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ROY MORGAN

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Supermarket retailers capture largest (and growing) share of packaged alcohol market but wine clubs attract 'big-spending' customers

New data in Roy Morgan's Alcohol Retail Report shows supermarket alcohol retailers hold the largest market share (40.5%) of the total packaged alcohol market, increasing their share by 3.1% points compared to a year ago. These retailers have been well placed to reap the greatest benefit from any additional packaged alcohol sales during COVID-19 shutdown restrictions.

However, wine clubs have the most lucrative packaged alcohol customers. The average wine club customer spends nearly $160 on packaged alcohol in an average week. This is twice the average spend of a duty free customer and over three times the spending of customer of a supermarket, hotel bottle shop or independent retailer.

A total of 40.5% (5,311,000) of the Australians who purchase packaged alcohol in an average four-week period buy from a supermarket retailer such as BWS, LiquorLand, Aldi or IGA.

This is followed by Supermarket Owned Standalone Retailers such as Dan Murphy's, First Choice and Vintage Cellars on 35.6% (4,130,000); Independent Retailers such as Cellarbrations and Local Liquor on 10.7% (1,434,000); Hotel Bottle Shops such as Bottlemart and Thirsty Camel on 7.8% (1,335,000); Wine Clubs on 5.1% (400,000) and Duty Free on 0.3% (117,000).

The findings come from the Roy Morgan Single Source survey, Australia's most trusted source of consumer insights, derived from interviews with 50,000 Australians each year.

Roy Morgan CEO Michele Levine says it appears that supermarket alcohol retailers have been the big winners in the recent COVID-19 lockdown-driven surge in packaged alcohol sales.

"Over the past twelve months, supermarket alcohol retailers have increased their market share by 3.1% points, making them the clear leader in the broader packaged alcohol market. They are also the only group of stores to have significantly increased market share over the past year.

"But our data also looks at how much the customers of various alcohol retailers spend each week on packaged alcohol. Here, wine clubs come out on top, followed by duty free stores and supermarket owned standalone retailers. In fact, wine club customers' spending on packaged alcohol in an average week is double that of duty-free customers and well over three times supermarket customers' spending.

"An important development within the packaged alcohol market is the impending spin-off of the Woolworths-owned Endeavour Group which controls both Dan Murphy's and BWS. The separation was originally set to occur this year but has now been put off until 2021 due to COVID-19. If it goes ahead then as planned, it will significantly change the market dynamics in Australia's competitive packaged alcohol market," Ms. Levine said.

Related research findings

View the Alcohol Consumption Currency Report, as well as targeted profiles on Australians based on what alcohol they drink, how much alcohol they drink, where they buy their alcohol from, and much more.

For comments or more information about Roy Morgan's alcohol data please contact:

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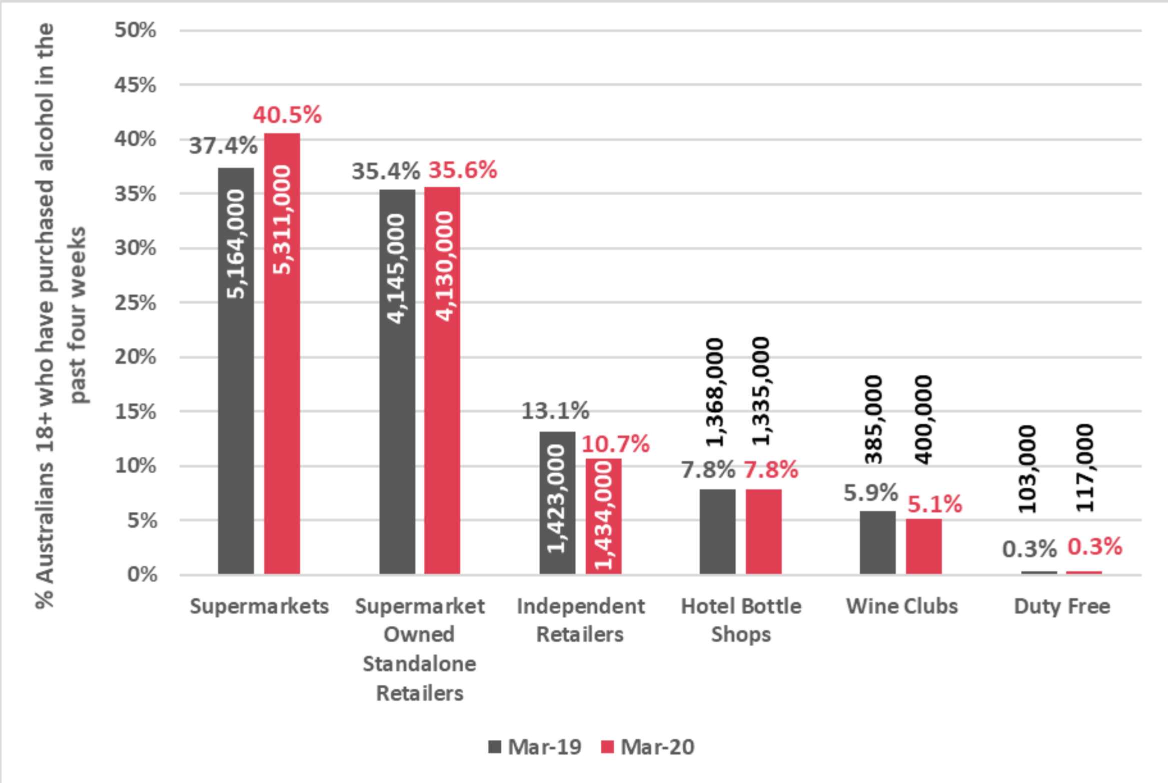
Market share and customer penetration of alcohol retailers



Source: Roy Morgan Single Source Australia, April 2018-March 2019, n= 6,959. April 2019-March 2020, n= 6,165.
Base: Australians aged 18+ who have purchased packaged alcohol in the past four weeks.

About Roy Morgan

Roy Morgan is Australia's largest independent Australian research company, with offices in each state, as well as in the U.S. and U.K. A full-service research organisation, Roy Morgan has over 75 years' experience collecting objective, independent information on consumers.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	**Percentage Estimate**			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
10,000	±1.0	±0.9	±0.6	±0.4
20,000	±0.7	±0.6	±0.4	±0.3
50,000	±0.4	±0.4	±0.3	±0.2