Consumer Countries/Markets

It’s All In the Mix: Red Blends are Stirring Up U.S. Wine Sales

In a way, red blends are currently the craft beer of the wine category. They’re hip, different and trending. They also have a higher price point than several other single varietals. And both their trendiness and price point are having an impact on sales.

In the 52 weeks ending Sept. 12, 2015, red blends generated value growth of 8.7% and volume growth of 3.2%, with U.S. produced red blends leading the charge, growing at 11.0% on dollars and +4.8% on volume. So not only are consumers buying more red blends, much like other wine segments, they’re gravitating to more premium price points than in the past.

More than 40% of the new entries in 2014 were blends, with more than three quarters of these being reds. No other wine type has even come close to the same amount of new offerings to market. Cabernet Sauvignon is the nearest challenger, accounting for about 10% of the new entrants, and still much larger in sales than red blends.

So what sparked this great blend trend? When asked, 50% of Americans in a recent survey said blends are a great way to experiment with wine. Almost one-fourth (24%) say blends are more interesting than single varietals, and 20% say they’re a better value. An additional 19% said they like them just because they’re trendy.

Comment: The WISE initiated USA market and consumer research is currently underway and will be available early 2016. The industry workshop will be held on 8 February 2016.

We will keep you posted via the BI Daily when the reports are uploaded on the SAWIS website.

As a precursor to this research, country profiles of the USA and ten states are available on the SAWIS website and summarized in the VinIntell publication.

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