Australian Government

Australian Wine and Brandy Corporation

GRAPE AND WINE RESEARCH AND DEVELOPMENT CORPORATION

# Global Market Characteristics (An analytical framework for export market characteristics)



## FINAL REPORT to
**GRAPE AND WINE RESEARCH & DEVELOPMENT CORPORATION**

Project Number: **AWB 05/03**

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# 1. Abstract

The Global Market Characteristics (An analytical framework for export market characteristics) project has increased the knowledge available to the Australian wine industry through an integrated approach to global wine intelligence gathering and analysis.

A collaborative project between the Australian Wine and Brandy Corporation (AWBC) and the GWRDC, the project funding enabled the AWBC to acquire a range of data covering a broad range of sales performances and need-to-know factors influencing sales in Australia's major markets. Analysis of the data enabled the identification of target opportunities for Australian wine. Market Insight Reports containing in-depth analysis of market characteristics and opportunities on key wine markets were prepared and delivered to industry.

## 2. Executive Summary

The Global Market Characteristics (An analytical framework for export market characteristics) project has increased the knowledge available to the Australian wine industry through an integrated approach to global wine intelligence gathering and analysis.

Central to this project was collaborative resourcing, by the GWRDC and the AWBC, of knowledge development in the Australian wine sector. It recognises that each of the partners has overlapping charters in the area of knowledge development and that collaboration can achieve greater efficiencies and leverage of sector funds. The project was proposed in order to expand the domestic-focussed knowledge development activities available prior to this project into a global focus.

The project funding enabled the AWBC to acquire a range of data covering a broad range of sales performances and need-to-know factors influencing sales in Australia's major markets. In addition, competitor activity was analysed and consumer purchasing characteristics examined. This coincided with the development of the *Directions to 2025* strategy.

Analysis of the data enabled the identification of target opportunities for Australian wine. For the first time, reports containing in-depth analysis of market prospects and opportunities were prepared for eleven of Australia's top fifteen markets – that accounted for just over 90% of Australia's export volumes. These publications, called Market Insight Reports, were delivered to AWBC levy-payers and national industry organisations and executive summaries were made available in the public-domain when Directions was launched in May 2007. Reports for Australia's priority emerging markets; China, South Korea and Russia, were delivered in October 2008. Further reports were released in 2008 and 2009.

The reports were rolled out to industry through the *Directions* website via the Strategy and Information Resource Kit and the content was used in state-by-state roadshow presentations and regional Wineskills seminars held during 2007. Access to the reports was promoted through direct email correspondence, the Wine Australia magazine, various industry journals, wine industry conferences and other local and international media.

During the report writing and delivery program, several rounds of feedback were sought. Following the delivery of the first round of reports, an intensive one-on-one programme to gather industry feedback on the usefulness of the reports was conducted, including large, medium and small enterprises and how they perceived the value of the reports in conducting their business operations.

The feedback targeted a number of issues such as the specific ways the reports are used to help with business decisions, the appropriateness of the markets presented and competitor countries reported, the usefulness of the different report sections, the relative importance of the reported data types and dimensions, the appropriateness of the reported price points, the gaps in the data reported, the accuracy of the data, and the presentation and accessibility of the reports.

The reports were widely acclaimed for their "all-in-one" presentation of a range of market intelligence types and for the ease-of-reference provided by the structural design and navigational cues employed consistently across all reports.

At later stages in the program a workshop of key users was held to review refinements made to the first round reporting. Finally, another round of review was conducted by phone survey.

## 3. Background

Central to this project was collaborative resourcing, by the GWRDC and the AWBC, of knowledge development in the Australian wine sector. It recognises that each of the partners has overlapping charters in the area of knowledge development and that collaboration can achieve greater efficiencies and leverage of sector funds. The project was proposed in order to expand the domestic-focussed knowledge development activities available prior to this project into a global focus.

Since 1997, the AWBC had built a knowledge development capacity in the areas of data collection, organisation, dissemination and analysis. This capacity largely focussed on the domestic sector.

By expanding the research base into the international market place (which is consistent with needs associated with an industry that was over 60% export by volume) the sector's current knowledge development initiatives would be adjusted to better meet emerging priorities.

While the Knowledge Development Advisory Committee (KDAC) provided focus and guidance on general industry information needs, the Market Development Advisory Committee (MDAC) was used to provide the perspective on global intelligence needs. Both committees carry broad industry representation.

The development needs identified by KDAC included the following:

- Expanding the focus from the local market to the global marketplace.
- Integrate the range of information activities of the AWBC and other organisations. This also entailed integration across the range of knowledge dimensions - technical, economic, environmental, social, political and market.
- Achieve greater utilisation and efficiencies from existing AWBC information-dissemination systems.
- Raise stakeholder awareness and utilisation of the information dissemination systems through feedback mechanisms, promotion and marketing.
- Facilitate more sophisticated analysis.

The proposal was in sympathy with the sector's ambitions to have informed decision-making as a fundamental driver of sustainable growth.

The basic tenets of the project were -

- The major part of the work will be performed in the Knowledge Development section of the AWBC. This provision is notwithstanding the fact that there will be extensive consultation between the AWBC Knowledge Development department and other parts of the Australian wine sector. The consultation and coordination applied particularly to the AWBC Market Development function.
- To develop an appropriate information matrix to define export markets, information sources associated with those markets, and any gaps in information that may require specific data acquisition
- To use the export information matrix to seek industry feedback (eg through Market Development Advisory Committee) on appropriate targets for further specific data acquisition
- To make the information available through the AWBC Winefacts system to ensure access by all of industry, especially small operators
- Building platforms / models for further integration of knowledge development in the sector.

The expected benefits to the industry arising from the project were –

1. Significant Australian influence in global wine based on knowledge preparedness and decision-making ability (especially in existing and potential export markets.
2. A consumer-responsive Australian wine sector based on knowledge and an integrated supply chain.
3. A competitive Australian wine sector based on rapid dissemination of relevant information and industry responsiveness.
4. An Australian wine sector recognised globally as a benchmark provider of knowledge products and services.

To acknowledge and support Australian reliance on export markets and for potential continued growth in existing and new export markets this project aimed to:

- To provide timely, relevant analysis based on rigorous, reliable data to enable all Australian winemakers to compare and contrast the needs and opportunities of operating in different international markets
- Provide support for industry initiatives to monitor, prepare for, and respond to market access and competitor threats and opportunities by facilitating collection of internationally-focussed, strategic trade market intelligence.

# 4. Project Aims and Performance Targets

## Outputs and Performance Targets 2005-06

| Outputs | Performance Targets |
|---|---|
| 1. Establish and assess draft export market information matrix | May 06 – Oct 06 |

## Outputs and Performance Targets 2006-07

| Outputs | Performance Targets |
|---|---|
| 1. Information needs identified and prioritised | July 06 – June 07 |
| 2. Information needs defined by content and delivery mode | July 06 – June 07 |
| 3. Availability and quality of required information documented | Jan 07 – June 07 |
| 4. Matrix of communication channels and collaborative relationships with key contributors to global wine intelligence identified | July 06 – June 07 |
| 5. Existing, relevant and accessible information maintained at appropriate quality levels | July 06 – June 07 |
| 6. Comparison of market information for various countries assessed with MDAC to target additional new information needs and costs | July 06 – June 07 |
| 7. Test matrix for completeness of input elements with MDAC | Nov 06 – Dec 06 |

## Outputs and Performance Targets 2007-08

| Outputs | Performance Targets |
|---|---|
| 1. Availability and quality of required information documented | July 07 – Dec 07 |
| 2. Actioning agents for sourcing new information identified and roles established | July 07 – Dec 07 |
| 3. Existing, relevant and accessible information maintained at appropriate quality levels within AWBC data warehouse. | July 07 – June 08 |
| 4. Required, available but inaccessible information made accessible | July 07 – June 08 |
| 5. Required but non-existent information generated | July 07 – June 08 |
| 6. Collected information incorporated into AWBC data warehouse | July 07 – June 08 |
| 7. Strategic analysis conducted and delivered | July 07 – June 08 |
| 8. Mechanisms to facilitate the practical use of information identified | July 07 – June 08 |
| 9. Effective dissemination systems determined with MDAC and other industry participants | July 07 – June 08 |
| 10. Information products promoted and marketed | July 07 – June 08 |

## Outputs and Performance Targets 2008-09

| Outputs | Performance Targets |
|---|---|
| 1. User feedback gathered | July 08 – Jan 09 |
| 2. Mechanisms to facilitate the practical use of disseminated information modified based on feedback | July 08 – Jan 09 |
| 3. Strategic analysis with MDAC and industry and final report prepared | Oct 08 – Jan 09 |

## 5. Directions for the Australian Wine Sector as a partner in market information gathering and analysis

The industry wide initiative, *Directions for the Australian Wine Sector*, jointly developed by the Australian Wine and Brandy Corporation and the Winemakers' Federation of Australia, had as its foundation similar objectives to AWB 05/03. It sought to establish the future strategic direction for the industry based on market intelligence. AWB 05/03 was integrated into the *Directions* framework, specifically through the desire to present:

- Information about the potential size of market opportunities, by price point and channel on a country-by-country basis, and
- Global consumer trends information.

The requirement of *Directions* for sector based information on global market intelligence and the identification of opportunities provided significant synergies with this exercise. The *Directions* taskforce provided a ready made forum for:

- collecting ideas and information from industry practitioners,
- testing research methodology and outcomes, and
- gaining approval of the process and draft output.

The advent of the *Directions* strategy provided a very clear indication as to the value of the global markets characteristics project as originally envisaged. The industry consultation process undertaken through *Directions* and the decision making processes used to identify the data resources available, assess the best options available as well as the course of action taken are discussed below.

## 6. Method

Intelligence collection parameters defined in consultation with MDAC are represented by the following. This represents what might be regarded as the start point for the Export Market Information Matrix which for these parameters across a number of markets.

| Research Question | Data items | Examples |
|---|---|---|
| What are the structural market characteristics that define the wine opportunity? | Market classification | Geographic [established, emerging, embryonic], non-geographic [duty-free, multinational, ocean-liner] |
| | Population | |
| | Wine consumers | Share of population, per capita consumption |
| | Market size | Volume and value |
| | Supply and demand balances | Analysis - derived from other data items |
| | Inventory | Directional price influences |
| | Quality | Price point mix |
| | Competitor beverages | Share of throat |
| | Social | Attitudes to alcoholic beverages |
| | Politics | Legal issues affecting consumption |
| | Regulatory | Official (trade barriers), unofficial (non-trade barriers) |
| What is the supply status of the Australian wine sector's competitors? | Production | Winegrapes, wine, areas, varieties |
| | Supply and demand balances | Analysis - derived from other data items |
| | Inventory | Directional price influences |
| What factors influence competitiveness? | Innovation | R&D spend |
| | Economic influences | ER, cost of labour, cost of capital |
| | Cost of wine inputs | Winegrapes, packaging, labels, closures |

Methodology and timelines are illustrated on the Gantt Chart below.

| | TASK DESCRIPTION | 2005/06 | 2006/07 | 2007/08 | 2008/09 | 2009/10 |
|---|---|---|---|---|---|---|
| 1. | Draft Export market Information matrix | | | | | |
| 2. | Test matrix for completeness | | | | | |
| 3. | Define information needs by content, form and sources across countries | | | | | |
| 4. | Identify an effective matrix of communication channels and collaborative relationships with key contributors to global wine intelligence | | | | | |
| 5. | Comparative market tests for new information needs with MDAC | | | | | |
| 6. | Incorporate collected information into AWBC data warehouse | | | | | |
| 7. | Mechanisms to facilitate the practical use of information identified. | | | | | |
| 8. | User feedback gathered and analysed | | | | | |
| 9. | Mechanisms to facilitate the practical use of information modified on the basis of feedback | | | | | |
| 10. | Strategic analysis with MDAC and industry and final report prepared. | | | | | |

## 7. Results/Discussion

The following provides an overview of the different categories of market intelligence (particularly overseas markets) data and the chosen sources for the data found to be available. It will go on to discuss the attributes of chosen data sources that will facilitate the desired analysis of global market characteristics. Finally, the way the analysis was distributed to industry is outlined.

**Data provider – the categories**
The first step in building a matrix of export market information was to identify the broad categories of data providers. Four of these were defined in the research undertaken:

- Market Quantifiers,
- Market Estimators,
- Information Consolidators, and
- Project Consultants.

The first three of these categories were assessed to have the potential to provide useful analytical information on an on-going basis. Project consultants were assessed to be useful where gaps in data provision are identified. The decision was made not to pursue project consultants in the project unless required to.

**Data providers – category advantages**
Market Quantifiers provide quantifiable data on sales performances of Australia and its competitors in the selected markets. This data provides the "what" is happening analysis in the form of scandata. The information gives a partial complete census, that is, a census of sections of the total scope being surveyed.

Market Estimators provide quantifiable data on consumer behaviour in relation to Australian wine purchasing and gives the "how" it is happening. This data is collected using sampling estimation techniques. An additional value of this data is that it provides the ability to do a gain/loss analysis for each market, for example, entering/existing consumers, increasing/decreasing purchases by existing consumers and competitor country gains/losses.

Information Consolidators provide desktop analysis and market auditing services. They usually cover a wide range of markets with background descriptive statistics which allow for cross-checking, benchmarking against primary sources and descriptions of the overall market structures.

**Selection of data providers**

**Market Quantifiers**
Companies identified as leading examples of market quantifiers were AC Nielsen and IRI. AC Nielsen was chosen for all countries except Canada (where AC Nielsen has no presence). Strongly in favour of AC Nielsen was the firm feedback received from industry that it was the pre-eminent and most credible source available. They also have a global reach and provide a 'one-stop-shop' for purchasing and provide consistency in methodology between markets.

In the case of Canada there was no AC Nielsen coverage but as a key market for Australia the controlling Liquor Boards were approached. We were successful in obtaining data from British Columbia and Ontario where the LCBBC and LCBO respectively were used. It is estimated that these two provinces account for about 50% of Canadian sales (Ontario 35%, British Columbia 15%). A positive feature of these sources is they have 100% coverage of their jurisdictions. All wine products in Alberta are distributed by the Connect Logistics warehouse and they also offer a data service similar to Ontario and BC.

AC Nielsen reporting, for any category other than by price point, is estimated to cover between 45% and 92% of the off-trade when benchmarked against Euromonitor estimates of the total off-trade. The price point data is available for 750ml bottles only. Benchmarked against Euromonitor estimates of the total off-trade, price point coverage is between 23% and 92% of the off-trade. The sampling methodology employed by AC Nielsen does provide the raw data which can give a precise quantification and any distortion can be managed during the analytical process.

As AC Nielsen supplies raw data it allows for precise quantification, slicing and dicing and on-going querying. Shortfalls in the data include that it offers no consumer insights, there is little on-trade data available, and no data on embryonic/emerging markets.

**Market Estimators**

Europanel was approached as the provider of consumer panel data due to their advantages of having a global network and credible sample sizes in each market. Europanel maintained a professional approach and displayed clear competencies in this field along with the efficiencies provided as a 'one-stop-shop'.

Europanel provides consumer data that explain consumer's purchase decisions. The primary source of data is a panel of consumers. The panels are permanent, syndicated and representative samples of the country's consumer base. The panelists provide ongoing details about the fast moving consumer goods they purchase on each shopping occasion. Using the most effective collection methodology available in the market or among the panel members (hand-held scanner, paper diary, internet, till receipts, telephone), each panel member records the details of every item they purchase. The details logged for each purchase include what it was, where it was purchased, when it was purchased, how much was purchased and who in the household conducted the purchase.

The resultant measures are estimates based on samples. Reliability of the measure's reading will therefore be subject to the size of the sample. While the consumer panels are established to provide reliable measures for the population as a whole, disaggregated categories, for which fewer members of the sample are consumers, will be less reliable due to the smaller samples.

Advantages of the Europanel data include that it allows insights into consumer behaviour and cross-checks on scandata.

**Information Consolidators**

Key information consolidators were identified as Euromonitor, Canadean and Gomberg-Fredrikson. Euromonitor was chosen because of an appropriate coverage of markets, each with a comprehensive descriptive background as well as statistical treatment. Euromonitor also proved to be the most cost effective and provided state of the art online delivery of information.

The methodology Euromonitor uses scopes the whole of the market providing forecasts on even the less mature markets. It has to be recognised that there is an element of opinion in these forecasts.

**Summary of provider-types**

In sum, this range of providers gave the necessary detail to analyse each market from a sales and a consumer perspective as well as the ability to validate and cross-check against consolidated market intelligence.

Two tactical approaches were taken to sourcing from the chosen providers.

Firstly, purchasing occurred from each of the three categories of providers. This maximised the scope and diversity of the interpretation that could be delivered. It also gives a rounded view of the market allowing cross-checking between the different sources.

Secondly, raw data was purchased for in-house preparation and analysis. This tactic ensured transparency of data potential, the facility for on-going querying and exploration, and magnifies the available interpretive power through 'slice and dice' or 3D analysis rather than just a sectional or 2D approach.

**Selection of Markets**

Australia's established markets were the focus. Several issues determined an approach:

1. They are the markets where the most immediate gains are available (since this was the first phase of the project).
2. Quantifiable market data tends to be possible in the more mature wine markets. Australia's established markets tend to be mature markets. These markets tend to be more sophisticated in general terms with systems and structures to record and collect data.

The markets chosen were: United Kingdom, United States, Canada (Ontario & British Columbia), Denmark, Netherlands, Japan, Australia, New Zealand, Ireland, Germany, and Singapore.

Embryonic or emerging markets for Australian wine as longer term prospect were to be investigated after the phase. For these markets, Market Quantifier and Estimator data were in excess of requirement, even if available, and therefore not appropriate. Information Consolidator data provided the required detail for these markets.

See Appendix 3 for a list of 'Markets and the data purchases' made.

**Market Insight Reports**

'Market Insights' reports were the vehicle for disseminating the resultant findings and analysis to industry. These reports were initially delivered as part of the *Directions to 2025* project launched on 2 May 2007.

The Market Intelligence Reports were designed on a template basis to assist readability and information searching by readers. It also assisted with the terms and conditions placed upon the report's dissemination by the data providers. The Executive Summaries of the reports were distributed in the public domain while, under terms of strict confidentiality, the full reports are available to Wine Grape Levy Payers and Export Levy Payers via a password protected website. Under affiliate licensing to AC Nielsen, which conforms to the terms of confidentiality, national and state industry associations were also provided with the full reports.

**Feedback during development**

Feedback was sought from many industry participants as part of the on-going development of the market reports throughout the program. This included the Directions Taskforce, State associations, WFA, WGGA, the AWBC Board and selected winemakers. The overwhelming response was positive and indicated that the type and format of the reports meets many of industry's needs.

There were some gaps identified in the market intelligence gathered in the first phase of the project.

- The on-trade sector in most markets.
- Complete off-trade channel coverage in some markets.
- Competitor analysis across beverages.
- Qualitative consumer behaviour research.
- Emerging markets data.
- Competitor country production capacity

Further feedback received as a result of the *Directions* release and a feedback process enabled refinements to 2006 data purchases. Consideration was also given to an on-going acquisition program which covered the identified gaps. An on-going funding arrangement for data purchases was also established.

**Delivery of Market Insight Reports**
On May 2 2007 the *Directions to 2025* industry strategy was launched. Market Insight reports for 11 key markets (United Kingdom, United States, Canada, Denmark, Netherlands, Japan, Australia, New Zealand, Ireland, Germany, and Singapore) were delivered to industry at this time while, in October 2007, reports on three key Emerging Markets were delivered (China, South Korea and Russia).

The reports were rolled out to industry through the *Directions* website via the Strategy and Information Resource Kit and the Reports' content informed state-by-state roadshow presentations and regional Wineskills seminars held during 2007. Access to the reports was promoted through direct email correspondence, the Wine Australia magazine, various industry journals, wine industry conferences and other local and international media.

**Feedback post release**
Following the delivery of the reports an intensive programme to gather industry feedback on the usefulness of the reports was conducted, including large, small and medium enterprises and how they perceived the value of the reports in conducting their business operations.

The feedback was obtained in a number of ways:

- An on-line feedback form is available on the website (refer to Attachment 2 for a copy of the form)
- Face-to-face and phone interviews with a selection of micro, small, medium, large and major wine companies as well as industry organisations such as WFA and WGGA.
- Directions Taskforce
- Presentations were made to MDAC and KDAC
- Wine Australia international offices in the UK, US, Canada, Ireland, Japan, Continental Europe and Emerging Markets)
- Through the Wineskills seminars

The feedback targeted a number of issues such as the specific ways the reports are used to help with business decisions, the appropriateness of the markets presented and competitor countries reported, the usefulness of the different report sections, the relative importance of the reported data types and dimensions, the appropriateness of the reported price points, the gaps in the data reported, the accuracy of the data, and the presentation and accessibility of the reports. The list of feedback providers is listed in Appendix 4.

The reports were widely acclaimed for their "all-in-one" presentation of a range of market intelligence types and for the ease-of-reference provided by the structural design and navigational cues employed consistently across all reports.

The results of the feedback suggest that in making business decisions the large and major players mainly tended to use the reports for:

- 3rd party evidence to support business plans;
- a "sense" check on their own intelligence;
- educational material; and
- gap-filling for markets they did not have a focus in.

The small and medium players tended to use the reports more directly in decision-making about market opportunities, for example, using the material to discuss markets with distributors, pin-pointing new markets, preparing strategies and identifying market opportunities.

From an industry planning perspective, the reports have been used extensively to:

- inform marketing strategies;
- provide a more refined view of supply and demand balances; and
- better understand the value chain.

As a result of the feedback, 21 recommendations for improving/refining this year's program were presented to MDAC and KDAC (*2006-07 Output and Performance Targets 6, 7*). Recommendations of particular relevance to small and medium players included:

- Disaggregation of higher price points
- Creation of "Route to market" maps for selected markets that define the pathways, entities and shares of trade for importers, distributors and retailers
- Collecting on-trade data for selected markets.

While maintaining the essential template structure of the reports, a differential approach to each market in terms of data-types collected and the depth of reporting was adopted in the next round of reporting. The reports were to be delivered on a staggered schedule over a 12-to-18 month period rather than just once a year. Where appropriate, a different focus on alternate reporting years for detailed markets will be adopted (eg national US in year 1, state-by-state in year 2). The markets to be reported will be categorised as Group 1 (single-market focus, high resolution analysis) and Group 2 (regional focus with individual market drilldowns, low resolution analysis, includes emerging markets). Due to budget constraints and feedback, it was decided to scale down the amount of purchasing metrics data through panel data. However, a greater focus will be given to consumer awareness and perception intelligence gathering. In an attempt to improve accessibility, negotiate greater AWBC autonomy in decisions regarding copyright restrictions on access to the reports.

A subsequent workshop was held in June 2008 to assess the changes made from feedback from the first round of publications. The workshop found that the reports were an improvement on the first round and were very useful in describing the markets in the context of the Australian category. The reports also provided assistance in forming base line questions on which to create plans. The inclusion of the opening narrative, key insights and a separate data section were viewed positively.

Recommendations that were incorporated following the second round of feedback were:

- A section was included at the start of the report that clearly stated the purpose of the report making the distinction between a "how-to" export document (which is the role of the Market Guide not these reports) and the initial scoping of market opportunity which was being addressed in these reports.
- The higher price points were split out, with the inclusion of a small players section that focussed on shipments above A$10 per litre.
- Opportunities by wine style etc were ranked in a table.
- A pdf copy of the report was attached to email notification of its release
- A table of key insights was included.

A final round of feedback was conducted via a phone survey in May 2009 which found that the reports were very good for macro understanding of the structure of the markets and trends. The reports were particularly important for the smaller companies who don't have the time or resources to conduct the market research themselves or who appreciate independent analysis to verify the anecdotal advice they get from their market sources.

Updated reports were released on the US (May 2008), Ireland (July 2008), the UK (October 2008), and Australia (December 2008). New reports were released on Canada (April 2009), Sweden (April 2009), Rosé (April 2009) and Asia Pacific (June 2009).

## 8. Outcome/Conclusion

The objectives of the project were met. The Market Insight reports provided timely, relevant analysis based on rigorous, reliable data, enabling Australian winemakers to compare and contrast the needs and opportunities of operating in different international markets. They also provided support for industry initiatives to monitor, prepare for, and respond to market access and competitor threats and opportunities by facilitating collection of internationally-focussed, strategic trade market intelligence.

## 9. Recommendations

- Having established a foundation of comprehensive market profiles and scoping, market insight reporting should be scaled back to more timely reporting of immediate sales trends.
- Market overviews should occur on cycles of 3-5 years, commensurate with the slower timeline of change in the overall market profile.

## 10. Appendix 1: Communication

The reports were rolled out to industry through the *Directions* website via the Strategy and Information Resource Kit and through state-by-state roadshow presentations and regional Wineskills seminars held during 2007. Access to the reports was promoted through direct email correspondence, the Wine Australia magazine, various industry journals, wine industry conferences and other local and international media. The media launch of Directions generated over $1 million worth of positive publicity in its first week with ongoing coverage in the Australian media and overseas.

## 11. Appendix 2: Intellectual Property

## 12. Appendix 3: Purchases and Reports

| Markets and data purchases | | | |
|---|---|---|---|
| | **Scan Data** | **Consumer Panel Data** | **Desktop Market Overview** |
| **Domestic** | | | |
| Australia | AC Nielsen - Australia | | Euromonitor |
| **Top 15 export markets, by volume** | | | |
| United Kingdom | AC Nielsen - Global* | Europanel | Euromonitor |
| United States | AC Nielsen - Global | Europanel | Euromonitor |
| Canada | LCBO, LCBBC | | Euromonitor |
| Germany | AC Nielsen - Global | Europanel | Euromonitor |
| New Zealand | AC Nielsen - Global | | Euromonitor |
| Denmark | AC Nielsen - Global | Europanel | Euromonitor |
| China | | | Euromonitor |
| Netherlands | AC Nielsen - Global | Europanel | Euromonitor |
| Sweden | | | Euromonitor |
| Ireland | AC Nielsen - Ireland* | Europanel | Euromonitor |
| Belgium | | | Euromonitor |
| Japan | AC Nielsen - Japan | Europanel | Euromonitor |
| France | | | Euromonitor |
| Singapore | AC Nielsen - Global | | Euromonitor |
| Norway | | | Euromonitor |
| **Other markets of interest** | | | |
| Russia | | | Euromonitor |

* Also has on-trade assessments

**List of Market Insight Reports**

| | First release | Second Release |
|---|---|---|
| Asia Pacific | Jun-09 | |
| Australia | May-07 | December 2008 |
| Canada | May-07 | April 2009 |
| China | Oct-07 | |
| Denmark | May-07 | |
| Germany | May-07 | |
| Ireland | May-07 | July 2008 |
| Japan | May-07 | |
| Netherlands | May-07 | |
| New Zealand | May-07 | |
| Russia | Oct-07 | |
| Singapore | May-07 | |
| South Korea | Oct-07 | |
| Sweden | Apr-09 | |
| United Kingdom | May-07 | October 2008 |
| United States | May-07 | May 2008 |

## 13. Appendix 4: Feedback

### List of feedback providers in round 1

*Large/Major (>5000t)*
Zilzie Wines
Pernod Ricard Pacific
Fosters Group
Negotiants International
Hardy Wine Company
Peter Lehmann Wines
McGuigan Simeon Wines
McWilliam's Wines

*Medium (750-5000t)*
Trentham Estate
Cumulus Wines
Kirrihill Wines
Pikes Wines
D'Arenberg Wines

*Small/Micro (<750t)*
Voyager Estate
Ross Estates
Oliver's Taranga Vineyards

*Organisations*
GWRDC
WFA
WGGA
Directions Taskforce
AWBC (Board, MDAC, KDAC)
Wine Australia

### List of feedback providers in round 2
Chapel Hill
Wirra Wirra
WFA
Paul Van Der Lee (consultant)
GWRDC
Australian Vintage Limited
McWillliams Wines
Fosters Wine Estates

### List of feedback providers in round 3
Wirra Wirra
Punt Road Wines
Zilzie Wines
Chalk Hill Wines
Hollick Wines
Lion Nathan Group
Turkey Flat Vineyards
Fosters Wine Estates
Blue Pyrenees Estate
Craneford Wines
D'Arenberg
Fox Creek Wines
Tahbilk
Kilikanoon

McHenry Hohnen Vintners
Irvine Wines
Golding Wines
Oakover Wines
Schwarz Wine Company
De Bortoli Wines
Ralph Fowler Wines
Barwick Wines
The Gurdies Winery
Tower Estate
Peter Lehmann Wines
Lillypilly Estate
McLaren Vale Premium Wines
Petaringa Wines
Tanunda Vintners

## 14. Appendix 5: Staff

Lawrie Stanford, Manager Information and Analysis
Peter Bailey, Senior Analyst
Rodney Cargin, Wine Industry Analyst
Peter Carmalt, Survey Coordinator
Mark Rowley, Wine Industry Analyst
Sharon Wood, Administrative Officer
Belinda Hamlyn, Marketing Office
Nila Canning, Administrative Officer

## 15. Appendix 5: Budget Reconciliation.

# END OF PROJECT FINANCIAL STATEMENT

**Statement of Receipts and Expenditure**

*At the conclusion of each Project, the GWRDC requires a Statement of Receipts and Expenditure of GWRDC funds received in relation to the Project.*

| **Project Title:** | Global market characteristics (An analytical framework for export market characteristics) |
|---|---|

| **GWRDC Project Number** | **Project Start Date** | **Project End Date** |
|---|---|---|
| **AWB 05/03** | **1 April 2006** | **31 March 2009** |

| **Financial Year (e.g. 2006/07)** | **(a)** **Funds brought forward from previous year* | **(b)** **#Approved GWRDC Budget (full year)** | **(c)** **Total budget available** *(a)+(b)* | **(d)** **Actual expenditure ($)** | **(e)** **Difference ($)** *(c)-(d)* |
|---|---|---|---|---|---|
| *Year 1:* 2005/06 | – | 37,500 | 37,500 | 37,500 | |
| *Year 2:* 2006/07 | | 150,000 | 150,000 | 150,000 | |
| *Year 3*: 2007/08 | | 150,000 | 150,000 | 150,000 | |
| *Year 4:* 2008/09 | | 112,500 | 112,500 | 112,500 | |
| *Year 5:* __/__ | | | | | |
| **TOTAL** | | 450,000 | 450,000 | 450,000 | |

* "Funds brought forward" refers to any unspent GWRDC funds from the previous year and approved by the GWRDC to be spent the following year (i.e. column *(e)* from previous year).
# "Approved GWRDC Budget" is the funding amount specified in the Project Agreement, including any approved Variations after Project commencement.

**Was funding expended as approved in the Project Agreement?** Yes ☒ No ☐

*If **NO**, please provide reasons:*

**Has the cash and/or in-kind funding from Contributing Agencies been received and applied to the Project as approved in the Project Agreement?** Yes ☒ No ☐

*If **NO,** please provide reasons:*

**I hereby certify that this statement is true and accurate.**

Signature of duly authorised representative ) .....

*Name:* Lawrie Stanford *Title:* Manager Information and Analysis *Date:* 5/2/2010