

¹ Highlights

² The influence of resource use on yield versus quality trade-off in
³ Australian vineyards

⁴ Author

⁵ • Comparative analysis of resource use, quality and quantity in Aus-
⁶ tralian winegrowing.

⁷ • Regional comparison of outcomes and resource use in Australian wine-
⁸ growing regions.

⁹ • Baseline models for comparing wine crops.

¹⁰ • Analysis of national, decade long data source.

¹¹ The influence of resource use on yield versus quality
¹² trade-off in Australian vineyards

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¹⁴ **Abstract**

When strategies for a sustainable winegrowing industry are assessed, there is a trade-off between balancing the amount of resources invested and the resultant yield and quality of the produce. In this analysis we observe relationships between resource use, yield and quality through the use of statistical models. The dataset used for this analysis includes data collected for the past 10 years from 1261 vineyards located over a diverse range of Australian winegrowing regions. Yield and quality (measured as a ratio of sale price to area) was modelled to resource factors related to water usage and emissions. The analysis confirmed an expected strong relationship between size and resource use, with the overall space of a vineyard and its access to resources greatly determining the upper limit of yield. However, size was also negatively related to the average sale price of grapes, we find that higher quality being connected to high resource inputs per area; rather than to the overall expenditure of resources. Regional and yearly effects on Vineyard outputs were also identified. Overall, the analysis highlighted the importance of considering a vineyard's business goal, region, external pressures and economies of scale, with regional constraints also contributing to deciding the best resource use strategies to pursue when considering quality

or quantity.

¹⁵ **1. Introduction**

¹⁶ The global focus on sustainability in agronomic industries has changed the
¹⁷ way in which these enterprises do business. When strategies for a sustainable
¹⁸ winegrowing industry are assessed, there is a trade-off between balancing the
¹⁹ amount of resources invested and the resultant yield versus quality produced.

²⁰ This dilemma exists across agriculture through shared fundamental consider-
²¹ ations such as water use and fuel usage (Hemming et al., 2020; Kawasaki and
²² Uchida, 2016; ZHU et al., 2017). Quality in viticulture (the cultivation of
²³ grapes for wine production) is driven through its integration within the wine
²⁴ industry, with the potential quality of a wine being initially defined through
²⁵ the chemical makeup of the grapes used in its production. The consideration
²⁶ of sustainability within viticulture is further complicated by environmental
²⁷ and socio-demographic pressures (Santiago-Brown et al., 2015). In the Aus-
²⁸ tralian context, these include biosecurity, climate and international market
²⁹ demands (Canadell et al., 2021; Longbottom and Petrie, 2015; Oliver et al.,
³⁰ 2013).

³¹ There is an extensive amount of research into the effects of a variety of
³² factors on grape quality and yield (He et al., 2022; Laurent et al., 2022; Liakos
³³ et al., 2018). However, due to the lack of long-term and in-depth data, indi-
³⁴ vidual factors are often studied in isolation (Abbal et al., 2016). The lack of
³⁵ consolidated datasets restricts the ability to gain statistical insights at large
³⁶ scales and across multiple regions, as a result broader studies are lacking
³⁷ (Keith Jones, 2002; Knight et al., 2019). The dataset used for this analysis

38 includes data spanning 10 years from a multitude of vineyards located over
39 a diverse range of Australian winegrowing regions. We use this dataset to
40 describe the relationship of resources related to water and fuel use with the
41 output yield and quality of the resultant product, taking into account the
42 size and location of the vineyard. The practical addition of this aim is a
43 baseline for comparison: given a vineyard within Australia, one could esti-
44 mate the comparative efficiency with regard to the tradeoff between invested
45 resources, yield and quality. This is the first time that such a trade off has
46 been confirmed explicitly across such varying regions, scales and climates in
47 the Australian winegrowing industry.

48 **2. Methods**

49 *2.1. Data*

50 Data used in this analysis were obtained from Sustainable Winegrow-
51 ing Australia and Wine Australia. Sustainable Winegrowing Australia is
52 Australia's national wine industry sustainability program, which aims to fa-
53 cilitate grape-growers and winemakers in demonstrating and improving their
54 sustainability (SWA, 2022). Wine Australia is an Australian Government
55 statutory authority governed by the Wine Australia Act 2013 (Win, 2019).

56 Predicted variables in this analysis were yield, defined as the total tonnes
57 of grapes harvested, and quality, defined as average sale price of grapes. It is
58 acknowledged that quality can be defined in a variety of ways, for example by
59 the grapes': aroma, chemical composition and color (Kasimati et al., 2022;
60 Mejean Perrot et al., 2022; Suarez et al., 2021). Using sale price was based
61 on the reliance of market value of winegrapes on grape quality and because

Table 1: Summary of models; their predictors, covariates and variable interactions.

	Response	Predictors	Covariates	Interactions
Model 1	Yield	Water Used scope one Emissions	Area Harvested Year GI Region	N/A
Model 2	$\frac{\text{Yield}}{\text{Area Harvested}}$	Water Used scope one Emissions	Area Harvested Year GI Region	Area Harvested * scope one Emissions Area Harvested * Water Use Year * Region
Model 3	$\text{Yield} \times \text{Average Sale Price}$	Water Used Scope One Emissions	Area Harvested Year GI Region	N/A
Model 4	Average Sale Price	Water Used Scope One Emissions	Area Harvested Year GI Region	Area Harvested * Scope One Emissions Area Harvested * Water Use Year * Region
Model 5	Average Sale Price	Water Used Scope One Emissions	Year GI Region	Year * Region

62 Wine Australia explicitly defines grape quality through the use of discrete
63 price brackets in their annual reports. The generalisation made to reflect
64 quality through using average price assumed a due diligence of those who
65 purchased the grapes (Yegge, 2001). Both response variables were examined
66 as totals and as scales of area harvested. Values were compared in this
67 manner to observe how economies of scale affect the use of resources.

68 Data obtained from Wine Australia were collected via phone surveys and
69 included: total tonnes purchased, average price per tonne and yearly change
70 in price for region and grape varietal. Data recorded by Sustainable Wine-
71 growing Australia was entered manually by winegrowers using a web based
72 interface with some fields being optional. Required variables included: re-
73 gion, harvest year, yield and area harvested. Harvest year and region were
74 recorded as categorical variables. Optional variables included average sale
75 price, water used and fuel used (diesel, petrol, biodiesel and LPG). The
76 dataset was limited to respondents that recorded values for area harvested,
77 water used, yield and fuel use. To enable direct comparisons between fuels,
78 fuel use was converted to tonnes of Carbon Dioxide equivalent and collec-
79 tively referenced to as emissions.

80 Average sale price was an optional field in the Sustainable Winegrowing
81 Australia's dataset. Missing values were improved using regional average
82 prices from Wine Australia. Two subsets of data were then created for the
83 analysis. The first subset contained all vineyards and was used for two models
84 (Model 1 and Model 2, see Table 1). The second subset contained vineyards
85 which either recorded a value for average price of sale per tonne through
86 Sustainable Winegrowing Australia, or were within a region with an average

87 price of sale recorded by Wine Australia; this subset was used for three
88 further models (Models 3, 4 and 5, see Table 1). These subsets meant that
89 the data would be limited to samples which had recorded values for the
90 response variables (see Table 1), where every sample had a recorded value
91 for yield but not average price of sale per tonne.

92 The first subset of data (used for Model 1 and Model 2, see Table 1)
93 contained 5298 samples spanning the period from 2012 to 2022, covering 55
94 GI Regions and 1261 separate vineyards.

95 The second subset of data (used for Model 3, Model 4 and Model 5, see
96 Table 1) contained 2878 samples spanning the period from 2015 to 2022,
97 covering 51 GI Regions and 944 separate vineyards. Average price of sale per
98 tonne was extracted from both Wine Australia (1842 values) and Sustainable
99 Winegrowing Australia (remaining 1036 values).

100 Additional variables were considered for analysis but were excluded due to
101 being either underreported or had insignificant contributions to model accu-
102 racies. Variables explored but not used due to low reporting values included
103 fertiliser, and scope two emissions. Variables considered but ultimately re-
104 moved due to a lack of significant contributions to models, included the use
105 of renewable energy, contractor use, and pressures such as frost, fire and
106 disease.

107 Data preprocessing was conducted prior to analysis using the Python
108 programming language (G. van Rossum, 1995). Preprocessing included the
109 conversion from fuel to scope one emissions and prior calculations for all con-
110 tinuous variables which included logarithmic transformations, centring and
111 scaling by standard deviation. We converted multiple emission sources into

112 scope one emissions using the equation given from the Australian National
113 Greenhouse Accounts Factors (AGDEE, 2021), shown as

$$tCO_2e = \frac{Q \times EC \times EF1 + EF3}{1000}, \quad (1)$$

114 was used to convert the quantity of fuel in litres, Q , using a prescribed En-
115 ergy Content, EC , and emission factors of scope one, $EF1$, and scope three,
116 $EF3$, to tonnes of Carbon Dioxide Emission equivalent, $tCO2e$ (Department
117 of Climate Change, Energy, the Environment and Water, 2022).

118 The site of a vineyard predetermines several physical parameters such
119 as climate, geology and soil, making location a widely considered key deter-
120 minant of grape yield and quality (Abbal et al., 2016; Agosta et al., 2012;
121 Fraga et al., 2017). Differences in vineyard locations were captured through
122 the use of Geographical Indicator Regions (GI Regions, see Figure 1) defined
123 by Wine Australia (Halliday, 2009; Oliver et al., 2013; SOAR et al., 2008).
124 Each GI Region has its own unique mixture of climatic and geophysical prop-
125 erties that describes a unique winegrowing region within Australia and is a
126 protected trademark under the Wine Australia act Win (2019). Both Wine
127 Australia and Sustainable Winegrowing Australia used the same GI Region
128 categorical variable format to describe location.

129 The climatic properties of each GI Region were summarised by using pre-
130 defined classifications as per the Sustainable Winegrowing Australia (2021)
131 user manual. The user manual describes climates by rainfall and tempera-
132 ture, creating supersets of Regions of similar climatic properties. The cli-
133 matic groups were used to illustrate similarities and differences occurring in
134 areas larger than GI Regions.

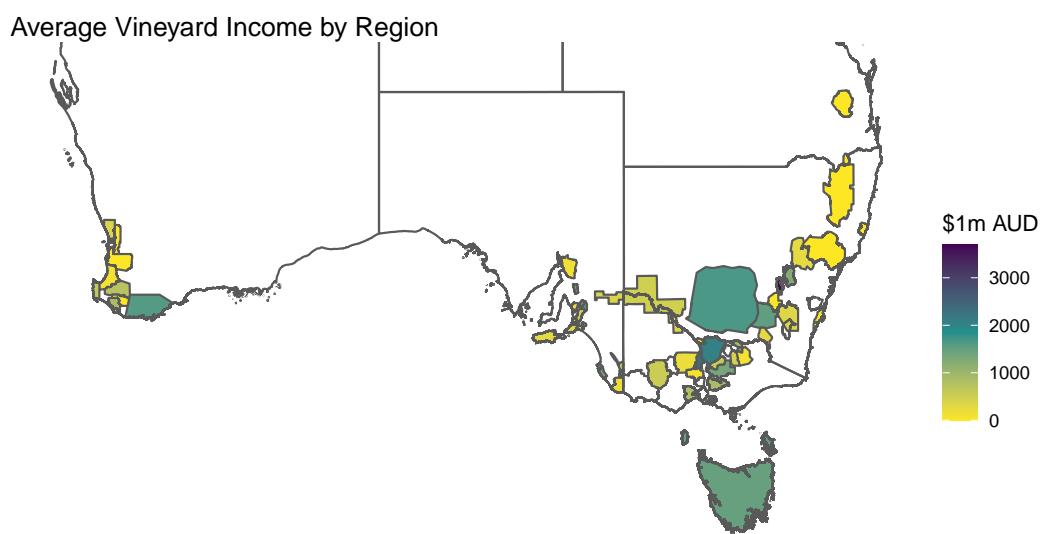


Figure 1: Map of vineyard average income for each of the used GI Regions.

135 *2.2. Analysis*

136 Pairwise Pearson Correlation Coefficients were calculated to assess the
137 potential existence of linear relationships between the input and predicted
138 variables. To determine if a coefficient was indicative of a strong relationship,
139 confidence intervals were used. P-values reflected the significance of a given
140 correlation coefficient with statistical significance being declared when the as-
141 sociated value was lower than 0.05. Pairwise Pearson Correlation Coefficients
142 were calculated for data on the original scale and for data as a logarithmic
143 transform. Transforming data prior to calculating the coefficients changes
144 several things. The logarithmic transform of the data alters the interpreta-
145 tion of the coefficients to percentage change; a coefficient will be indicative
146 of the change in percentage of one variable compared to the other, scaling
147 by standard deviation also changes this interpretation to be a percentage
148 of that variables standard deviation. When considering the logarithmically
149 transformed variables, a coefficient of 1 would indicate that the change of one
150 variable by one percentage of its standard deviation would correlate to the
151 other variable changing by one percent of its own standard deviation. The
152 importance of this is the dimensionless nature of these relationships and that
153 it can be translated directly to any vineyard's case that has a well known
154 distribution.

155 Five general linear models were created (see Table 1). Both the Pearson
156 Correlation Coefficients and General Linear Models were created using the
157 R statistical programming language (R Core Team, 2021) with the Caret
158 package (Kuhn, 2008). General Linear Models were chosen as they offer the
159 ability to produce statistical models that are explicit in the relationships be-

160 tween predictors and response variables. General Linear Models also allowed
161 the exploration of interactions between predictors and allow for easily com-
162 parable differences in the influence and magnitude of relationships. Model
163 fit was measured in R^2 and adjusted R^2 as well as F statistics. T-tests
164 were used to determine if predictors significantly contributed to their models
165 when accounting for other variables, showing which specific years and areas
166 contributed significantly.

167 A variety of alternate methods were also explored, including splines, hier-
168 archical regression, General Additive Models, and Generalised Linear Models.
169 These alternative approaches were not used as final models due to offering
170 no further insights or improvements in accuracy.

171 *2.3. Model Validation*

172 Models were validated using K-fold cross validation calculated. K-fold
173 cross validation works by removing a subset of data from the sample used
174 to train models and then predicts those variables to determine how sensitive
175 the model is to changes in the sample data . For this analysis each model
176 was validated using 10 folds, repeated 100 times.

177 **3. Results**

178 *3.1. Exploratory Analysis*

179 Table 2 shows the summary statistics of each variable in its original units.
180 The range of these values shows the level of difference between some vine-
181 yards, with operations differing by orders of magnitude in size, yield and
182 average price of sale (See Table 1).

Table 2: Summary statistics of each continuous variable.

Variable	Mean	Standard Deviation	Minimum	Maximum
Yield (tonnes)	7.757E+02	2.179E+03	1.000E+00	7.231E+04
Area Harvested (ha)	6.670E+01	1.337E+02	7.000E-02	2.436E+03
Water Used (ML)	7.471E+06	5.646E+08	1.000E+00	4.268E+10
Scope One Emissions (tCO_2e)	4.173E+04	8.571E+04	6.755E+00	2.110E+06
$\frac{\text{Yield (tonnes)}}{\text{Area harvested (ha)}}$	1.009E+01	8.127E+00	4.000E-02	8.634E+01
Average Sale Price (AUD)	1.477E+03	9.216E+02	1.600E+02	2.600E+04
$\frac{\text{Average Sale Price (AUD)}}{\text{Area Harvested (ha)}}$	1.347E+02	5.711E+02	1.753E-01	2.979E+04

Table 3: Pairwise Pearson correlation coefficients for logarithmically transformed values.

	Yield	Area Harvested	Water Used	Scope One Emissions	Yield by Area	Average Price	Average Price by Area
Yield	1.00	0.88	0.82	0.76	0.96	-0.46	-0.88
Area Harvested	0.88	1.00	0.78	0.83	0.73	-0.19	-0.81
Water Used	0.82	0.78	1.00	0.67	0.76	-0.49	-0.82
Scope One Emissions	0.76	0.83	0.67	1.00	0.65	-0.16	-0.67
Yield by Area	0.96	0.73	0.76	0.65	1.00	-0.54	-0.84
Average Price	-0.46	-0.19	-0.49	-0.16	-0.54	1.00	0.72
Average Price by Area	-0.88	-0.81	-0.82	-0.67	-0.84	0.72	1.00

183 Pearson Correlation Coefficients of the transformed, centred and scaled
 184 variables are shown in Table 3. All correlations were found to be statistically
 185 significant ($P < 2.200E-16$), and except for 'average price' all variables were
 186 positively correlated. With water use, area harvested and emissions being
 187 positively correlated to yield, it can be considered that more resources and
 188 area are likely to lead to greater yields. Average sale price's negative corre-
 189 lation to yield, water use, area and scope one emissions, indicated that size
 190 and fuel separately were not the determining factor for grape quality. The
 191 negative correlations are not causal relationships (using more water does not
 192 cause lower quality) but relative are measures indicating that using greater
 193 amounts of water than others may lead to lower quality.

194 *3.2. General Linear Models*

195 Each model had a high R^2 value, indicating that a most of the variance
 196 within the data was described by the models (see Table 4). The models were
 197 found to be a good fit, with overall F-tests being statistically significant ($P <$

Table 4: Summary of models; their performance, F-statistics and Residual error.

	R ²	Adjusted R ²	F-Statistic	P-Value	Residual Standard Error	Residual Sum of Squares	Residual Mean of Squares
Model 1	0.9072	0.9061	775.3	2.200e-16	0.3065	491.3	0.1
Model 2	0.8291	0.8141	55.07	2.200e-16	0.4312	905.03	0.19
Model 3	0.9753	0.9748	1885	2.200e-16	0.1589	71.11	0.03
Model 4	0.9091	0.9006	106.1	2.200e-16	0.3153	261.41	0.10
Model 5	0.9089	0.9004	107.2	2.200e-16	0.3155	262.04	0.10

198 2.200E-16). And, aside from 3 variables, F-tests across each model's variables
 199 were also significant (with all being at least, $P < 0.05$). The three exceptions
 200 were: scope one emissions in Model 3 ($P=0.22$) and Model 4 ($P=0.0.39$), and
 201 the interaction between area harvested and water used in model 2 ($P=0.22$).
 202 Note that, scope one emissions was included in all models to directly compare
 203 the response variables as ratios of vineyard size to raw values and because
 204 it was strongly correlated to the response variable in every model (except
 205 model 5); especially for Models 1 and 4 (Table 3).

206 Models' continuous variable's coefficient values are summarised in Table
 207 5. Model 1 showed all coefficients except for the intercept were significantly
 208 contributing to the model ($P \leq 0.05$). Model 2's coefficients were all statis-
 209 tically significant. However, for Models 3, 4 and 5 Scope one emissions did
 210 not significantly contribute. And, Model 4 only saw statistically significant
 211 contributions from the intercept and water use. Although the coefficient for
 212 water use was statistically significant for each model, it did not have the
 213 highest value, instead area harvested, being an order of magnitude greater

Table 5: Summary of each Models coefficients for continuous variables

		Intercept	Area Harvested	Water Used	Scope One Emissions	Area Harvested	Area Harvested
						Scope One Emissions	Water Used
Model 1	Coefficient	-0.0332	0.7418	0.0866	0.0673		
	Std Error	0.0196	0.0100	0.0089	0.0080		
Model 2	Coefficient	0.1696	0.5774	0.1079	0.0850	-0.0497	-0.0535
	Std Error	0.0591	0.0148	0.0131	0.0117	0.0081	0.0084
Model 3	Coefficient	0.0181	0.9713	-0.0231	-0.0070		
	Std Error	0.0130	0.0072	0.0069	0.0057		
Model 4	Coefficient	0.1450	0.0024	-0.0466	-0.0170	0.0115	0.0014
	Std Error	0.0528	0.0150	0.0143	0.0118	0.0079	0.0083
Model 5	Coefficient	0.1517		-0.0404	-0.0171		
	Std Error	0.0527		0.0113	0.0097		

214 dominated the models. Model 5 was able to achieve a similar R^2 to Model 4
 215 without area harvested, having stronger influences from water use and scope
 216 one emissions.

217 The regression coefficients for the year for each model is depicted in Figure
 218 2. The first year for a model's data is used as the baseline. The Adelaide
 219 Hills is used as the regional baseline with the interaction between year and
 220 region using the first year and the Adelaide Hills as the baseline. Region and
 221 year contributed, in some but not all cases, more than the other variables.
 222 However, some years are not significant, as they are not statistically different
 223 from 0, given their error. Models 4 and 5 are very similar, indicating that
 224 the exclusion of area does not greatly affect the contribution from yearly
 225 influence. Models 4 and 5 have the most prominent trends, showing an
 226 increase in yearly effects over time, with Model 3 also increasing from 2016

Table 6: Model validation using k-fold cross validation, for 10 folds repeated 100 times.

	Residual Mean Squared Error	R2	Mean Average Error
Model 1	.309	.905	.2165
Model 2	.457	.7921	.313
Model 3	.165	.972	.101
Model 4	.348	.878	.182
Model 5	.348	.878	.183

227 to 2018 but plateau afterwards. Models 1 and 2 do not show a clear trend
228 but do drop during 2017 and 2018 after increasing in the first 3 years.

229 Regional differences are summarised in Figure 3. The most notable differ-
230 ence is between vineyards within 'Hot' and 'Very Dry' regions (warm inland
231 regions), where little emphasis is put on achieving high average sale prices,
232 instead focussing on larger scale yield. Water Use changes dramatically be-
233 tween these regions as well, with water being a driving force in the mass
234 production of grapes but not necessarily the quality. The warmer and drier
235 regions tend to also cater to larger vineyards, with greater areas.

236 Figure 4 further shows the emphasis that 'Hot' areas have on high yields
237 with low average sale price compared with other regions. Scaling average
238 price and yield by area shows a strong negative trend, trading quantity for
239 higher sales prices.

240 Table 3.2 shows the validation results of each of the models. The R^2 mea-
241 sures of fit show similar results to the initial models, with a slight decrease.
242 Indicating that the models are robust and consistent.

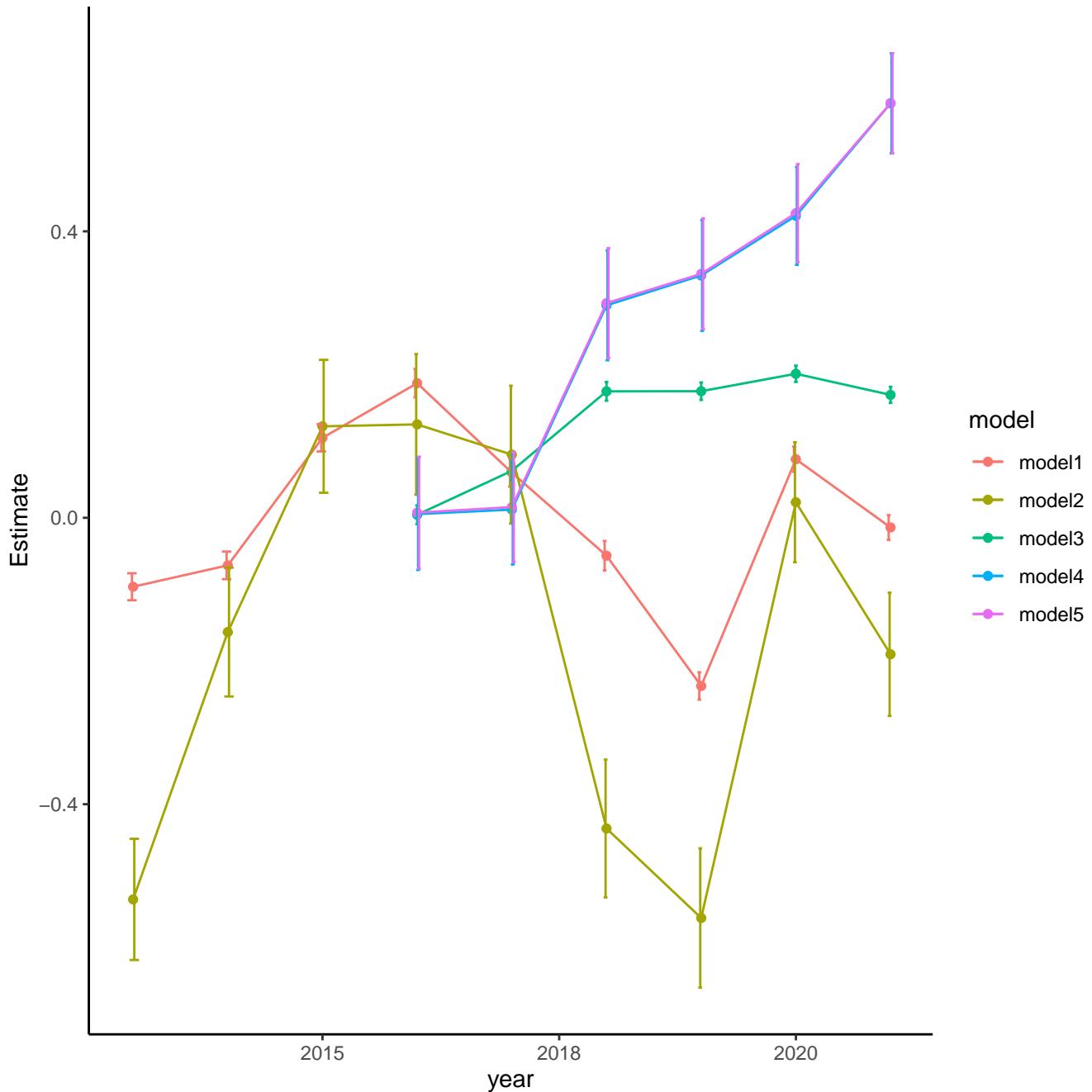


Figure 2: Model Coefficient values for Year, with standard error bars.

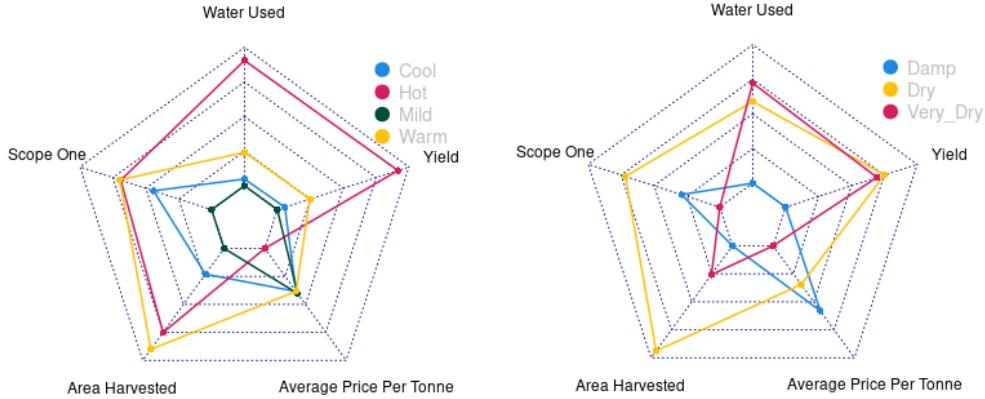


Figure 3: Radar plot of climatic profile's resource use, yield and average sale price.

243 4. Discussion

244 There was an expected strong relationship between size and resource use,
 245 with the overall space of a vineyard and its access to resources greatly deter-
 246 mining the upper limit of potential yield. However, size was also inversely
 247 related to the potential quality, with higher quality being related to high
 248 resource inputs per area; rather than to the overall expenditure of resources.
 249 Vineyard outputs were also augmented by regional and yearly affects. Even
 250 given regional and yearly changes, there was a strong connection between
 251 smaller vineyards and higher quality. This could have been due to the easier
 252 management of smaller properties.

253 Scope one emissions' lack of significance and contribution given its F-
 254 statistics, could be indicative that other vineyard activities requiring fuel are
 255 not leading factors for a vineyards grape quality. The relationship between
 256 yield, value and area was not simply about efficiently producing the most
 257 grapes. It is possible that the relationship of scope one emissions between

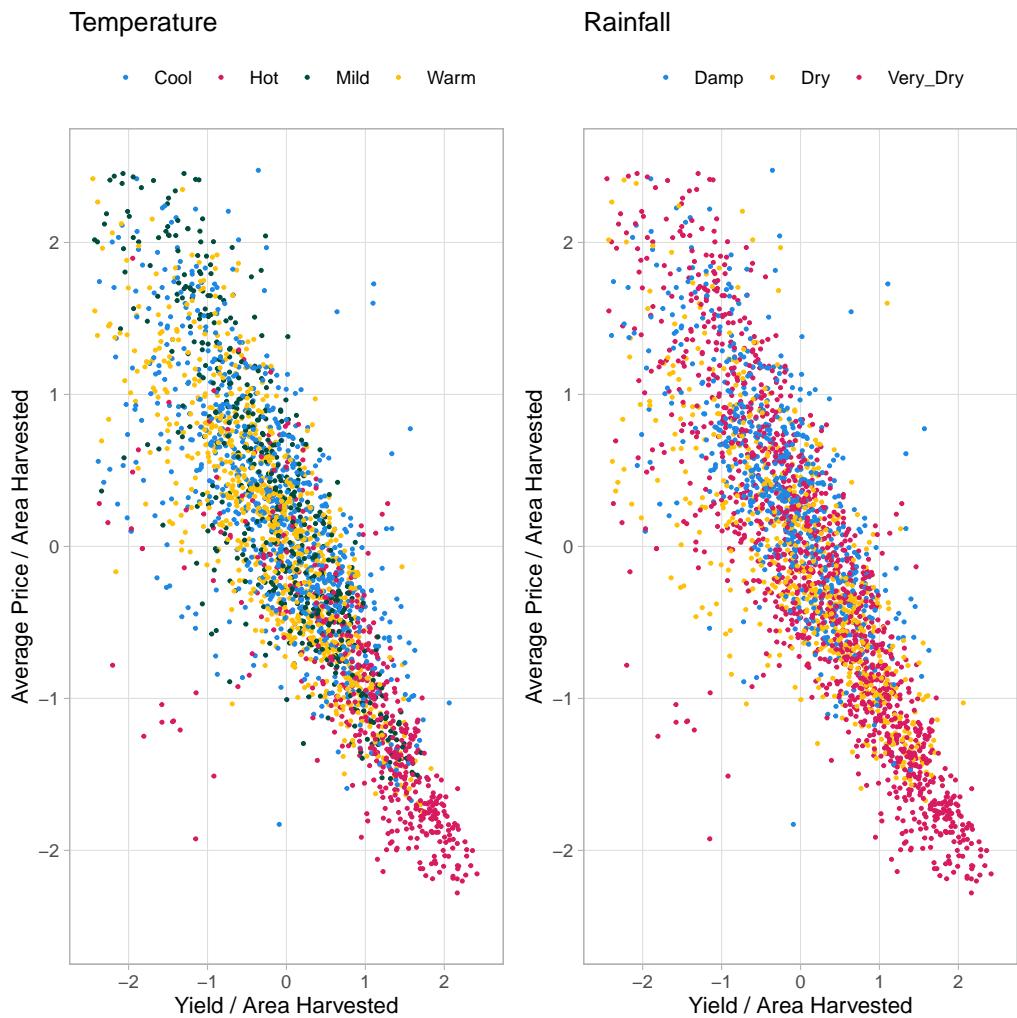


Figure 4: Scatter plot of vineyard yield against the average sale price as ratios to area harvested. The axes are in standard deviations with points coloured by climate.

258 yield and sale price was closely tied to a vineyard's area due to requiring more
259 fuel to address more issues over greater distances. It is difficult to discern the
260 connection of scope one emissions directly, as fuel can be used for a broad
261 category of activities.

262 There are important considerations unique to winegrowing compared to
263 other agricultural industries. The vertical integration of winegrowing within
264 the wine industry ties winegrowers to secondary and tertiary industries, such
265 as wine production, packaging, transport and sales. This results in unique
266 issues and considerations for each vineyard, where on-the-ground decisions
267 are influenced by other wine industry's choices, such as the use of sustainable
268 practices in vineyards as a requirement for sale in overseas markets; notably
269 these interactions can be further complicated by some winegrowers being
270 completely integrated into a wine company, while others are not (Knight
271 et al., 2019). Incorporating decisions into the model could help describe
272 the contributing factors to regional differences beyond resource consumption,
273 motivating the call for more granular data and more sophisticated modelling.

274 There are many on-the-ground decisions that influence both quality and
275 yield. The decision to prioritise quality over quantity, is governed by com-
276 plex physical and social forces, for example international market demands,
277 disease pressures and natural disasters (Abad et al., 2021; Cortez et al., 2009;
278 Hall et al., 2011; I. Goodwin, et al., 2009; Kasimati et al., 2022; Oliver et al.,
279 2013; Srivastava and Sadistap, 2018), with many of these occurrences being
280 highlighted throughout the reports from Wine Australia (Wine Australia,
281 2019, 2021, 2022; Winemakers' Federation of Australia, 2013, 2014, 2015,
282 2016, 2017, 2018) over the past decade. However, the changes in the coef-

283 ficients (see Figure 2) are not reflective of many known occurrences, such
284 as the 2020 bush fires, which had higher values for coefficients than prior
285 years; During the 2020 bush fires 40,000 tonnes of grapes were lost across 18
286 different wine regions due to bush fires and smoke taint. In comparison to
287 countrywide pressures such as drought, this damage made up only 3% of the
288 total amount of grapes for that year; although acknowledged as a consider-
289 able loss on an individual basis, it was deemed to be only a minor national
290 concern by Wine Australia when compared to other environmental pressures
291 such as drought (Wine Australia, 2020)

292 Climatic pressures are an important consideration for growers, especially
293 those in warmer and drier regions. The Wine Australia reports also show
294 that warm inland regions have seen a decline in profit over the past decade,
295 whereas regions targeting quality did not. The warm inland regions also
296 tend to contain larger vineyards, making up for lower sale prices with larger
297 yields. Considering the negative correlation of average price to area, for this
298 strategy to work economies of scale become an important factor. Given the
299 large quantities of grapes that can be produced by some vineyards, even at
300 low margins there is the potential to be profitable. However, the increasing
301 climatic pressures mixed with the requirement for larger volumes of water,
302 make the sustainability of some vineyards come into question. Furthermore,
303 intensive farming in general is known to jeopardise the sustainability of an
304 operation through the degradation of soil and waterways (Capello et al.,
305 2019; Lin, 2012; Pisciotta et al., 2015). There are established methods that
306 can help to mitigate these affects, such as the use of cover crops and crop
307 rotation. However, it has become more apparent that the active reduction of

308 grape yield, through methods such as thinning, can help increase the quality
309 of grapes and improve soil health (Condurso et al., 2016; Wang et al., 2019).

310 Some regions appeared to produce many low quality grapes at scale whilst
311 others focussed on producing higher quality grapes in lower volumes. This
312 empirical finding is consistent with Wine Australia's annual reports, which
313 shows that some GI regions, such as the Riverland, are known for producing
314 large amounts of lower grade (low value per tonne) grapes (Wine Australia,
315 2022; Winemakers' Federation of Australia, 2017). Comparatively, other re-
316 gions, such as Tasmania, only produce high quality grapes but in smaller
317 quantities. The difference in pricing per tonne between the lowest and high-
318 est graded grapes can be greater than a hundred times the difference in
319 value per tonne. Not all regions target only one grade of grape, with some
320 producing a variety of differently graded grapes; such as the Yarra Valley,
321 which produces grades from C to A. This effect could stifle the potential
322 for market opportunities within lesser known regions. A further possibility
323 is the existence of regional upper limits on potential quality, or that there
324 are diminishing returns in some regions when pursuing quality or quantity;
325 however these types of relationships may be obfuscated by knowledgeable
326 winegrowers who avoid this pitfall.

327 Due to regional differences, different strategies are also employed across
328 different regions, such as some regions targeting mass production over quality.
329 This is most notable when grouping regions by climate, especially when con-
330 sidering GI Regions in the 'Hot Very Dry' climate (see Figure 4). Although
331 not chosen over GI region, climate was considered to be a large determinant
332 of the ability to produce larger quantities of grapes, as well as a determinant

333 in grape quality (Agosta et al., 2012). The more granular GI Region likely
334 explained a broader mix of geographical phenomenon, such as soil, geology
335 and access to water resources (Abbal et al., 2016; Carmona et al., 2011). The
336 interaction between year and GI Region likely accounted for events such as
337 bushfires, which would be impactful, but only at a local level, both in time
338 and space.

339 We identified two main limitations to our linear modeling. First model
340 1 and 2 over-predicting yield may have been due to preventative measures
341 brought on by regional pressures such as fire, frost and disease. More re-
342 sources were required to prevent these issues from spreading within a region,
343 thus disproportionately affecting some vineyards compared to others locally.
344 This type of maintenance is not well captured in the models, especially when
345 considering that some regions, especially those in warmer areas, are not as
346 prone to disease as cooler climates and could potentially have lower operating
347 costs per hectare. This could create a discrepancy in vineyards that utilised
348 preventative measures in wetter regions, as opposed to those that did not,
349 thus expending less fuel and energy but risking disease. When reviewing
350 the differences between regions, it is important to consider that vineyards in
351 'Hot Very Dry' areas can be hundreds of times the size of those in other re-
352 gions. This limitation could be overcome by incorporating the profitability of
353 vineyards, comparing the financial success of working at different operational
354 scales.

355 The second limitation was the lack of further explanatory variables to
356 help link models to causal affects. Variables such as the utilisation of renew-
357 able energy, contractors, and the occurrence of disease, fire and frost were

358 originally explored to capture the discrepancies between similar vineyards
359 that produced different yields and crop values. However, none of these vari-
360 ables was significantly correlated with the response variables, and did not
361 add to model accuracy, even when considered as interactions. Allowance
362 for nonlinear relationships, specifically through splines, resulted in more nor-
363 mally distributed residuals but at a drastically reduced overall accuracy when
364 comparing R^2 and Residual Square Error. Attempts to fully explain small
365 variations was always overshadowed by the dramatic differences in regional
366 trends. Having more data for each region would also be beneficial, allowing
367 greater comparison between regions. More variables may also help to discern
368 vineyards that can produce larger volumes of grapes at higher prices.

369 The use of other models such as random forests and decision trees along-
370 side more variables and data may help to uncover the reasons for under or
371 overestimation. These differences could be caused by the use of alternative
372 sustainable practices in the field. Moreover, while there is evidence to suggest
373 that environmentally sustainable practices can reduce costs, and increase effi-
374 ciency whilst improving the quality of grapes; more research is needed to link
375 these benefits across different regions and climates (Baiano, 2021; Mariani
376 and Vastola, 2015; Montalvo-Falcón et al., 2023).

377 5. Conclusion

378 This study delved into the relationships between resource use, grape qual-
379 ity and yield. The findings underscore the multifaceted nature of vineyard
380 management, where the interplay of size, resource allocation, climate, and
381 regional influences collectively shape both the quality and quantity of grape

382 yields. Quality was not solely tied to the overall expenditure of resources, but
383 rather to the efficient allocation of resources per unit area. This emphasises
384 that factors beyond sheer scale contribute significantly to the final quality
385 of the grapes produced. Moreover, regional and yearly variations exhibited
386 substantial effects on vineyard outputs, impacting both quality and quan-
387 tity. The connection observed between smaller vineyards and higher grape
388 quality suggests that the management of smaller properties might be more
389 streamlined and effective, enabling a greater quality of grape to be produced.

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Table A.7: P-values for the non-transformed water used variable's Pearson correlation coefficients.

Variable	Water Used
Yield	7.538E-01
Area	6.981E-01
Scope One Emissions	8.883E-01
$\frac{\text{Yield}}{\text{Area}}$	6.836E-01
Average Price Per Tonne	5.600E-02
$\frac{\text{Average Price per tonne}}{\text{Area}}$	1.522E-01

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541 **Appendix A. Appendix**

Model 1 – Normal QQ

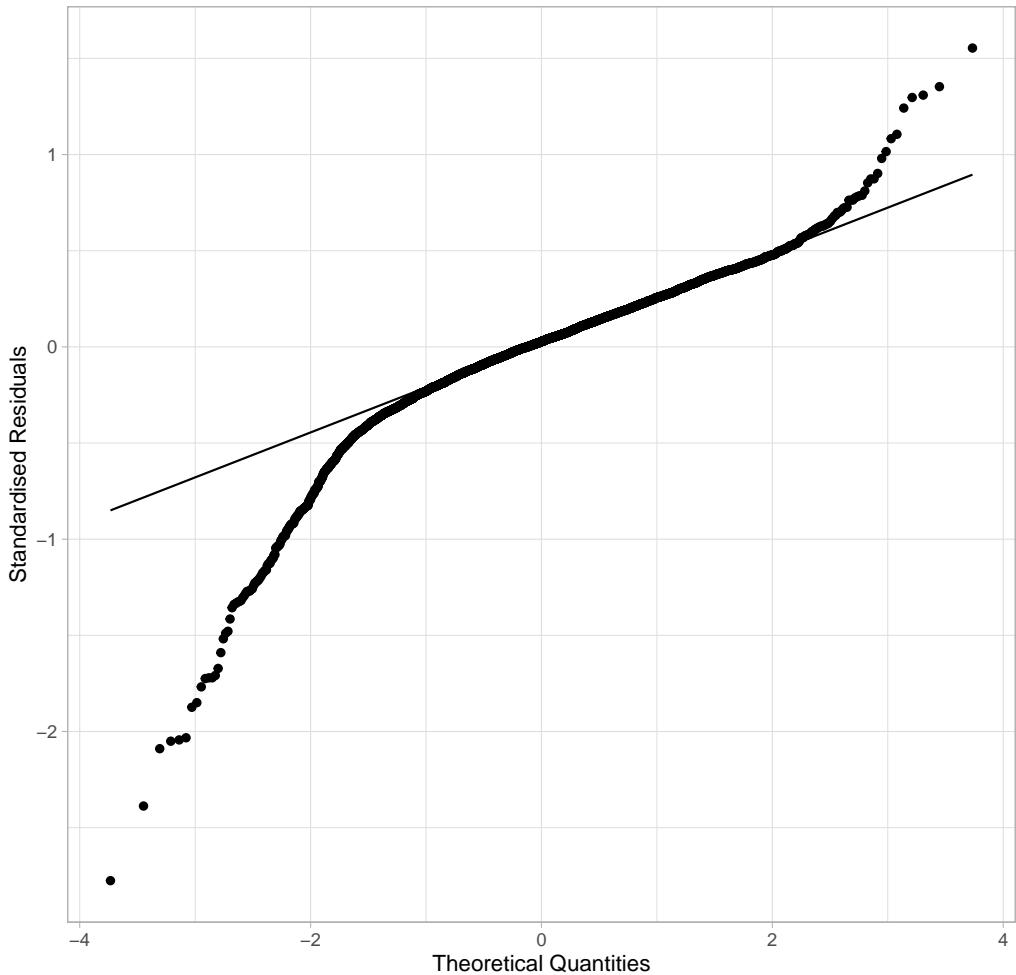


Figure A.5: QQ-plot of Model 1.

Model 1 – Residuals vs fitted

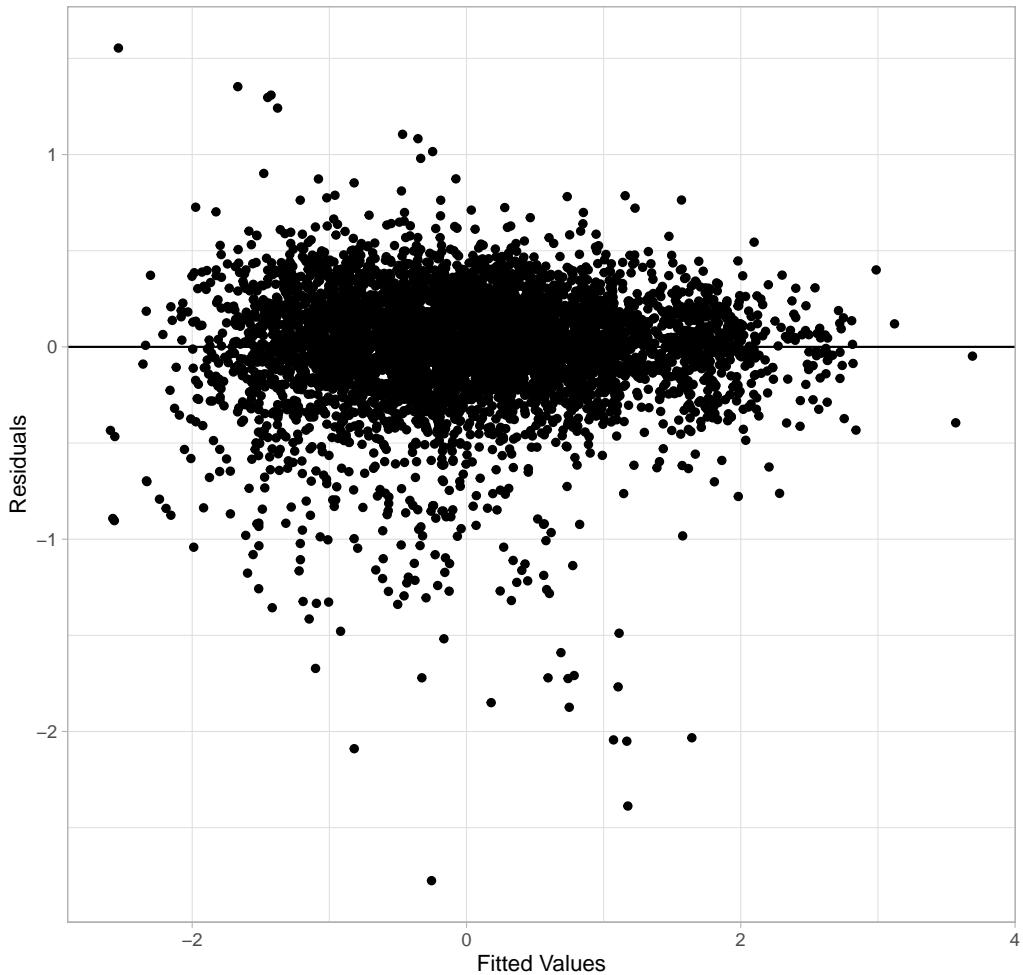


Figure A.6: Residuals vs fitted values for Model 1.

Model 2 – Normal QQ

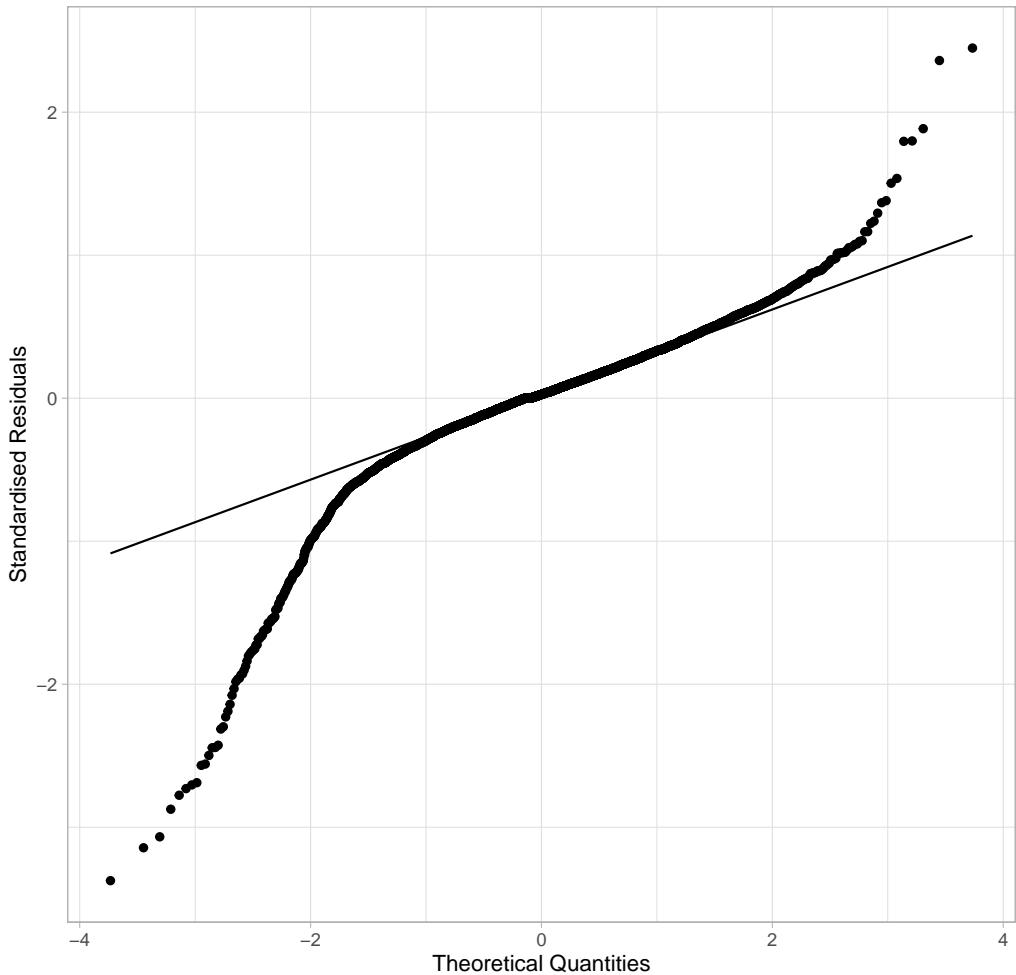


Figure A.7: QQ-plot of Model 2.

Model 2 – Residuals vs fitted

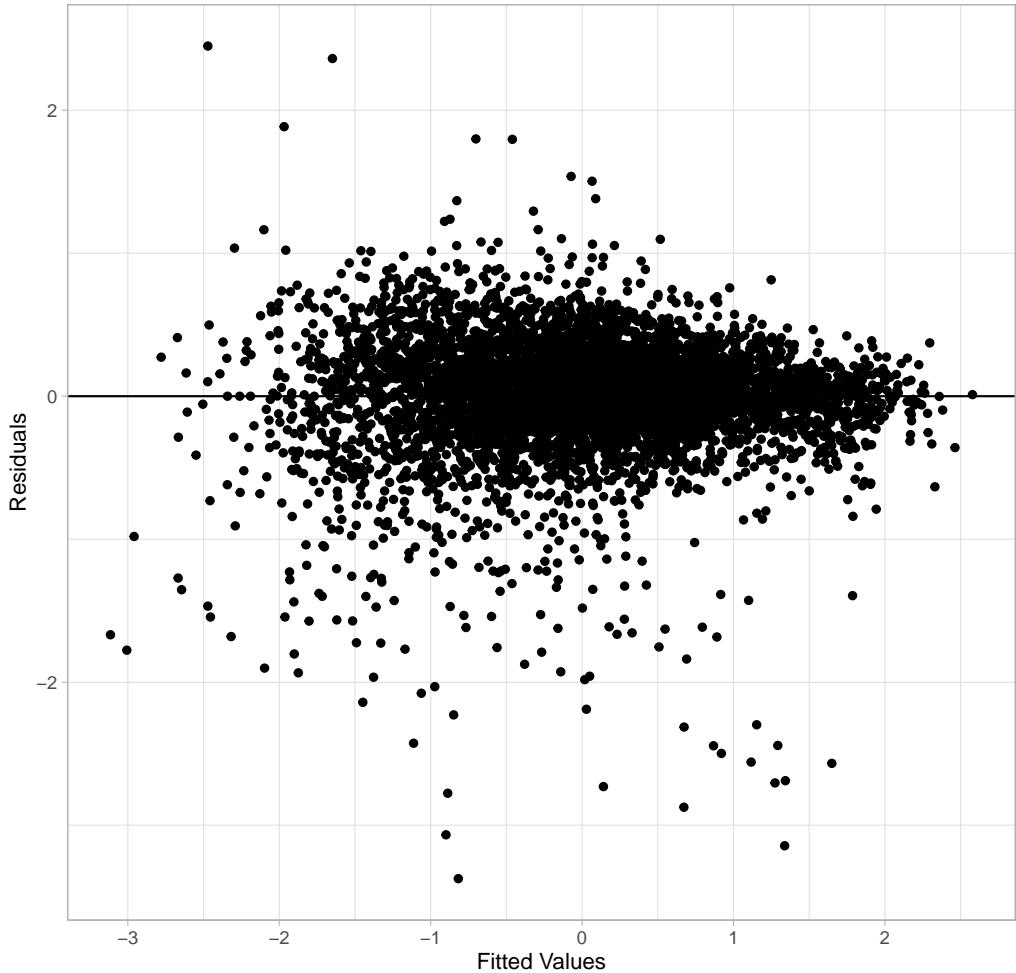


Figure A.8: Residuals vs fitted values for Model 2.

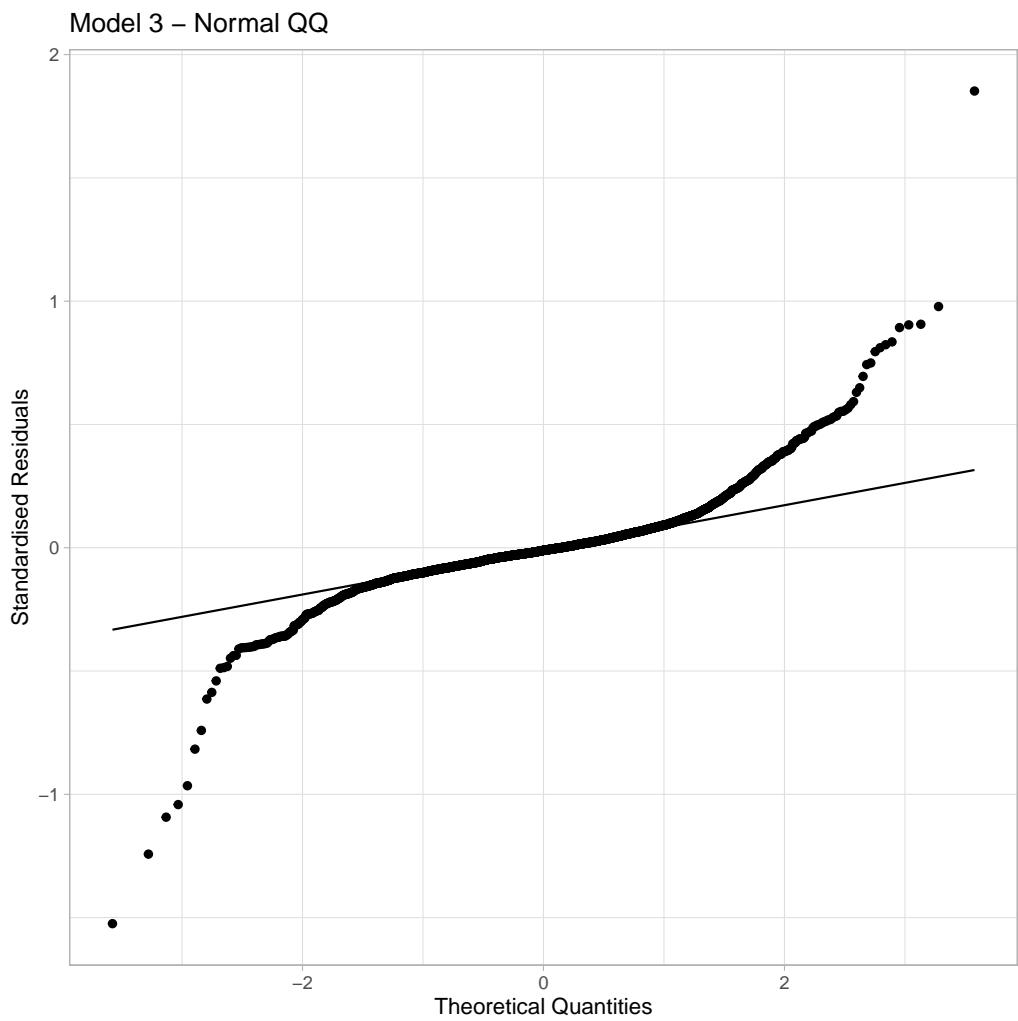


Figure A.9: QQ-plot of Model 3.

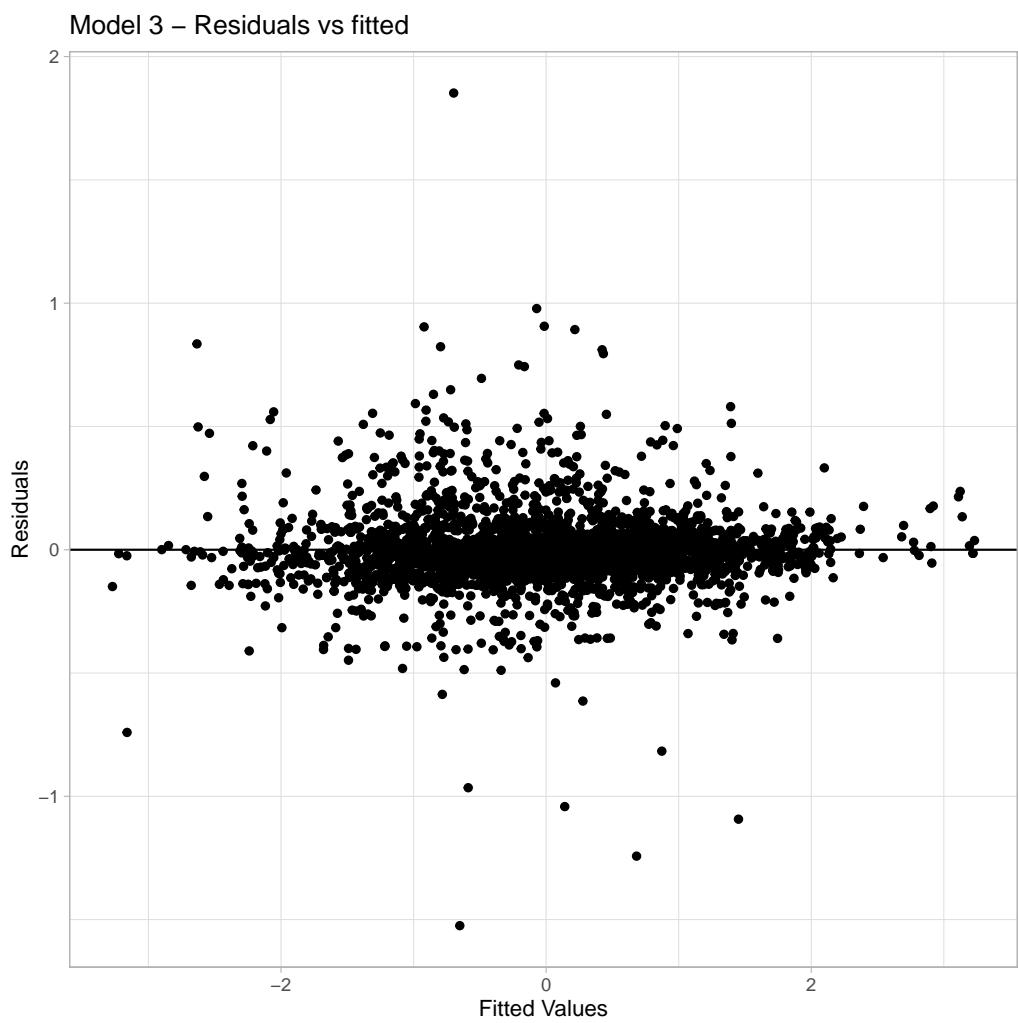


Figure A.10: Residuals vs fitted values for Model 3.

Model 4 – Normal QQ

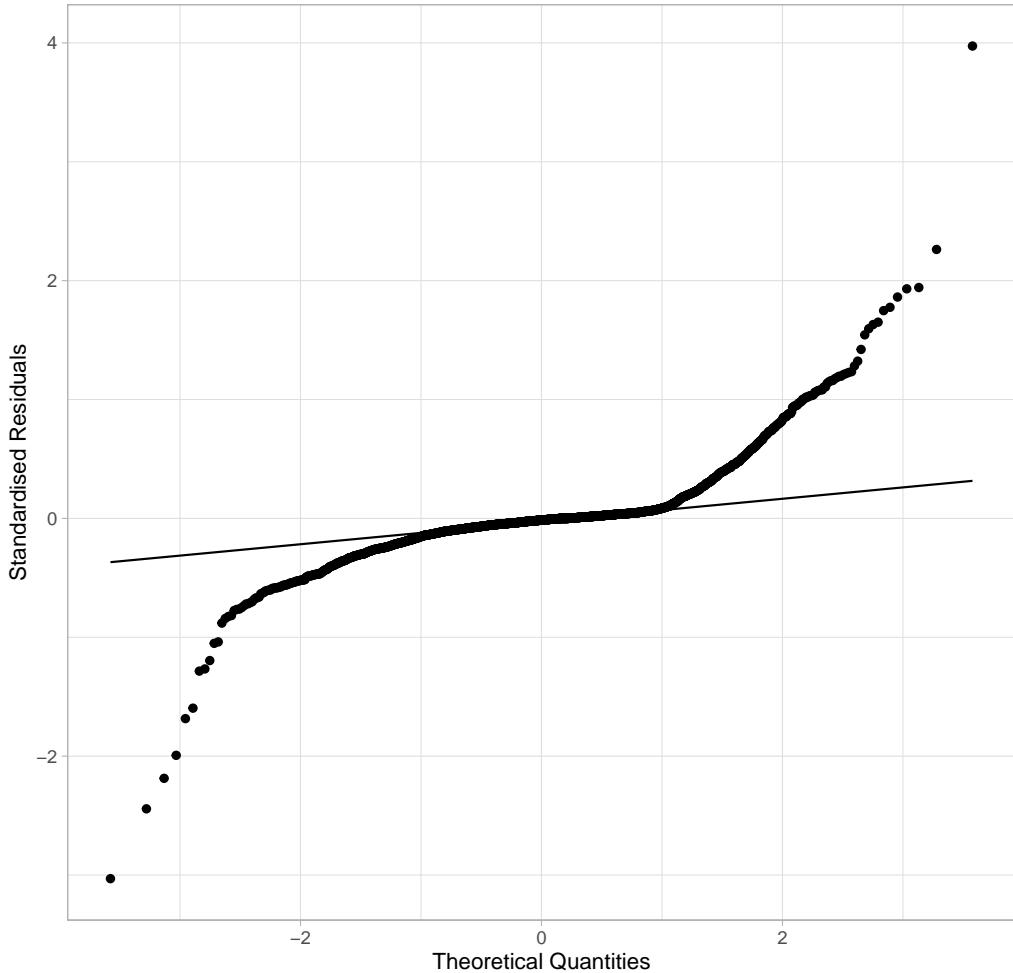


Figure A.11: QQ-plot of Model 4.

Model 4 – Residuals vs fitted

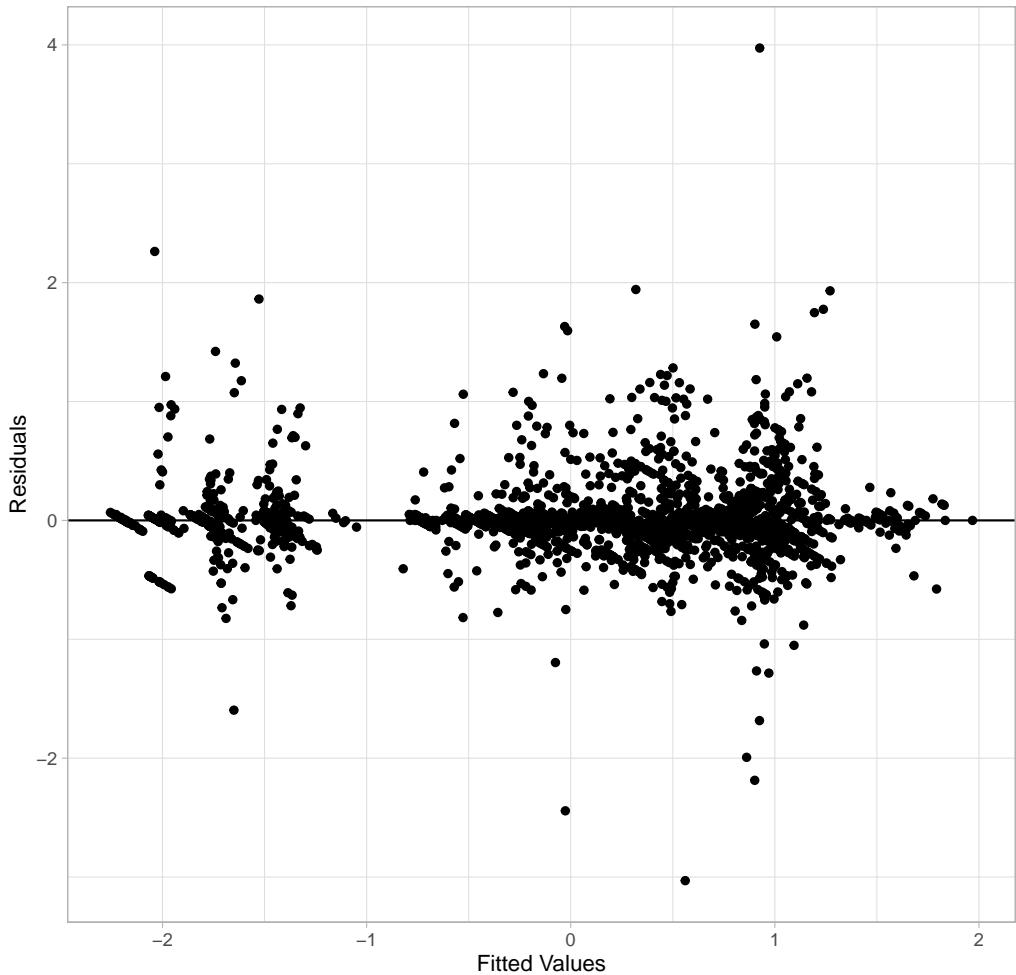


Figure A.12: Residuals vs fitted values for Model 4.

Model 5 – Normal QQ

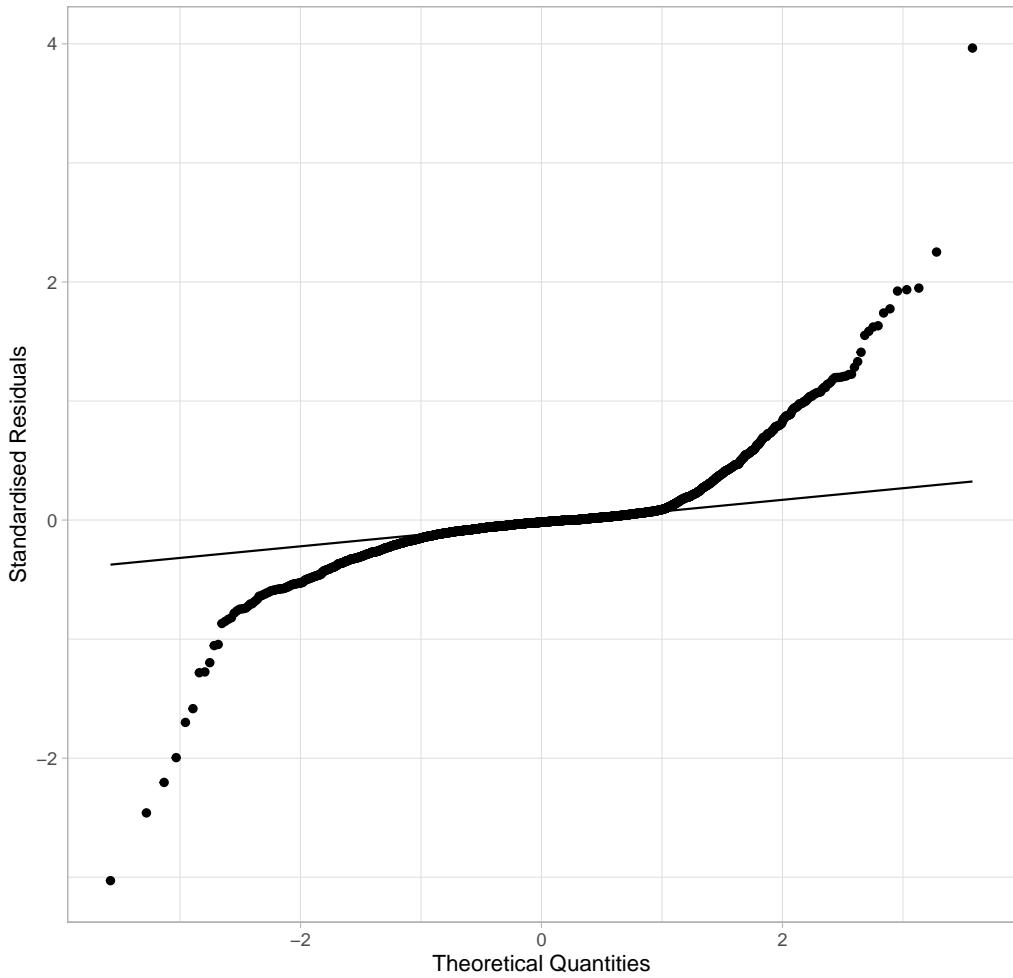


Figure A.13: QQ-plot of Model 5.

Model 5 – Residuals vs fitted

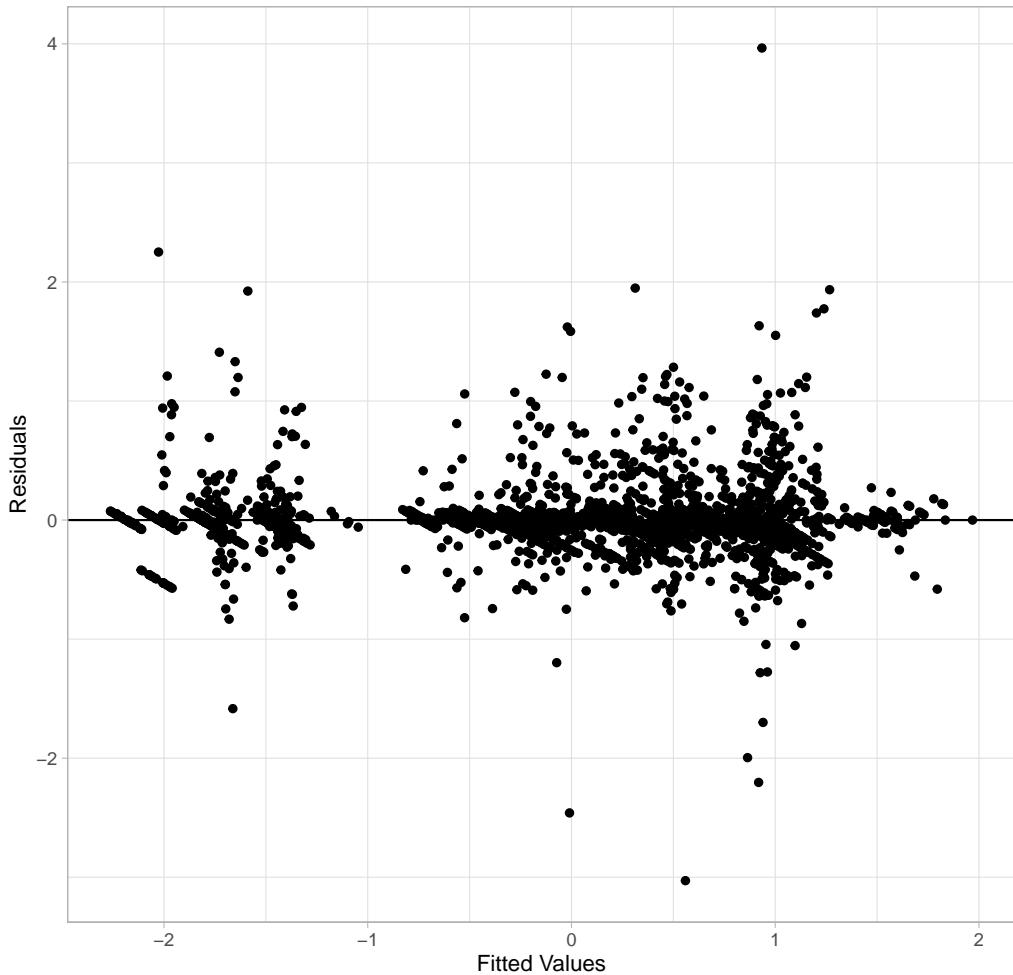


Figure A.14: Residuals vs fitted values for Model 5.