



## OVERVIEW OF US MARKET DURING COVID-19

Veronica Kathuria  
US Trade Manager, Wines of Argentina

Meeting Recording:

<https://zoom.us/rec/play/6Zx5dL-prW03GdGW4wSDUaV9W9TpJ6qs0SkcqfBey0i0ACQAY1LyM7AXZOFnHm4gwut6nuZC78FhYa3b>

- i.e Kentucky passed a bill making it the 46th state to allow wine shipped to its residents and gave Kentucky distillers the right to ship products to other states if those states have reciprocal laws....become law April 7 and take effect in July.*





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U.S. sales of alcoholic beverages were up 55 percent in the week ending March 21, according to Nielsen. Spirits sales were up 75 percent in the same period, wine sales were up 66 percent, beer sales up 42 percent.

What's more, Nielsen said online sales of beer wine and spirits were up 243 percent verses the same week the year before. That figure doesn't include people ordering from wine clubs, but includes major retailers with delivery services as well as orders through companies such as Vivino and Drizly.

Us consumers stocked up at the grocery store, large formats saw considerable growth. The 1.5 liter format that was declining before the COVID-19 crisis, is now growing at the same rate as 750 ml bottles. Three-liter box wines were up 136 percent in the week ending March 21 while 5-liter boxes were up 66 percent.

<https://www.winebusiness.com/news/?go=getArticle&dataId=228687>



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On vs Off Premise

Off –premise & Online is KEY- replacing prior on-premise business.

Cristina Mariani-May, CEO of New York-based importer [Banfi Vintners](#), says Banfi's mix is usually about 60% stores to 40% restaurants. "In mid-March, it started shifting dramatically. Now it's about 84 to 16 and we're imagining the on-premise portion may go down to virtually zero."

<https://www.winemag.com/2020/04/13/wine-sales-distribution/>

On Premise is getting innovative- Landry's is focusing o "retail" wine sales. Providing make at home options with wine selection for delivery as well.



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On-Line: Wine.com

Non-seasonal business built for \$300K sales days; \$1MM daily is the new normal. Impact on both inbound receiving and outbound shipping.

- Unique wines sold: 18,207 (up 53%)
- Units per SKU: 29.5 vs. 12.5
- Average Selling Price: \$22 (vs off-season \$29)
- Bottles per order: 8.1 vs. 6.7

Regions working with wine.com: Chile, New Zealand, Wines of Australia, Ribera Y Duero etc



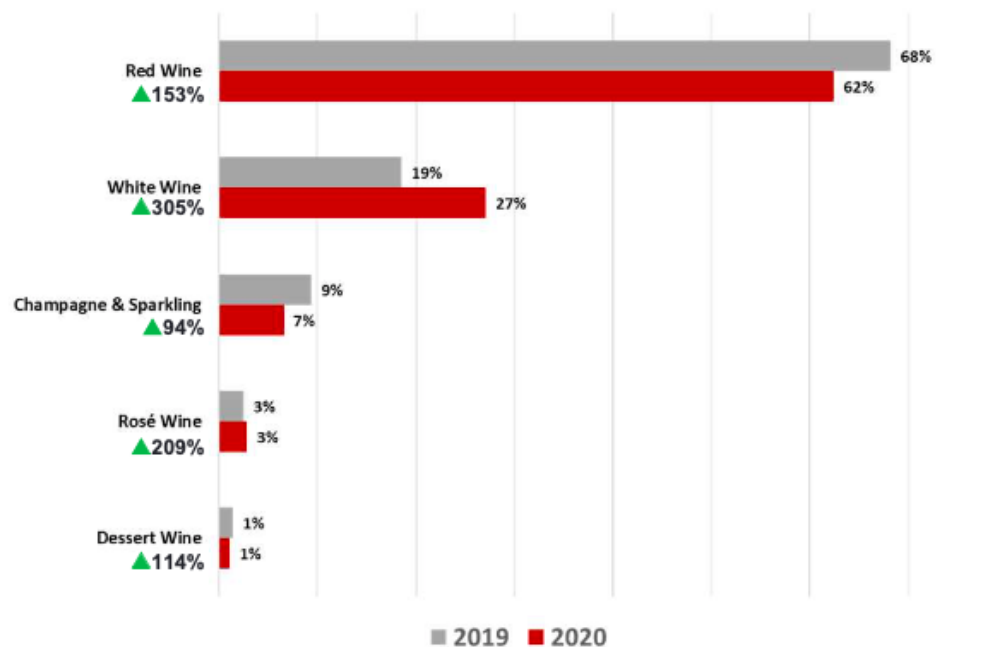
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On-Line: Wine.com

## White wine leading growth by type



Wine.com wine sales: trailing 14 days ending Sunday, March 29, 2020





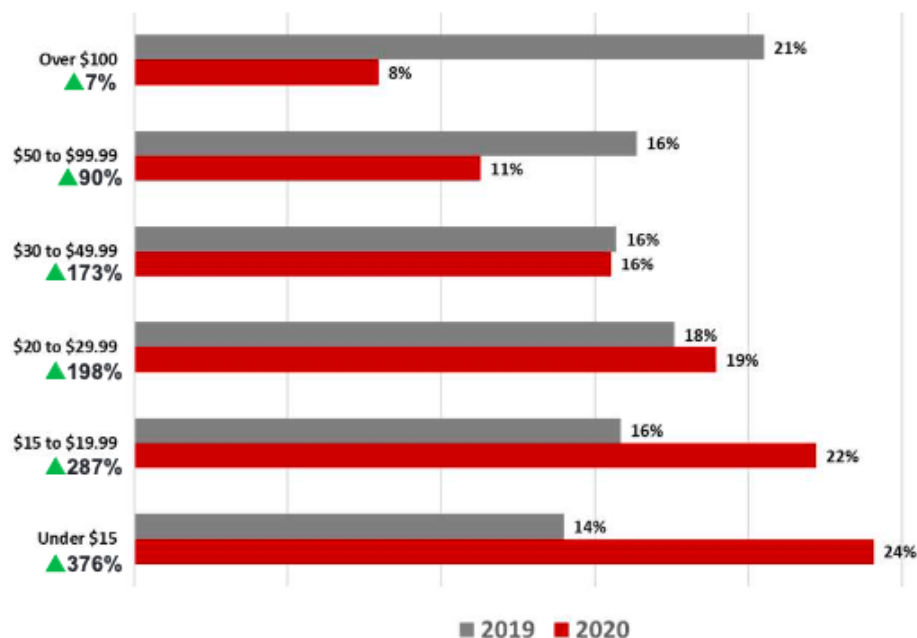
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On-Line: Wine.com

## Share of Business and Growth by Price Point



Wine.com wine sales: trailing 14 days ending Sunday, March 29, 2020





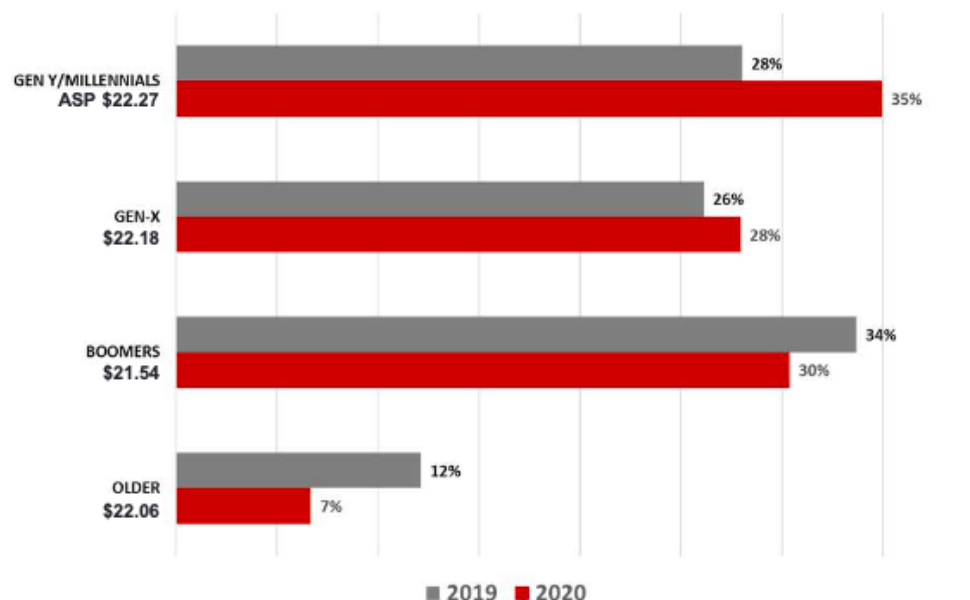
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On-Line: Wine.com

## Young Consumers Discovering Wine.com in Record Numbers



Wine.com wine sales: trailing 14 days ending Sunday, March 29, 2020







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Retail

## RETAIL- ADAPTING TO COVID-19

- In-Store
  - Limited hours
  - Limited number of people can go in
- **Curb-side pickup**
- Instacart- on line ordering
  - Instacart memberships
- Drizzly

<https://beveragedynamics.com/2020/04/01/liquor-stores-covid-19-coronavirus/>



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## Retail

## ON- LINE RETAIL: INSTACART

The screenshot shows the Instacart website interface. At the top, there's a navigation bar with the Instacart logo, "Stores ^", "Account v", "Help", and a "Cart" button. Below this is a delivery/pickup selection bar with "DELIVERY" and "PICKUP" buttons, and a location field showing "TO 14412 Renmore Road Homer Glen, IL 60491". A "Showing v" dropdown is also present. The main content area displays a grid of store cards, each with a logo, store name, product categories, and a "DELIVERY" button. The stores shown are:

- ALDI**: Groceries • Produce • Organic. Buttons: DELIVERY, PICKUP.
- Binny's Beverage Depot**: Alcohol. Button: DELIVERY.
- Costco**: Groceries. Button: DELIVERY.
- Meijer**: Groceries • Bakery • Deli. Button: DELIVERY.
- Pete's Fresh Market**: Produce • Groceries • Deli. Button: DELIVERY.
- Mariano's**: Groceries • Organic • Alcohol. Button: DELIVERY.
- Jewel-Osco**: Groceries • Bakery • Deli. Button: DELIVERY.
- CVS Pharmacy®**: Personal Care • Drugstore • Groceries. Button: DELIVERY.
- Petco**: Pet Supplies. Button: DELIVERY.
- Target**: (No categories listed). Button: DELIVERY.

At the bottom, it says "Also available for pickup".



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Retail

## Drizly's technology brings retailers online and allows consumers to shop their shelves for delivery

Drizly is a consumer-facing order and delivery platform. Orders are placed through the Drizly website (or app) and off-premise retailers that partner with Drizly fulfill the order, process the transaction and execute the delivery. Delivery is carried out by the retail partner's employee or through a 3rd party delivery service designated by the retail partner. For more information, email Drizly at [retailsales@drizly.com](mailto:retailsales@drizly.com) or visit [join.drizly.com](https://join.drizly.com).

[Drizly](#), the largest liquor delivery service, is seeing 500%+ sales increases day after day, while the per order average was up 74% this past Sunday, April 5. (WSWA [invested in Drizly](#).)

<https://www.forbes.com/sites/fredminnick/2020/04/10/pandemic-breeds-battle-between-liquor-wholesalers-distillers-and-online-retailers/#45a1963a2af3>



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Sales Support

Important to ensure supply chain is being maintained properly:

Wine needs to be able to get into the hands of the consumer:

- Follow up to ensure **Importer** has enough Inventory to supply to **Distributor**
- Ensure that **Distributor** keeps up with supply at **retail level (traditional & on-line)**
- <https://www.winemag.com/2020/04/13/wine-sales-distribution/>



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Selling to retail

## Sevenfifty.com

SevenFifty is an online marketplace and communications platform that helps importers, producers, distributors, and retail buyers connect with each other and do business in a modern world.

### Represents:

- **1000 importers --- manage product information**
- **+80,000 On- off premise buyer --- Order thousands of wine, beer, and spirits across leading distributor portfolios**

[SevenFifty + Wines of Argentina Webinar Recording](#)

Online sales to retail- off premise up by 48%, *Gia Bosco, Sevenfifty*



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Selling to retail

SevenFifty is active in 45 States

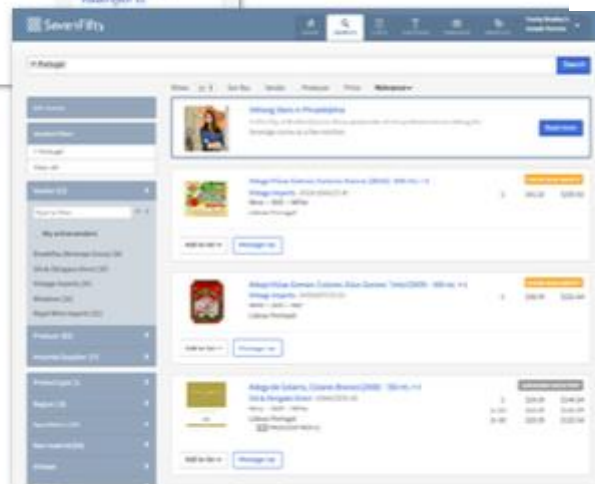


Homepage Placements



150K Trade Professionals  
75K+ Wholesale Buyers

20M Annual Searches  
\$8B in Purchase Power



Search Placements

## Reader Breakdown

- Buyer (59%)
- Distributor (20%)
- Other (10%)
- Supplier (8%)
- Media/Industry (3%)



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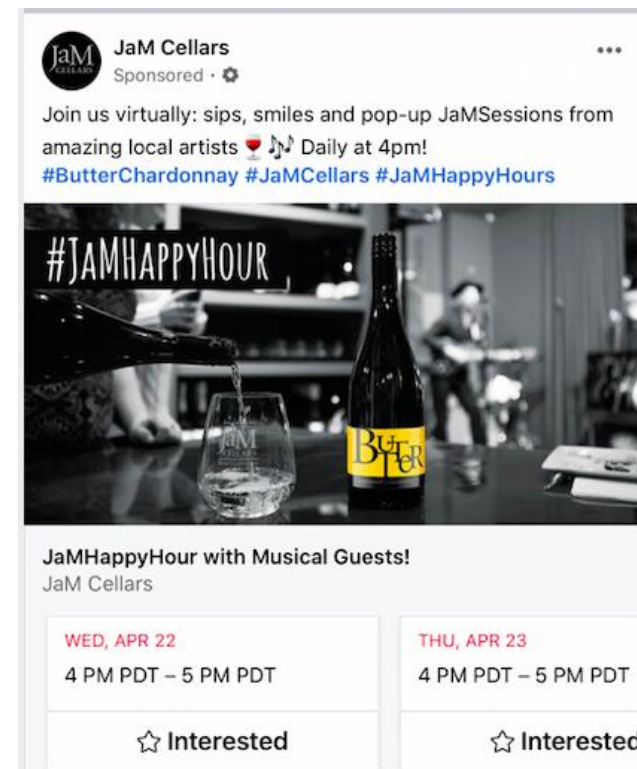
## Marketing

## SALES ARE UP IN ALL OFF PREMISE RETAIL

- Digital advertising with traditional Retail
  - Rioja investing \$25k to support Binny's
- Virtual Happy Hours- Instagram Live
- Virtual Seminars – Instagram live/Zoom
- Virtual Experiences

Argentine wine sales up 33%, *Mitch, DC Wine Guy*

Our sales are up over last year with drastically reduced hours, *Doug Jeffers, Director of Wine, Binny's*





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## Marketing

## DOMESTIC WINERIES:

- Offering DTC discounts/ Free shipping
- Virtual Tastings

**PINOT NOIR: THE FRANCO-AMERICAN CONNECTION**  
Tuesday, April 21 | 4:00-4:30pm PST / 7:00-7:30pm EST

Join us for a virtual tasting comparing classic examples of French and California Pinot Noirs.

Taste Bouchard Aine & Fils Bourgogne and DeLoach Pinot Noir with proprietor Jean-Charles Boisset, and winemaker Brian Maloney.

[REGISTER FOR THE FREE EVENT](#)

[BUY THE WINE TO TASTE ALONG](#)

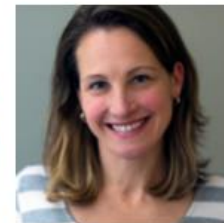
### THE SPEAKERS



Jean-Charles Boisset  
Boisset Family Estates  
Proprietor



Brian Maloney  
DeLoach Vineyards  
Chief Winemaker



Gwendolyn Osborn  
Wine.com  
Wine Educator

### THE WINE





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## Marketing

WOFA  
GLOBAL  
TALKS

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**Due to overwhelming demand, store pickup orders may take longer than usual. We will contact you when your order is ready for pickup.**



**\$25K MEDIA BUY  
FOR 2 WAVES**



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Marketing

## What can you do:

- Winery Virtual Tasting
- Winery Seminars – Instagram live/Zoom
- Winery Virtual Tour
- Update on-line information about your winery
- Distributor Training/Tasting Virtual

<https://wineindustryadvisor.com/2020/04/14/marketing-during-a-crisis-tips-to-pivot-your-marketing-messages>



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Staying up to Date

<https://datassential.com/wp-content/uploads/2020/04/Datassential-Coronavirus-Webinar-2-4-10-20.pdf>

[https://zoom.us/webinar/register/WN\\_nuj54TxDS0WHURw4Ls-ZAQ](https://zoom.us/webinar/register/WN_nuj54TxDS0WHURw4Ls-ZAQ)

## **Datassential - Food + Coronavirus**

New research each week on the COVID-19 crisis and its impact on the food industry. Featuring the latest consumer insights, operator perspective, and industry developments.

This webinar series connects data points from Datassential's ongoing coronavirus research to tell the story of how consumers and operator are coping, how the supplier and manufacturer community can help, and how much of this "new normal" might persist in people's approach to food.

Apr 24, 2020 02:00 PM

May 1, 2020 02:00 PM

May 8, 2020 02:00 PM

May 15, 2020 02:00 PM

May 22, 2020 02:00 PM



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Whats to Come

- Resurgence of Covid-19 expected November 2020
- Social Distancing expected to last beyond 2021
  - modeling study on the [new coronavirus](https://www.statnews.com/2020/04/14/some-social-distancing-may-be-needed-into-2022-to-keep-coronavirus-in-check-new-study-says/) warns that intermittent periods of social distancing may need to persist into 2022 in the United States to keep the surge of people severely sickened by Covid-19 from overwhelming the health care system.  
<https://www.statnews.com/2020/04/14/some-social-distancing-may-be-needed-into-2022-to-keep-coronavirus-in-check-new-study-says/>
- Must adapt to new sales and marketing environment
- **Time of Crisis offer times for growth!**



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Open Forum

## Open Forum

**¡MUCHAS GRACIAS!**

