

Friday, 30 August 2019

Woolworths bottle shops prove most popular

New data from Roy Morgan's Alcohol Retail Currency Report has shown that Woolworths Group maintains the highest market penetration among alcohol retailers, with 60.7% of Australian alcohol buyers purchasing from its stores in an average four-week period.

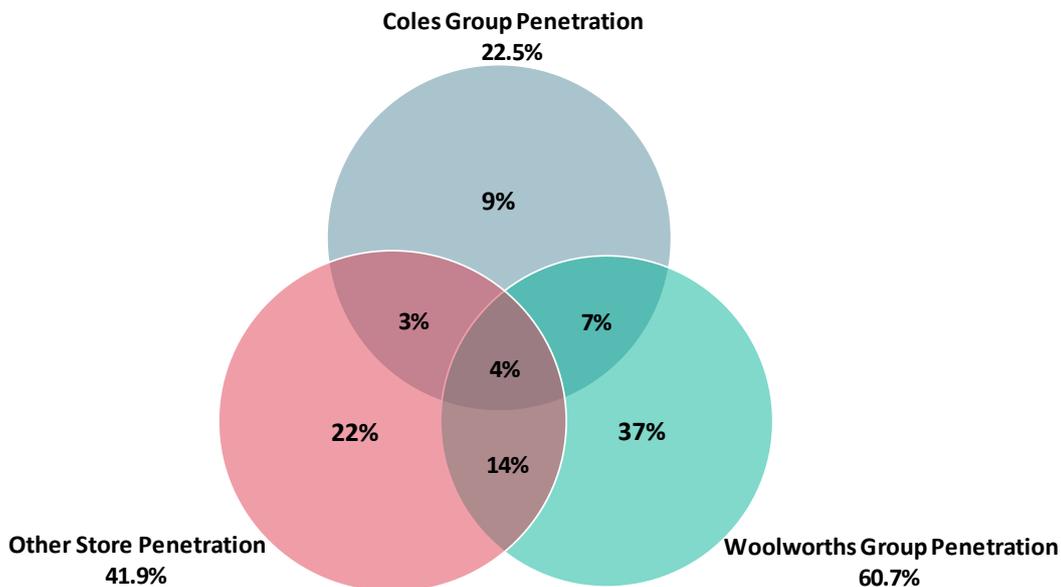
Woolworths Group had the highest overall penetration (60.7%). These include Dan Murphy's, BWS – Beer, Wine & Spirits, Cellarmasters and Woolworths Liquor. Coles Group including First Choice Liquor, Liquorland and Vintage Cellars has penetration of 22.5% and 41.9% visit other stores including supermarkets such as Aldi and IGA, hotel bottle shops and a large range of independent retailers.

These are the latest findings from the Roy Morgan Single Source survey derived from in-depth face-to-face interviews with 1,000 Australians each week in their homes and over 50,000 each year.

When looking at the unique customer penetration of retailers, we see Woolworths Group holding the highest proportion with 37% of alcohol buyers purchasing solely from its stores compared to 9% who solely purchase from Coles Group while 22% only visit other stores and independent retailers not including the two majors.

Only 1-in-25 alcohol buyers purchase from all three including Woolworths, Coles Group and from Other Stores in an average four weeks.

Cross visitation of alcohol retail customers



Source: Roy Morgan Single Source Australia, July 2018 – June 2019, n=6,829. **Base:** Australians aged 18+ who had purchased packaged alcohol in the past four weeks.

Woolworths' liquor stores Dan Murphy's, BWS & Cellarmasters appeal to varied demographics

Despite being the dominant player in the market Woolworths announced earlier this year it will be de-merging or selling its liquor retailing interests including leading brands such as Dan Murphy's, BWS – Beer, Wine & Spirits and Cellarmasters over the next year.

For Woolworths, and any aspiring purchasers of these businesses, it's vital to understand the different demographics served by Dan Murphy's, BWS and Cellarmasters in order to derive the most value from either the de-merger, sale or the purchase of these businesses.

While men make up the largest proportion of Dan Murphy's (58%) and BWS (52%) customers, women shoppers are the largest customer base of Cellarmasters (57%).

When it comes to customer age, Australians between 50-64 years of age are Dan Murphy's most significant cohort, with 949,000 of them purchasing alcohol from Dan Murphy's in an average four week period. For BWS it is the 845,000 Australians aged 35-49 years of age who comprise the largest share of their customers while almost half of Cellarmasters customers are aged at least 65+ years old.

The quintessential Dan Murphy's customer is more likely than the average Australian to *'not trust the current Australian Government'*, *'worry about getting skin cancer'* and *'trust well-known brands better than the stores' own* and he's far more likely to *'like to drink wine with his meals'*, *'always read the business section of the newspaper'* and *'like to go away on weekends'*.

For the generally younger BWS customer he's more likely than the average Australian to *'choose a car mainly on its looks'*, *'spend more when my children come shopping with me'* and *'always ready to try new and different products'*. He's far more likely to *'enter competitions which are on packets or labels on products'*, *'redeem coupons to get discounts or special offers'* and more likely to agree that *'credit enables me to buy the things I want'*.

A pen portrait of a Cellarmasters customer will show she is more likely than the average Australian to *'buy additive free food'*, *'favour natural medicines & health products'* and *'be concerned about her cholesterol level'*. She has a touch of patriotism and is more likely to *'try to buy Australian made products as often as possible'* as well as *'keep up-to-date with new ideas to improve her home'*. She's also almost three times as likely as the average Australian to *'like to drink wine with her meals'* - far higher than Dan Murphy's or BWS customers.

Michele Levine, CEO of Roy Morgan, says:

"Earlier this year, Woolworths announced it would be divesting the alcohol retail component of its business, as a way of streamlining its structure and focusing on its core food and retail markets. This is despite the ongoing success of its alcohol retail brands.

"The latest comprehensive Roy Morgan data confirms that the Woolworths owned Endeavour Drinks Group, which incorporates Dan Murphy's, BWS, Cellarmasters and Woolworths Liquor, remains a dominant player in the alcohol retail sector. Over a third of recent alcohol buyers purchased drinks solely from these brands.

"The decision by Woolworths to sell or divest the Endeavour Drinks Group makes it more important than ever for retailers in the Australian liquor market to have a firm grasp on the fortunes of rival liquor retailers as well as the choices and decisions made by liquor customers when determining where they will buy their next cask of wine or 'slab' of beer.

"Roy Morgan's comprehensive Single Source database allows unrivalled analysis of the consumer liquor market derived from in-depth face-to-face personal interviews with over 50,000 Australians conducted in their homes.

"To discover exactly what steps are required to increase your market share in the increasingly competitive Australian liquor market contact Roy Morgan."

For comments or more information about Roy Morgan's liquor retail data please contact:

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Related research findings

View the [Alcohol Retail Currency Report](#), or [profiles of Australians who purchase alcohol from various stores](#), such as [BWS](#), [Dan Murphy's](#), [First Choice](#), [Cellarbrations](#) and many more.

About Roy Morgan

Roy Morgan is the largest independent Australian research company, with offices in each state of Australia, as well as in the United States and the United Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan has over 75 years' experience in collecting objective, independent information on consumers.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
10,000	±1.0	±0.9	±0.6	±0.4
20,000	±0.7	±0.6	±0.4	±0.3
50,000	±0.4	±0.4	±0.3	±0.2