Wine Industry Metrics - Flash Resellers - November 2012

Powered by: WinesVinesDATA

Invino Emerges as Top Flash Site by Offers

Invino has grabbed the lead from Lot 18 and Wines Til Sold Out (WTSO) in the flash market. From January to November of 2011, Lot 18 and WTSO accounted for the most wine offers with 676 and 678 respectively while Invino posted 522 offers. For the same period this year, Invino offered 1,057 wines, WTSO stayed constant at 682 but Lot 18's total offers had slipped to 414. The overall total of flash offers from January to November in 2012 was 4,813, which is an increase of 42% over 2011.

Flash Reseller Offers »	Month		12 Months	
November 2011	392		3,572	
November 2012	478	22%	5,376	51%

Since WinesVinesDATA began tracking the channel in January 2011 the number of offers has steadily grown with Invino, WTSO, Last Call Wines and Lot 18 at the front of the pack. The four sites accounted for 62% of the 8,734 offers made in the past 23 months. During the same period, the average winery retail price for wine was $46.84 and the average flash price was $28.45.

On Dec. 13, Lot 18 announced its chief marketing officer, Jay Sung, had been promoted to chief executive officer. The firm's former CEO, Olly Garland, also moved from an advisory role to take a seat on the board of directors, according to a statement released by Lot 18.

FLASH SITES COMPARED FOR NOVEMBER

Flash Reseller	No. of Domestic November Offers	Average Flash Price (750ml)	Average Discount	Pageviews* (000)
CellarThief	10	$22.15	37%	NA
Cinderella Wine	11	$27.23	40%	11
Invino	106	$46.78	38%	123
Last Bottle Wines	8	$25.50	46%	28
Last Call Wines	68	$32.05	38%	38
Lot18	43	$36.69	25%	1,172
Wine Spies	25	$25.52	32%	10
Wine Woot	61	$23.81	45%	447
Wines Til Sold Out	63	$25.92	52%	234
WineShopper	23	$17.64	37%	80

Source: WinesVinesDATA, winesandvines.com/flash *Source: Compete.com, Oct. 2012

FLASH DISCOUNTS FOR A SAMPLE OF CALIFORNIA CHARDONNAY OFFERED IN NOVEMBER

Discount	Winery/Brand	Region/ Vineyard	Varietal	Vintage	Winery Retail	Flash Price	Winery Size In Cases	Flash Site
17%	3 Spells	California	Chardonnay	2011	$23.00	$18.99	6,000	Lot18
32%	Inspiration Vineyards & Winery	Russian River Valley	Chardonnay	2009	$24.50	$16.66	2,000	Wine Woot
34%	Medlock Ames	Sonoma	Chardonnay	2010	$35.00	$22.94	4,000	Winestyr
38%	LIOCO Wine Co.	Sonoma	Chardonnay	2010	$26.00	$15.99	14,000	CellarThief
40%	Celani Family Vineyards	Napa Valley	Chardonnay	2007	$50.00	$29.95	5,000	Prince of Wine
50%	David Bruce Winery	Santa Lucia Highlands	Chardonnay	2011	$29.99	$14.99	30,000	Wines Til Sold Out
65%	Reata Winery (formerly Valley Gate Vineyards)	Napa Valley	Chardonnay	2009	$39.99	$13.99	20,000	Wines Til Sold Out
76%	Sans Permis		Chardonnay	2006	$50.00	$12.00	100	Last Bottle Wines

Source: WinesVinesDATA

The following analysis is repeated from the Metrics Wineries page.

Our research shows that over 1,300 US wineries presented offers via Flash Resellers over the past 2 years. We track 1,005 unique wineries with offers so far in 2012; up slightly from 960 wineries participating in this channel in 2011.

Confirming the largest wineries cultivate every channel, we note a strong majority of Large wineries have entered this channel so far. Medium size wineries are also turning to Flash Resellers.

U.S. Producers Using Flash Channel
By Winery Size
2011 - 2012

Winery Size	US Wineries	With Offer via Flash	% Present in Flash Channel
Large (500,000+)	49	32	65%
Medium (50,000 - 499,000)	239	136	57%

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Small (5,000 - 49,000)	1,372	442	32%
Very Small (1,000 - 5000)	3,018	474	16%
Limited Production (< 1000)	2,757	268	10%
All Wineries	7,435	1352	18%

Flash channel participants include producers across the pricing spectrum, but wineries with higher bottle prices are more active. 37% of wineries with average bottle price at or above $50 are using this channel.

U.S. Producers Using Flash Channel
By Winery Average Bottle Price
2011 - 2012

Winery Average Bottle Price	US Wineries	With Offer via Flash	% Present in Flash Channel
$ 50 and over	642	238	37%
$ 30 - 49.99	1469	549	37%
$ 20 - 29.99	2328	380	16%
$ 1 - 19.99	2996	185	6%
All Wineries	7,435	1352	18%

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