

Australian Online Wine Retail Industry

Research Document

Introduction

This research document will explore the online wine retail industry in Australia. The research is conducted for the benefit of a new startup due to launch shortly. Accordingly, the research will evaluate the market size, competitive landscape, digital marketing analysis as well as some target audience persona and marketing research.

Market Size

- Market Size: \$1bn
- Number of Businesses: 181
- The Online Beer, Wine and Liquor Sales industry has gained momentum over the past five years, cementing its position in the retail sector. As online shopping continues to grow in popularity, the industry's product lines are diversifying and industry competition is increasing. Industry revenue is expected to increase at an annualised 16.7% over the five years through 2019-20, to \$1.3 billion. Demand has risen steadily as consumers have increasingly switched to online retail channels out of convenience. Revenue

is anticipated to rise by a further 16.0% in the current year. Despite overall industry growth, per capita alcohol consumption has fallen over the past five years, threatening demand for industry products. (Ibisworld, 2020).

- Covid Impact: Online alcohol sales have soared as pubs and restaurants close and consumers switch to home delivery but the industry warns beer, wine and spirit producers are being hit by the coronavirus with sales down as much as 30 per cent.
- Online wine retailer Vinomofo said it had seen a 50 to 75 per cent increase in sales since the beginning of the coronavirus pandemic after hospitality venues closed and people tried to limit their visits to retail stores. Vinomofo turned over \$45 million last financial year, recording an after-tax profit of \$280,794 but Mr Dry said the business was on track to turn over in excess of \$60 million this year. (Sydney Morning Herald, 2020).
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Competitive Landscape

Note: This is only a handful of the online liquor retailers. It's impossible to review them all. However, we've added commentary around some of them to show the way in which these retailers attempt to differentiate themselves. There are only a few ways to do this. Price (like [Vinomofo](#), delivery speed (and cost), selection and

marketing (brand, refer a friend promos, palate quizzes, live tasting streams and so on). All advertise heavily online, but the costs to acquire a customer are undoubtedly expensive, therefore they all have loyalty programmes to incentivise repeat business. In addition, to standalone stores there are also apps that connect independent bottle stores to buyers and handle the delivery logistics (e.g. [Tipple](#)). Some of the stores focus only on wine, whereas others also sell craft beer and spirits. Whether to specialise on wine or also offer spirits is an interesting question. On one hand, being known for a wine selection is important and ideal if you're only targeting 25-45 year old women. But the same target audience may also like to pick up a bottle of wine or beer for themselves or partners. And doing all you booze shopping in one place, is cost-effective and convenient.

You can find reviews of all the websites in the table below [here](#).

These resources also rank the best online wine (and liquor stores):

- [Good Food](#)
- [Elle](#)
- [Gourmet Traveller](#)
- [The Latch](#)

Competitor	Description	Strengths	Weaknesses
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<p>Sometimes Always</p>	<p>A trendy upstart focusing on natural wines and rare International offerings. They also stock a large variety of kombuchas and non-alcoholic sodas.</p>	<ul style="list-style-type: none"> - Free Shipping - Bonus Wine - Natural Wines - Rare and hard to find wines - Loyalty and subscription club 	<ul style="list-style-type: none"> - Independent seller that doesn't have the scale of bigger players - Slower delivery options (especially for WA)
<p>Just Wines</p>	<p>This store is dedicated to all things wine. They don't sell spirits or beer (which is both a blessing and a curse).</p>	<ul style="list-style-type: none"> - Strong AU and NZ focus - 6,000 wines in stock - 2nd Largest - Free returns - Live chat 	<ul style="list-style-type: none"> - Sometimes criticised customer service - Could offer more payment options
<p>Dan Murphy's</p>	<p>Australia's biggest liquor outlet; operating both online and physical</p>	<ul style="list-style-type: none"> - Biggest online retailer - 10,000+ wines - Lowest prices due 	<ul style="list-style-type: none"> - Stock slow to update on the website, so consumers add

	<p>retail. Favourited by consumers and hospo venues.</p>	<p>to wholesale arm</p> <ul style="list-style-type: none"> - Click and collect, and delivery 	<p>out of stock items to cart.</p> <ul style="list-style-type: none"> - Paypal ordering issues
<p>Good Pair Days</p>	<p>At Good Pair Days they get to know every consumer through a quiz and then send wine direct the door along with tasting cards, food pairings, matching recipes and surprise gift or two</p>	<ul style="list-style-type: none"> - Cater to a younger market and wine prices suit price-sensitive target audiences. - Has really focused on the gift market too and has a flourishing subscription service. - Sustainable packaging 	<ul style="list-style-type: none"> - For some consumers that subscription is difficult to keep track off and wine builds up too quickly.
<p>Vintage Cellars</p>	<p>An online retail and bricks and mortar seller (80 stores) that sells</p>	<ul style="list-style-type: none"> - Upmarket wines - Bricks and mortar stores - Rewards 	<ul style="list-style-type: none"> - Few weaknesses and hug customer

	wine, beer and spirits.	<p>programme</p> <ul style="list-style-type: none"> - Huge global collection - Do bundles well 	loyalty and love.
BWS	Well-known wine retailer that is owned by Woolworths. BWS has a huge physical presence with 1,200 stores across Australia. Purchasing power helps them keep prices low.	<ul style="list-style-type: none"> - Huge champagne section - Click and collect, and delivery - Woolworths points system - 1,200 bricks and mortar stores 	- Owned by Woolworths
Langtons	Premium wine seller that also offers wine valuation and classification	<ul style="list-style-type: none"> - Fine wine positioning - Each bottle is accompanied by tasting notes / reading sheet 	- Most wines are for elite consumers, but they do have \$25 wines.

		<ul style="list-style-type: none"> - Rare and limited edition wines 	
Booze Bud	<p>A favourite with millenials, Booze Bud makes the wine selection process fun with grape categories and mixed boxes.</p>	<ul style="list-style-type: none"> - Digital wine selectors and 'lucky dip' options. - Recommendations and personalised buying. - Refer a friend offer - 10% off first order - Mixed case options 	<ul style="list-style-type: none"> - BoozeBud simply matches the lowest prices on offer for each wine. No massive incentive to buy with them. - Only same-day delivery in Sydney and Melbourne
Jimmy Brings	<p>A wine, beer and spirit seller that promises to deliver in just 30minutes. Like Amazon, their proposition is convenience and</p>	<ul style="list-style-type: none"> - Loyalty rewards (every 8th order is free) - Competitive pricing - App ordering - Can also order snacks and other 	<ul style="list-style-type: none"> - Smaller selection - \$20 minimum - Owned by Woolworths

	speed.	grocery itesm	
Cellarmasters		<ul style="list-style-type: none">- Money-back guarantee- Pick-up available from 1200 BWS Stores- Australia and NZ focus- Reservation club subscription service- Vegan wines	

Digital Landscape

Phrase Match Keywords (3,102)

AU | wine online

Keyword	Volume	CPC (USD)
wine online	1,300	2.52
wine online australia	720	2.39
buy wine online	480	2.75
grays online wine	390	3.38
greys online wine	320	2.08

Related Keywords (1,322)

AU | wine online

Keyword	Volume	CPC (USD)
order wine online	170	3.15
buy wine online	480	2.75
buy wine online au	70	2.54
buy wine online australia	260	2.84
to buy wine online	50	1.78

Phrase Match Keywords (738)

AU | buy wine online

Keyword	Volume	CPC (USD)
buy wine online	480	2.75
buy wine online australia	260	2.84
buy case of wine online cheap	90	2.24
buy shaoxing rice wine online	90	0.00
buy wine fridge online	90	1.11

Related Keywords (1,359)

AU | buy wine online

Keyword	Volume	CPC (USD)
buy wine	320	1.83
buy wine online au	70	2.54
buy wine online australia	260	2.84
order wine online	170	3.15
buy wine australia	90	1.62

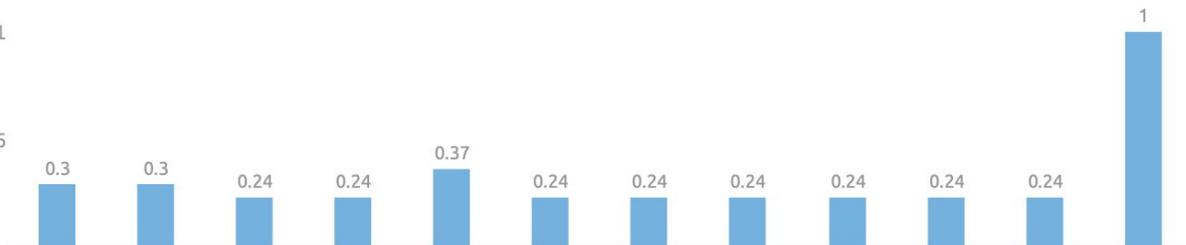
Keyword Research: Trend

AU | buy wine online

1.5

1

0.5



Keyword Research: Organic Results (1-20)

AU | buy wine online

- 1 <https://justwines.com.au/>
justwines.com.au
- 2 <https://www.winedirect.com.au/>
winedirect.com.au
- 3 <https://www.danmurphys.com.au/>
danmurphys.com.au
- 4 <https://www.vintagecellars.com.au/>
vintagecellars.com.au
- 5 <https://www.wineselectors.com.au/>
wineselectors.com.au
- 6 <https://www.cellarmasters.com.au/>
cellarmasters.com.au
- 7 <https://www.vinomofo.com/>
vinomofo.com
- 8 <https://www.nicks.com.au/>
nicks.com.au
- 9 <https://www.nakedwines.com.au/>
nakedwines.com.au
- 10 <https://www.graysonline.com/wine>
graysonline.com
- 11 <https://www.getwinesdirect.com/>
getwinesdirect.com
- 12 <https://travellingcorkscrew.com.au/blog/buy-wine-online-australia/>
travellingcorkscrew.com.au
- 13 <https://www.theaustralianwine.com.au/>
theaustralianwine.com.au
- 14 <https://www.thewinecollective.com.au/>
thewinecollective.com.au
- 15 <https://cheaperbuythedozen.com.au/>
cheaperbuythedozen.com.au
- 16 <https://bws.com.au/wine>
bws.com.au
- 17 <https://www.cellarit.com.au/buy-wine/default.aspx>
cellarit.com.au
- 18 <https://www.winestreet.com.au/>
winestreet.com.au
- 19 <https://www.mybottleshop.com.au/wine>
mybottleshop.com.au
- 20 <https://www.taylorswines.com.au/wine-shop>
taylorswines.com.au

Keyword Research: Ad Copies

AU | buy wine online

Buy Wine Online - Free Delivery Available - Up to 70% Off

Ad www.vinomof.com/

Good wines, real people and epic deals, without all the bowties and bs

Spend \$99, Free Delivery - Order Now

Ad www.drinks.com/

An easy selection of natural wines, straight to your doorstep. Packs of sustainably made wine, straight to your doorstep. Shipping Australia-wide. Brands: Momento Mori, Das Juice, Balmy Nights, Konpira Maru, Combes, Borchio, Geyer, Domaine de Ferrand.

Buy Wines Online in Australia - Premium Wines Since 2003

Ad www.singlevineyards.com/

View Our Selection Of Wines Made From Known Wineries. AU's Trusted Supplier. We Source Award-Winning Wines From Red, White, Rose, Organic, Sparkling. Buy Online...

Laitwhaites Wine People - Wine People Online Offer

Ad www.winepeople.com.au/

Order These 12 World Class Wines - Get 2 Free Shiraz & Glasses + Free Delivery! 100% Money Back Guarantee. Buy Now & Save. Wines You Can Trust. Types: Red Wine, White Wine, Mixed Cases.

Up to 70% off Top Rated Wine - Free Shipping Sitewide

Ad www.vinomof.com/

24hrs Free Shipping Sitewide. Use coupon VINO to take an extra \$15 off your first purchase. Shop now or regret later! Wines Under \$20. Fast & Easy Delivery. Free Delivery Available. Exclusive Deals. 365 Day Free Returns. Less than \$10 a bottle. Wines Under \$10.

Online Wine Sales - Premium Wine At Low Prices

Ad www.wineselectors.com.au/wine-online

View Our Special Wine Offers Online Today & Get It Delivered Safely To Your Door. These Premium Wines Won't Last Long At These Prices, Buy Now & Enjoy Later.

Dalfiumewines.com - Italian Wine Wholesale

Ad www.dalfiumewines.com/

Wide selection of Italian wines for Hotel, Restaurant & Catering - Download the wine list. Dalfiume winery offers a wide selection of Italian wines dedicated to the foreign market. Wine list for B2B. Best Italian Wine. Best wine for your store! Tipi: Sangiovese, Lambrusco.

The Wine Collective - Free Home Delivery in Victoria

Ad www.thewinecollective.com.au/

Shop Award Winning Wines: Reds, White, Rosé, Champagne, Spirits & More. No Minimum Spend. Same Or Next Day Dispatch*. Choose From 5,000+ Exceptional Wines. Ends Monday - Shop Now. Absolute Value, Everyday. 5,000+ Wines. Handpicked, Tasted & Rated.

Target Audience

Target Type	Traits
Fashionistas, Hipsters, Millennials, Gen Xers	Status symbol Are just discovering wine Have basic wine knowledge Like to be the first to try new wine Open to innovative packaging Prefer Merlot Check restaurant wine lists online and research scores

	Millennials and Males
Everyday Drinker	<p>By number of choices</p> <p>Like to drink wine, but don't know what to buy</p> <p>May select by wine label design</p> <p>Want easy to understand info in retail</p> <p>Open to advice, but frustrated if no one is in the wine section to help</p> <p>If confused, won't buy anything</p> <p>Bargain-hunter</p>
Enthusiast	<p>Entertain at home with friends</p> <p>Consider themselves knowledgeable about wine</p> <p>Like to browse wine sections at stores</p> <p>Live in cosmopolitan centers, affluent suburban spreads or country setting</p> <p>Influenced by wine ratings and scores</p> <p>47% buy wine in 1.5L as "everyday wine" to supplement their "weekend wine"</p>
Newcomers	<p>Don't know much about wine, just like to drink it</p> <p>Young = Millennials</p> <p>Wine is part of socializing</p> <p>Interested in learning more about wine</p>

Loyalist	Like wine from established wineries Prefer to entertain at home Wine makes occasion more formal When I find a brand I like, I stick with it Wine is part of my regular routine
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Resources

[Sydney Morning Herald](#)

[Covid-19 Consumption Patterns](#)