US LABEL DESIGN

JANUARY 2017

Contents page

A wine label has a lot to achieve in such a small space; it not only has to communicate the most basic information about what is inside the bottle – the varietal or region of origin, for example - but also convey a story, set expectations, and implore the consumer to make a decision. Is this the right wine for them? Particularly, is it right for the occasion on which they plan to enjoy it? No matter how brilliant the vintage or refined the winemaker's skill, a poorly designed label can instantly deter (or attract) consumers.

The purpose of this report is to explore the appeal of commonly found label categories in the US wine market, to see which connect and engage best with different consumers and for different occasions. We conducted qualitative research and asked regular wine drinkers to sort a large number of current wine labels into categories they deemed to have similarities. We asked them to explain what the similarities were and didn't specify how many categories there should be; finally, we asked consumers to give these categories descriptive names.

We partnered with wine label design specialist, Amphora, to develop nine new wine labels which best illustrated the core defining features of each category. This resulted in the formation of our nine tested labels: 'Prestigious,' 'Simple Elegance,' 'Vineyard Stately,' 'Classic,' 'Boutique,' 'Simple Contemporary,' 'Vintage,' 'Bold Text' and 'Cartoon Retro'. These nine labels were then tested in our online Vinitrac® survey with over 2,000 US regular wine drinkers, to measure stand out, attractiveness, quality, price perceptions, likelihood to buy and imagery associations for each category.

The results of our research can be examined through the lens of brand positioning, examining each in terms of distinctiveness (the degree to which a label stands out) versus centrality (the extent to which a label is representative of traditional category conventions). Brightly colored and image heavy labels such as 'Cartoon Retro' and 'Vintage' are a far cry from the muted and clean-cut examples we find in 'Prestigious' and 'Classic'.

'Central' elements can be defined in terms of traditional wine cues such as varietal, vintage and region of origin, as well as restrained use of imagery, use of strong serif fonts and limited colors. 'Distinctive' elements include bright, dominating images with many strong colors and sans-serif fonts which may not provide the usual cues found on more traditional bottles.

Labels displaying central elements perform the best for several measures: they deliver the most stand-out for US regular wine consumers and, with the notable exception of the 'Classic' category, are rated more attractive than more distinctive labels, whilst distinctive labels such as 'Vintage' and 'Cartoon Retro' provide less reassurance. As a result, consumers consistently rank them as having lower perceived quality than other label options, a lower expected price and lower overall likelihood to buy.

Drilling down deeper into the data, we find that not all hope is lost for distinctive labels. Those under 35 do not have the same aversion to that those aged 55 and over demonstrate. Legal drinking age to 34-year-old US regular wines drinkers still rank 'Bold Text' and 'Simple Contemporary' as less attractive than other options, but not to the extremes found in the 55+ demographic.

The best performing label category, 'Prestigious,' is a central label which occupies the coveted branding position of being 'aspirational.' The striking use of black and gold colors, strong fonts and imagery confined to heraldry, wine estate or vineyard illustrations is a winning blend of both central and distinctive elements. This combination translates into high expectations of price, quality, and likelihood to buy across all genders, age groups and Portrait wine drinker segments.

In summary, wine labels must walk a tightrope between central, mainstream appeal and more daring visuals in order to appeal to consumers. Producers must have a strong grasp of their target audience and keep their brand positioning in mind when choosing a label design or risk failing to meet their audience's expectations.

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- Management Summary

Wine Intelligence wine label categories in the US market

From a consumer perspective, wine labels in the US fall into 9 distinct categories
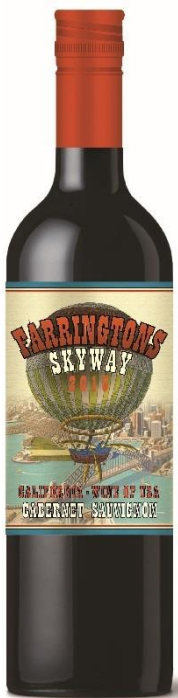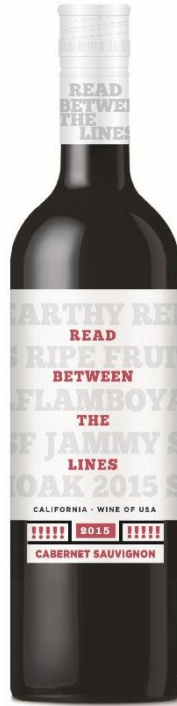
wine intelligence

| Cartoon Retro | Vintage | Bold Text | Simple Contemporary | Boutique | Simple Elegance | Classic | Vineyard Stately | Prestigious |

Key findings

1 Central and traditional labels have stronger appeal in the US market, delivering higher quality perceptions and yielding a higher likelihood to buy

2 Younger regular wine drinkers in the US market are more adventurous and open-minded with their label selection, with less traditional styles performing better than for other age brackets – however, they still rate more traditional labels as more attractive with a stronger likelihood to buy

3 Younger consumers have a higher average perceived price for all labels, with these prices decreasing as consumers get older

4 More distinctive labels can deliver greater stand-out, but this does not translate to increased likelihood to purchase

Summary of response to labels: scorecard overview

Labels displayed in order of overall ranking

Label name			Label category description	Stand-out	Attractive	Quality	Price	Likelihood to buy
Prestigious			Traditional labels, strong use of black & gold, font dominated and imagery typically confined to heraldry, wine estate or vineyard illustrations	1	2	1	1	1
Simple Elegance			Clean labels with significant white space, often with single, clear image representing unique brand name and story with minimal text	3	1	4	4	2
Vineyard Stately			Detail-oriented labels, with strong use of vineyard & wine estate imagery and limited color palettes	5	4	2	2	3
Classic			Simple, clean labels with dark text on white/cream backgrounds, limited use of text and serif font to maintain classic feel	9	5	3	3	4
Boutique			Artisanal elements with an essence of being hand-crafted and often more 'European' in styling	2	3	5	5	5
Simple Contemporary			Distinctive, uncluttered and often themed around non-traditional wine name and imagery	7	7	6	6	6
Vintage			Distinctive vintage styling, imagery and typography often with distinctive brand name	6	5	8	7	7
Bold Text			Strong, colored, text-led labels with minimal graphics & often with subtle humor	8	8	7	8	8
Cartoon Retro			Strong, bold, bright, colors with comic book-style graphics and humorous name	4	9	9	9	9

Most well received ↓ **Least well received**

Label likelihood to buy vs. attractiveness

Labels which are both central to wine category and therefore more traditional from a design perspective are seen to be more attractive to US regular wine drinkers

Label likelihood to buy and attractiveness

Analysis of mean likelihood to buy score and mean perception of attractiveness (mean score out of 5, where 1 is very unattractive, and 5 is very attractive)
Base = All US regular wine drinkers (n=2,028)

High likelihood to buy and high attractiveness

Likelihood to buy

Attractiveness

Contents page

- Introducing the wine label categories

Wine Intelligence wine label categories in the US market

Overview of the 9 categories

PRESTIGIOUS
Traditional labels, strong use of black & gold, font dominated and imagery typically confined to heraldry, wine estate or vineyard illustrations

CARTOON RETRO
Strong, bold, bright, colors with comic book-style graphics and humorous name

VINEYARD STATELY
Detail-oriented labels, with strong use of vineyard & wine estate imagery and limited color palettes

VINTAGE
Distinctive vintage styling, imagery and typography often with distinctive brand name

From most traditional →

CLASSIC
Simple, clean labels with dark text on white/cream backgrounds, limited use of text and serif font to maintain classic feel

US MARKET

BOLD TEXT
Strong colored text-led labels with minimal graphics & often with subtle humor

SIMPLE ELEGANCE
Clean labels with significant white or black space, often with single, clear image representing unique brand name and story with minimal text

SIMPLE CONTEMPORARY
Distinctive, uncluttered and often themed around non-traditional wine name and imagery

BOUTIQUE
Artisanal elements with an essence of being hand-crafted and often more 'European' in styling

Brand positioning
Brands need to strike a balance between centrality and distinctiveness

Distinctiveness

The degree to which a brand stands out from others in its category

Unconventional
Brands with unique characteristics that distinguish themselves from traditional products in the category

Aspirational
Brands that are highly differentiated but retain category reassurance

Peripheral
Brands that have little to distinguish themselves and are unlikely to come to mind as a first choice for consumers

Mainstream
Brands that have wide appeal but low distinctiveness

Centrality

The extent to which a brand is representative of the conventions of its category

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Wine Intelligence wine label categories in the US market

DISTINCTIVE ⟶ **CENTRAL**

Bold Text

Simple Elegance

Prestigious
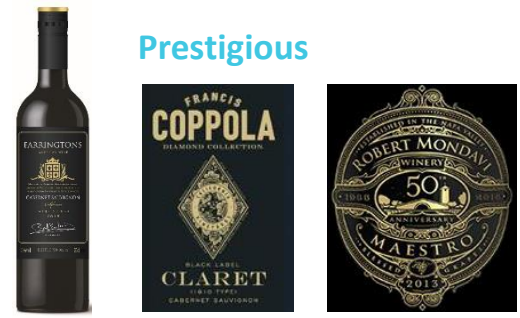
Vintage

Boutique
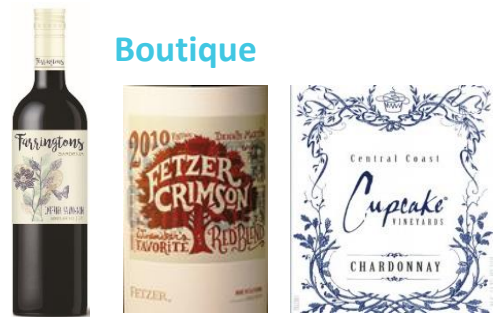
Vineyard Stately
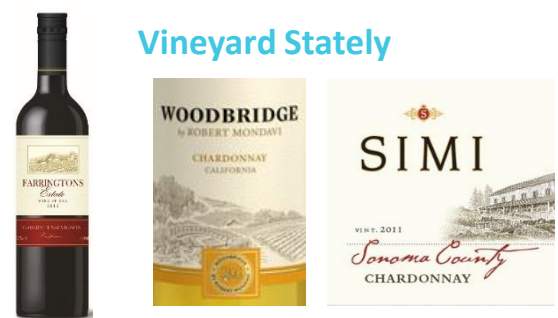
Cartoon Retro
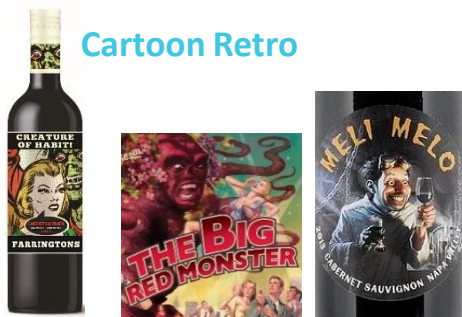
Simple Contemporary

Classic

Brand positioning
Distinctiveness vs. centrality in the US market

Unconventional

Aspirational

Distinctiveness
The degree to which a brand stands out from others in its category

Peripheral

Mainstream

Centrality
The extent to which a brand is representative of the conventions of its category

Dawar, N and Bagga, C, (2015) 'A Better Way to Map Brand Strategy', Harvard Business Review
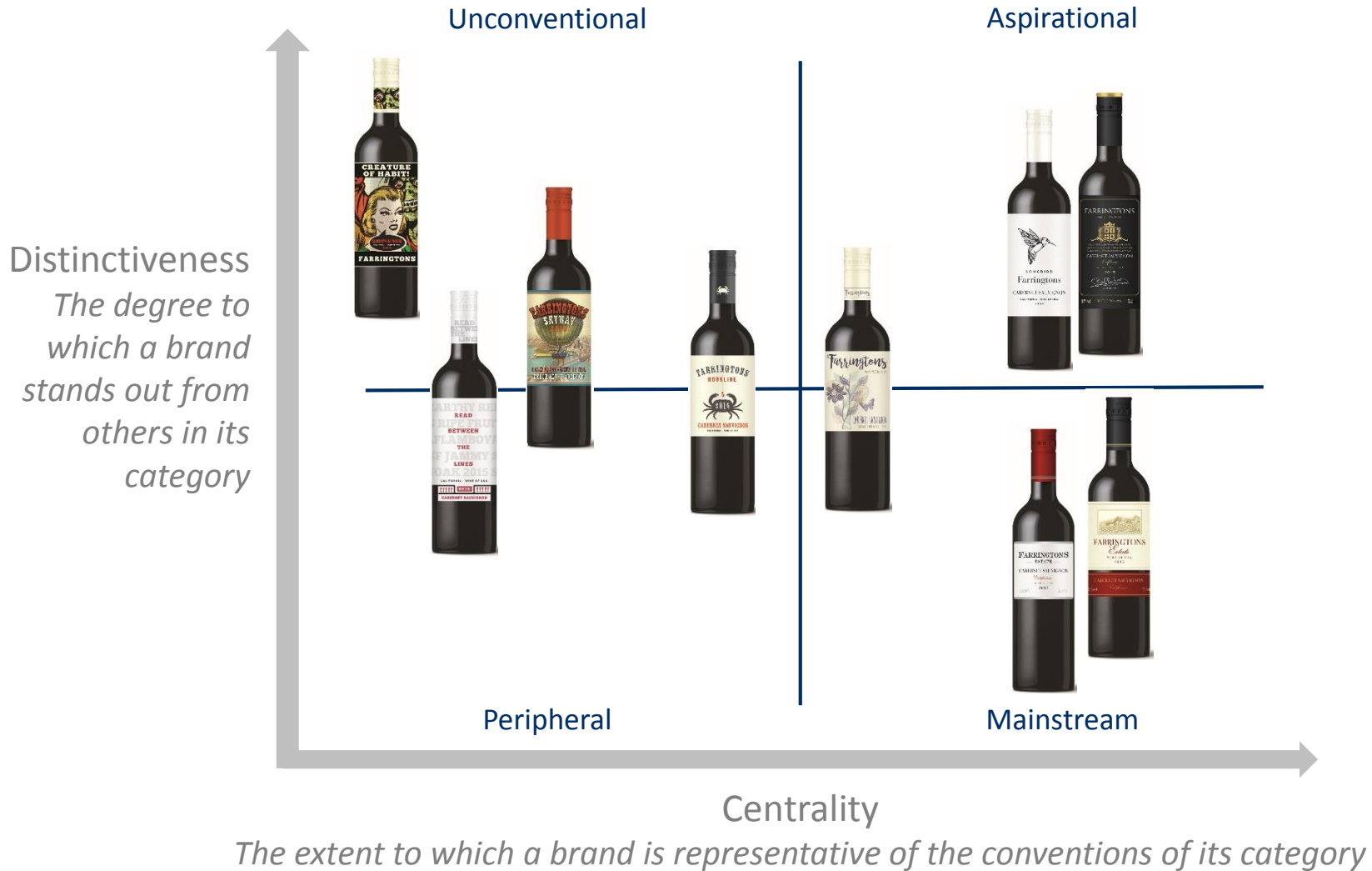
Introducing the label categories

In the following slides we describe each category based on key design elements

The nine label categories are classified by the following influencers:

Classification influencer	Exemplary group characteristic
Color	Combination of: ■ colors themselves ■ The number of colors used ■ Proportion of color used/label size
Rendering	How illustrations and symbols are displayed, e.g.: line drawings / etchings / watercolors
Image	The type of symbols, pictures and illustrations used, e.g.: ■ Cultural symbols ■ National/regional symbols ■ Symbolic inference
Typography	■ Size of font used ■ Font types ■ Combination of fonts ■ Font color used
Text	■ Amount of text ■ Position of text ■ Meaning of words ■ Language ■ Names

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Defining the category

USA Prestigious

Prestigious	Vineyard Stately	Classic	Simple Elegance	Boutique	Simple Contemporary	Bold Text	Vintage	Cartoon Retro

Dominant characteristics

- Use of black and gold, and minimal use of other colors, predominantly white or cream
- Heavy use of text
- Limited use of images, clearly suggesting heraldry and winery location

Classification influencer	Exemplary group characteristic
Color	Heavy use of black and metallic colors, particularly gold, occasionally set against a cream background and with an accent color such as red
Rendering	Occasional use of line drawings (non-photorealistic rendering)
Image	Crests / heraldry, châteaux
Typography	Variety of font sizes and styles, *serif* fonts, upper case lettering, use of signature
Text	Heavy use of text dominates label, clear winery or brand name with varietal or region and vintage

Example brands

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Defining the category

USA Vineyard Stately

Prestigious	Vineyard Stately	Classic	Simple Elegance	Boutique	Simple Contemporary	Bold Text	Vintage	Cartoon Retro

Dominant characteristics

- Detail-oriented through use of image, typography and borders to create a sense of heritage and sophistication
- Line drawings of vineyards / wine estates
- Limited color palettes, predominantly creams
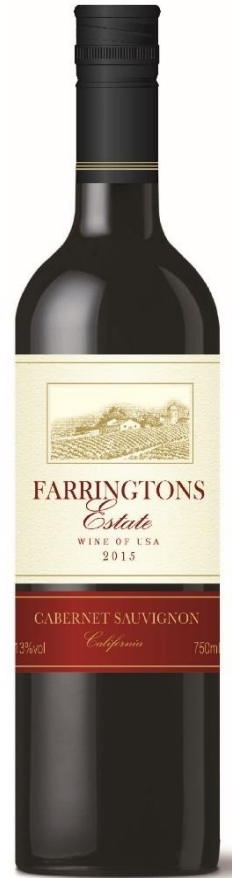
Classification influencer	Exemplary group characteristic
Color	Neutral color palette of creams typically highlighted with metallic, blacks and reds
Rendering	Delicate line drawings
Image	Traditional-looking vineyard, vine and winery images
Typography	Predominantly black, *serif* fonts, some highlights of red
Text	Winery / brand name dominates, supported by varietal, and origin

Example brands

US Label Design 2017

Defining the category
USA Classic

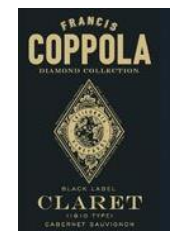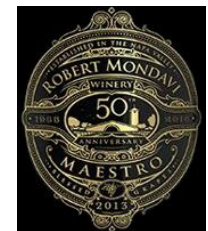| Prestigious	Vineyard Stately	**Classic**	Simple Elegance	Boutique	Simple Contemporary	Bold Text	Vintage	Cartoon Retro

Dominant characteristics

- Simple white / cream labels which have an overall clean look
- Limited use of images, typically a simple, symmetrical layout
- Use of *serif* fonts to maintain classic feel

Classification influencer	Exemplary group characteristic
Color	Limited color palette: predominantly white label with black detail and a brighter accent color such as red
Rendering	If used, line drawings typically simple and relatively small. Embossing may be used to add a classic feel
Image	Very few images used, but occasionally landscapes, monograms or heraldry
Typography	Mainly black font, but some use of brighter accent colors (typically highlighting the brand or varietal). Serif fonts, some use of italics, capital letters and numbers
Text	Presence of text used to add visual perception of quality. Wine name and varietal dominate, support by vintage and origin

Example brands

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Defining the category

USA Simple Elegance

Dominant characteristics

- Significant white space / black space on labels
- One clear image – often appearing hand-rendered, drawn or painted
- Unique name supporting brand story
- Limited, minimal text, clearer spaced and presented

Classification influencer	Exemplary group characteristic
Color	Minimal color with significant white / black space dominating the label. If color is used, it is used as a singular feature of the label
Rendering	Hand-rendered to convey a sense of authenticity and genuineness
Image	Simplistic and often conveys the winery's story. It is a major feature of the label
Typography	Clean, easy-to-read fonts that are predominately black, supported by simple additional coloring
Text	Focus is on the winery brand, supported by varietal, region and the vintage

Example brands

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Defining the category

USA Boutique

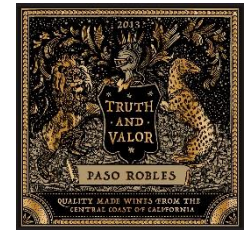| Prestigious	Vineyard Stately	Classic	Simple Elegance	**Boutique**	Simple Contemporary	Bold Text	Vintage	Cartoon Retro

Dominant characteristics

- Artisan styling – with essence of being hand-crafted
- Stronger links to European wine

Classification influencer	Exemplary group characteristic
Color	Use of pastels and soft colors as an attractive and inviting lure to the bottle
Rendering	Hand-drawn with artisan styling. Gives the impression of being hand crafted
Image	Often images reflecting the natural world
Typography	Striking typography that links well with the theme of the label
Text	The winery / brand is the major feature followed by the varietal. Vintage and region are given less focus

Example brands

Defining the category

USA Simple Contemporary

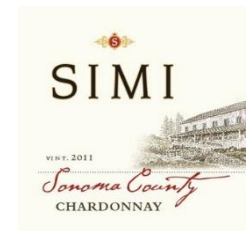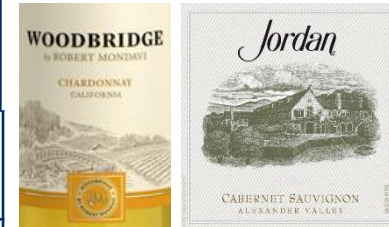| Prestigious	Vineyard Stately	Classic	Simple Elegance	Boutique	**Simple Contemporary**	Bold Text	Vintage	Cartoon Retro

Dominant characteristics

- Combination of text and imagery, which is often non-wine traditional
- Simple color palette - can be drawn from a range of colors
- Distinctive, often themed name beyond simply wine in terms of references

Classification influencer	Exemplary group characteristic
Color	A simple range of colors are deployed, used in a more contemporary style
Rendering	Distinct, clear and can vary in terms of style
Image	Deliberate use of non-wine traditional imagery to draw in the consumer. Themed with the rest of the label
Typography	Thoughtful typography that matches the theme of the rest of the label. Use of a range of colors and fonts to catch the eye
Text	Major focus on the name of the brand with lesser importance put on vintage, region and varietal

Example brands

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Defining the category

USA Bold Text

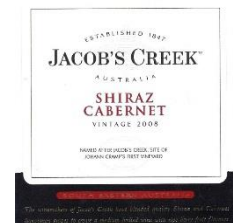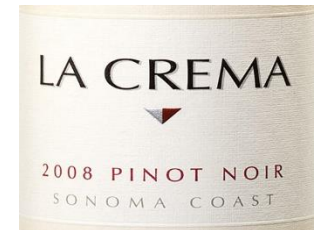| Prestigious | Vineyard Stately | Classic | Simple Elegance | Boutique | Simple Contemporary | Bold Text | Vintage | Cartoon Retro |

Dominant characteristics
- Strong colors
- Minimal graphics to support text
- Name conveys brand story, which may include often with subtle twist or humorous reference

Example brands
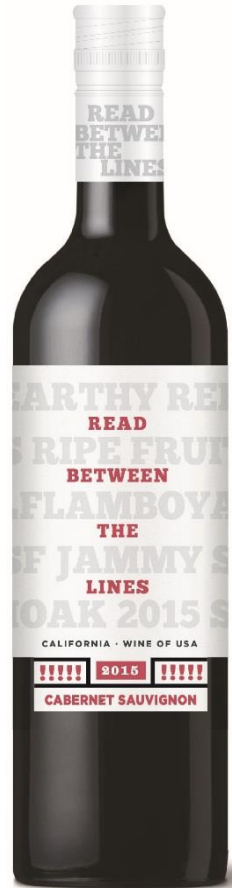
Classification influencer	Exemplary group characteristic
Color	Strong dynamic coloring, delivering distinctiveness
Rendering	Minimal rendering with key focus on text (or numbers)
Image	Limited use of imagery to maintain emphasis of the textual component of the label
Typography	Purposeful font with multiple layers and styles. Contrast and theming are a focus that emphasises the main branding
Text	A large amount of text that emphasises the branding and theme over the varietal, vintage and region.

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Defining the category

USA Vintage

Prestigious	Vineyard Stately	Classic	Simple Elegance	Boutique	Simple Contemporary	Bold Text	Vintage	Cartoon Retro

Dominant characteristics

- Broad color range
- Distinctive imagery
- Vintage styling and graphics
- Distinctive name – may have involve subtle humor of 'themed' approach

Example brands
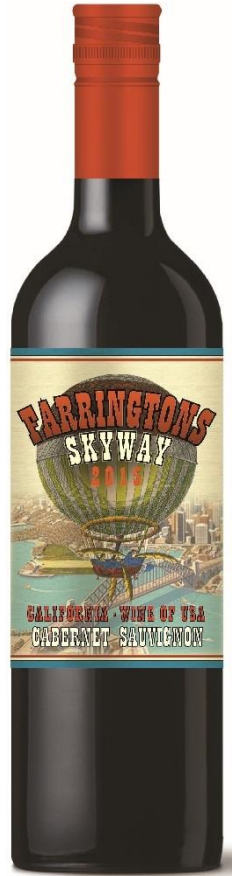
Classification influencer	Exemplary group characteristic
Color	Comprehensive color range that often includes strong, eye-catching elements
Rendering	Use of different rendering styles to match the theme of the label. Often will use watercolors or etchings
Image	Distinct imagery used to convey the vintage theme. This involves the entirety of the label and is very detailed
Typography	Continuing with the theme. Often large, bright branding that is displayed in non-traditional formats
Text	The branding of the label is often the main focus but can be located in different parts of the label. Use of humor in the text

US Label Design 2017
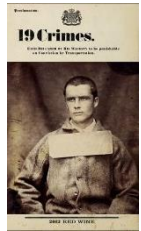
Defining the category

USA Cartoon Retro

Prestigious	Vineyard Stately	Classic	Simple Elegance	Boutique	Simple Contemporary	Bold Text	Vintage	Cartoon Retro

Dominant characteristics

- Strong, bright, bold colors
- Comic book style graphics
- Humorous name, supported by text and imagery

Classification influencer	Exemplary group characteristic
Color	Bold and bright coloring
Rendering	Hand-drawn with solid coloring or photo-realistic
Image	Prominent imagery in the style of the comic book genre. All imagery is bold and dynamic.
Typography	Following the theming, typography often deploys speech bubbles and traditional text boxes
Text	Bolded text focusing on the branding of the wine. Often using humor and non-traditional titles. Varietals and region are less of a focus

Example brands

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Contents page

- Key findings: Strengths and weaknesses of each label category

Questions we asked

In this section we report on the following measures:

Key measures	Question wording
Stand-out	*Please select the bottle of wines that first catch your attention*
Attractiveness	*How attractive do you find the label design on a scale of 1 to 5 where 1=very unattractive and 5=very attractive?*
Price expectations	*How much would you expect this bottle of wine to cost at the store where you typically buy wine?*
Quality expectations	*What do you think the quality of the wine shown would be?*
Likelihood to buy	*How likely would you be to buy these wines if they were available from where you usually buy wine and if the price was right for you?*
Imagery associations	*Please look at the statements below and indicate which ones best apply to each of these wines*
Occasions	*You say you are likely to buy this wine, please select the occasions for which you would consider buying it*

Key findings: central & traditional labels have stronger appeal in the US market

- The strongest appeal for US regular wine drinkers is found in traditional labels, which feature carefully crafted contemporary elements as seen is 'Simple Elegance'
  - The appeal of wine labels strongly linked to labels which deliver both sophistication and elegance

- More central and traditional labels are rated higher for both attractiveness and stand-out
  - 'Prestigious' delivers the most stand-out for US regular wine consumers
  - With the exception of 'Classic', the more traditional labels garner stronger appeal for US regular wine drinkers

- US consumers would expect to pay the most for the 'Prestigious' label, with price being correlated to perceived quality

- 'Cartoon Retro' and 'Vintage' labels can easily become overwhelming and associated with cheapness for US regular wine drinkers

Label stand-out

'Prestigious' delivers the most stand-out for US regular wine consumers, with the elements of both 'Boutique' and 'Simple Elegance' also providing distinctiveness

Label stand-out

% who identify the label that first catches their attention
Base = All US regular wine drinkers (n=2,028)

Less attractive than the average

More attractive than the average

Classic | Bold Text | Simple Contemporary

Vintage | Vineyard Stately | Cartoon Retro | Simple Elegance | Boutique

Prestigious

Labels with equal score

Average stand-out of label category

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*Note: Dotted line represents the average point of each continuum
Source: Wine Intelligence, Vinitrac® US, Dec'16 (n=2,028), US regular wine drinkers

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Overall attractiveness of labels

With the exception of 'Classic', the more traditional labels garner stronger appeal for US regular wine drinkers

Label category attractiveness

Mean calculated score out of 5, where 1 is very unattractive, and 5 is very attractive

Base = All US regular wine drinkers (n=2,028)

Less attractive than the average

More attractive than the average

Cartoon Retro

Bold Text

Simple Contemporary

Vintage

Classic

Vineyard Stately

Boutique

Prestigious

Simple Elegance

Average attractiveness of label category

Label likelihood to buy vs. attractiveness

Labels which are both central to wine category and therefore more traditional from a design perspective are seen to be more attractive to US regular wine drinkers

Label likelihood to buy and attractiveness

Analysis of mean likelihood to buy score and mean perception of attractiveness (mean score out of 5, where 1 is very unattractive, and 5 is very attractive)
Base = All US regular wine drinkers (n=2,028)

High likelihood to buy and high attractiveness

Likelihood to buy

Attractiveness

US Label Design 2017

Source: Wine Intelligence, Vinitrac® US, Dec'16 (n=2,028), US regular wine drinkers

Overall quality perception of labels

Strong correlation between centrality of label and perceived quality for US regular wine drinkers

Overall quality perceptions

Mean calculated score out of 5, where 1 is low quality, and 5 is high quality
Base = All US regular wine drinkers (n=2,028)

Lower perceived quality than the average

Higher perceived quality than the average

Cartoon Retro | Vintage | Bold Text | Simple Contemporary | Boutique | Simple Classic Elegance | Vineyard Stately | Prestigious

Average perceived quality of label category

Outlined labels indicate those that have recorded the same result

*Note: Dotted line represents the average point of each continuum
Source: Wine Intelligence, Vinitrac® US, Dec'16 (n=2,028), US regular wine drinkers

Overall expected average price perceptions of labels

US consumers would expect to pay the most for the 'Prestigious' label, with price being correlated to perceived quality

Price Expectations

US$ you would expect the bottle of wine to cost at the store where you typically buy wine
Base = All US regular wine drinkers (n=2,028)

$15.08 — **Average expected price of label**

| $13.11 | $13.48 | $13.75 | $14.12 | $15.18 | $15.67 | $15.99 | $16.42 | $17.99 |

| Cartoon Retro | Bold Text | Vintage | Simple Contemporary | Boutique | Simple Elegance | Classic | Vineyard Stately | Prestigious |

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*Note: Dotted line represents the average point of each continuum
Source: Wine Intelligence, Vinitrac® US, Dec'16 (n=2,028), US regular wine drinkers

vinitrac. 36

Strongest appeal for US regular wine drinkers for traditional labels, that may include a carefully crafted contemporary element as seen is 'Simple Elegance'

Likelihood to buy

Mean calculated score out of 5, where 1 is not likely, and 5 is very likely
Base = All US regular wine drinkers (n=2,028)

Less likely than the average

Cartoon Retro

Bold Text Vintage Simple Contemporary

Boutique Classic Vineyard Simple Prestigious
               Stately Elegance

More likely than the average

Outlined labels indicate those that have recorded the same result

Average likelihood to buy

*Note: Dotted line represents the average point of each continuum
Source: Wine Intelligence, Vinitrac® US, Dec'16 (n=2,028), US regular wine drinkers

Imagery statements

Appeal of wine labels is strongly linked to labels which deliver both sophistication and elegance

Imagery Statements

Top 3 selected statements that best applies to each label
Base = All US regular wine drinkers (n=2,028)
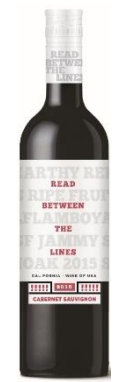
Cartoon Retro	Vintage	Bold Text	Simple Contemporary	Boutique	Simple Elegance	Classic	Vineyard Stately	Prestigious
Top 3	**Top 3**	**Top 3**	**Top 3**	**Top 3**	**Top 3**	**Top 3**	**Top 3**	**Top 3**
Cheap	*Fun*	*Modern*	*Fun*	*Stylish*	*Stylish*	*Sophisticated*	*Sophisticated*	*Elegant*
Immature	*Cheap*	*Cheap*	*Unique*	*Elegant*	*Approachable*	*Ordinary*	*Elegant*	*Sophisticated*
Fun	*Unique*	*Fun*	*Cheap*	*Approachable*	*Elegant*	*Elegant*	*Authentic*	*Expensive*

Imagery statements

'Cartoon Retro' and 'Vintage' labels can easily become overwhelming and associated with cheapness for US regular wine drinkers

Imagery Statements
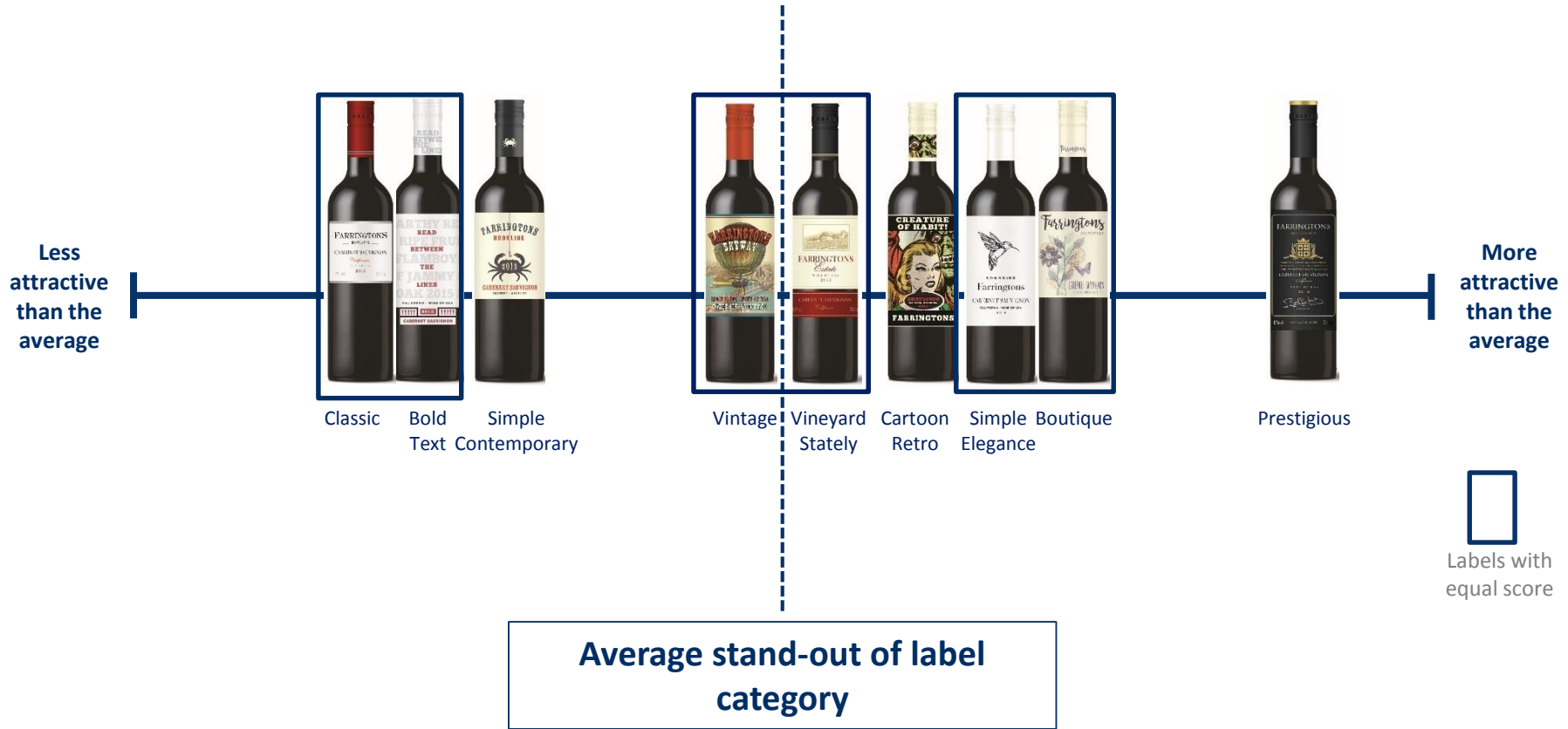
Statements that best apply to each label
Base = All US regular wine drinkers (n=2,028)

Correspondence analysis of Imagery

Dimension 2 (vertical)

Expensive

Prestigious

Immature

Overwhelming

Elegant

Sophisticated

Cartoon Retro

Cheap

Boutique

Exciting

Fun

Stylish

Unique

Vintage

Vineyard
Stately

Enticing   Modern

Authentic

Out dated

Trustworthy

A wine for people like me

Simple
Contemporary

Approachable

Classic

Simple
Elegance

Boring

Ordinary

Bold
Text

Axis Y - 13%
Axis X - 76%

Dimension 1 (horizontal)

Occasions Suitability

'Classic' and 'Vineyard Stately' are associated with being appropriate for formal occasions

Occasions

Occasions which best suit each label
Base = All US regular wine drinkers (n=2,028)

Correspondence analysis of Occasions

Cartoon Retro

Boutique

As a gift for somebody

Prestigious

Simple Elegance

Dimension 2 (vertical)

BYO (To take to an informal bar / restaurant)

A relaxing drink at the end of the day at home

At a party/celebration at home

With an informal meal at home

With a more formal dinner party at home

Vineyard Stately

Simple Contemporary

Classic

BYO (To take to a more formal restaurant)

Bold Text

Axis Y- 7%
Axis X - 88%

Dimension 1 (horizontal)

US Label Design 2017

Contents page

- Key findings by gender

Key findings: Male & female US regular wine drinkers

- Labels that deliver a higher degree of distinctiveness and individuality appeal more to US female regular wine drinkers

- US male regular wine drinkers are more strongly influenced by cues related to sophistication and prestige
    - Men have a lower perceived quality for 'Bold Text' and 'Simple Elegance' than women

- Whilst the prices vary, men and women have the same ranking for labels with regard to the expected price of each label category

- Male US regular wine drinkers are more likely to consider and purchase a broader range of label deigns than women

Attractiveness of label by gender

More appeal for women of labels that deliver a higher degree of distinctiveness and individuality, whilst US male regular wine drinkers more influenced by cues related to sophistication and prestige

Attractiveness for men

Less attractive than the average — More attractive than the average

Cartoon Retro | Bold Text | Simple Contemporary | Vintage | Classic | Boutique | Vineyard Stately | Simple Elegance | Prestigious

Attractiveness for women

Less attractive than the average — More attractive than the average

Cartoon Retro | Bold Text | Simple Contemporary | Vintage | Classic | Vineyard Stately | Prestigious | Simple Elegance | Boutique

Label stand-out vs. attractiveness: women

More appeal for women of labels that deliver a higher degree of distinctiveness and individuality

Label stand-out and attractiveness amongst women
Analysis of mean attractiveness score and % who indicate the label that first catches their attention

% who indicated label stands out
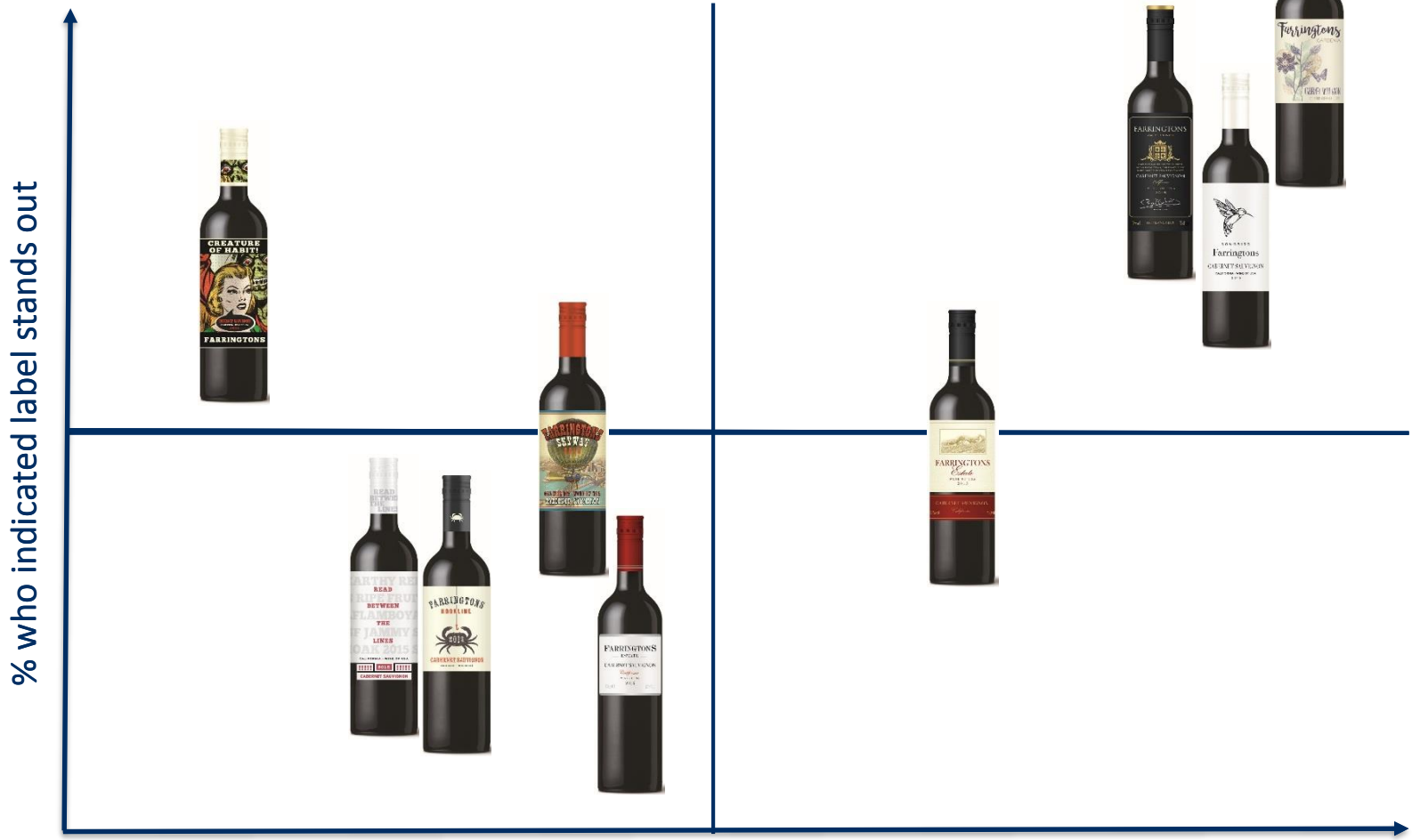
Attractiveness

Label stand-out vs. attractiveness: men

US male regular wine drinkers are more influenced by cues related to sophistication and prestige

Label stand-out and attractiveness amongst men

Analysis of mean attractiveness score and % who indicate the label that first catches their attention

% who indicated label stands out

Attractiveness

US Label Design 2017

Perceived quality of labels by gender

Men have a lower perceived quality for 'Bold Text' and 'Simple Elegance' than women
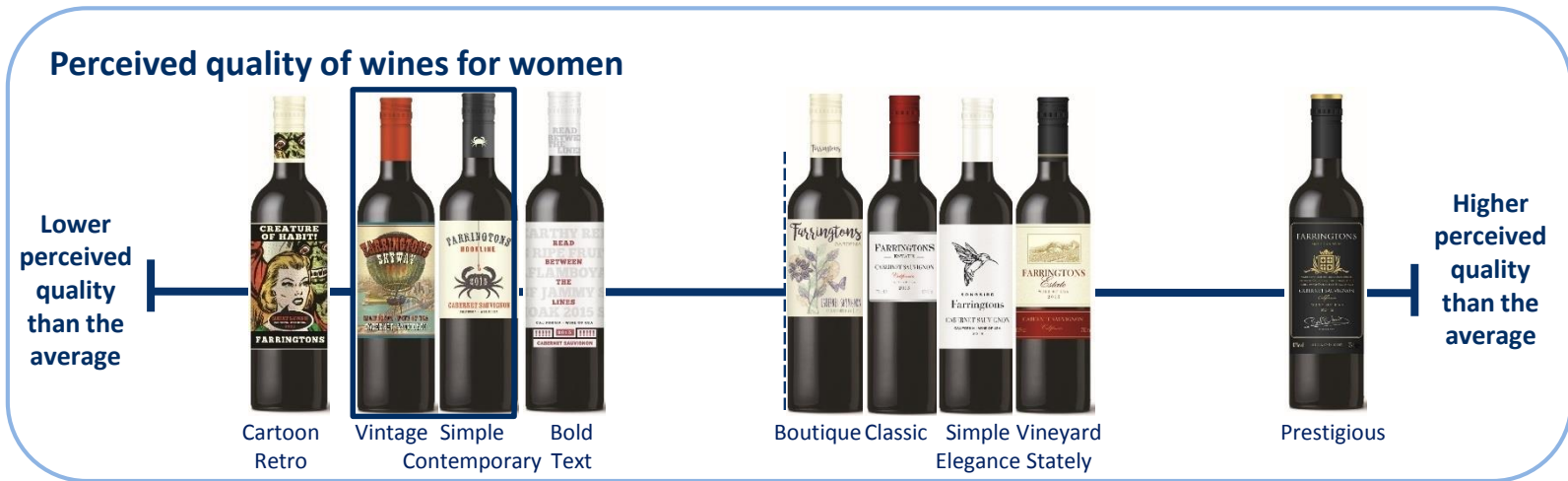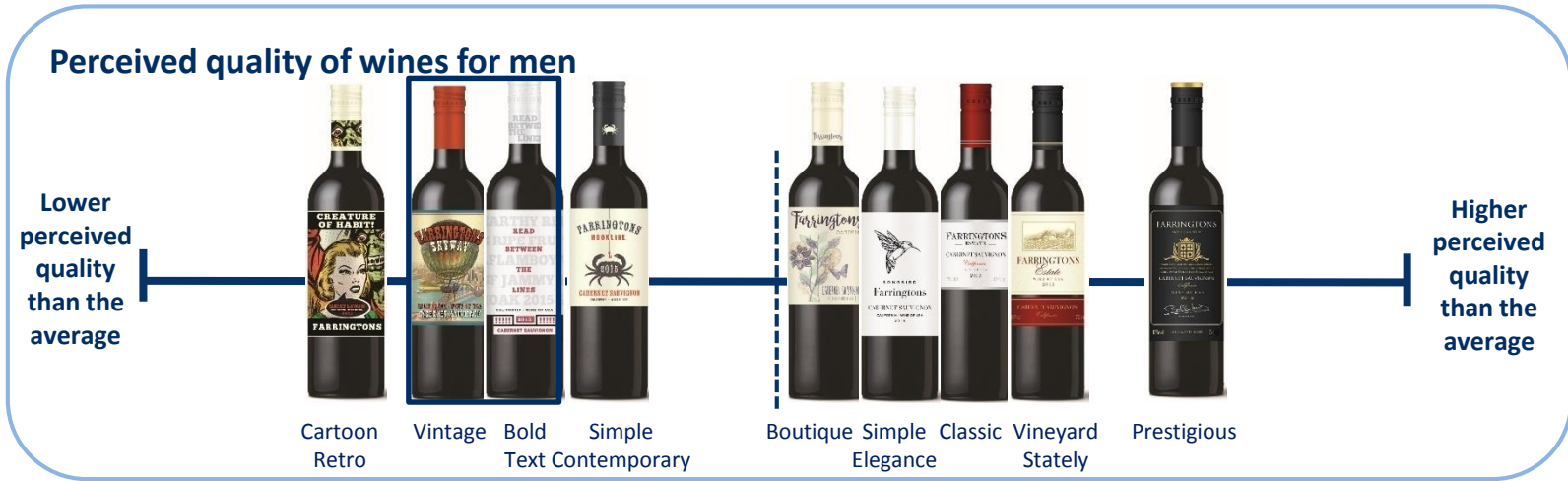
Perceived quality of wines for men

Lower perceived quality than the average

Higher perceived quality than the average

Cartoon Retro | Vintage | Bold Text | Simple Contemporary | Boutique | Simple Elegance | Classic | Vineyard Stately | Prestigious

Perceived quality of wines for women

Lower perceived quality than the average

Higher perceived quality than the average

Cartoon Retro | Vintage | Simple Contemporary | Bold Text | Boutique | Classic | Simple Elegance | Vineyard Stately | Prestigious

Outlined labels indicate those that have recorded the same result

/ : Statistically significantly higher/lower than all US regular wine drinkers at a 95% confidence level

Note: Dotted line represents the average point of each continuum

Expected average price perceptions of labels by gender

Whilst the prices vary, men and women have the same ranking for labels with regard to the expected price of each design

Expected price of wines for men

| $15.11 | Average expected price of wines for men

$13.39 $13.76 $13.93 $14.45 $14.82 $15.61 $16.06 $16.31 $17.70

Lower price expectation than the average

Higher price expectation than the average

Cartoon Retro | Bold Text | Vintage | Simple Contemporary | Boutique | Simple Elegance | Classic | Vineyard Stately | Prestigious

Expected price of wines for women

| $15.05 | Average expected price of wines for women

$12.86 $13.22 $13.58 $13.81 $15.51 $15.73 $15.93 $16.52 $18.26

Lower price expectation than the average

Higher price expectation than the average

Cartoon Retro | Bold Text | Vintage | Simple Contemporary | Boutique | Simple Elegance | Classic | Vineyard Stately | Prestigious

US Label Design 2017

*Note: Dotted line represents the average point of each continuum
Source: Wine Intelligence, Vinitrac® US, Dec'16 (n=2,028), US regular wine drinkers

vinitrac. 48

Likelihood to buy by gender

Although placed as having the least likelihood to be purchased, men are more likely to consider and purchase a broader range of label deigns than women

Likelihood to buy for men

Less likely than the average

More likely than the average

Likelihood to buy for women

Less likely than the average

More likely than the average

Cartoon Retro | Vintage | Bold Text | Simple Contemporary

Classic | Vineyard Stately | Boutique | Simple Elegance | Prestigious

US Label Design 2017

/ : Statistically significantly higher/lower than all US regular wine drinkers at a 95% confidence level
*Note: Dotted line represents the average point of each continuum
Source: Wine Intelligence, Vinitrac® US, Dec'16 (n=2,028), US regular wine drinkers

vinitrac. 49

Contents page

- Key findings by age

Key findings: impact of label designs on different aged US regular wine drinkers

- Less central labels are seen as more attractive by those under 35, but still remain less appealing than more central labels

- The 'Prestigious' label delivers the highest perceived quality for wine drinkers in all age groups

- The average expected price of wines decreases with age, with those under 35 expecting to pay on average over $2 more than those aged 55+

- Those aged under 55 are more likely to consider a broader range of label styles, with this adventurous attitude declining after the age of 55

Attractiveness of labels by age

Less traditional labels are seen as more attractive by those under 35, but still remains less appealing that more central labels

(LDA-34 years)

Cartoon Retro*   Vintage*

Less attractive than the average ——————————————— More attractive than the average

Classic | Bold Text* | Simple Contemporary* | Vineyard Stately* | Boutique* | Prestigious | Simple Elegance

(35-54 years)

Simple Contemporary*   Prestigious

Less attractive than the average ——————————————— More attractive than the average

Cartoon Retro | Bold Text* | Vintage | Classic | Vineyard Stately | Boutique | Simple Elegance

(55+ years)

Vineyard Stately*   Simple Elegance

Less attractive than the average ——————————————— More attractive than the average

Cartoon Retro* | Bold Text* | Simple Contemporary* | Vintage* | Classic | Boutique | Prestigious

/ : Statistically significantly higher/lower than all US regular wine drinkers at a 95% confidence level

*Note: Dotted line represents the average point of each continuum

US Label Design 2017

Perceived quality of labels by age

'Prestigious' delivers the highest perceived quality for wine drinkers in all age groups, with those under 35 being more open minded towards less traditional labels

(LDA-34 years)

Vintage* Bold Text* Classic

Lower perceived quality than the average

Higher perceived quality than the average

Cartoon Retro* Simple Contemporary* Boutique Vineyard Stately Simple Elegance Prestigious

(35-54 years)

Simple Contemporary Classic

Lower perceived quality than the average

Higher perceived quality than the average

Cartoon Retro Vintage* Bold Text* Boutique* Simple Elegance Vineyard Stately Prestigious

(55+ years)

Vintage* Simple Elegance*

Lower perceived quality than the average

Higher perceived quality than the average

Cartoon Retro* Bold Text* Simple Contemporary* Boutique Classic Vineyard Stately Prestigious

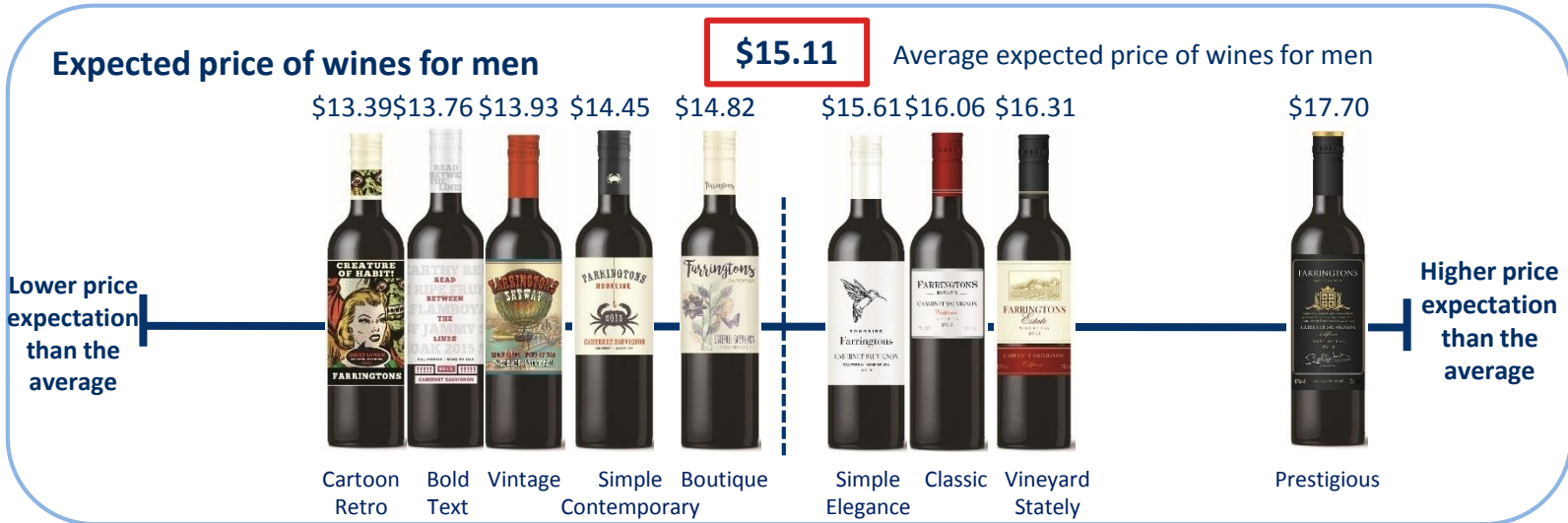Outlined labels indicate those that have recorded the same result

/ : Statistically significantly higher/lower than all US regular wine drinkers at a 95% confidence level

*Note: Dotted line represents the average point of each continuum

US Label Design 2017

Source: Wine Intelligence, Vinitrac® US, Dec'16 (n=2,028), US regular wine drinkers

vinitrac. 54

Expected average price perceptions of labels by age

Average expected price of wines decreases with age, with those under 35 expecting to pay on average over $2 more than those aged 55+

(LDA-34 years)

$14.98* $15.02* $15.04* $15.54* $15.87* $16.67* $16.88* $17.28* $19.01*

| Cartoon Retro | Bold Text | Vintage | Simple Contemporary | Boutique | Classic | Simple Elegance | Vineyard Stately | Prestigious |

$16.25
Average expected price of wines

(35-54 years)

$13.48 $13.96 $14.22 $14.68* $15.89* $16.02 $16.31 $16.67 $18.47

| Cartoon Retro | Bold Text | Vintage | Simple Contemporary | Boutique | Simple Elegance | Classic | Vineyard Stately | Prestigious |

$15.52
Average expected price of wines

(55+ years)

$11.46* $11.96* $12.44* $12.63* $14.10* $14.50* $15.24* $15.59* $16.86*

| Cartoon Retro | Bold Text | Vintage | Simple Contemporary | Boutique | Simple Elegance | Classic | | Prestigious |

$13.87
Average expected price of wines
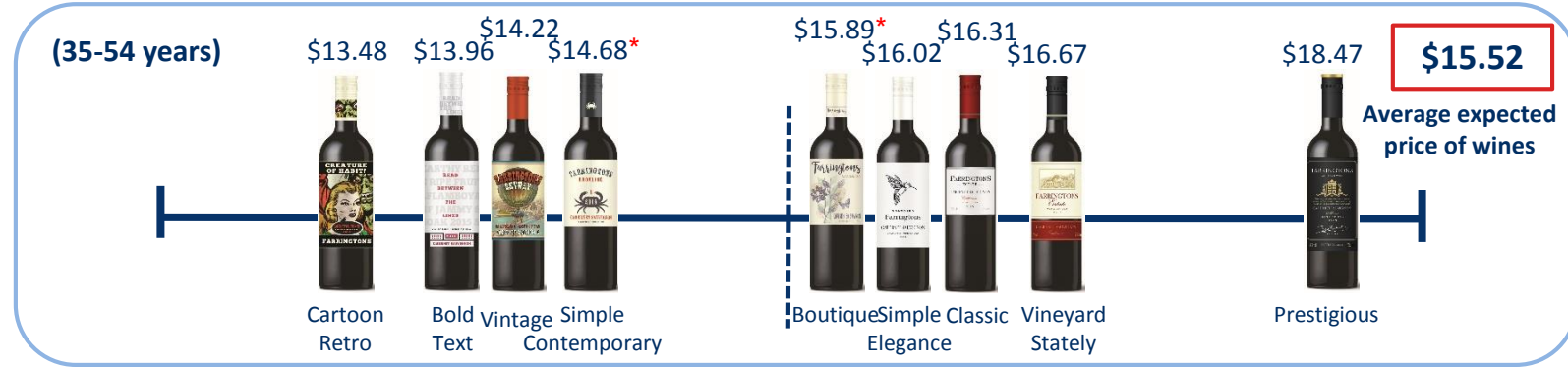
/ : Statistically significantly higher/lower than all US regular wine drinkers at a 95% confidence level

*Note: Dotted line represents the average point of each continuum

Likelihood to buy by age

Those aged under 55 are more likely to consider a broader range of label styles, with this adventurous attitude declining after the age of 55

wine intelligence

(LDA-34 years)

Classic

Less likely than the average ————————————————————— More likely than the average

Cartoon Retro* | Bold Text* | Vintage* | Simple Contemporary* | Vineyard Stately | Boutique | Prestigious | Simple Elegance*

(35-54 years)

Simple Contemporary*

Classic* | Vineyard Stately*

Less likely than the average ————————————————————— More likely than the average

Cartoon Retro* | Vintage* | Bold Text* | Boutique* | Simple Elegance | Prestigious

(55+ years)

Vintage*

Classic | Vineyard Stately

Less likely than the average ————————————————————— More likely than the average

Cartoon Retro* | Bold Text* | Simple Contemporary* | Boutique* | Simple Elegance* | Prestigious

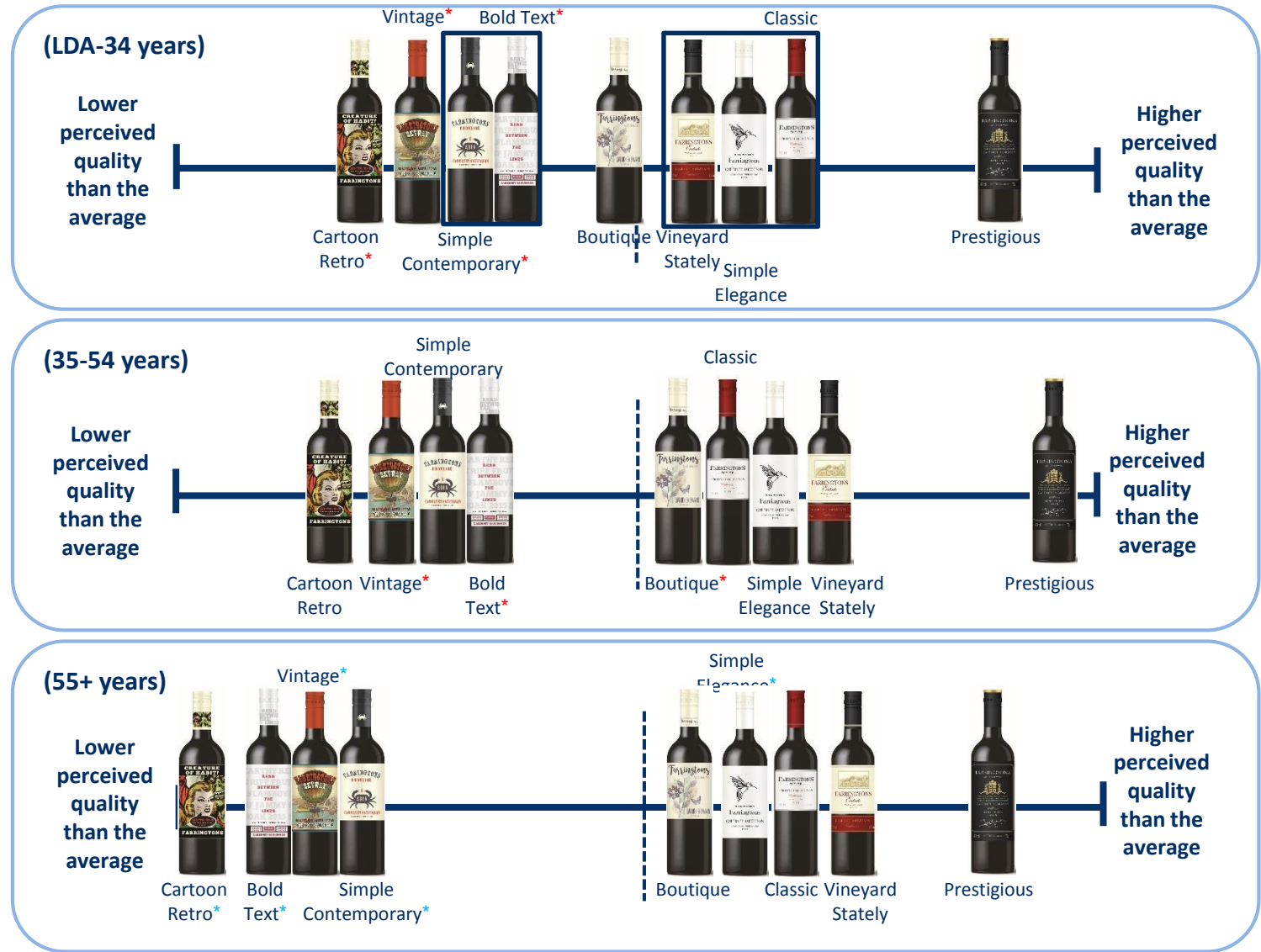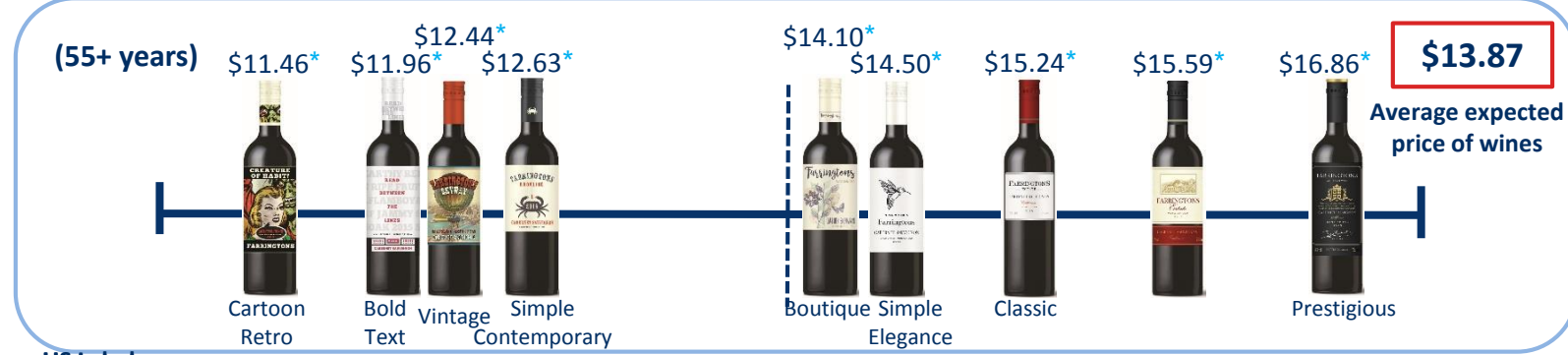Outlined labels indicate those that have recorded the same result

/ : Statistically significantly higher/lower than all US regular wine drinkers at a 95% confidence level

*Note: Dotted line represents the average point of each continuum

Source: Wine Intelligence, Vinitrac® US, Dec'16 (n=2,028), US regular wine drinkers

vinitrac. 56

Contents page

- Profiling by Portraits:
  - Portraits overview
  - Experienced Explorers
  - Millennial Treaters
  - Premium Brand Suburbans
  - Bargain Hunters
  - Senior Sippers
  - Kitchen Casuals

Meet the portraits

US regular wine drinkers can be grouped into 6 distinct segments based on their relationship with wine

Share of population, 2013 vs 2016

Base=All US regular wine drinkers

2013
- 13%
- 9%
- 33%
- 9%
- 20%
- 15%

2016
- 15%
- 12%
- 32%
- 7%
- 16%
- 18%
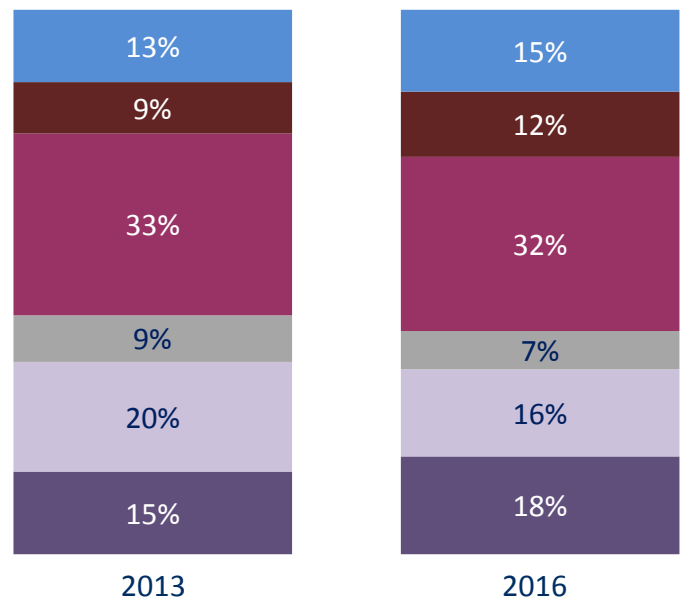
Experienced Explorers are high spending consumers who are both confident in, and adventurous with, their wine choice

Millennial Treaters are younger, high spending, wine loving consumers, with 'conservative' views of wine and growing in their knowledge

Premium Brand Suburbans are frequent, brand savvy wine drinkers, who view wine as an enjoyable treat

Bargain Hunters are older, careful wine-drinkers who are influenced by price

Senior Sippers are older, less frequent wine drinkers with a limited interest in wine

Kitchen Casuals are older and infrequent wine drinkers, who are typically disengaged with the category

Portraits: estimating volume

Share of population, market volume and value

Share of volume and value are calculated based on self-reported wine consumption frequency and spend
Base=All US regular wine drinkers (n=2,028)
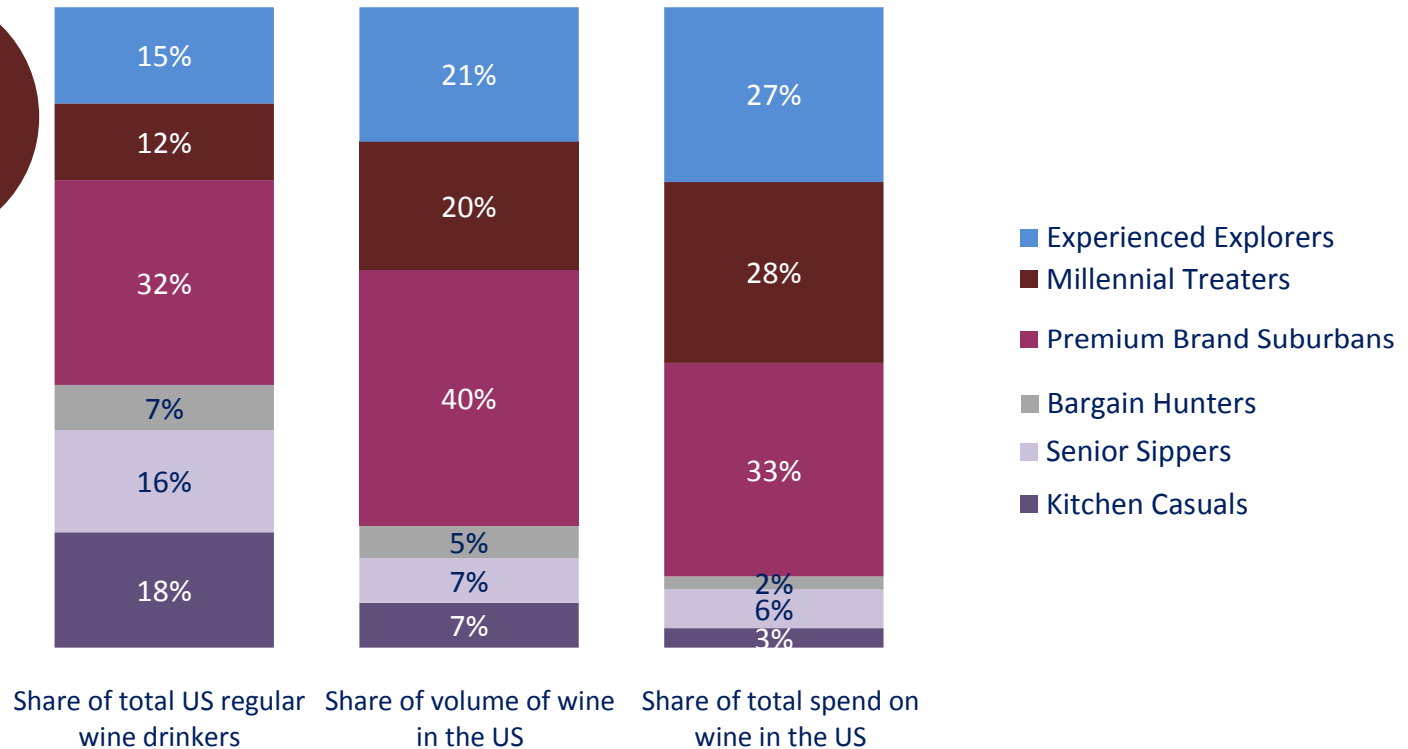
Millennial Treaters volume up 5% since 2013

Millennial Treaters value up 6% since 2013

Premium Suburbans volume down 5% since 2013

Premium Suburbans value down 6% since 2013

Legend:
- Experienced Explorers
- Millennial Treaters
- Premium Brand Suburbans
- Bargain Hunters
- Senior Sippers
- Kitchen Casuals

Share of total US regular wine drinkers:
- 15%
- 12%
- 32%
- 7%
- 16%
- 18%

Share of volume of wine in the US:
- 21%
- 20%
- 40%
- 5%
- 7%
- 7%

Share of total spend on wine in the US:
- 27%
- 28%
- 33%
- 2%
- 6%
- 3%

Experienced Explorers: label preference

Top label categories

Who are they?
Older wine consumers from high income groups, who are experienced and very comfortable in the wine category

What do they want from labels?

Conservative and traditional labels

15%

21%

27%

Share of US wine drinkers **population**

Share of total **volume** of wine consumed in the US

Share of total **value** of wine consumed in the US

| | off-premise | 20% | 26% |
| | on-premise | 23% | 28% |
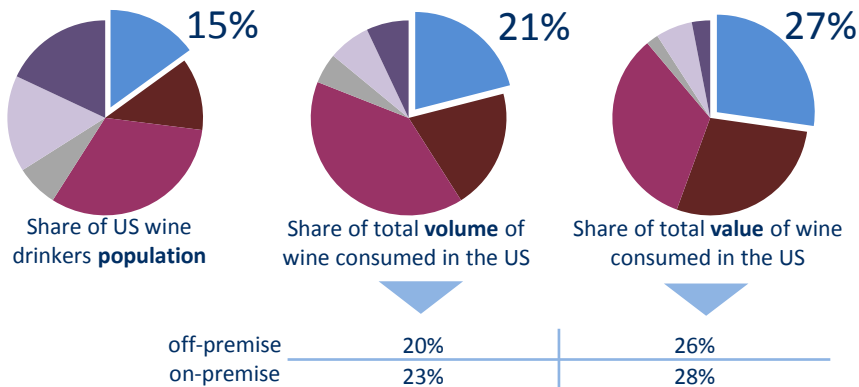
Experienced Explorers: label attractiveness

This segment has a significantly higher regard for 'Prestigious' compared with other US regular wine drinkers

Label category attractiveness

Mean calculated score out of 5, where 1 is very unattractive, and 5 is very attractive

Label category key

| Cartoon Retro | Vintage | Bold Text | Simple Contemporary | Boutique | Simple Elegance | Classic | Vineyard Stately | Prestigious |

Attractiveness for Experienced Explorers

Cartoon Retro · Bold Text · Simple Contemporary · Vintage · Classic * · Vineyard Stately* · Boutique · Simple Elegance · Prestigious*

Attractiveness for all US regular wine drinkers

Cartoon Retro · Bold Text · Simple Contemporary · Vintage · Classic · Vineyard Stately · Boutique · Prestigious · Simple Elegance

Mean attractiveness score

Experienced Explorers: perceived quality

The perceived quality of the wine displaying labels from the different categories amongst Experienced Explorers follows the same pattern to that of other US regular wine drinkers

Overall quality perceptions

Mean calculated score out of 5, where 1 is low quality, and 5 is high quality

Label category key

Cartoon Retro | Vintage | Bold Text | Simple Contemporary | Boutique | Simple Elegance | Classic | Vineyard Stately | Prestigious

Perceived quality for Experienced Explorers

Cartoon Retro · Vintage · Bold Text · Simple Contemporary · Boutique · Simple Elegance · Classic · Vineyard Stately · Prestigious

Perceived quality for all US regular wine drinkers

Cartoon Retro · Vintage · Bold Text · Simple Contemporary · Boutique · Simple Elegance · Classic · Vineyard Stately · Prestigious
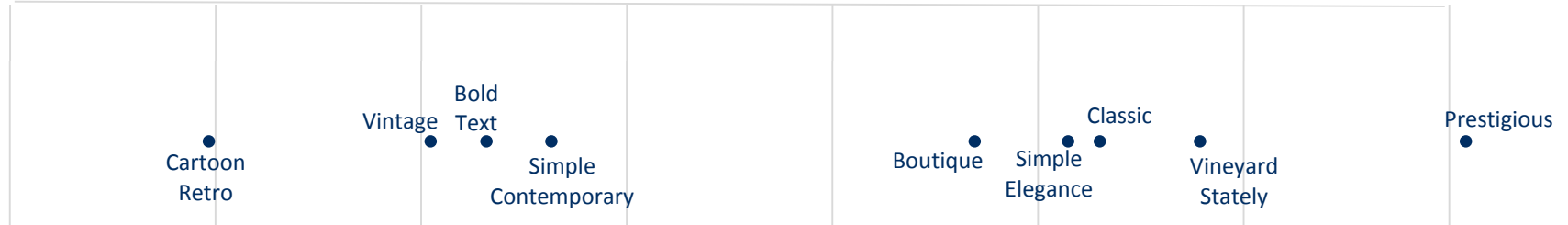
Mean quality perception score

Experienced Explorers: likelihood to buy

Compared with other segments, Experienced Explorers are more likely to buy the traditional and central labels

Likelihood to buy

Mean calculated score out of 5, where 1 is not likely, and 5 is very likely

Label category key

| Cartoon Retro | Vintage | Bold Text | Simple Contemporary | Boutique | Simple Elegance | Classic | Vineyard Stately | Prestigious |

Likelihood to buy amongst Experienced Explorers

Cartoon Retro · Vintage · Bold Text · Simple Contemporary · Boutique · Simple Elegance · Classic * · Vineyard Stately * · Prestigious *

Likelihood to buy amongst all US regular wine drinkers

Cartoon Retro · Bold Text · Vintage · Simple Contemporary · Boutique · Classic · Vineyard Stately · Simple Elegance · Prestigious

Outlined labels indicate those that have recorded the same result

Mean likelihood to buy score

US Label Design 2017

/ : Statistically significantly higher/lower than all US regular wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, Dec'16 (n=2,028), US regular wine drinkers

'Cartoon Retro' and 'Bold Text' both rate particularly poorly for Experienced Explorers

Label stand-out and attractiveness

Analysis of mean attractiveness score and % who indicate the label that first catches their attention

% who indicated label stands out

Attractiveness

Millennial Treaters: label preference

Who are they?
Younger, higher spending Millennials, who enjoy drinking wine, partly reflecting their desired social status

What do they want from labels?

More open to contemporary designs, but still seek traditional cues for authenticity

Top label categories

12%
Share of US wine drinkers **population**

20%
Share of total **volume** of wine consumed in the US

28%
Share of total **value** of wine consumed in the US

	off-premise	on-premise
volume	16%	25%
value	22%	34%
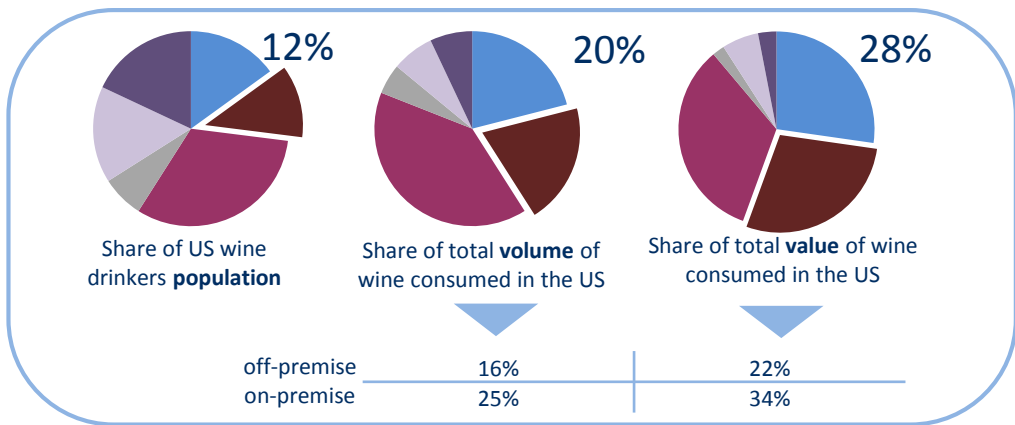
Millennial Treaters: label attractiveness

Millennial Treaters find distinctive labels such as 'Cartoon Retro', 'Bold Text' and 'Vintage' attractive than other groups

Label category attractiveness

Mean calculated score out of 5, where 1 is very unattractive, and 5 is very attractive

Label category key

| Cartoon Retro | Vintage | Bold Text | Simple Contemporary | Boutique | Simple Elegance | Classic | Vineyard Stately | Prestigious |

Attractiveness for Millennial Treaters

Classic   Simple Contemporary *   Vintage *   Prestigious

Cartoon Retro *   Bold Text *   Vineyard Stately   Boutique   Simple Elegance

Attractiveness for all US regular wine drinkers

Bold Text   Vintage   Vineyard Stately   Prestigious

Cartoon Retro   Simple Contemporary   Classic   Boutique   Simple Elegance
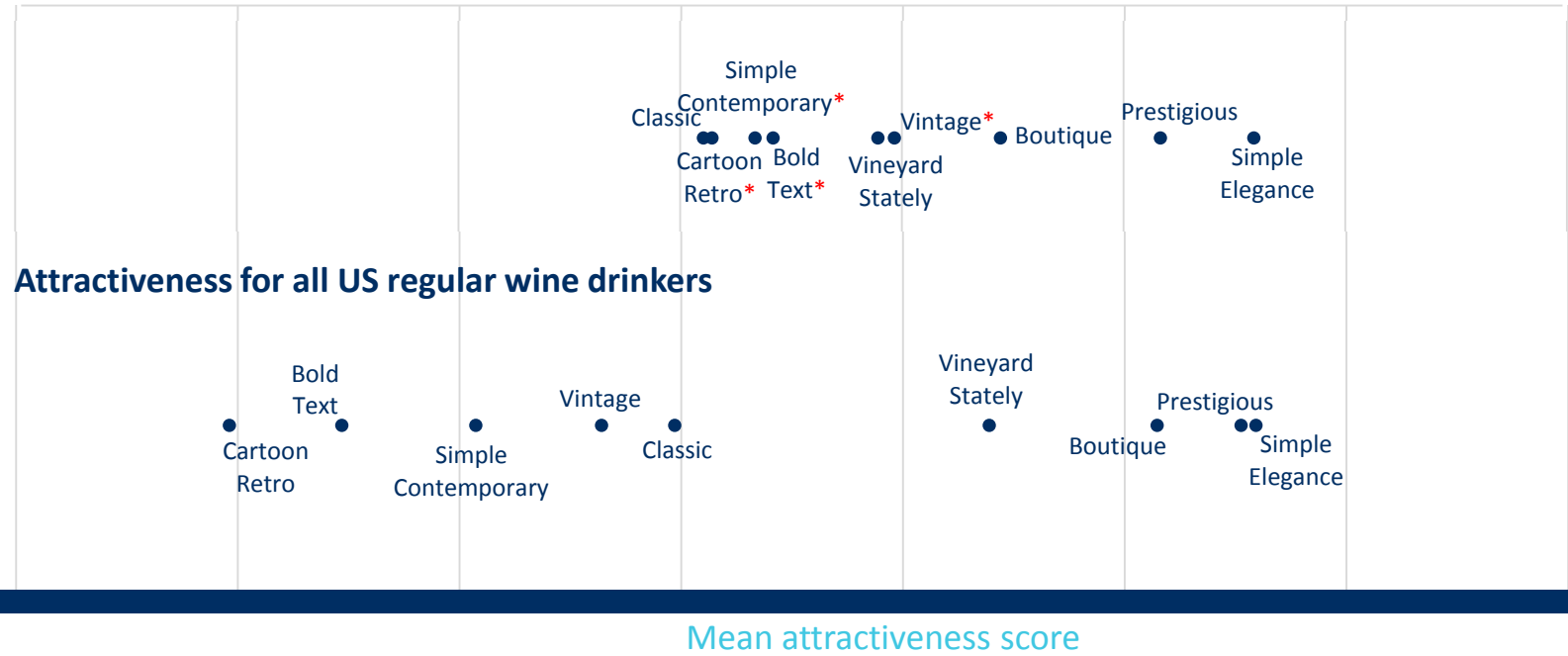
Mean attractiveness score

Millennial Treaters: perceived quality

Similar to attractiveness levels, Millennial Treaters have a higher quality perception of the less traditional labels than other groups

Overall quality perceptions

Mean calculated score out of 5, where 1 is low quality, and 5 is high quality

Label category key

Cartoon Retro | Vintage | Bold Text | Simple Contemporary | Boutique | Simple Elegance | Classic | Vineyard Stately | Prestigious

Perceived quality for Millennial Treaters
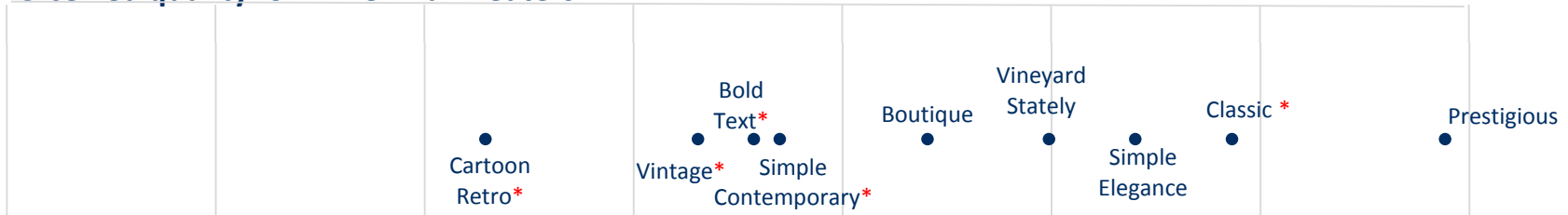
Cartoon Retro* | Vintage* | Bold Text* | Simple Contemporary* | Boutique | Vineyard Stately | Simple Elegance | Classic * | Prestigious

Perceived quality for all US regular wine drinkers

Cartoon Retro | Vintage | Bold Text | Simple Contemporary | Boutique | Simple Elegance | Classic | Vineyard Stately | Prestigious

Mean quality perception score

/ : Statistically significantly higher/lower than all US regular wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, Dec'16 (n=2,028), US regular wine drinkers

Millennial Treaters: likelihood to buy

Compared with other groups, Millennial Treaters are more likely to buy less traditional labels

Likelihood to buy

Mean calculated score out of 5, where 1 is not likely, and 5 is very likely

Label category key

| Cartoon Retro | Vintage | Bold Text | Simple Contemporary | Boutique | Simple Elegance | Classic | Vineyard Stately | Prestigious |

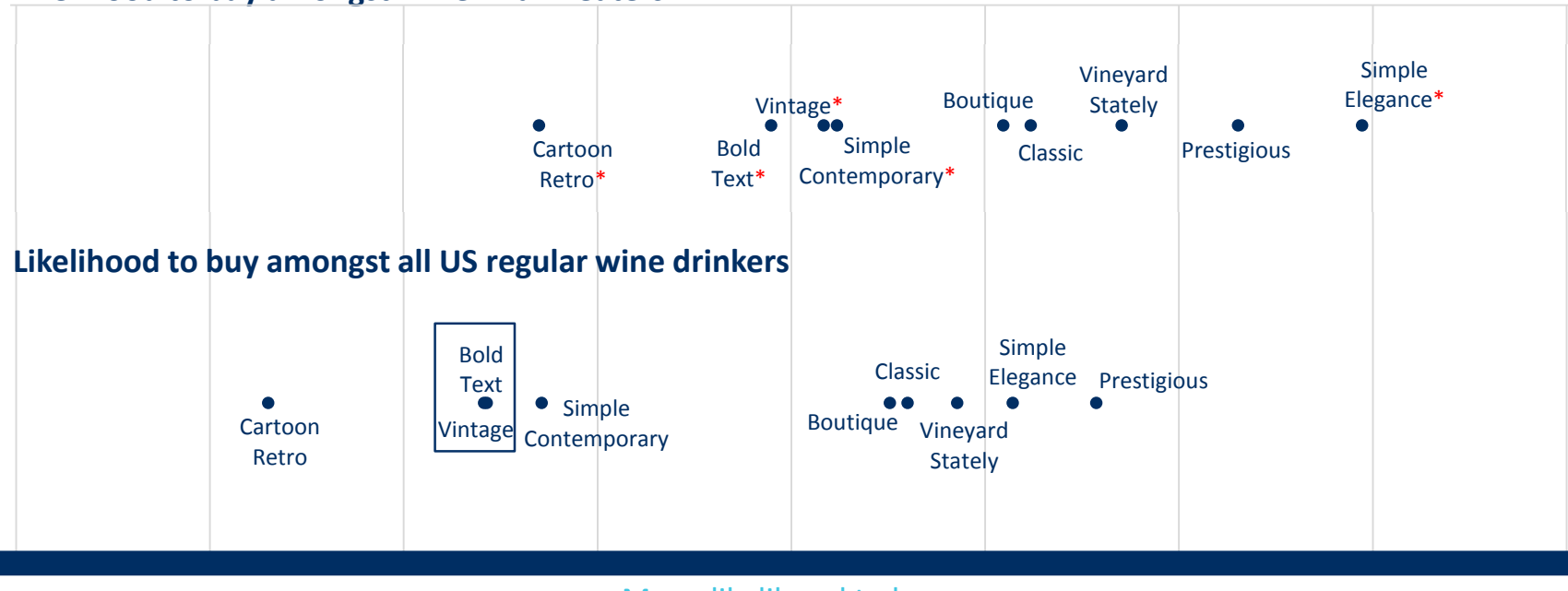**Likelihood to buy amongst Millennial Treaters**

Cartoon Retro*   Bold Text*   Vintage*   Simple Contemporary*   Boutique   Classic   Vineyard Stately   Prestigious   Simple Elegance*

Likelihood to buy amongst all US regular wine drinkers

Cartoon Retro   Bold Text / Vintage   Simple Contemporary   Boutique   Classic   Vineyard Stately   Simple Elegance   Prestigious

Outlined labels indicate those that have recorded the same result

Mean likelihood to buy score

US Label Design 2017

/ : Statistically significantly higher/lower than all US regular wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, Dec'16 (n=2,028), US regular wine drinkers

Millennial Treaters: stand-out & attractiveness

'Simple Elegance', 'Prestigious' and 'Boutique' are all seen to both be attractive, and stand out

Label stand-out and attractiveness

Analysis of mean attractiveness score and % who indicate the label that first catches their attention

% who indicated label stands out

Mean attractiveness score

Premium Brand Suburbans & label preference
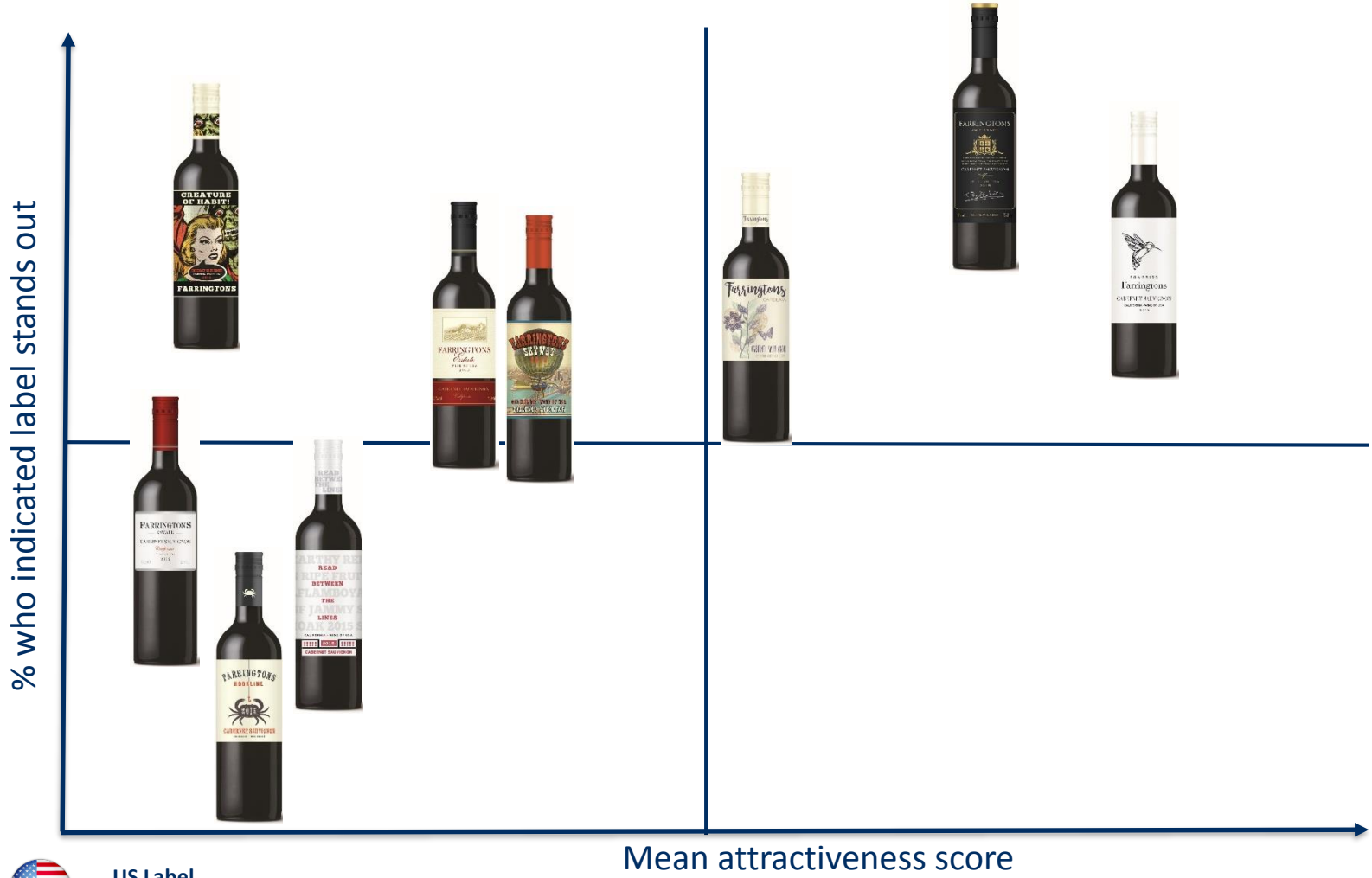
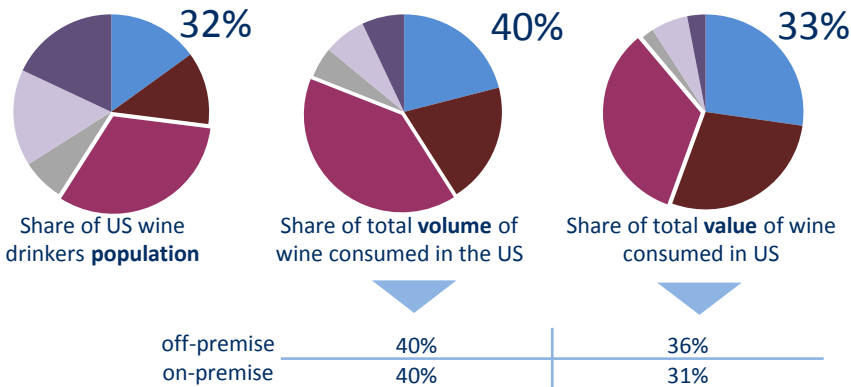## Who are they?

Very frequent wine drinkers for whom wine is a part of their everyday lives. Largest group in terms of population, volume and value

What do they want from labels?

Relatively open-minded, and are happy to buy a mix both traditional and non traditional labels

Top label categories

32%

Share of US wine drinkers **population**

40%

Share of total **volume** of wine consumed in the US

33%

Share of total **value** of wine consumed in US

off-premise	40%	36%
on-premise	40%	31%

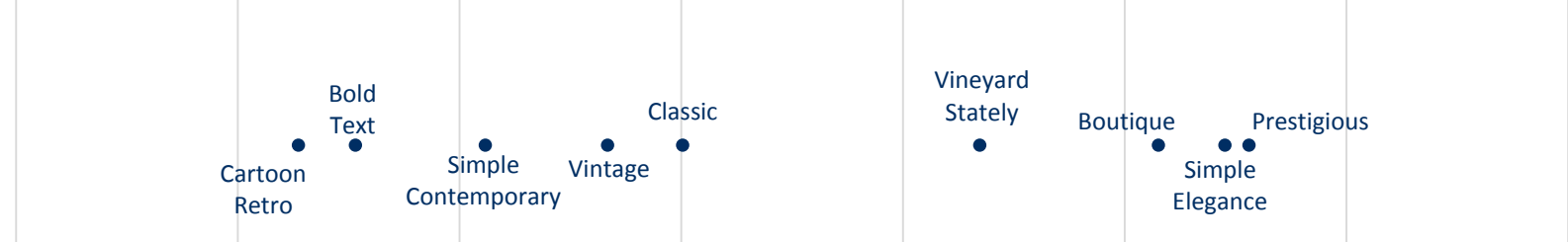# Premium Brand Suburbans: label attractiveness

Attractiveness scores are in line with that of the average

Label category attractiveness

Mean calculated score out of 5, where 1 is very unattractive, and 5 is very attractive

Label category key

| Cartoon Retro | Vintage | Bold Text | Simple Contemporary | Boutique | Simple Elegance | Classic | Vineyard Stately | Prestigious |

Attractiveness for Premium Brand Suburbans

Bold Text • Classic •
Cartoon Retro • Simple Contemporary • Vintage •
Vineyard Stately • Boutique • Prestigious •
Simple Elegance

Attractiveness for all US regular wine drinkers

Bold Text • Vintage •
Cartoon Retro • Simple Contemporary • Classic •
Vineyard Stately • Prestigious •
Boutique • Simple Elegance
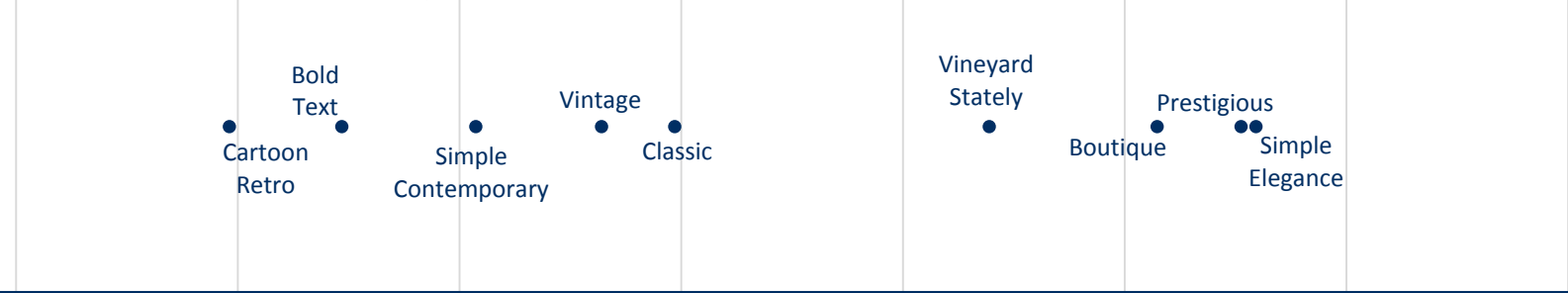
Mean attractiveness score

Premium Brand Suburbans: perceived quality
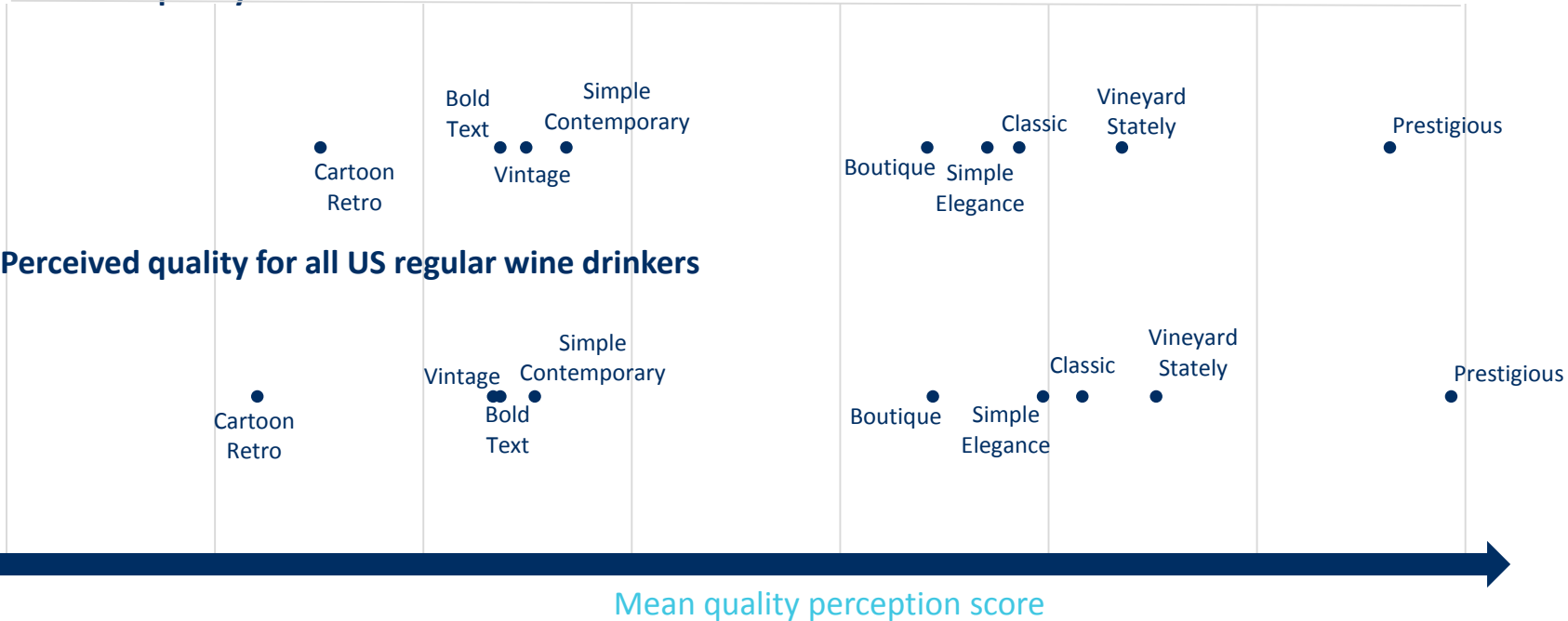
Perceptions of quality are in line with that of the average

Overall quality perceptions

Mean calculated score out of 5, where 1 is low quality, and 5 is high quality

Label category key

Cartoon Retro | Vintage | Bold Text | Simple Contemporary | Boutique | Simple Elegance | Classic | Vineyard Stately | Prestigious

Perceived quality for Premium Brand Suburbans

Cartoon Retro · Bold Text · Vintage · Simple Contemporary · Boutique · Simple Elegance · Classic · Vineyard Stately · Prestigious

Perceived quality for all US regular wine drinkers

Cartoon Retro · Vintage · Bold Text · Simple Contemporary · Boutique · Simple Elegance · Classic · Vineyard Stately · Prestigious

Mean quality perception score

Premium Brand Suburbans: likelihood to buy

Premium Brand Suburbans are more likely than other groups to buy a mix of both traditional and non-traditional labels

Likelihood to buy

Mean calculated score out of 5, where 1 is not likely, and 5 is very likely

Label category key

Cartoon Retro | Vintage | Bold Text | Simple Contemporary | Boutique | Simple Elegance | Classic | Vineyard Stately | Prestigious

Likelihood to buy amongst Premium Brand Suburbans

Cartoon Retro* · Vintage* · Bold Text* · Simple Contemporary* · Boutique · Vineyard Stately · Classic * · Simple Elegance · Prestigious*

Likelihood to buy amongst all US regular wine drinkers

Cartoon Retro · Bold Text Vintage · Simple Contemporary · Boutique · Classic · Vineyard Stately · Simple Elegance · Prestigious

Outlined labels indicate those that have recorded the same result
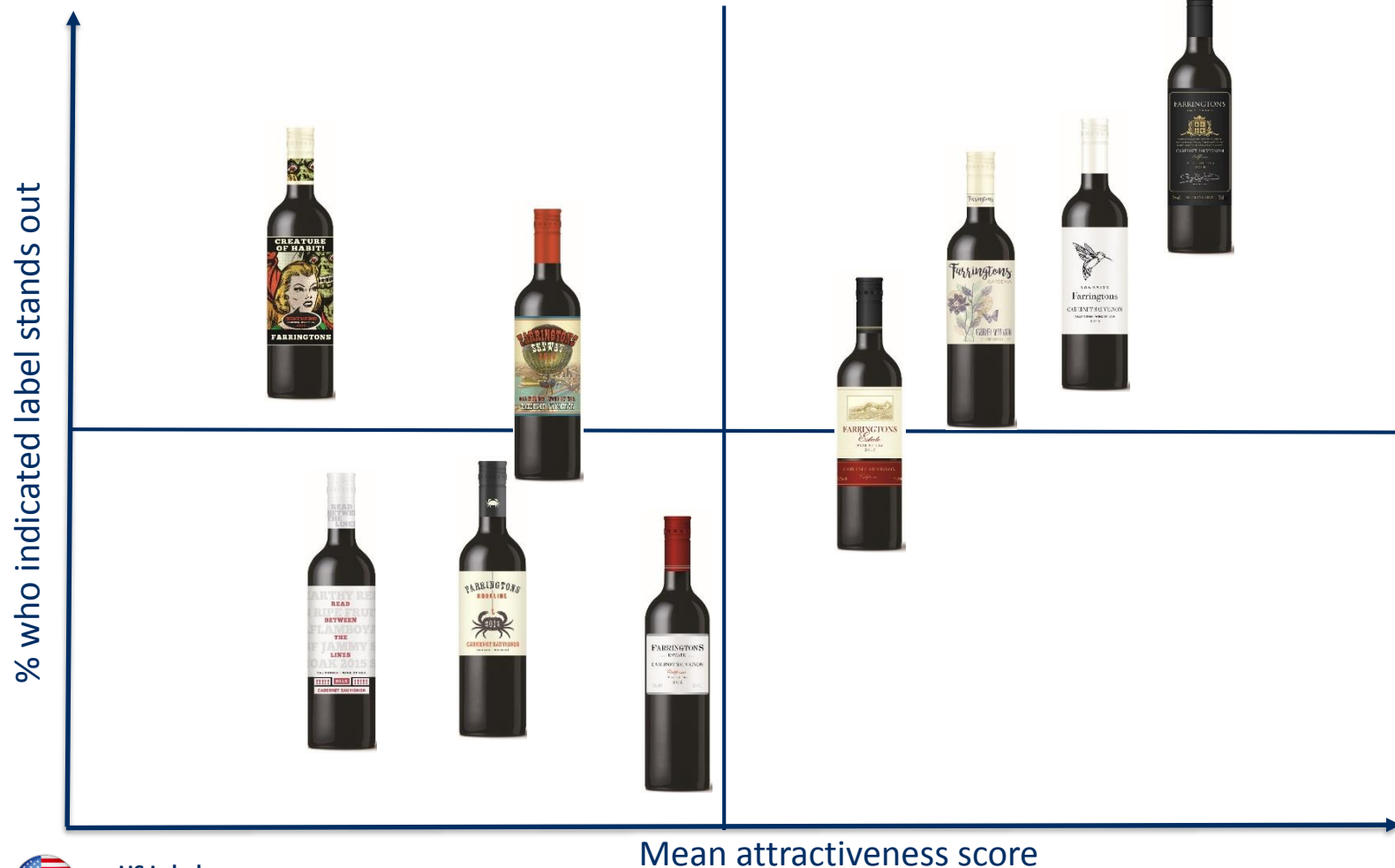
Mean likelihood to buy score

Premium Brand Suburbans: stand-out & attractiveness

'Prestigious', 'Simple Elegance' and 'Boutique' are all seen to be attractive, and also catch the attention of Premium Brand Suburbans

Label stand-out and attractiveness

Analysis of mean attractiveness score and % who indicate the label that first catches their attention

% who indicated label stands out (vertical axis)

Mean attractiveness score (horizontal axis)

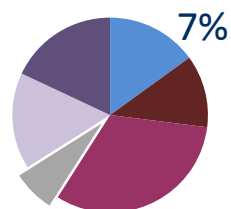# Bargain Hunters & label preference
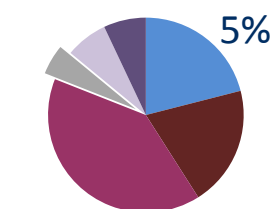
Who are they?
Price-driven consumers with a casual attitude towards wine. Older, slightly more females, and from lower income households
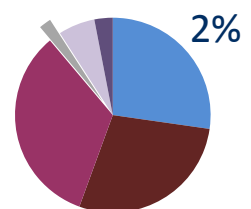
What do they want from labels?
Gravitate towards traditional labels, and perceive the 'Prestigious' label to be far better quality than the other labels

Top label categories

7%
Share of US wine drinkers **population**

5%
Share of total **volume** of wine consumed in the US

2%
Share of total **value** of wine consumed in the US

off-premise	5%	3%
on-premise	4%	2%

US Label Design 2017

Bargain Hunters: label attractiveness

Bargain Hunters find 'Simple Elegance' the most attractive label

Label category attractiveness

Mean calculated score out of 5, where 1 is very unattractive, and 5 is very attractive

Label category key

| Cartoon Retro | Vintage | Bold Text | Simple Contemporary | Boutique | Simple Elegance | Classic | Vineyard Stately | Prestigious |

Attractiveness for Bargain Hunters

Cartoon Retro · Bold Text · Simple Contemporary · Vintage · Classic · Vineyard Stately · Boutique · Prestigious · Simple Elegance

Attractiveness for all US regular wine drinkers

Cartoon Retro · Bold Text · Simple Contemporary · Vintage · Classic · Vineyard Stately · Boutique · Prestigious · Simple Elegance

Mean attractiveness score
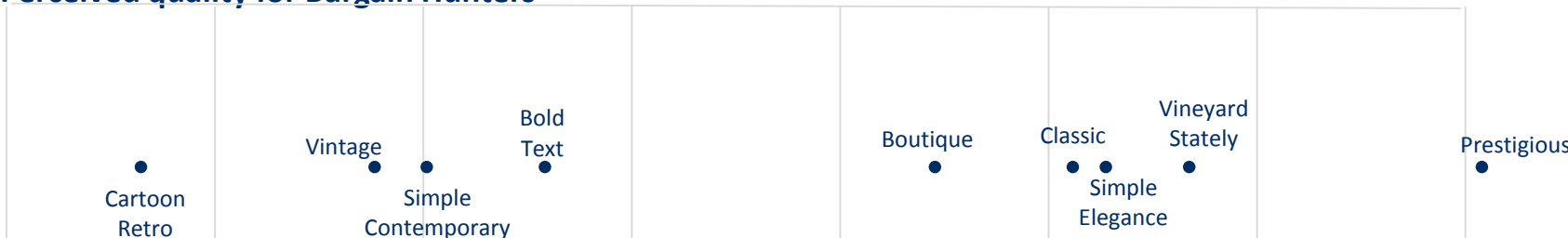
Bargain Hunters: perceived quality

Perceptions of quality and likelihood to buy are in line with that of the average
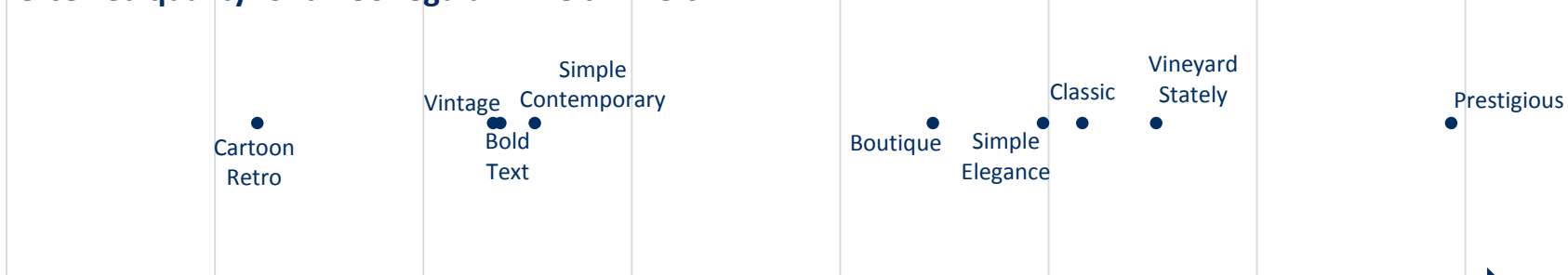
Overall quality perceptions

Mean calculated score out of 5, where 1 is low quality, and 5 is high quality

Label category key

Cartoon Retro | Vintage | Bold Text | Simple Contemporary | Boutique | Simple Elegance | Classic | Vineyard Stately | Prestigious

Perceived quality for Bargain Hunters

Perceived quality for all US regular wine drinkers

Mean quality perception score

Bargain Hunters: likelihood to buy

Perceptions of quality and likelihood to buy are in line with that of the average

Likelihood to buy

Mean calculated score out of 5, where 1 is not likely, and 5 is very likely

Label category key

Cartoon Retro | Vintage | Bold Text | Simple Contemporary | Boutique | Simple Elegance | Classic | Vineyard Stately | Prestigious

Likelihood to buy amongst Bargain Hunters

Cartoon Retro · Vintage · Simple Contemporary · Bold Text · Classic · Boutique · Simple Elegance · Vineyard Stately · Prestigious

Likelihood to buy amongst all US regular wine drinkers

Cartoon Retro · Vintage · Bold Text · Simple Contemporary · Boutique · Classic · Vineyard Stately · Simple Elegance · Prestigious

Outlined labels indicate those that have recorded the same result

Mean likelihood to buy score

Bargain Hunters: stand-out & attractiveness

'Boutique', 'Prestigious' and 'Simple Elegance' catch the attention of Bargain Hunters more than other labels, and are seen as attractive

Label stand-out and attractiveness

Analysis of mean attractiveness score and % who indicate the label that first catches their attention

% who indicated label stands out (vertical axis)

Attractiveness (horizontal axis)

US Label Design 2017

Source: Wine Intelligence, Vinitrac® US, Dec'16 (n=2,028), US regular wine drinkers
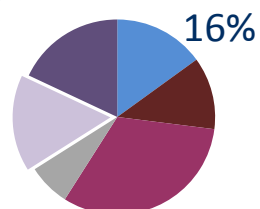
Senior Sippers & label preference
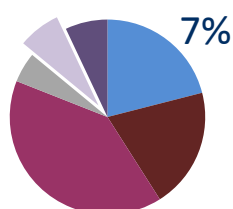
Who are they?
Older, less frequent wine drinkers with a limited interest in wine. Slightly more females, typically over 55 years old and often retired
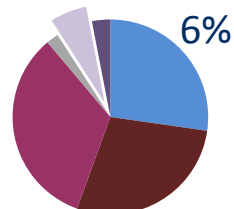
What do they want from labels?
Prefer more traditional labels, however don't strongly reject contemporary labels

Top label categories

16%

7%

6%

Share of US wine drinkers **population**

Share of total **volume** of wine consumed in the US

Share of total **value** of wine consumed in US

off-premise	7%	6%
on-premise	7%	5%

US Label Design 2017

Senior Sippers: label attractiveness

Attractiveness scores are in line with that of the average

Label category attractiveness

Mean calculated score out of 5, where 1 is very unattractive, and 5 is very attractive

Label category key

| Cartoon Retro | Vintage | Bold Text | Simple Contemporary | Boutique | Simple Elegance | Classic | Vineyard Stately | Prestigious |

Attractiveness for Senior Sippers

Cartoon Retro · Bold Text · Simple Contemporary · Vintage · Classic · Vineyard Stately · Boutique · Prestigious · Simple Elegance

Attractiveness for all US regular wine drinkers

Cartoon Retro · Bold Text · Simple Contemporary · Vintage · Classic · Vineyard Stately · Boutique · Prestigious · Simple Elegance

Mean attractiveness score

Senior Sippers: perceived quality

'Cartoon Retro' has a lower perceived quality amongst Senior Sippers
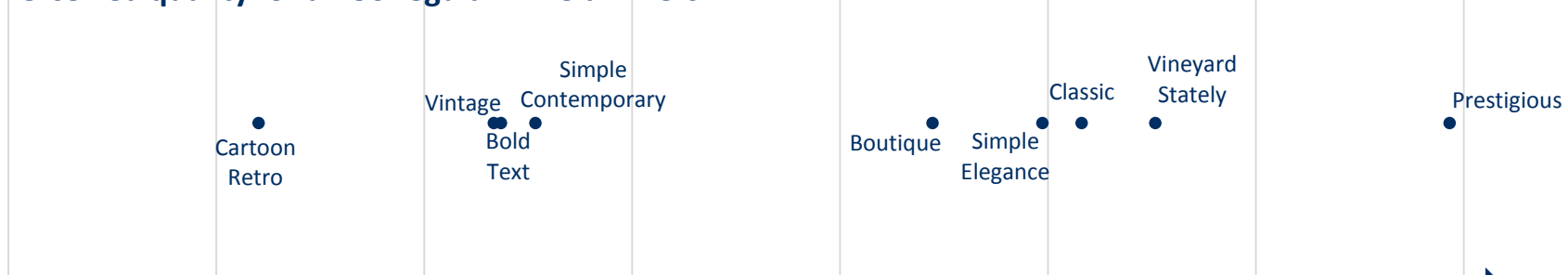
Overall quality perceptions

Mean calculated score out of 5, where 1 is low quality, and 5 is high quality

Label category key

Cartoon Retro | Vintage | Bold Text | Simple Contemporary | Boutique | Simple Elegance | Classic | Vineyard Stately | Prestigious

Perceived quality for Senior Sippers

Cartoon Retro* | Vintage | Bold Text | Simple Contemporary | Boutique | Simple Elegance | Classic | Vineyard Stately | Prestigious

Perceived quality for all US regular wine drinkers

Cartoon Retro | Vintage | Bold Text | Simple Contemporary | Boutique | Simple Elegance | Classic | Vineyard Stately | Prestigious

Mean quality perception score

Senior Sippers: likelihood to buy

Senior Sippers are less likely to buy all labels than other groups

Likelihood to buy

Mean calculated score out of 5, where 1 is not likely, and 5 is very likely

Label category key

| Cartoon Retro | Vintage | Bold Text | Simple Contemporary | Boutique | Simple Elegance | Classic | Vineyard Stately | Prestigious |

Likelihood to buy amongst Senior Sippers

Cartoon Retro*
Vintage*
Bold Text*
Simple Contemporary*
Classic *
Boutique*
Vineyard Stately*
Simple Elegance*
Prestigious*

Outlined labels indicate those that have recorded the same result

Likelihood to buy amongst all US regular wine drinkers

Cartoon Retro
Bold Text
Vintage
Simple Contemporary
Boutique
Classic
Vineyard Stately
Simple Elegance
Prestigious

Mean likelihood to buy score

/ : Statistically significantly higher/lower than all US regular wine drinkers at a 95% confidence level
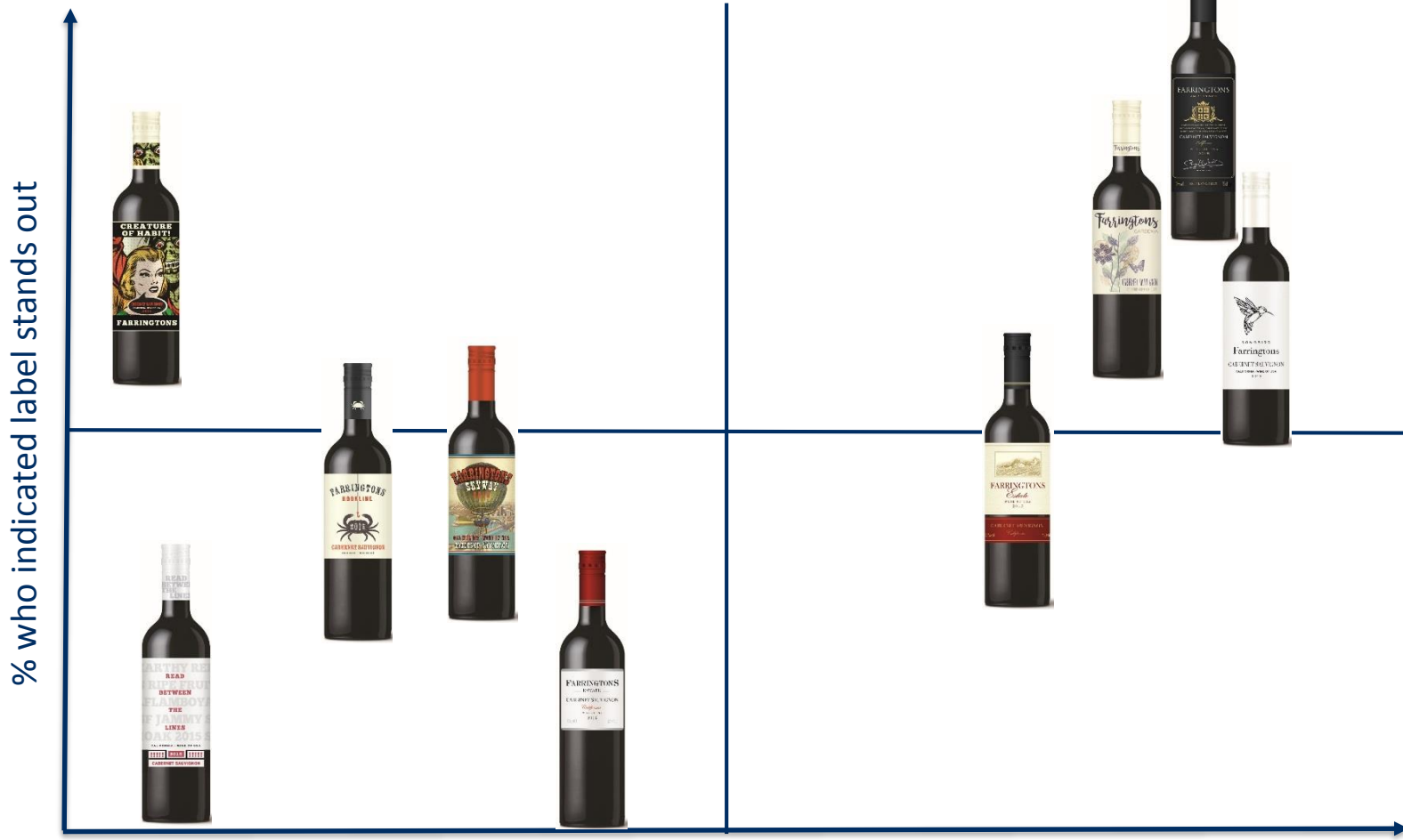**Source:** Wine Intelligence, Vinitrac® US, Dec'16 (n=2,028), US regular wine drinkers

Senior Sippers: stand-out & attractiveness

Senior Sippers gravitate towards more traditional labels, however 'Boutique' and 'Simple Elegance' perform well

Label stand-out and attractiveness

Analysis of mean attractiveness score and % who indicate the label that first catches their attention

% who indicated label stands out

Attractiveness

US Label Design 2017

**Source:** Wine Intelligence, Vinitrac® US, Dec'16 (n=2,028), US regular wine drinkers

Senior Sippers: stand-out & attractiveness

Senior Sippers gravitate towards more traditional labels, however 'Boutique' and 'Simple Elegance' perform well

Label stand-out and attractiveness

Analysis of mean attractiveness score and % who indicate the label that first catches their attention

% who indicated label stands out

Attractiveness

US Label Design 2017

Source: Wine Intelligence, Vinitrac® US, Dec'16 (n=2,028), US regular wine drinkers

Kitchen Casuals & label preference

Who are they?

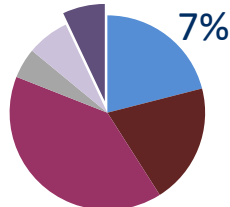They prefer to drink at home, have little to spend and are disengaged with the wine category

What do they want from labels?

Traditional labels, and are less likely to find the more contemporary labels attractive
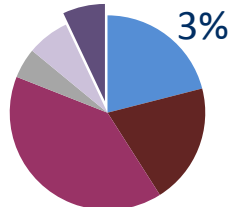
Top label categories
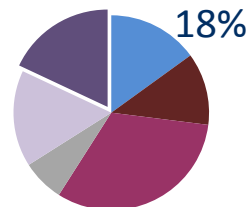
18%

7%

3%

Share of US wine drinkers **population**

Share of total **volume** of wine consumed in the US

Share of total **value** of wine consumed in the US

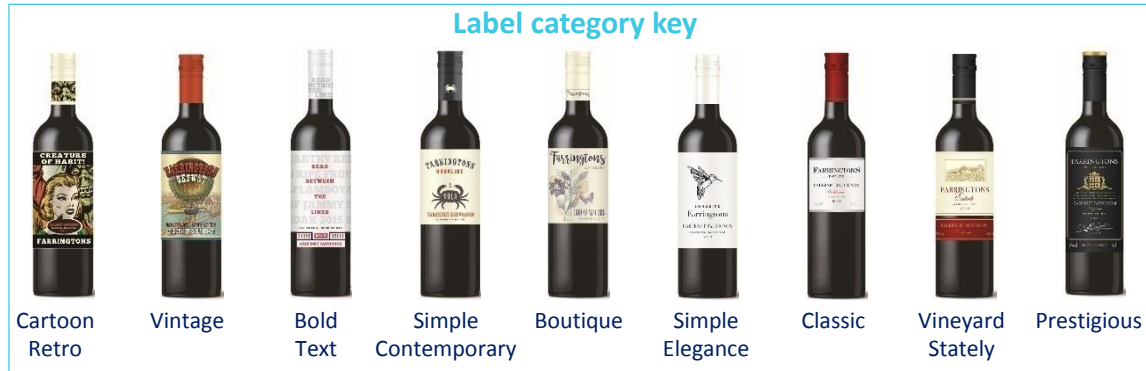|		
off-premise	11%	7%
on-premise	1%	<1%

Kitchen Casuals: label attractiveness

Kitchen Casuals are less likely to find 'Bold Text' and 'Simple Contemporary' attractive

Label category attractiveness

Mean calculated score out of 5, where 1 is very unattractive, and 5 is very attractive

Label category key

| Cartoon Retro | Vintage | Bold Text | Simple Contemporary | Boutique | Simple Elegance | Classic | Vineyard Stately | Prestigious |

Attractiveness for Kitchen Casuals

Bold Text*
Cartoon Retro
Simple Contemporary*
Classic   Vintage
Vineyard Stately
Prestigious   Boutique   Simple Elegance

Attractiveness for all US regular wine drinkers

Bold Text
Cartoon Retro
Simple Contemporary   Vintage   Classic
Vineyard Stately
Prestigious   Boutique   Simple Elegance

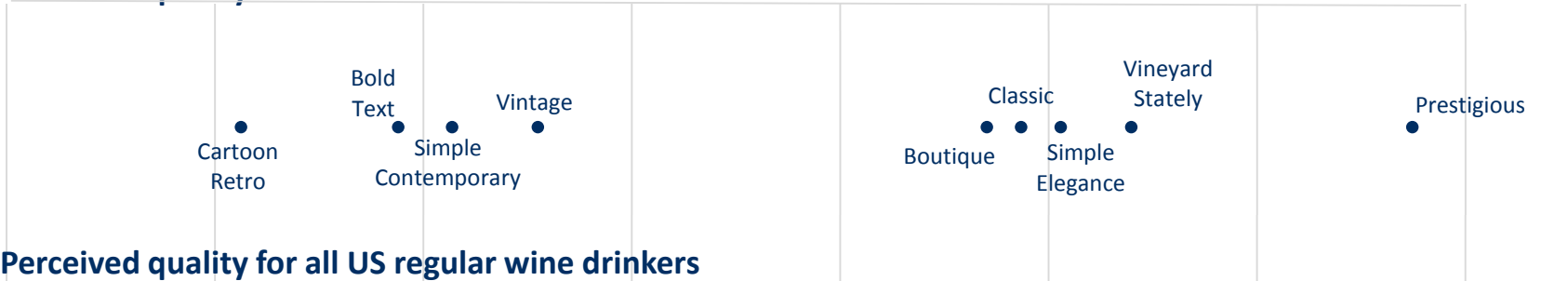**Mean attractiveness score**

Kitchen Casuals: perceived quality

Perceptions of quality are in line with that of the average
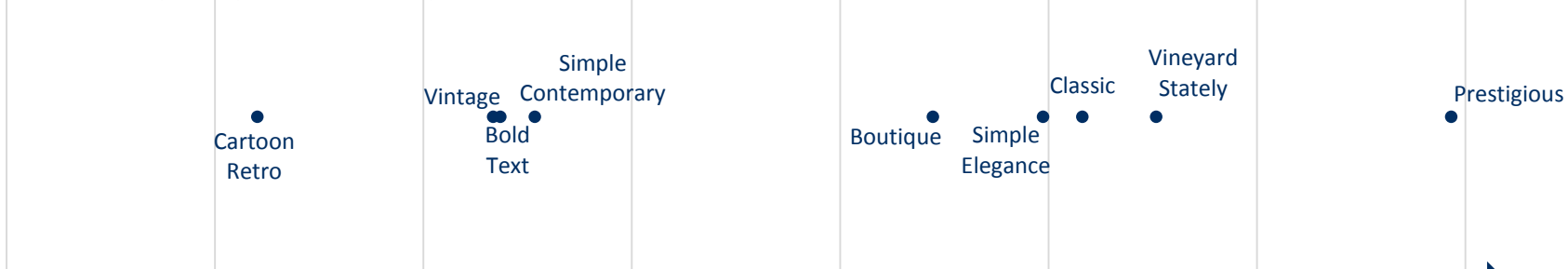
Overall quality perceptions
Mean calculated score out of 5, where 1 is low quality, and 5 is high quality

Label category key

Cartoon Retro   Vintage   Bold Text   Simple Contemporary   Boutique   Simple Elegance   Classic   Vineyard Stately   Prestigious

Perceived quality for Kitchen Casuals

Perceived quality for all US regular wine drinkers

Mean quality perception score
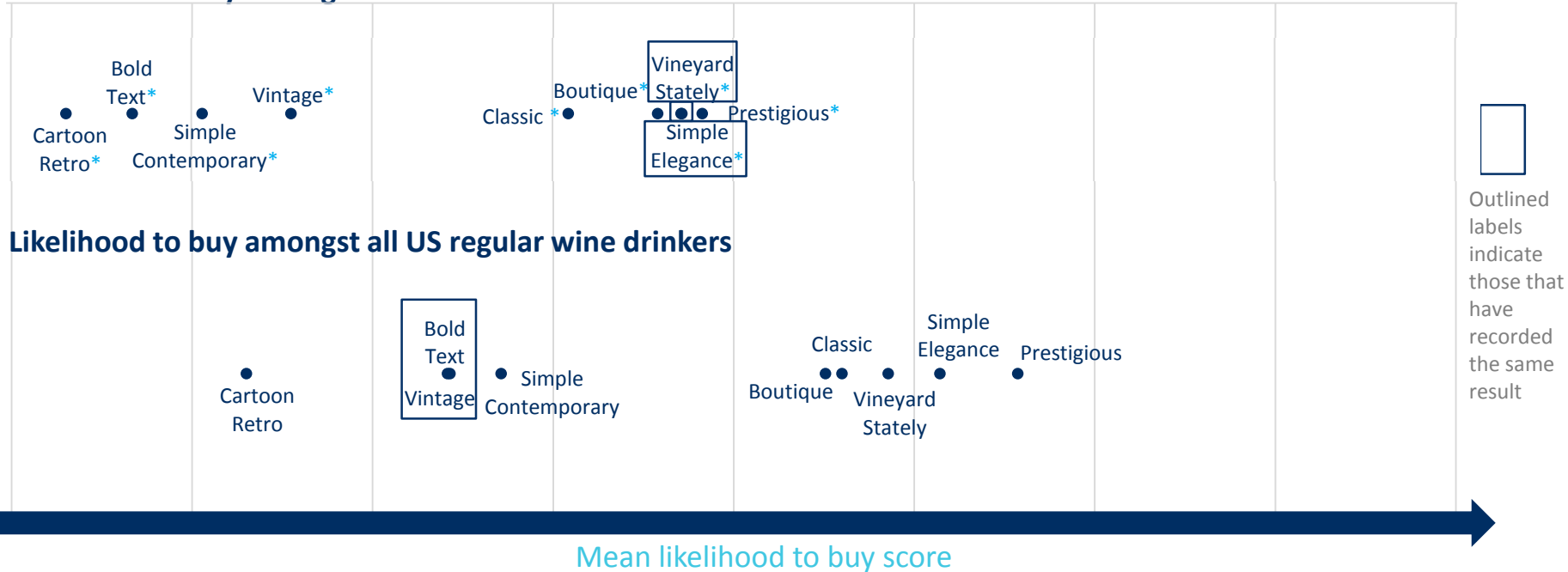
Kitchen Casuals: likelihood to buy

Kitchen Casuals are less likely than other groups to buy all labels

Likelihood to buy

Mean calculated score out of 5, where 1 is not likely, and 5 is very likely

Label category key

Cartoon Retro | Vintage | Bold Text | Simple Contemporary | Boutique | Simple Elegance | Classic | Vineyard Stately | Prestigious

Likelihood to buy amongst Kitchen Casuals

Bold Text*
Cartoon Retro*
Simple Contemporary*
Vintage*
Classic *
Boutique*
Vineyard Stately*
Simple Elegance*
Prestigious*

Likelihood to buy amongst all US regular wine drinkers

Cartoon Retro
Bold Text
Vintage
Simple Contemporary
Boutique
Classic
Vineyard Stately
Simple Elegance
Prestigious

Outlined labels indicate those that have recorded the same result

Mean likelihood to buy score

US Label Design 2017

/ : Statistically significantly higher/lower than all US regular wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, Dec'16 (n=2,028), US regular wine drinkers

Kitchen Casuals: stand-out & attractiveness

'Simple Elegance', 'Prestigious' and 'Boutique' are all seen to be attractive, and also catch the attention of Kitchen Casuals

Label stand-out and attractiveness

Analysis of mean attractiveness score and % who indicate the label that first catches their attention

% who indicated label stands out

Attractiveness

Contents page

- Methodology

Defining the labels

- With a wide variety of label styles present in the market, one of the main challenges of this report was to come up with a manageable categorization that covered most (if not all) bases

- As with previous Wine Intelligence studies in this area, we partnered with Amphora, a leading global design agency specialising in the wine category, to create a series of fictional labels which could serve as archetypes for the spectrum of labels available in the market

- Base on consumer feedback, we developed the names of the label categories, as well as providing some insights on the messages certain label types communicated through their use of color, imagery, wording and typeface

Vinitrac® methodology

- Data collection:
    - The data for this report was collected in December 2016
    - Data was gathered via Wine Intelligence's Vinitrac® US online survey and is representative of all US regular wine drinkers
    - Sampling: quotas / stratified
- Screening criteria:
    - Respondents were required to drink wine at least once per month, to drink at least red, white or rosé wine and to buy wine in the off-premise and/or in the on-premise
- Data processing:
    - Invalid responses (those who completed the survey too quickly, or who "straight-lined" through selected questions) were removed from the sample
    - The survey was post-weighted in terms of age, gender and region
- Sample distribution:
    - The distribution of the sample is shown in the table

USA		
		n=2028
Gender	Male	48%
	Female	52%
	Total	100%
Age	21-24	8%
	25-34	21%
	35-44	13%
	45-54	18%
	55-64	17%
	65 and over	22%
	Total	100%
Region	New England	6%
	Middle Atlantic	16%
	East North Central	13%
	West North Central	6%
	South Atlantic	18%
	East South Central	4%
	West South Central	9%
	Mountain	7%
	Pacific	20%
	Total	100%

Source: Wine Intelligence, Vinitrac® US, December '16, n=2,028
US regular wine drinkers

Research methodology:

Vinitrac®

How does Vinitrac® work?

1) Defining the right samples:
- Wine Intelligence, with the support of global research companies (e.g. TNS, YouGov), regularly runs calibration studies in each market in order to define demographic specifications of the wine consumers and the size of the market (i.e. penetration of wine consumption)

2) Running the online survey:
- Invitations to participate in an online survey programmed by Wine Intelligence are then distributed to residents in each market
- Respondents are directed to a URL address, which provides access to the online survey
- Based on given criteria (e.g. age, beverage, frequency of wine consumption) respondents will either proceed or screen out of the survey
- Wine Intelligence monitors completed responses to build samples representative of the target markets' wine drinking population based on the most recent calibration study

3) Cleaning the data:
- When a representative sample is logged, the survey is closed
- Wine Intelligence will then clean out all invalid data points (e.g. those who sped through the survey or gave inconsistent answers to selected questions) and weight the data in order to ensure representability

Contents page

- Appendix

Imagery Statements

'Prestigious' is seen as sophisticated and elegant, as well as stylish

Sample Size	Bold Text 2028	Boutique 2028	Cartoon Retro 2028	Classic 2028	Prestigious 2028	Simple Contemporary 2028	Simple Elegance 2028	Vineyard Stately 2028	Vintage 2028
A wine for people like me	8%	14%	6%	13%	12%	9%	15%	12%	8%
Stylish	12%	22%	10%	14%	23%	9%	23%	18%	13%
Elegant	4%	20%	3%	18%	39%	4%	18%	22%	4%
Boring	16%	8%	8%	17%	5%	11%	6%	11%	7%
Modern	20%	13%	16%	12%	11%	15%	15%	11%	13%
Approachable	13%	20%	8%	14%	8%	16%	20%	15%	12%
Sophisticated	5%	13%	4%	20%	36%	6%	15%	24%	4%
Authentic	7%	9%	5%	15%	15%	8%	12%	18%	7%
Trustworthy	4%	7%	2%	11%	11%	6%	9%	13%	4%
Fun	18%	14%	25%	4%	4%	21%	12%	4%	26%
Cheap	19%	8%	29%	5%	2%	16%	5%	3%	20%
Ordinary	17%	10%	8%	20%	5%	14%	12%	15%	10%
Exciting	6%	6%	9%	4%	5%	7%	7%	4%	11%
Out dated	6%	8%	8%	9%	4%	7%	3%	9%	8%
Immature	12%	3%	26%	2%	2%	10%	2%	2%	14%
Unique	14%	15%	19%	7%	9%	18%	17%	7%	20%
Overwhelming	4%	2%	9%	2%	3%	3%	2%	2%	7%
Expensive	2%	5%	2%	11%	26%	3%	5%	13%	3%
Enticing	7%	11%	8%	7%	8%	10%	12%	8%	9%
None of these	7%	5%	7%	5%	4%	9%	5%	5%	6%

US Label Design 2017

Statistically significantly **higher than 5 or more** / higher than 4 or more other labels at a 95% confidence level
Source: Wine Intelligence, Vinitrac® US, Dec'16 (n=2,028), US regular wine drinkers

'Boutique' and 'Simple Elegance' score highest for a relaxing drink at the end of the day

	Bold Text	Boutique	Cartoon Retro	Classic	Prestigious	Simple Contemporary	Simple Elegance	Vineyard Stately	Vintage
Sample Size	2028	2028	2028	2028	2028	2028	2028	2028	2028
A relaxing drink at the end of the day at home	28%	32%	27%	27%	26%	28%	32%	28%	27%
With an informal meal at home	25%	30%	21%	27%	26%	24%	29%	27%	24%
With a more formal dinner party at home	14%	20%	12%	26%	31%	16%	23%	27%	15%
At a party/celebration at home	15%	20%	14%	21%	23%	17%	21%	21%	16%
BYO (To take to an informal bar / restaurant)	12%	14%	13%	14%	16%	13%	14%	14%	12%
BYO (To take to a more formal restaurant)	10%	11%	7%	13%	18%	11%	13%	15%	8%
As a gift for somebody	13%	23%	15%	20%	30%	15%	23%	22%	15%
None of these	27%	14%	33%	14%	10%	26%	11%	12%	28%

vinitrac 100

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