
■ OR (\$)	23.9%	1.8%	21.9%	26.0%	27.1%	24.1%
■ Total (Vol)	11.0%	7.5%	22.6%	25.1%	32.5%	26.9%
■ OR (Vol)	22.5%	-4.4%	21.7%	25.3%	25.1%	22.5%

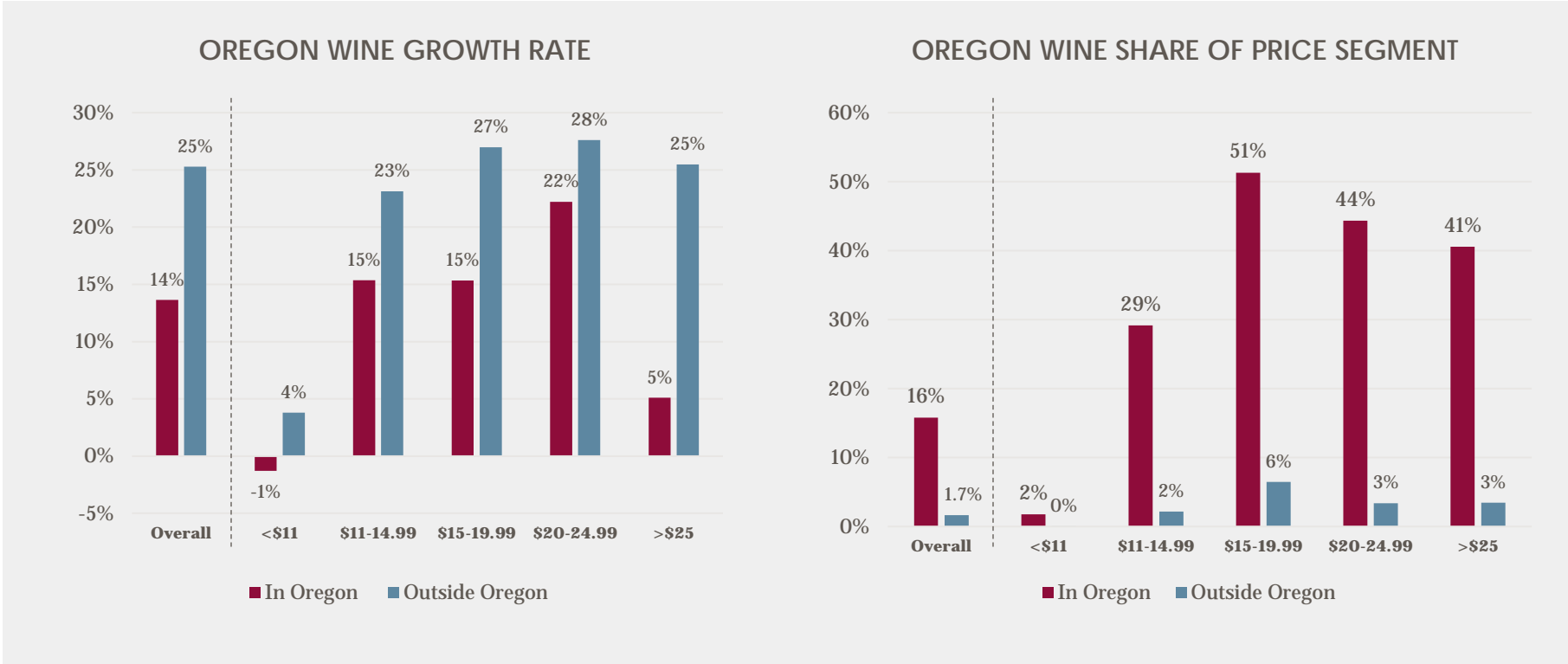
Source: Nielsen, Total US xAOC + Liq Plus, 52 w/e 1/2/21

GROWTH BY VARIETY: NATIONAL



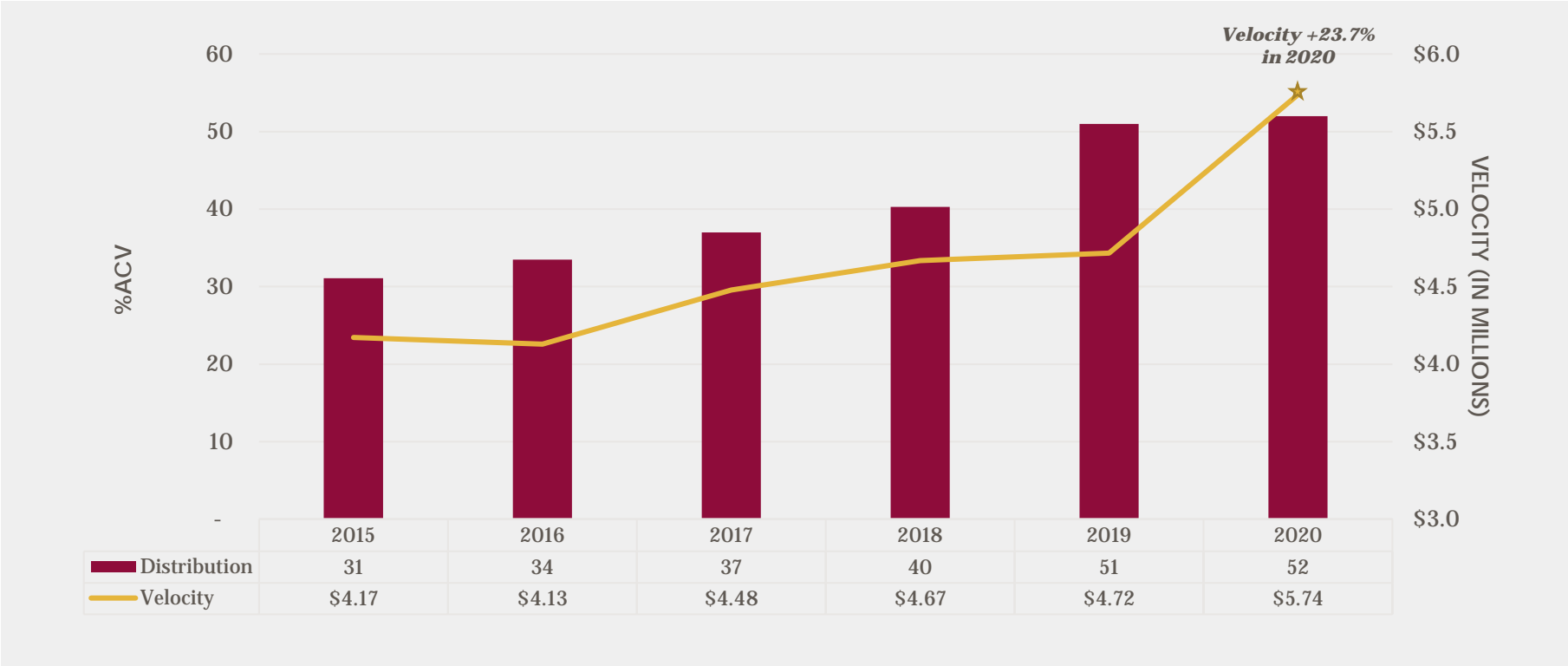
Source: Nielsen, Total US xAOC + Liq Plus, 52 w/e 1/2/21

OREGON WINE IN AND OUT OF OREGON BY PRICE TIER



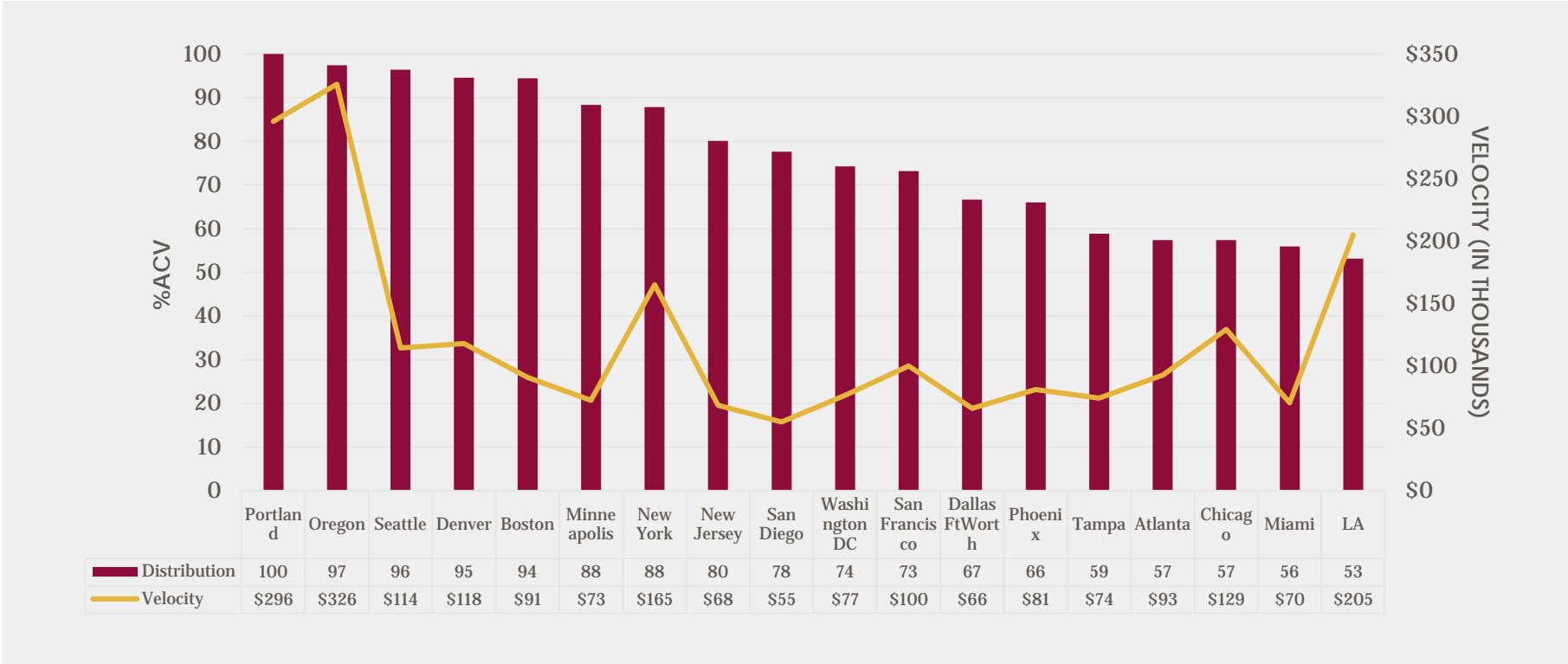
Source: Nielsen, 52 w/e 1/2/21

OREGON WINE DISTRIBUTION AND VELOCITY NATIONALLY OVER TIME



Source: Nielsen, Total US xAOC + Liq Plus, 52 w/e 1/2/21, Velocity stated as \$M/point of distribution

OREGON WINE DISTRIBUTION AND VELOCITY BY MARKET



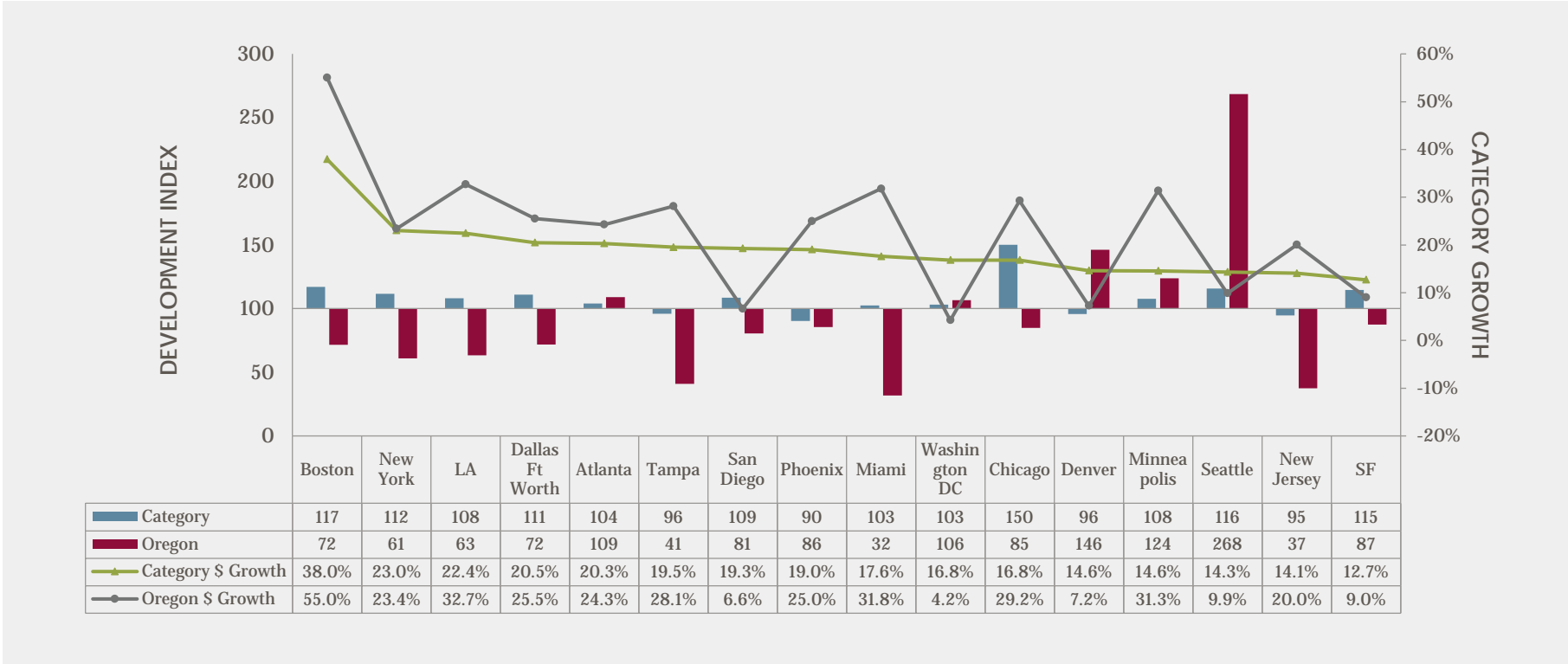
Source: Nielsen, 52 w/e 1/2/21, Velocity stated as \$k/point of distribution



MARKET TRENDS BY PRICE SEGMENT

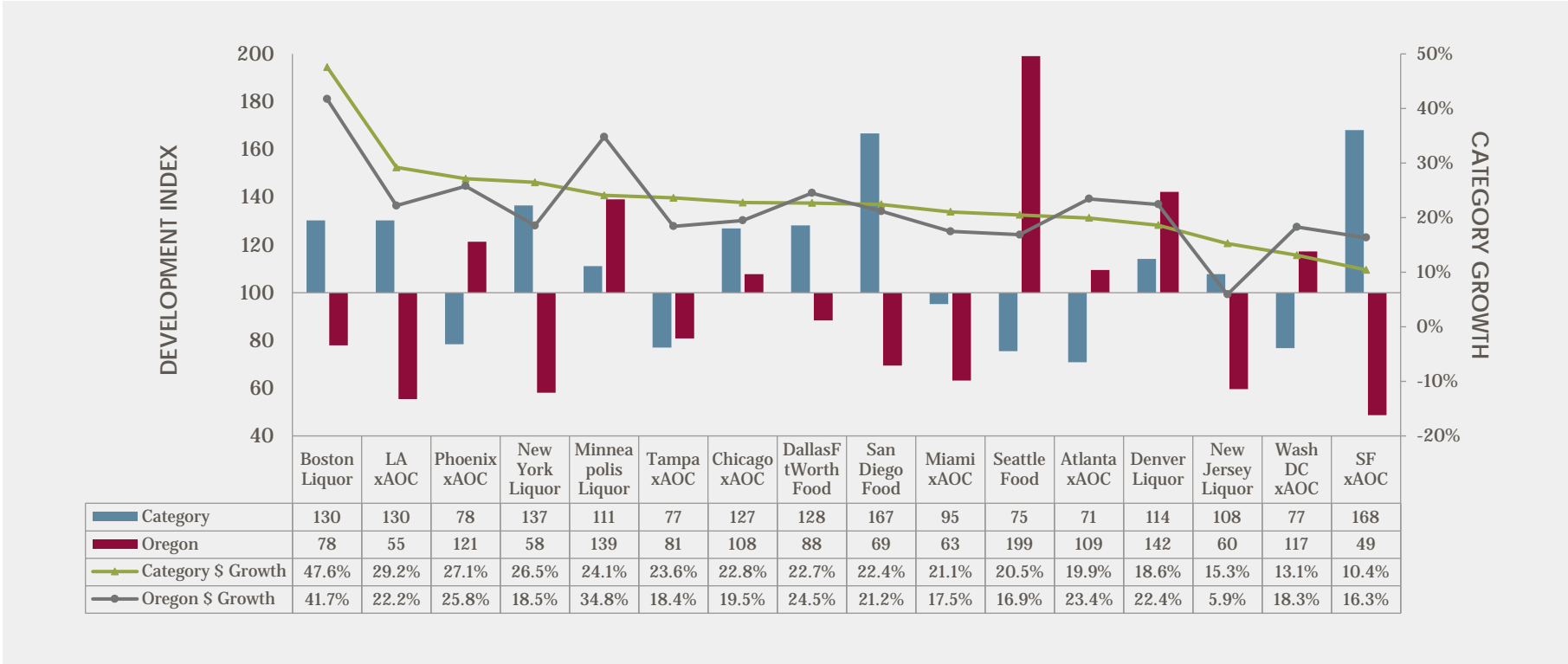
- The following slides show dynamics within price segments in several of the largest wine markets around the U.S.
 - Markets are listed in descending order of category growth within the price segment
- Typically, a category / brand may be considered “underdeveloped” with an index below 85 and “overdeveloped” with an index above 115
 - The category’s development index indicates the price segment’s prominence (share) in a market relative to its share across the U.S.
 - Oregon’s development index indicates Oregon’s prominence (share) in that price segment in that market relative to its share of that price segment across the U.S.
 - Note: This is a change from previous reports that allows for a slightly more nuanced analysis. Previously the development index of an Oregon price segment was calculated based on its overall share in a market, as opposed to its share within the price segment.
- Wineries might choose to look at the chart that represents the price tier they want to play in. Then, they could see how Oregon is performing compared to the category in that price tier in a given market, and how well developed the price tier (and Oregon’s position within it) is.

MARKET TRENDS: \$11-14.99



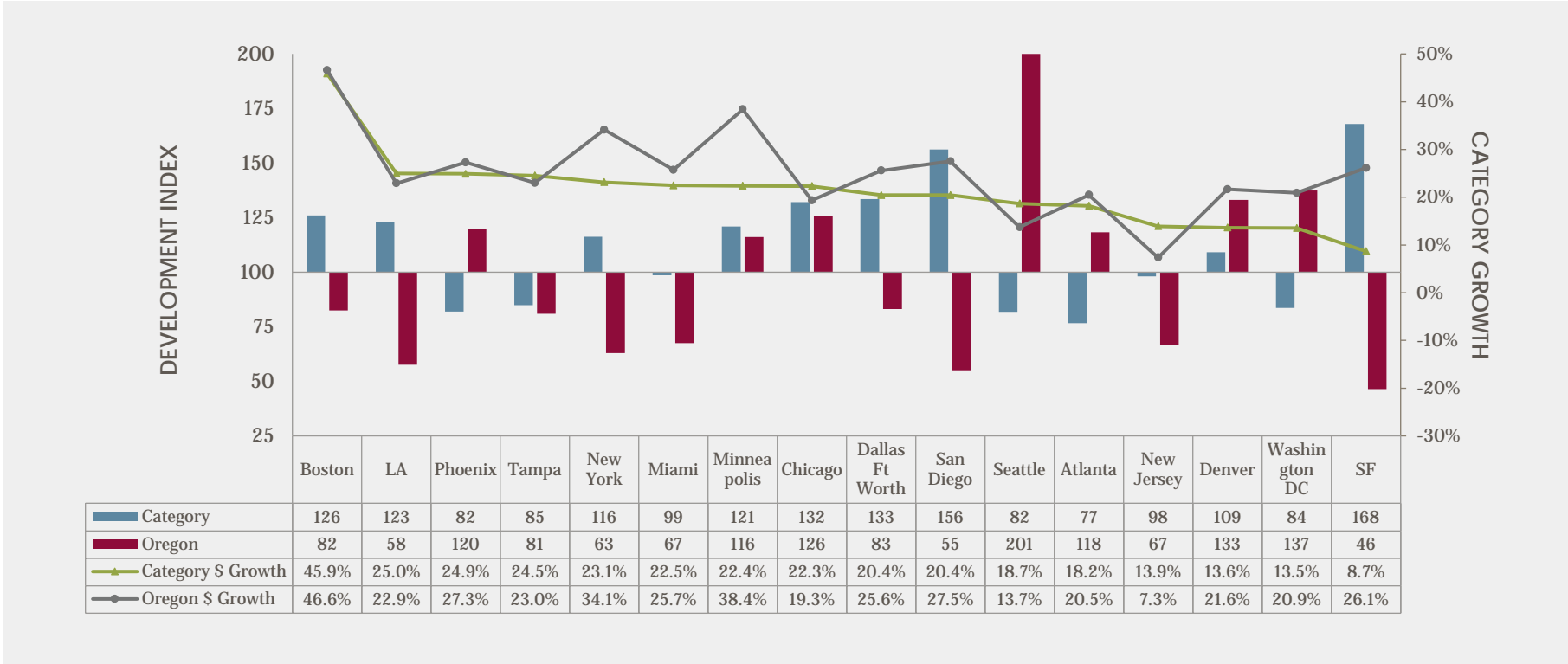
Source: Nielsen, 52 w/e 1/2/21

MARKET TRENDS: \$15+



Source: Nielsen, 52 w/e 1/2/21

MARKET TRENDS: \$15-19.99



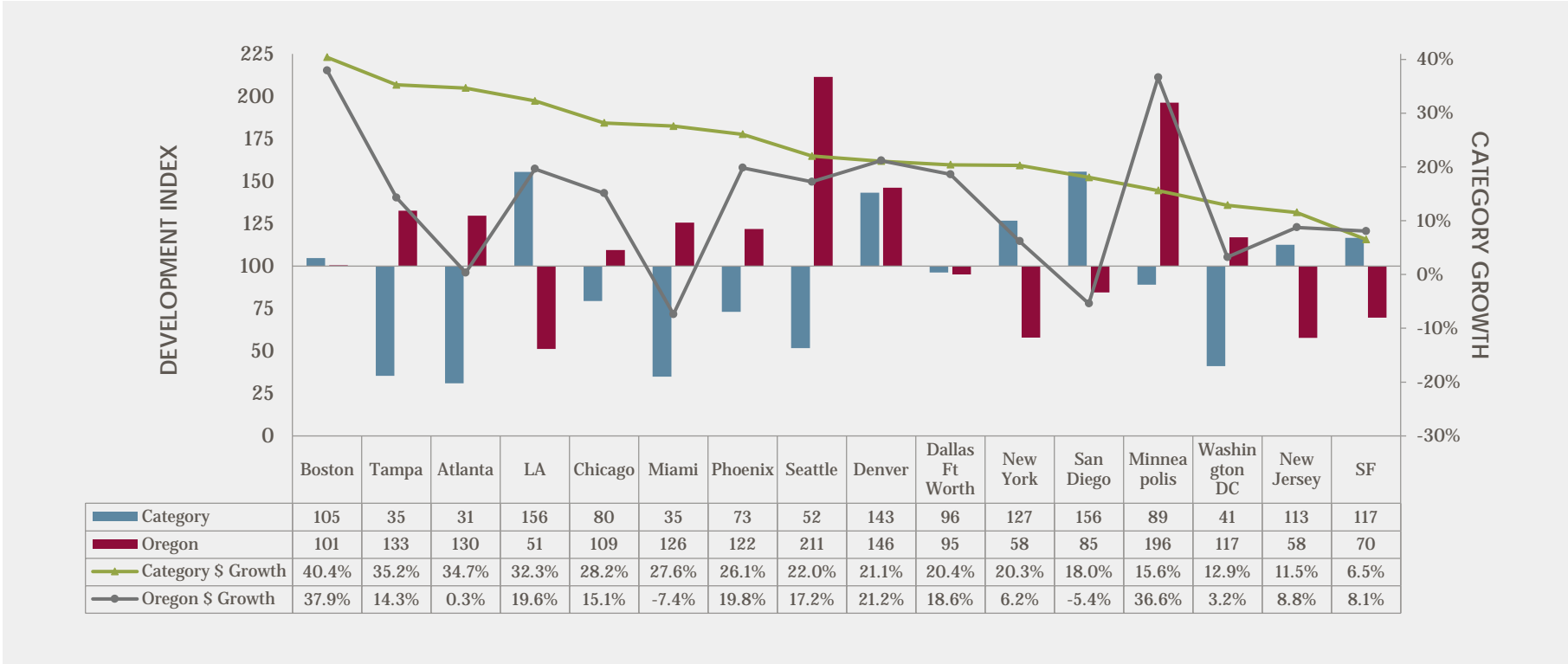
Source: Nielsen, 52 w/e 1/2/21

MARKET TRENDS: \$20-24.99



Source: Nielsen, 52 w/e 12/28/19

MARKET TRENDS: \$25+



Source: Nielsen, 52 w/e 1/2/21

THANK YOU



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<https://industry.oregonwine.org>



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