

## Wine Industry Metrics - Flash Resellers - February 2014

Wines Vines Analytics

### Flash Offers for Wine Stable

With just 23 more offers this February than in 2013, total offers for domestic wines remained steady. Wines Til Sold Out (WTSO) had the highest average discount of 52% for its 61 offers from 40 different wineries. Invino posted the most offers with 83, but had one of the lower average discounts of 40%.

Flash Reseller Offers »	Month	12 Months
February 2014	408	5,585
February 2013	385	5,366

### Winery Participation Through Flash Sites

Although the number of wineries with flash offers each month has steadily increased since Wines Vines Analytics starting tracking flash offers it appears the total number of wineries participating in the channel is on the decrease.

Generally the number of unique wineries making an offer has increased each month, yet a detailed look at the offers reveals they're often from the same wineries. Based on data for the past 12 months through February, the total number of wineries with a flash offer was 1,041 or 13% of all U.S. wineries. For the 12 months ending in November 2012, 1,352 wineries, or 18% of all wineries made a flash offer. The rate of participation fell for wineries of all sizes except for the 56 largest that produce more than 500,000 cases of wine.

U.S. Producers Using Flash Channel by Winery Size			
Winery Size	US Wineries	With Offer via Flash	% Present in Flash Channel
500,000+	56	42	75%
50,000 - 499,999	253	127	50%
5,000 - 49,999	1,436	373	26%
1,000 - 4,999	3,189	313	10%
< 1,000	2,828	186	7%
All Wineries	7,762	1,041	13%

Source: Wines Vines Analytics 12 months through Feb. 2014

Of the 1,041 total wineries with an offer, most of them are small wineries making between 5,000 to 49,000 cases a year. These wineries accounted for 373, or 36%, of the wineries with an offer. Small wineries, or those making 1,000 to 4,999 cases, had the next highest share of 30% or 313 offers.

U.S. Producers Using Flash Channel by Bottle Price			
Winery Average Bottle Price	US Wineries	With Offer via Flash	% Present in Flash Channel
\$50 and over	698	180	26%
\$30 - 49.99	1,606	438	27%
\$20 - 29.99	2,452	284	12%
\$1 - 19.99	3,006	139	5%
All Wineries	7,762	1,041	13%

Source: Wines Vines Analytics 12 months through Feb. 2014

Wineries with an average bottle price above \$50 had the highest level of participation in flash offers, 26%, and the lowest was for wineries with an average bottle price of \$1 to \$19.99. Most offers came from wineries with an average bottle price of \$30 to \$49.99. This category accounted for 438 wineries with an offer in the past 12 months or 42%.

### Who's Typically Making an Offer?

Based on previous metrics reports on the location of wineries using flash sites and the types of wines being offered — as well as this data from the Wines Vines Analytics winery database — one can put together a rough portrait of the typical domestic winery using a flash site. This would be a winery in California, most likely in Napa or Sonoma county, making 5,000 to 49,000 total cases and selling Cabernet Sauvignon at around \$40 a bottle.

FLASH SITES COMPARED FOR FEBRUARY				
Flash Reseller	No. of Domestic February Offers	Average Flash Price (750ml)	Average Discount	Pageviews* (000)
Cinderella Wine	10	\$24.83	28%	4
Invino	83	\$24.05	40%	81
Last Bottle Wines	19	\$29.68	42%	104
Last Call Wines	73	\$19.39	49%	72
Lot18	21	\$31.23	31%	121
Wine Spies	23	\$27.76	30%	22
Wine Woot	39	\$16.52	44%	282
Wines Til Sold Out	61	\$21.95	52%	569
WineShopper	22	\$14.70	36%	118

Source: Wines Vines Analytics, winesandvines.com/flash \*Source: Compete.com, Feb. 2014

FLASH DISCOUNTS FOR A SAMPLE OF RED BLEND WINES OFFERED IN FEBRUARY								
Discount	Winery/Brand	Region	Varietal	Vintage	Winery Retail	Flash Price	Winery Size In Cases	Flash Site
17%	Rotie Cellars	Washington	Blend - Red	2011	\$46.00	\$37.99	3,600	Good Juice Direct
22%	Hedges Family Estate	Yakima Valley	Blend - Red	2011	\$32.00	\$24.99	145,000	Good Juice Direct
27%	Leviathan Wine Company	California	Blend - Red	2010	\$48.00	\$35.00	7,000	Wine Spies
30%	Blanchard Family Wines	Sonoma	Blend - Red	2011	\$40.00	\$28.00	2,000	Cellar Angels
46%	Phipps Family Cellars	Sonoma	Blend - Red	2010	\$50.00	\$26.99	5,000	Lot18
57%	Arizona Stronghold Vineyards	Arizona	Blend - Red	2012	\$23.50	\$10.00	10,000	Wine Woot
58%	Summerwood Winery	Paso Robles	Blend - Red	2008	\$60.00	\$25.00	5,000	Last Bottle Wines
74%	Sullivan Vineyards	Rutherford	Blend - Red	2006	\$115.00	\$29.99	5,500	Wines Til Sold Out

**Flash Methodology**

Wines Vines Analytics' research team captures flash offer details for hundreds of domestic wine offers each week. The team monitors offers presented through 17 flash reseller sites every day of the year. Each offer is reviewed and tied to the source winery, and the specific details are recorded in a database of flash offers.

When flash websites hold special events with a high number of offers, Wines Vines Analytics monitors the site closely, often capturing a new offer every few minutes. At the close of each month, the offers are reviewed for accuracy, and the findings are reported by *Wines & Vines*' editorial staff for the current month along with time-series comparisons of pricing, winery size and wine types.

# WINES & VINES

866.453.9701 | 415.453.9700 | Fax: 415.453.2517 | 65 Mitchell Blvd., Ste. A San Rafael, CA 94903

[info@winesandvines.com](mailto:info@winesandvines.com)

Copyright © 2001-2017 by Wine Communications Group, Inc. All Rights Reserved.  
No material may be reproduced without written permission of the Publisher.