

Generations on Tap: *Understanding Wine Buying from Boomers to Gen Z*

What's the path forward for the Wine Industry?

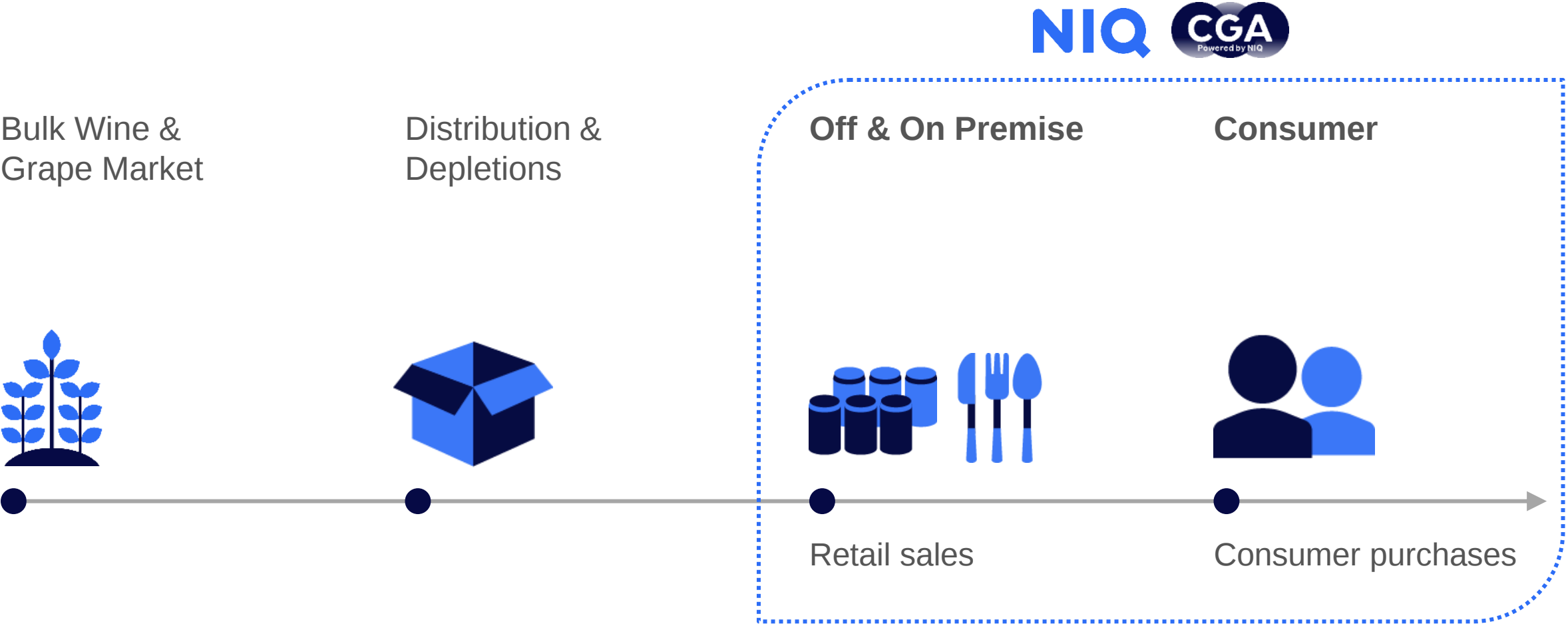
Kaleigh Theriault & Jon Berg
NIQ Beverage Alcohol Vertical

March 2025

NielsenIQ



What does NielsenIQ measure?



3

Topics for Discussion

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**Shopper vs
Consumer**

2

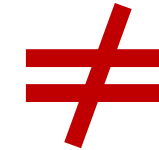
**Channel
Performance
& Preferences**

3

**Traffic Drivers
at Retail**

The Wine Shopper is not always the Wine Consumer

The **Shopper** is the **purchaser** of the wine.



The **Consumer** is the **drinker** of the wine.



Occasions
Treat Myself
and
Entertaining
& *Gifting*

Source: NIQ Panel On Demand Omnishopper; Discover Integrated Beer, Wine, & Spirits database (21+); Latest 52 weeks ending 9/7/2024; Total Outlets; Total US; Buyers & Value Demographic Report

Conv is driving Wine off premise dollar growth, while Liquor & Grocery are facing declines

Channel trends: **Wine** dollar change vs year ago



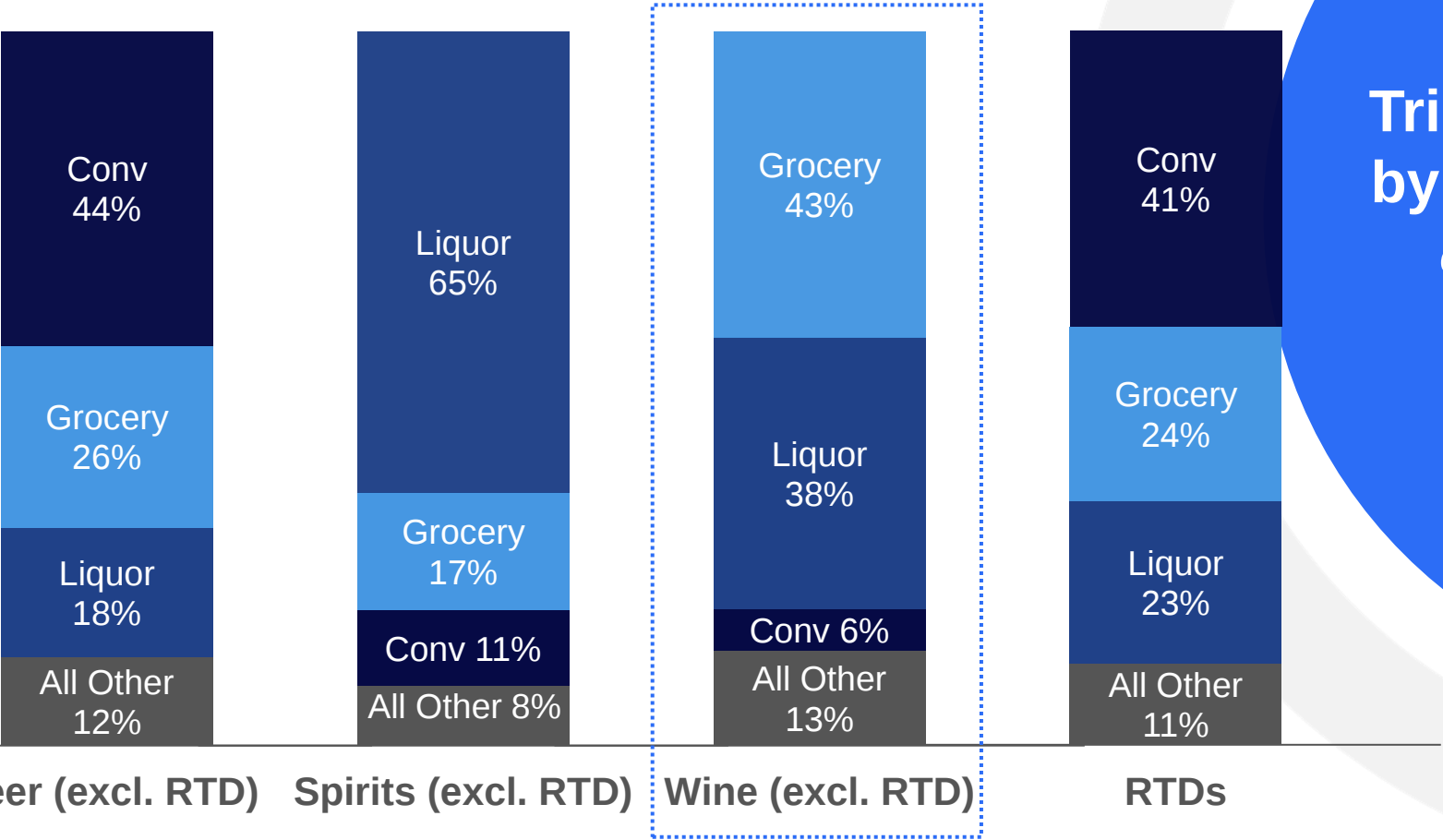
Source: NIQ Scan Off Premise Channels (xAOC+Conv+Liquor Open State); Discover Integrated Beer, Wine, & Spirits database; Latest 52 weeks ending 2/22/25 vs. year ago

**Represents “All Other Channels” including Mass Merch, Dollar, Club, Drug, Military, and Other*

Where do they shop? Shoppers stick to familiar channels

Shoppers are time starved and purchasing in close proximity to consumption, thus driving channel choice varying across categories

Channel Dollar Share by Category



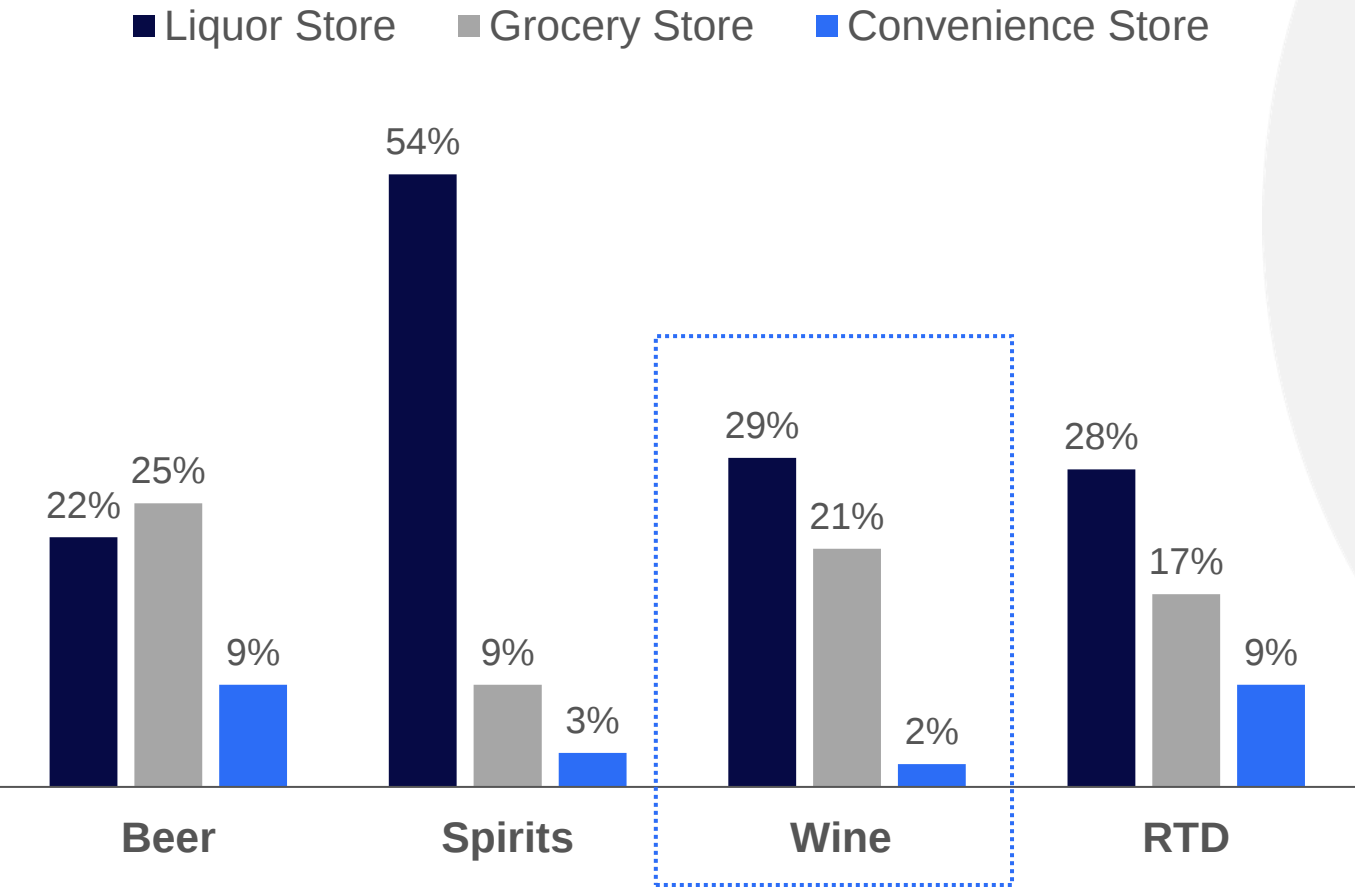
Trip frequency and volume by channel are unique, but *dependency on core channels* is high.

Source: NIQ Scan Off Premise Channels (xAOC+Conv+Liquor Open State); Discover Integrated Beer, Wine, & Spirits database; Latest 52 weeks ending 8/10/2024 vs. year ago

Channel Preference According to Shoppers

Q: Which of the following would you say is the **best** for purchasing products of this type?

Category Preference by Channel



Wine shoppers are looking for depth of selection and retailers welcome the traffic flow

Think about “Destination Purchase”

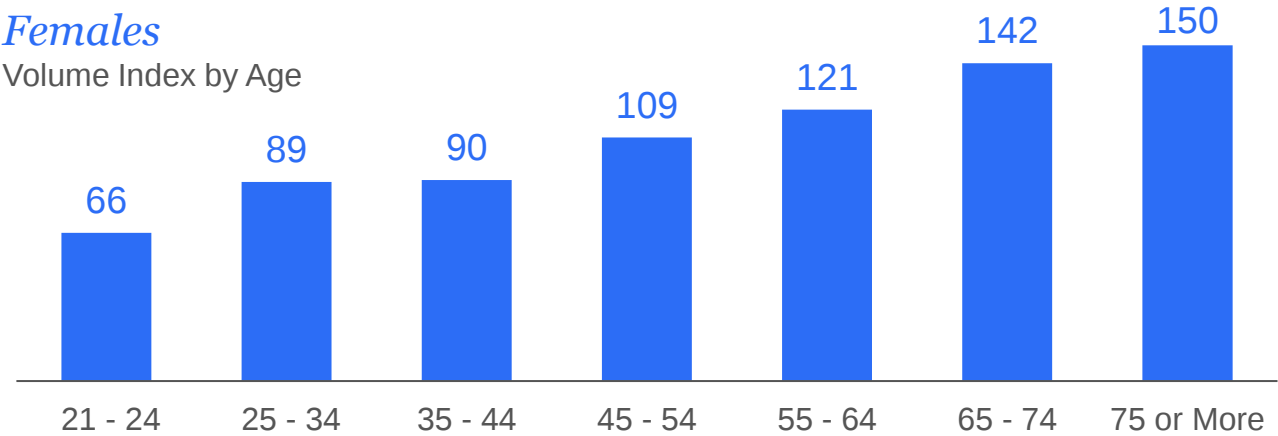
Wine – Gender and Generation Gap

Wine needs to bridge generation as well as gender to effectively recruit new shoppers & consumers



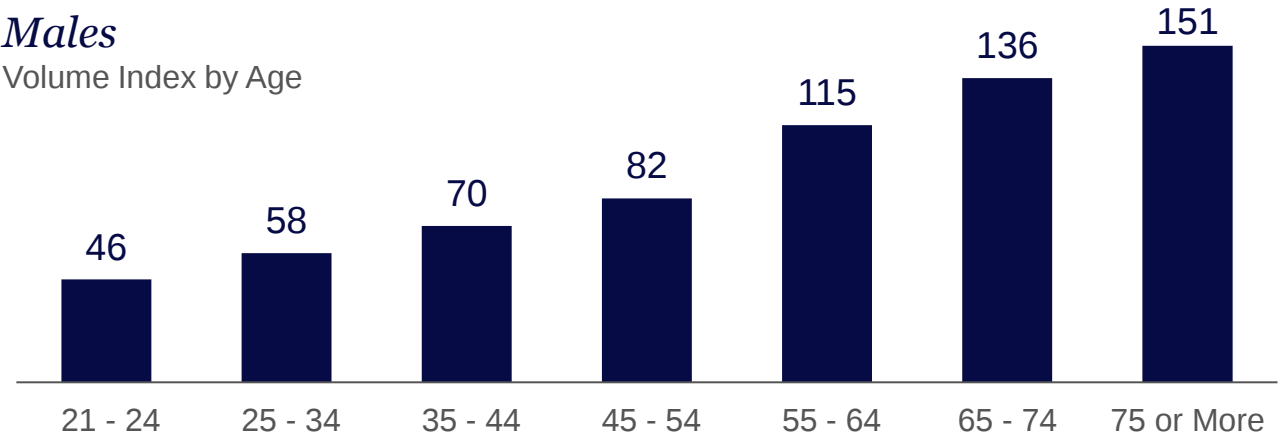
Females

Volume Index by Age



Males

Volume Index by Age

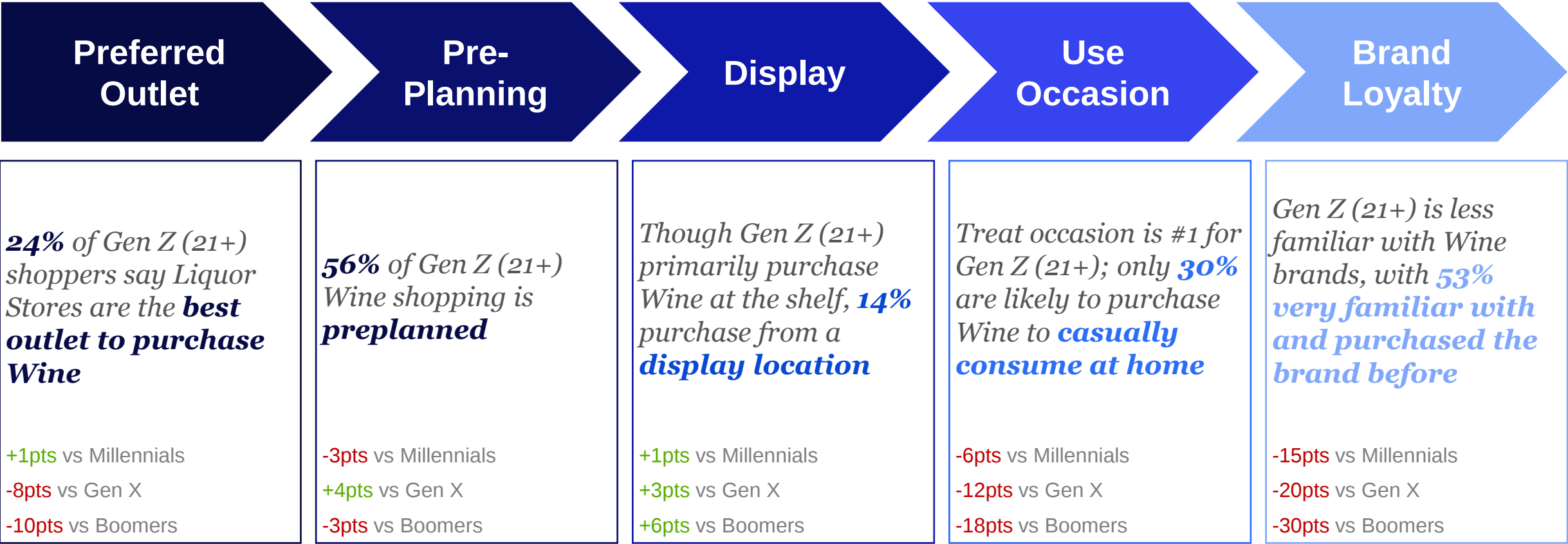


Wine resonates well with **higher income** levels regardless of age group or gender, which supports premium portfolios

Income \$100 - \$150K
107 index
Income \$150K +
126 index

Gen Z (21+) Wine Shopper Journey

Gen Z (21+) households represent 9.0% of total buying households and 8.7% of Wine buying households

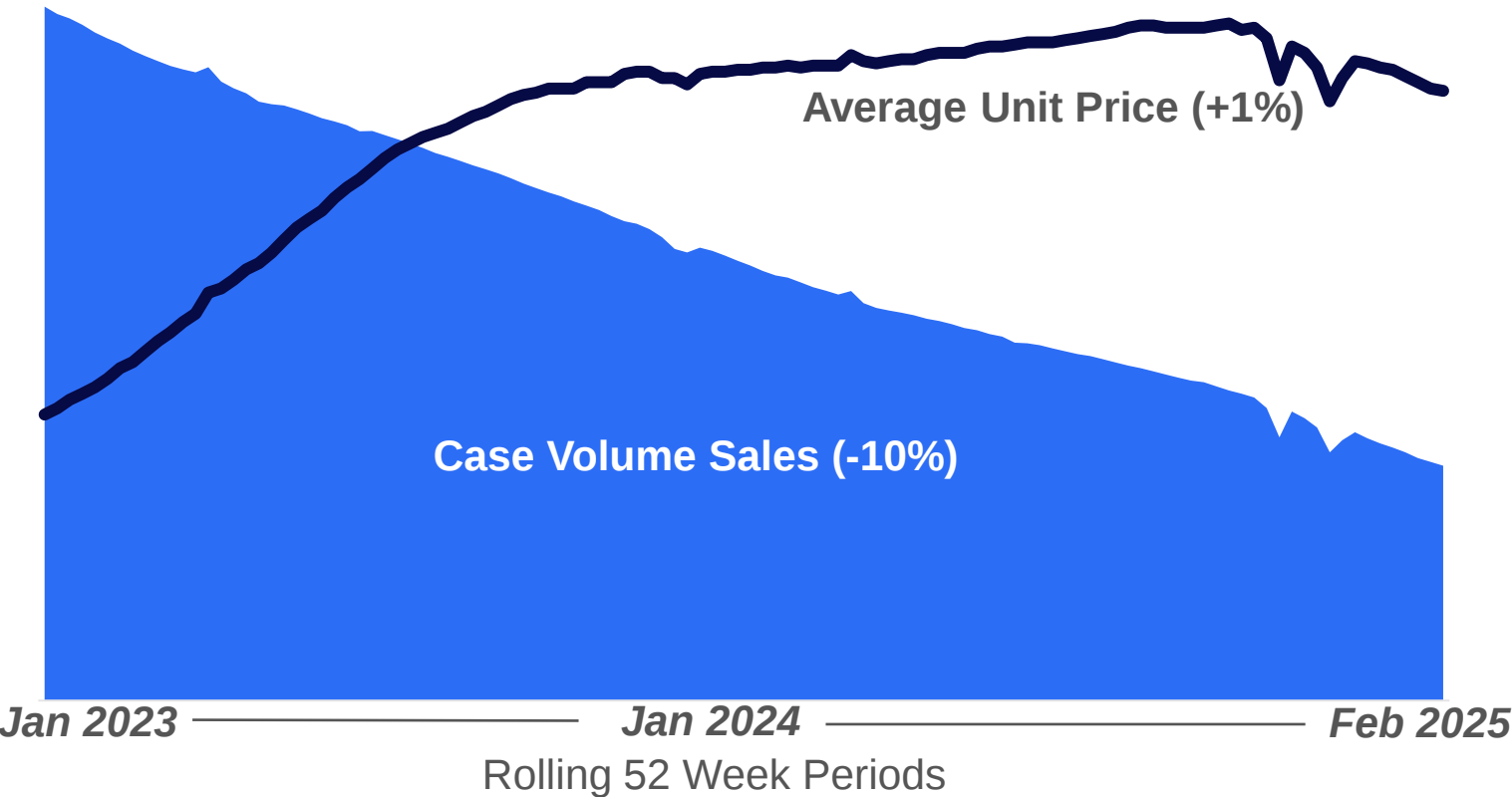


Source: NIQ Omni Shopper Fundamentals 2024

Where's the volume?

The ratio of promoted volume has stayed consistent, price increase has leveled off. Creating volume will need much more creativity

Total Wine – Case Volume Sales Change and Unit Price – Annualized R52
NIQ Off Premise Channels



What to do?

- ✓ Lean into the **RTD occasions** with wine
- ✓ Optimize **DtC and retail**
- ✓ Meet **younger LDA** on their terms
- ✓ Don't let up on **subsidization**
- ✓ **Storytelling** must get more vocal



Source: Total US xAOC + Liquor Open State + Conv for volume sales; Total US xAOC ONLY for promotional sales

Thank you!



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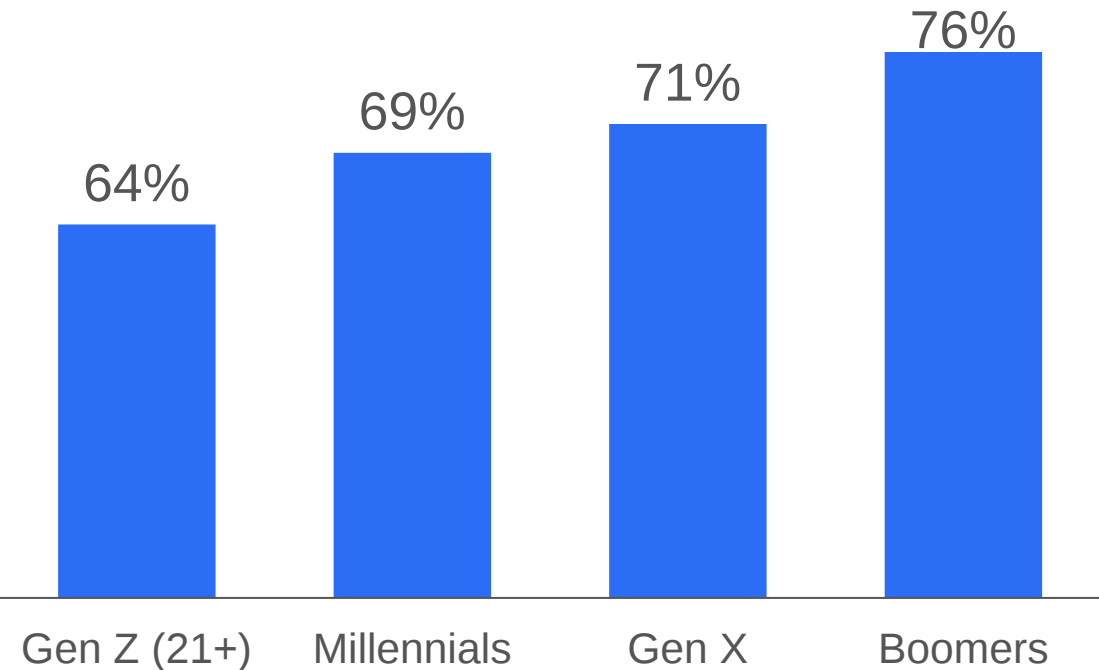
Generational Shoppers – It’s all about the planning ... or is it?

Gen Z (LDA) will certainly need some brand education to create loyalty in Spirits

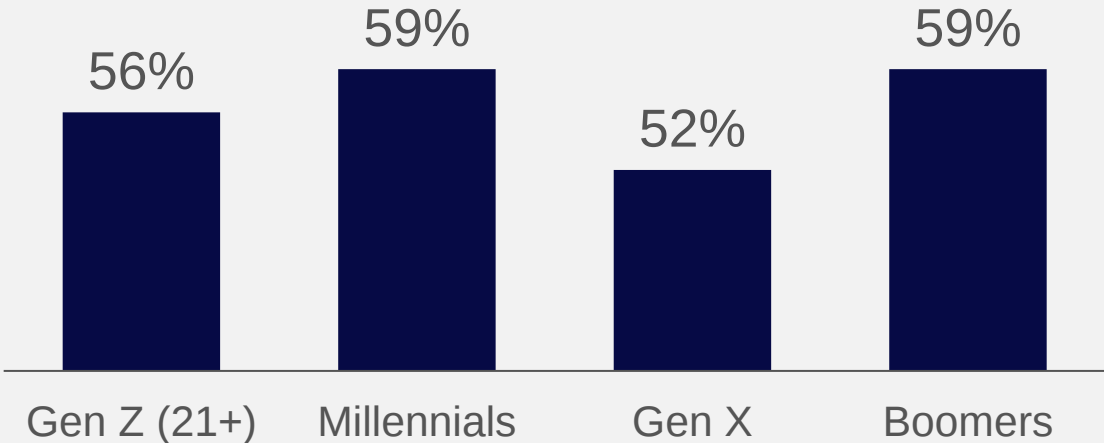
For Wine it’s a huge opportunity to simplify the decision process across all generations

% of shopping is “planned purchase”

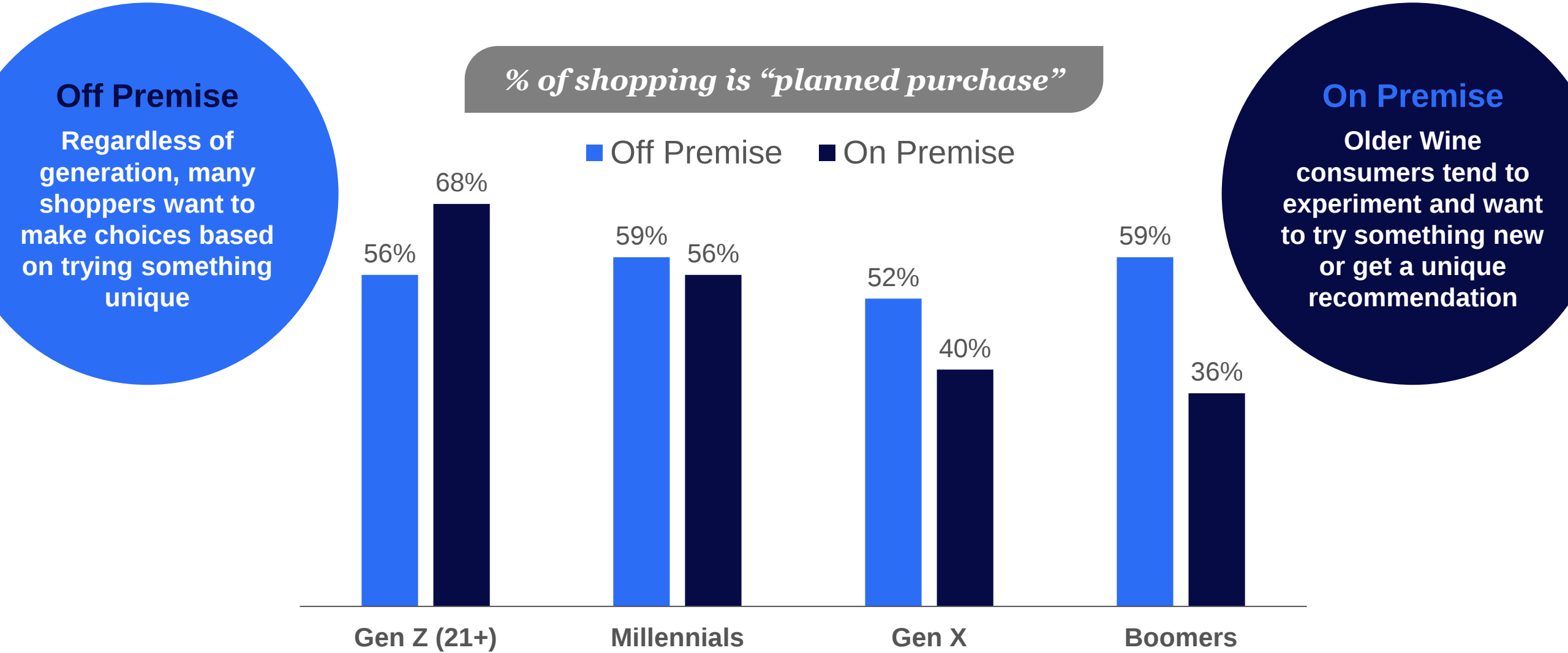
Total Spirits



Total Wine

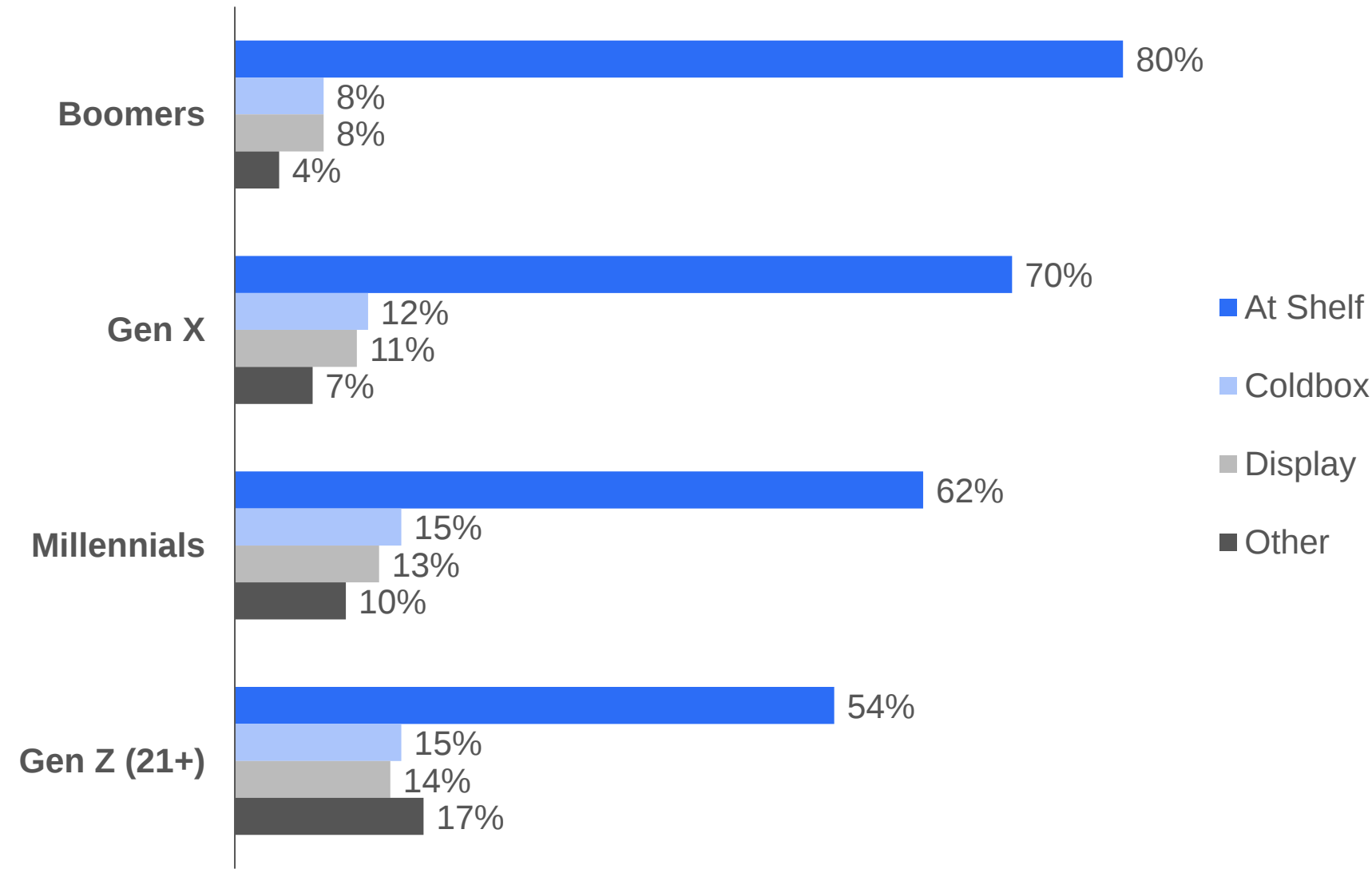


Wine Generational Shoppers – It’s all about the planning ... or is it?



A: I new I was going to buy this brand before I started shopping or ordered
NIQ Omni Shopper Fundamentals - 2024

Off Premise Retail – Where generations buy their wine



Experienced shoppers know where to find their products at the shelf in an efficient and predictable way.

Younger shoppers appreciate **temperature** state preparation geared for short timed consumption, as well as **displays** to remind of purchasing.