



Wine Trade Employment: Shifts and Hustles

A recent survey of the Wine Opinions trade panel focused changes in employment status since the beginning of the pandemic in March, 2020. While a sizable majority of members of the wine trade work for the same company in the same trade tier today as 12 months ago, 10% have changed trade tiers and 7% have changed employers. Another 13% report that they are laid off or furloughed, but planning to return to the jobs they lost.

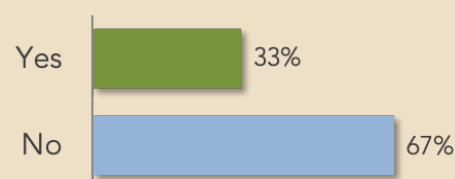
Not surprisingly, the on-premise trade tier has seen the most job shifting and layoffs. Barely over half of respondents in the on-premise tier (53%) report working in the same tier for the same employer as a year ago (compared to 76% of off-premise respondents). As well, 13% of on-premise respondents have found work in another trade tier (vs. 8% for off-premise), and 27% are furloughed or laid off.

Further evidence of the trade adapting to the impact of the pandemic can be seen in the responses of one in three industry professionals surveyed, who report that they also maintain a part-time job or "side hustle" outside the beverage alcohol industry.

Employment Status Change - Past 12 Months

Same tier and company as year ago	70%
Same tier – different company than year ago	7%
Different trade tier than year ago	10%
Furloughed, but plan to return to same tier and position	13%

Side Hustle Outside Bev/Al Industry?



Month of March Sales Snapshots

The long-anticipated sales figures for March have been released, setting up a direct comparison to March of last year, when the pandemic "lockdown" sent off-premise sales of beverage alcohol soaring.

As expected, the March, 2021 off-premise sales data reported by Nielsen shows declines from March, 2020 for beer, wine, and spirits. Perhaps less expected is that the declines are not steep.

In the table at right, we see that Nielsen measured off premise channel wine sales in March, 2020 rose more than \$400 million compared to March, 2019 as wine drinkers stocked up to hunker down at home. That the March, 2021 decline in sales is less than \$200 million is as comforting as a loss can be.

Danny Brager of Brager Beverage Alcohol Consulting, and former head of the Nielsen beverage alcohol practice, puts these figures in perspective. "Compared to two years ago, off premise sales are still well ahead of where they were, as on premise has a long, long way to go before it is "back" to where it was before COVID." He notes that the growth of the spirits sector continues to significantly lead both beer and wine.

We also spoke with Jon Moramarco, who heads industry data and insights firm bw166, and is the publisher of the Gomberg-Fredrikson Report. He sees consumer spending in the on premise market well behind where it was in 2019, and believes that "a full recovery may take many years."

Month of March Sales in Dollars (Millions)

	2021	2020	2019
Beer	\$3,380	\$3,455	\$2,847
Wine	\$1,502	\$1,679	\$1,266
Spirits	\$1,543	\$1,568	\$1,156

Source: NielsenIQ Scan Off Premise Channels

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