



PROJECT GENOMESM HOME & HABITS

 **Constellation Wines U.S.**

A CONSTELLATION BRANDS COMPANY

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Project GenomeSM – DEEPER, RICHER INSIGHTS

- Constellation Wines U.S. - leading the industry in **consumer insights**.
- First study: **3,500 premium wine consumers** surveyed – learned there“s **no typical wine consumer**.
- Project GenomeSM Home & Habits: **10,000 consumers** – learned about **actual purchases & lifestyles** from voluntary **Nielsen Homescan data**.
- Unprecedented insights will **benefit all wine customers** – retail outlets and restaurants will know how to **make the wine buying experience better**.
- Project GenomeSM has **changed how we look** at our customer base.
- As the No. 1 premium wine company in the United States it is important to Constellation Wines U.S. to not only offer a **rich and diverse portfolio** of high-quality wines but also **superior customer service**.
- **Proud to share** our findings – the entire industry benefits by **knowing customers better**.

What's at Stake – A MORE REWARDING WINE EXPERIENCE

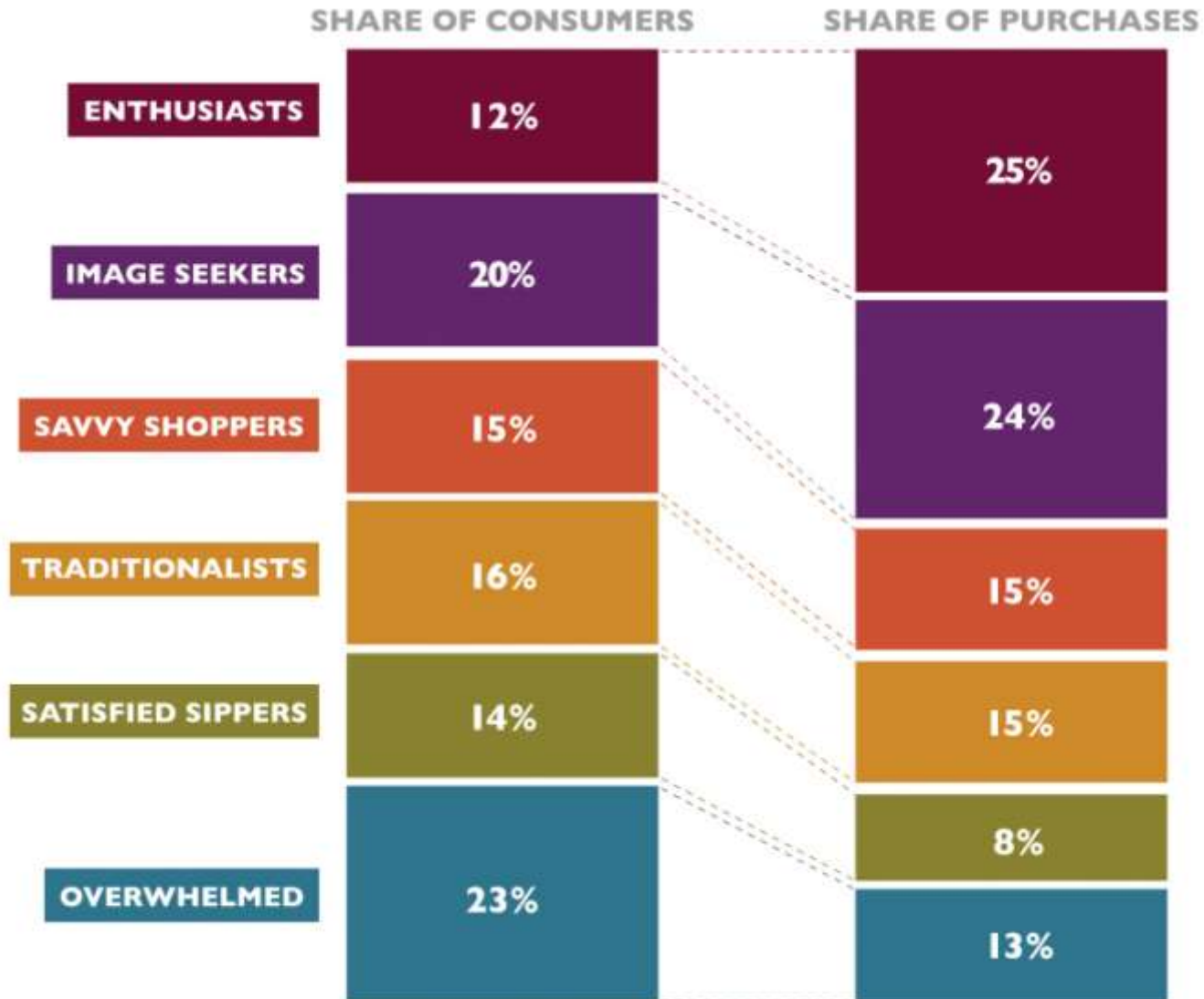
- Constellation has been presenting the Genome segments to the channel market for **two years** to great excitement.
- Customers are now seeing a better **assortment** and **shelf flow**, improved **promotional calendars** and materials, superior **education materials** and new **cross promotion opportunities**, improved **wine lists** and more.
- This new Phase II data will help to construct **more detailed, sophisticated wine plans** than ever before - especially for the Premium Wine and Luxury consumer segments.
- In the absence of data the industry might assume that each wine drinker was the same - The Project Genome findings show there is **no such thing as a typical wine consumer**.
- The Project Genome data helps retailers **objectively understand customers** and speak to each segment in ways that **make sense for them**.
- Information is a powerful thing – and will help the industry - from the winery to the grocery aisle - have a **more rewarding wine experience**.

METHODOLOGY

- 10,000 consumers
- 18 months of Homescan panel data
- On-line interview to classify panelists by Genome segments
- Custom Spectra analysis

There are 6 key premium wine consumer segments, each with their own distinct wants and needs.





ENTHUSIAST

WHO I AM

- I consider myself **passionate** and **knowledgeable** about the total wine experience.

HOW TO CONNECT WITH ME

- We entertain at home often and enjoy wine with friends.
- For me, wine is a global experience. I constantly seek additional knowledge and I appreciate and understand **sophisticated wine information**.
- At retail, I read labels and enjoy lingering in the wine section. I like to be offered both **well-known** as well as **unique** wine selections.
- On-Premise, I typically buy wine **by the bottle**. I use my knowledge of wine to make smart buying decisions.



12%
consumers

25%
purchases



INTERESTING INSIGHT:

Enthusiasts are great at using their knowledge to make smart buying decisions.

- 98% of Enthusiasts buy wine over \$6 and it accounts for 56% of their wine volume.
- 47% of Enthusiasts buy wine in a 1.5L size and it accounts for 20% of their wine volume –

Not too surprising considering that they need an “everyday wine” along with their “weekend wine”.

IMAGE SEEKER

WHO I AM

- For me, **wine is a status symbol**. Discovering wine is new to me. I only have a basic knowledge of wine, which is driven by my awareness of the latest trends.

HOW TO CONNECT WITH ME

- I use the **internet** as a key source of information, and I like „sound bites“ and „factoids“.
- Because I like to experiment, I“m open to **new wines** and wine in **innovative packages**. When I buy wine, I include screw cap wines, 3L boxes, and tetra packs.
- When I“m not sure what to buy, I typically go for the one that“s **more expensive**. I“m influenced by **unusual facts and lifestyle messaging**.
- On-Premise - When I“m going out to a nice restaurant, I typically **check out the wine list ahead of time** on-line so I can impress my friends.



20%
consumers

24%
purchases



INTERESTING INSIGHT:

Nearly 60% of Image Seekers' purchases are made in grocery.

- Contrary to what the "Sideways" movie might have you think, the number one varietal for this group is Merlot.
- This varietal accounts for 20% of their wine volume.

SAVVY SHOPPER

WHO I AM

- I **enjoy shopping** for wine and discovering new brands and varietals **on my own**. I get a lot of personal satisfaction when I buy a great \$15 bottle of wine and only pay \$10.

HOW TO CONNECT WITH ME

- I shop in a **variety of stores** each week to find the best deals so I like to be offered a variety of wine specials and discounts. I am a heavy user of coupons and rebates and know what is on sale even before I walk into the store.
- I'm willing to **buy 6 bottles** at once so that I get an additional discount and spend time looking at the close-out wines.
- When I'm On-premise, I typically buy a glass of the **house wine** since I think it's a better value for the money.



15%
consumers

15%
purchases



INTERESTING INSIGHT:

Savvy Shoppers buy a lot of wine!

- This group has bought 67 bottles (750mL eq) of wine in the last 18 months!
- Make it easy for this consumer to find your items on sale – both the well known brands as well as unusual finds.



TRADITIONALIST

WHO I AM

- Since I was raised on **traditional values**, I enjoy wines from **established wineries**. I feel like they have perfected the art of winemaking.

HOW TO CONNECT WITH ME

- I like to be offered a wide variety of **well-known national brands**, especially those that spend money on advertising to me. I don't try new brands very often. I want to shop at a retail location that makes it easy for me to find the brands I want to buy.
- On-Premise. I always order wine brands with which I'm **familiar**. I won't order wine if I don't recognize any of the brands on the list.

16%
consumers

15%
purchases



INTERESTING INSIGHT:

For the Traditionalist, wine \$8+ accounts for 25% of their wine volume.

- Just because they like well known brands, it doesn't mean that they don't spend money to buy a good wine.
- Make sure you have a good assortment of well-known brands at Super Premium price and above.

SATISFIED SIPPER

WHO I AM

- I **don't know much** about wine; I just know what I like to drink. I usually buy the **same brand**, preferably a domestic wine.

HOW TO CONNECT WITH ME

- I don't enjoy the experience of buying wine, so I like to buy the **1.5L bottles**. Since I usually buy the same brand, I shop at places that **make it easy** to find the wine that I want to buy. I don't care about shelf-talkers or signs; and, I'm not interested in learning more about wine.
- On the rare occasions when I'm dining out, I typically order the **house wine** and don't worry too much about wine and food pairing.



14%
consumers

8%
purchases



INTERESTING INSIGHT:

Satisfied Sippers love warehouse shopping.

- Satisfied Sippers buy more of their wine volume (16%) at warehouse club stores than any other segment.
- Both the Enthusiasts and Image Seekers buy 12% of their volume at warehouse stores
- You can't afford to be out of their favorite wine.

OVERWHELMED

WHO I AM

- There are **so many wines** on the shelves. Sometimes I select a wine based on the label, but it's **confusing** since I can't always tell from the label how the wine is going to taste.

HOW TO CONNECT WITH ME

- I'm looking for **wine information at retail that's simple** and easy to understand. I am very **open to advice**, so it's frustrating when I go to a store and there is no one in the wine section to help me.
- If it's too confusing or there's not any information, **I won't buy anything.**
- On-Premise I'm easily **intimidated**. Sometimes it's safer not to order wine in case I get stuck with something that **doesn't taste good.**



23%
consumers

13%
purchases



INTERESTING INSIGHT:

The Overwhelmed consumers buy more than just White Zinfandel.

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- In the first Project GenomeSM study, it looked like about half of what this segment purchased was White Zinfandel.
 - However, we now know that the Overwhelmed consumers just had a hard time remembering what they purchased.
 - 80% have bought White Wine (43% of volume)
 - 77% have bought Red Wine (26% of volume)
 - 36% have bought Blush/White Zinfandel (31% of volume)

IMPROVING THE CUSTOMER EXPERIENCE

- We can help our partners understand all the different types of premium wine customers.
 - Optimal assortment, consumer shelf flow and promotional planning.
 - Optimize wine lists.
 - Wine steward training.
 - Improved consumer education materials and signage.
 - Clustering based upon Genome segment AND an accounts' sales data.
 - Cross-Promotion opportunities outside the wine category.

Project GenomeSM – SUMMARY

- At Constellation Wines U.S., our purpose is Balancing the Art and Business of Wine.
- Project Genome continues to break new ground in consumer research.
- There is no typical wine consumer, so we want to help the industry better understand how to speak meaningfully to each type of customer.
- It's great for the industry because everyone benefits when you know more about who's drinking wine and how it fits into their lives.

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THANK YOU

 Constellation Wines U.S.

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