

<sup>1</sup> Highlights

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

<sup>4</sup> Author

- <sup>5</sup>     ● Comparative analysis of resource use, quality and quantity in Aus-  
<sup>6</sup> tralian winegrowing.
- <sup>7</sup>     ● Regional comparison of outcomes and resource use in Australian wine-  
<sup>8</sup> growing regions.
- <sup>9</sup>     ● Baseline models for comparing wine crops.
- <sup>10</sup>    ● Analysis of national, decade long data source.

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

<sup>13</sup>      Author<sup>1,1,1</sup>

---

<sup>14</sup>      **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 a multitude of 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 potential yield. However, size was also negatively related to the potential quality, with 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.

---

<sup>15</sup> **1. Introduction**

<sup>16</sup> The global focus on sustainability in agronomic industries has changed the  
<sup>17</sup> way in which these enterprises do business. When strategies for a sustainable  
<sup>18</sup> winegrowing industry are assessed, there is a trade-off between balancing the  
<sup>19</sup> amount of resources invested and the resultant yield versus quality produced.  
<sup>20</sup> This dilemma exists across agriculture through shared fundamental consider-  
<sup>21</sup> ations such as water use and fuel usage (Hemming et al., 2020; Kawasaki and  
<sup>22</sup> Uchida, 2016; ZHU et al., 2017). Quality in viticulture (the cultivation of  
<sup>23</sup> grapes for wine production) is driven through its integration within the wine  
<sup>24</sup> industry, with the potential quality of a wine being initially defined through  
<sup>25</sup> the chemical makeup of the grapes used in its production. The consideration  
<sup>26</sup> of sustainability within viticulture is further complicated by environmental  
<sup>27</sup> and socio-demographic pressures. In the Australian context, these include  
<sup>28</sup> biosecurity, climate and international market demands.

<sup>29</sup> There is an extensive amount of research into the effects of a variety of  
<sup>30</sup> factors on grape quality and yield (He et al., 2022; Laurent et al., 2022;  
<sup>31</sup> Liakos et al., 2018). However, due to the lack of long-term and in-depth  
<sup>32</sup> data, individual factors are often studied in isolation (Abbal et al., 2016).  
<sup>33</sup> The lack of consolidated datasets also restricts the ability to gain statisti-  
<sup>34</sup> cal insights at large scales and across multiple regions (Keith Jones, 2002;  
<sup>35</sup> Knight et al., 2019). The dataset used for this analysis includes data col-  
<sup>36</sup> lected for the past 10 years from a multitude of vineyards located over a  
<sup>37</sup> diverse range of Australian winegrowing regions. We aim to use this dataset  
<sup>38</sup> to describe the relationship of resources related to water and fuel use with  
<sup>39</sup> the output yield and quality of the resultant product, taking into account

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

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

40 the size and location of the vineyard. The practical addition of this aim is  
 41 a baseline for comparison: given a vineyard within Australia, one could esti-  
 42 mate the comparative efficiency with regard to the tradeoff between invested  
 43 resources, yield and quality. This is the first time that such a trade off has  
 44 been confirmed explicitly across such varying regions, scales and climates in  
 45 the Australian winegrowing industry.

## 46 2. Methods

### 47 2.1. Data

48 Data used in this analysis were obtained from Sustainable Winegrow-  
 49 ing Australia and Wine Australia. Sustainable Winegrowing Australia is

50 Australia's national wine industry sustainability program, which aims to facilitate grape-growers and winemakers in demonstrating and improving their  
51 sustainability (SWA, 2022). Wine Australia is an Australian Government  
52 statutory authority governed by the Wine Australia Act 2013 (Win, 2019).

53 Predictor variables used in this analysis included yield, defined as the  
54 total tonnes of grapes harvested, and quality, defined as average sale price  
55 of grapes. It is acknowledged that quality can be defined in a variety of  
56 ways, for example by the grapes': aroma, chemical composition and color  
57 (Kasimati et al., 2022; Mejean Perrot et al., 2022; Suarez et al., 2021). Using  
58 sale price was based on the reliance of market value of winegrapes on grape  
59 quality and because Wine Australia explicitly defines grape quality through  
60 the use of discrete price brackets in their annual reports. The generalisation  
61 made to reflect quality through using average price assumed a due diligence of  
62 those who purchased the grapes (Yegge, 2001). Both response variables were  
63 examined as totals and as scales of area harvested. Values were compared in  
64 this manner to observe how economies of scale affect the use of resources.

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

75 sions.

76 Average sale price was an optional field in the Sustainable Winegrowing  
77 Australia's dataset. Missing values were improved using regional average  
78 prices from Wine Australia. Two subsets of data were then created for the  
79 analysis. The first subset contained all vineyards and was used for two models  
80 (Model 1 and Model 2, see Table 1). The second subset contained vineyards  
81 which either recorded a value for average price of sale per tonne through  
82 Sustainable Winegrowing Australia, or were within a region with an average  
83 price of sale recorded by Wine Australia; this subset was used for three  
84 further models (Models 3, 4 and 5, see Table 1). These subsets meant that  
85 the data would be limited to samples which had recorded values for the  
86 response variables (see Table 1), where every sample had a recorded value  
87 for yield but not average price of sale per tonne.

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

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

96 Additional variables were considered for analysis but were excluded due to  
97 being either underreported or had insignificant contributions to model accu-  
98 racies. Variables explored but not used due to low reporting values included  
99 fertiliser, and scope two emissions. Variables considered but ultimately re-

100 moved due to a lack of significant contributions to models, included the use  
101 of renewable energy, contractor use, and pressures such as frost, fire and  
102 disease.

103 Data preprocessing was conducted prior to analysis using the Python  
104 programming language (G. van Rossum, 1995). Preprocessing included the  
105 conversion from fuel to scope one emissions and prior calculations for all  
106 continuous variables which included logarithmic transformations, centring  
107 and scaling by standard deviation. The transformation of fuel use into scope  
108 one emissions was done using the equation given from the Australian National  
109 Greenhouse Accounts Factors, shown as

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

110 was used to convert the quantity of fuel in litres,  $Q$ , using a prescribed En-  
111 ergy Content,  $EC$ , and emission factors of scope one,  $EF1$ , and scope three,  
112  $EF3$ , to tonnes of Carbon Dioxide Emission equivalent,  $tCO_2e$  (Department  
113 of Climate Change, Energy, the Environment and Water, 2022).

114 Differences in vineyard locations were captured through the use of Geo-  
115 graphical Indicator Regions (GI Regions, see Figure 1). Each GI Region has  
116 its own unique mixture of climatic and geophysical properties that describes  
117 a unique winegrowing region within Australia; these regions were predefined  
118 by Wine Australia (Halliday, 2009; Oliver et al., 2013; SOAR et al., 2008).  
119 Both Wine Australia and Sustainable Winegrowing Australia used the same  
120 GI Region format to describe location.

121 The site of a vineyard predetermines several physical parameters such as  
122 climate, geology and soil, making location a widely considered key determi-

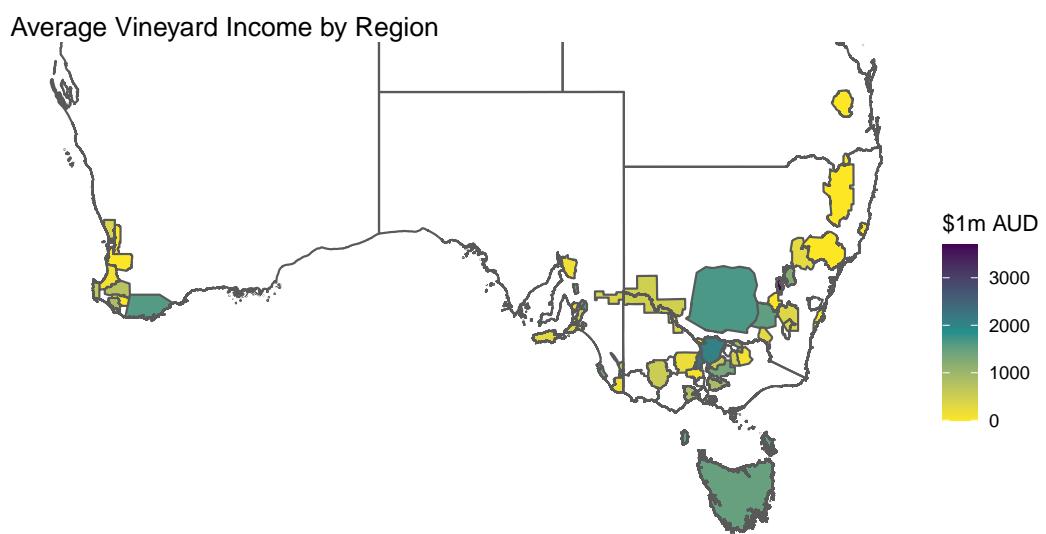


Figure 1: Map of vineyard average income for each of the used GI Regions.

nant of grape yield and quality (Abbal et al., 2016; Agosta et al., 2012; Fraga et al., 2017). The climatic properties of each GI Region were summarised by using predefined classifications as per the Sustainable Winegrowing Australia (2021) user manual. The user manual describes climates by rainfall and temperature, creating supersets of Regions of similar climatic properties. The climatic groups were used to illustrate similarities and differences occurring in areas larger than GI Regions.

### 2.2. Analysis

Pairwise Pearson Correlation Coefficients were calculated to assess the potential existence of linear relationships between the input and predicted variables. To determine if a coefficient was indicative of a strong relationship, confidence intervals were used. P-values reflected the significance of a given correlation coefficient with statistical significance being declared when the associated value was lower than 0.05. Pairwise Pearson Correlation Coefficients were calculated for data on the original scale and for data as a logarithmic transform. Transforming data prior to calculating the coefficients changes several things. The logarithmic transform of the data alters the interpretation of the coefficients to percentage change; a coefficient will be indicative of the change in percentage of one variable compared to the other, scaling by standard deviation also changes this interpretation to be a percentage of that variables standard deviation. When considering the logarithmically transformed variables, a coefficient of 1 would indicate that the change of one variable by one percentage of its standard deviation would correlate to the other variable changing by one percent of its own standard deviation. The importance of this is the dimensionless nature of these relationships and that

148 it can be translated directly to any vineyard's case that has a well known  
149 distribution.

150 Five general linear models were created (see Table 1). General Linear  
151 Models were chosen as they offer the ability to produce statistical models that  
152 are explicit in the relationships between predictors and response variables.  
153 General Linear Models also allowed the exploration of interactions between  
154 predictors and allow for easily comparable differences in the influence and  
155 magnitude of relationships. Model fit was measured in  $R^2$  and adjusted  $R^2$  as  
156 well as F statistics. T-tests were used to determine if predictors significantly  
157 contributed to their models when accounting for other variables, showing  
158 which specific years and areas contributed significantly. Both the Pearson  
159 Correlation Coefficients and General Linear Models were created using the  
160 R statistical programming language (R Core Team, 2021) with the Caret  
161 package (Kuhn, 2008).

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

166 *2.3. Model Validation*

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

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

<sup>172</sup> **3. Results**

<sup>173</sup> *3.1. Exploratory Analysis*

<sup>174</sup> Table 2 shows the summary statistics of each variable in its original units.

<sup>175</sup> The range of these values shows the level of difference between some vine-  
<sup>176</sup> yards, with operations differing by orders of magnitude in size, yield and  
<sup>177</sup> average price of sale (See Table 1).

<sup>178</sup> Pearson Correlation Coefficients of the transformed, centred and scaled

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

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

### 3.2. General Linear Models

Each model had a high  $R^2$  value, indicating that a most of the variance within the data was described by the models (see Table 4). The models were found to be a good fit, with overall F-tests being statistically significant ( $P < 2.200E-16$ ). And, aside from 3 variables, F-tests across each model's variables

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

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

194 were also significant (with all being at least,  $P < 0.05$ ). The three exceptions  
 195 were: scope one emissions in Model 3 ( $P=0.22$ ) and Model 4 ( $P=0.0.39$ ), and  
 196 the interaction between area harvested and water used in model 2 ( $P=0.22$ ).  
 197 Note that, scope one emissions was included in all models to directly compare  
 198 the response variables as ratios of vineyard size to raw values and because  
 199 it was strongly correlated to the response variable in every model (except  
 200 model 5); especially for Models 1 and 4 (Table 3).

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

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		

210 without area harvested, having stronger influences from water use and scope  
 211 one emissions.

212 The regression coefficients for the year for each model is depicted in Figure  
 213 2. The first year for a model's data is used as the baseline. The Adelaide  
 214 Hills is used as the regional baseline with the interaction between year and  
 215 region using the first year and the Adelaide Hills as the baseline. Region and  
 216 year contributed, in some but not all cases, more than the other variables.  
 217 However, some years are not significant, as they are not statistically different  
 218 from 0, given their error. Models 4 and 5 are very similar, indicating that  
 219 the exclusion of area does not greatly affect the contribution from yearly  
 220 influence. Models 4 and 5 have the most prominent trends, showing an  
 221 increase in yearly effects over time, with Model 3 also increasing from 2016  
 222 to 2018 but plateau afterwards. Models 1 and 2 do not show a clear trend

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

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

223 but do drop during 2017 and 2018 after increasing in the first 3 years.

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

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

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

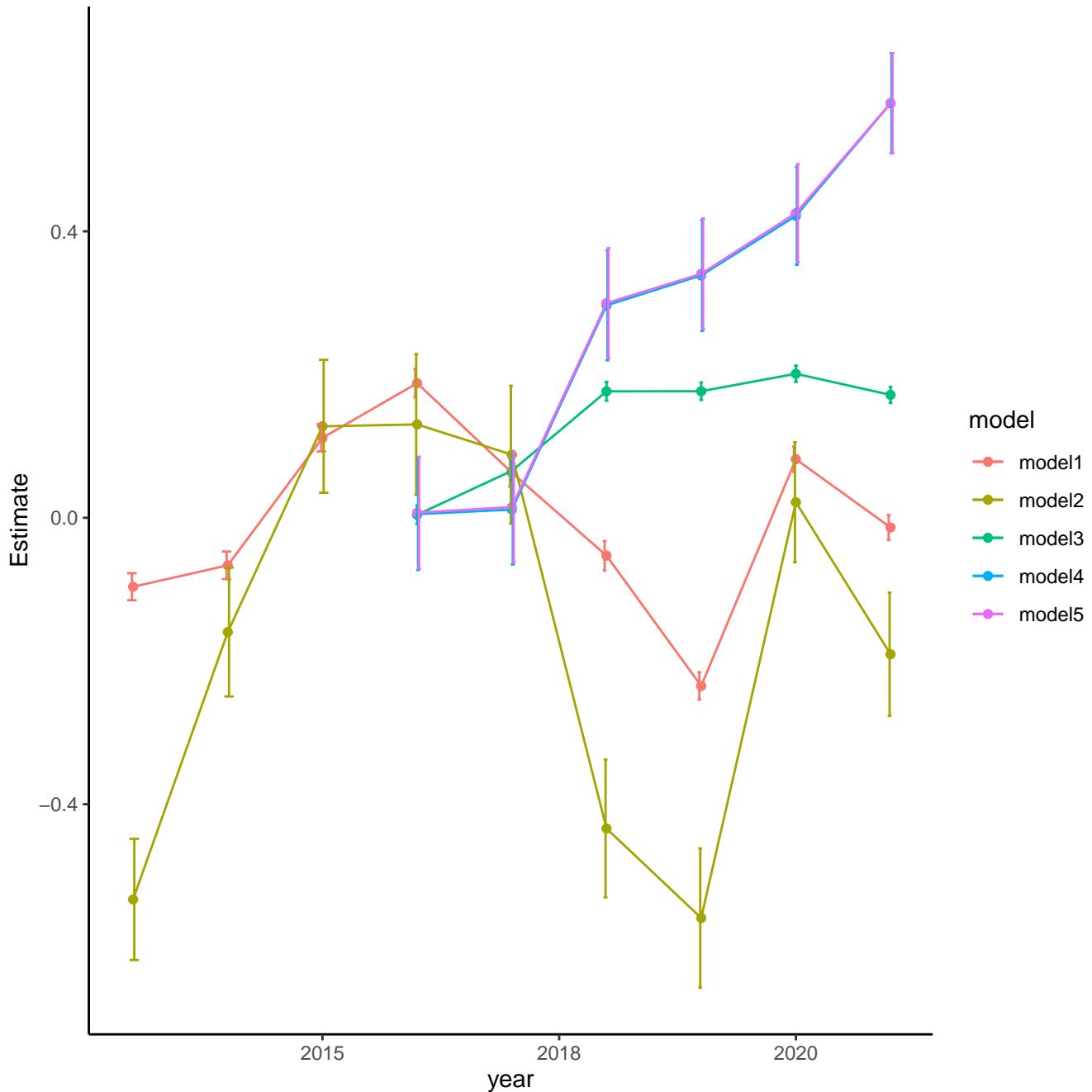


Figure 2: Model Coefficient values for Year, with standard error bars.

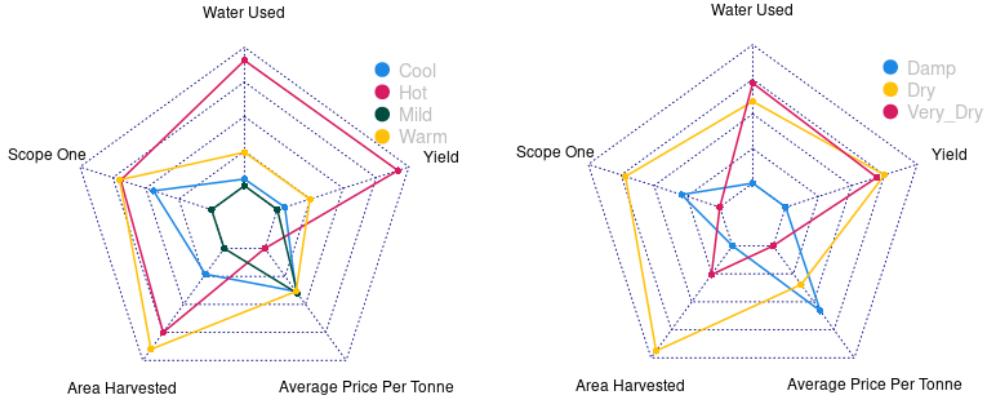


Figure 3: Radar plot of climatic profile's resource use, yield and average sale price.

#### 238 4. Discussion

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

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

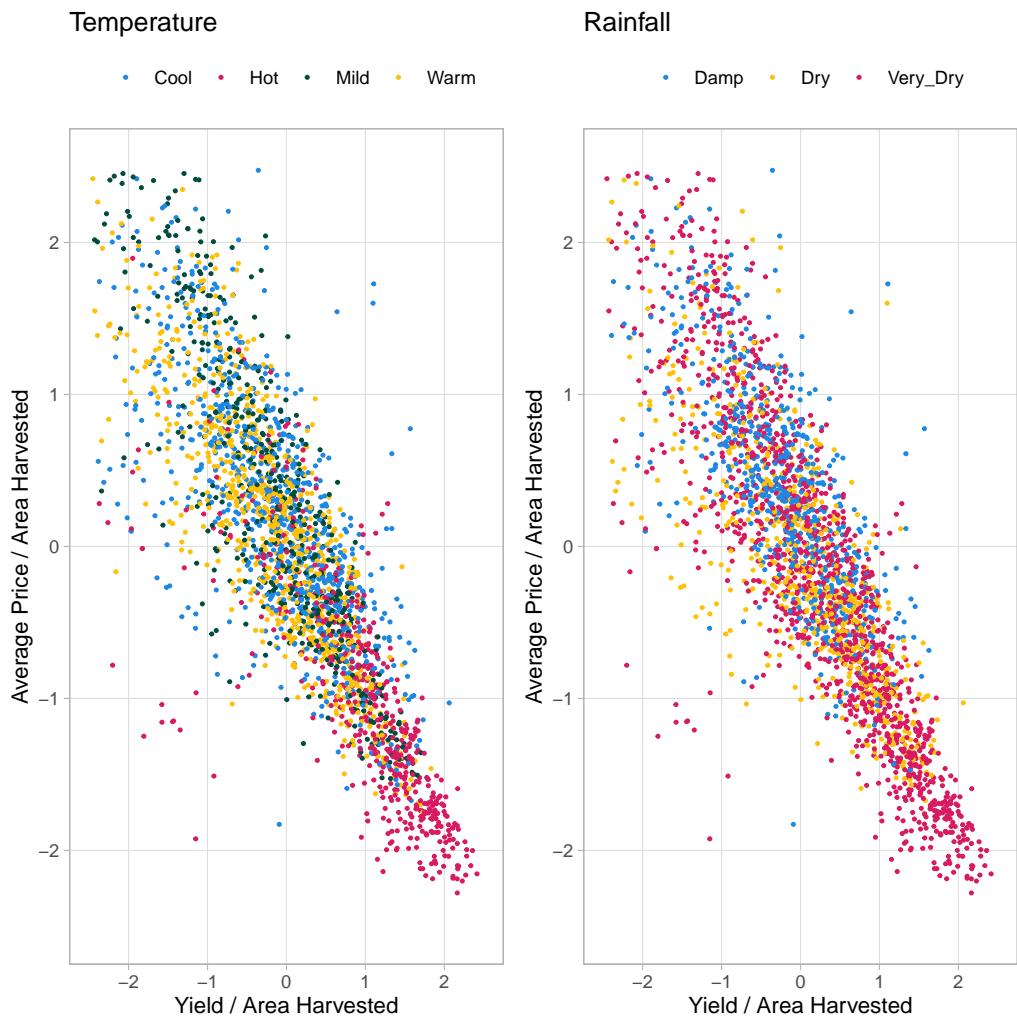


Figure 4: Scatter plot of vineyard yield against the average sale price as ratios to area harvested. The axes are in standard deviations with points coloured by climate.

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

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

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

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

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

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

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

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

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

334 Limitations in the analyses presented in this paper included overestimating  
335 yield for models 1 and 2, and underestimating crop value in models 3  
336 and 4 (see appendix). The issue of model 1 and 2 over-predicting yield may  
337 have been due to preventative measures brought on by regional pressures  
338 such as fire, frost and disease. More resources were required to prevent these  
339 issues from spreading within a region, thus disproportionately affecting some  
340 vineyards compared to others locally. This type of maintenance is not well  
341 captured in the models, especially when considering that some regions, espe-  
342 cially those in warmer areas, are not as prone to disease as cooler climates  
343 and could potentially have lower operating costs per hectare. This could  
344 create a discrepancy in vineyards that utilised preventative measures in wet-  
345 ter regions, as opposed to those that did not, thus expending less fuel and  
346 energy but risking disease. When reviewing the differences between regions,  
347 it is important to consider that vineyards in 'Hot Very Dry' areas can be  
348 hundreds of times the size of those in other regions. This limitation could  
349 be overcome by incorporating the profitability of vineyards, comparing the  
350 financial success of working at different operational scales.

351 Variables such as the utilisation of renewable energy, contractors, and the  
352 occurrence of disease, fire and frost were originally explored to capture the

353 discrepancies between similar vineyards that produced different yields and  
354 crop values. However, none of these variables was significantly correlated  
355 with the response variables, and did not add to model accuracy, even when  
356 considered as interactions. Allowance for nonlinear relationships, specifically  
357 through splines, resulted in more normally distributed residuals but at a  
358 drastically reduced overall accuracy when comparing  $R^2$  and Residual Square  
359 Error. Attempts to fully explain small variations was always overshadowed  
360 by the dramatic differences in regional trends.

361 Having more data for each region would also be beneficial, allowing greater  
362 comparison between regions. More variables may also help to discern vine-  
363 yards that can produce larger volumes of grapes at higher prices. The use  
364 of other models such as random forests and decision trees alongside more  
365 variables and data may help to uncover the reasons for under or overestima-  
366 tion. These differences could be caused by the use of alternative sustainable  
367 practices in the field. Moreover, while there is evidence to suggest that en-  
368 vironmentally sustainable practices can reduce costs, and increase efficiency  
369 whilst improving the quality of grapes; more research is needed to link these  
370 benefits across different regions and climates (Baiano, 2021; Mariani and  
371 Vastola, 2015; Montalvo-Falcón et al., 2023).

## 372 **5. Conclusion**

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

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

385 **References**

- 386 , 2019. Wine Australia Act 2013.
- 387 Abad, J., Hermoso de Mendoza, I., Marín, D., Orcaray, L., Santesteban, L.G., 2021. Cover crops in viticulture. A systematic review (1):  
388 <br>Implications on soil characteristics and biodiversity in vineyard.  
389 OENO One 55, 295–312. doi:10.20870/eno-one.2021.55.1.3599.
- 390
- 391 Abbal, P., Sablayrolles, J.M., Matzner-Lober, É., Boursiquot, J.M., Baudrit,  
392 C., Carbonneau, A., 2016. Decision Support System for Vine Growers  
393 Based on a Bayesian Network. Journal of agricultural, biological, and  
394 environmental statistics 21, 131–151. doi:10.1007/s13253-015-0233-2.
- 395 Agosta, E., Canziani, P., Cavagnaro, M., 2012. Regional climate variability  
396 impacts on the annual grape yield in Mendoza, Argentina. Journal of  
397 Applied Meteorology and Climatology 51, 993–1009.
- 398 Baiano, A., 2021. An Overview on Sustainability in the Wine Production  
399 Chain. Beverages 7. doi:10.3390/beverages7010015.

- 400 Capello, G., Biddoccu, M., Ferraris, S., Cavallo, E., 2019. Effects of Tractor  
401 Passes on Hydrological and Soil Erosion Processes in Tilled and Grassed  
402 Vineyards. Water 11. doi:10.3390/w11102118.
- 403 Carmona, G., Varela-Ortega, C., Bromley, J., 2011. The Use of Participa-  
404 tory Object-Oriented Bayesian Networks and Agro-Economic Models for  
405 Groundwater Management in Spain. Water resources management 25,  
406 1509–1524. doi:10.1007/s11269-010-9757-y.
- 407 Condurso, C., Cincotta, F., Tripodi, G., Sparacio, A., Giglio, D.M.L., Sparla,  
408 S., Verzera, A., 2016. Effects of cluster thinning on wine quality of Syrah  
409 cultivar (*Vitis vinifera* L.). European food research & technology 242,  
410 1719–1726. doi:10.1007/s00217-016-2671-7.
- 411 Cortez, P., Teixeira, J., Cerdeira, A., Almeida, F., Matos, T., Reis, J., 2009.  
412 Using data mining for wine quality assessment, in: Discovery Science: 12th  
413 International Conference, DS 2009, Porto, Portugal, October 3-5, 2009 12,  
414 Springer. pp. 66–79.
- 415 Department of Climate Change, Energy, the Environment and Water, 2022.  
416 Australian National Greenhouse Accounts Factors.
- 417 Fraga, H., Costa, R., Santos, J.A., 2017. Multivariate clustering of viticul-  
418 tural terroirs in the Douro winemaking region. Ciênc Téc. Vitiv. 32,  
419 142–153.
- 420 G. van Rossum, 1995. Python tutorial, Technical Report CS-R9526. Centrum  
421 voor Wiskunde en Informatica (CWI),

<sup>422</sup> Hall, A., Lamb, D.W., Holzapfel, B.P., Louis, J.P., 2011. Within-season  
<sup>423</sup> temporal variation in correlations between vineyard canopy and winegrape  
<sup>424</sup> composition and yield. Precision Agriculture 12, 103–117.

<sup>425</sup> Halliday, J.C.J.C., 2009. Australian Wine Encyclopedia. Hardie Grant  
<sup>426</sup> Books, VIC.

<sup>427</sup> He, L., Fang, W., Zhao, G., Wu, Z., Fu, L., Li, R., Majeed, Y.,  
<sup>428</sup> Dhupia, J., 2022. Fruit yield prediction and estimation in orchards:  
<sup>429</sup> A state-of-the-art comprehensive review for both direct and indirect  
<sup>430</sup> methods. Computers and Electronics in Agriculture 195, 106812.  
<sup>431</sup> doi:10.1016/j.compag.2022.106812.

<sup>432</sup> Hemming, S., de Zwart, F., Elings, A., Petropoulou, A., Righini, I., 2020.  
<sup>433</sup> Cherry tomato production in intelligent greenhouses-sensors and ai for con-  
<sup>434</sup> trol of climate, irrigation, crop yield, and quality. Sensors (Basel, Switzer-  
<sup>435</sup> land) 20, 1–30. doi:10.3390/s20226430.

<sup>436</sup> I. Goodwin,, L. McClymont,, D. Lanyon, A. Zerihun, J. Hornbuckle, M.  
<sup>437</sup> Gibberd, D. Mowat, D. Smith, M. Barnes, R. Correll, 2009. Managing soil  
<sup>438</sup> and water to target quality and reduce environmental impact.

<sup>439</sup> Kasimati, A., Espejo-García, B., Darra, N., Fountas, S., 2022. Predicting  
<sup>440</sup> Grape Sugar Content under Quality Attributes Using Normalized Differ-  
<sup>441</sup> ence Vegetation Index Data and Automated Machine Learning. Sensors  
<sup>442</sup> 22. doi:10.3390/s22093249.

<sup>443</sup> Kawasaki, K., Uchida, S., 2016. Quality Matters More Than Quan-  
<sup>444</sup> tity: Asymmetric Temperature Effects on Crop Yield and Quality

- 445 Grade. American journal of agricultural economics 98, 1195–1209.  
446 doi:10.1093/ajae/aaw036.
- 447 Keith Jones, 2002. Australian Wine Industry Environment Strategy.
- 448 Knight, H., Megicks, P., Agarwal, S., Leenders, M., 2019. Firm resources and  
449 the development of environmental sustainability among small and medium-  
450 sized enterprises: Evidence from the Australian wine industry. Business  
451 Strategy and the Environment 28, 25–39. doi:10.1002/bse.2178.
- 452 Kuhn, M., 2008. Building Predictive Models in R Using the  
453 caret Package. Journal of Statistical Software, Articles 28, 1–26.  
454 doi:10.18637/jss.v028.i05.
- 455 Laurent, C., Le Moguédec, G., Taylor, J., Scholasch, T., Tisseyre, B., Metay,  
456 A., 2022. Local influence of climate on grapevine: An analytical pro-  
457 cess involving a functional and Bayesian exploration of farm data time  
458 series synchronised with an eGDD thermal index. OENO one 56, 301–317.  
459 doi:10.20870/oenone.2022.56.2.5443.
- 460 Liakos, K.G., Busato, P., Moshou, D., Pearson, S., Bochtis, D.,  
461 2018. Machine Learning in Agriculture: A Review. Sensors 18.  
462 doi:10.3390/s18082674.
- 463 Lin, H., 2012. Hydropedology : Synergistic Integration of Soil Science and  
464 Hydrology. Elsevier Science & Technology, San Diego, NETHERLANDS,  
465 THE.
- 466 Mariani, A., Vastola, A., 2015. Sustainable winegrowing: Current perspec-  
467 tives. International Journal of Wine Research 7, 37–48.

- 468 Mejean Perrot, N., Tonda, A., Brunetti, I., Guillemin, H., Perret, B.,  
469 Goulet, E., Guerin, L., Picque, D., 2022. A decision-support sys-  
470 tem to predict grape berry quality and wine potential for a Chenin  
471 vineyard. Computers and electronics in agriculture 200, 107167.  
472 doi:10.1016/j.compag.2022.107167.
- 473 Montalvo-Falcón, J.V., Sánchez-García, E., Marco-Lajara, B., Martínez-  
474 Falcó, J., 2023. Sustainability Research in the Wine Industry: A Bib-  
475 liometric Approach. Agronomy 13. doi:10.3390/agronomy13030871.
- 476 Oliver, D., Bramley, R., Riches, D., Porter, I., Edwards, J., 2013. Review:  
477 Soil physical and chemical properties as indicators of soil quality in Aus-  
478 tralian viticulture. Australian Journal of Grape and Wine Research 19,  
479 129–139. doi:10.1111/ajgw.12016.
- 480 Pisciotta, A., Cusimano, G., Favara, R., 2015. Groundwater nitrate risk  
481 assessment using intrinsic vulnerability methods: A comparative study  
482 of environmental impact by intensive farming in the Mediterranean re-  
483 gion of Sicily, Italy. Journal of geochemical exploration 156, 89–100.  
484 doi:10.1016/j.gexplo.2015.05.002.
- 485 R Core Team, 2021. R: A Language and Environment for Statistical Com-  
486 putting. R Foundation for Statistical Computing.
- 487 SOAR, C., SADRAS, V., PETRIE, P., 2008. Climate drivers of red wine  
488 quality in four contrasting Australian wine regions. Australian journal of  
489 grape and wine research 14, 78–90. doi:10.1111/j.1755-0238.2008.00011.x.

- 490 Srivastava, S., Sadistap, S., 2018. Non-destructive sensing methods for qual-  
491 ity assessment of on-tree fruits: A review. Journal of Food Measurement  
492 and Characterization 12, 497–526.
- 493 Suarez, L., Zhang, P., Sun, J., Wang, Y., Poblete, T., Hornero, A.,  
494 Zarco-Tejada, P., 2021. Assessing wine grape quality parameters  
495 using plant traits derived from physical model inversion of hyper-  
496 spectral imagery. Agricultural and forest meteorology 306, 108445.  
497 doi:10.1016/j.agrformet.2021.108445.
- 498 Sustainable Winegrowing Australia, SWA., 2021. Sustainable Winegrowing  
499 Australia User Manual.
- 500 SWA, S.W.A., 2022. Sustainable Wingrowing Australia.  
501 <https://sustainablewinegrowing.com.au/case-studies/>.
- 502 Wang, Y., He, Y.N., He, L., He, F., Chen, W., Duan, C.Q., Wang,  
503 J., 2019. Changes in global aroma profiles of Cabernet Sauvignon in  
504 response to cluster thinning. Food research international 122, 56–65.  
505 doi:10.1016/j.foodres.2019.03.061.
- 506 Wine Australia, 2019. National Vintage Report 2019 .
- 507 Wine Australia, 2020. National Vintage Report 2020 .
- 508 Wine Australia, 2021. National Vintage Report 2021 .
- 509 Wine Australia, 2022. National Vintage Report 2022 .
- 510 Winemakers' Federation of Australia, 2013. National Vintage Report 2013 .

- 511 Winemakers' Federation of Australia, 2014. National Vintage Report 2014 .
- 512 Winemakers' Federation of Australia, 2015. National Vintage Report 2015 .
- 513 Winemakers' Federation of Australia, 2016. National Vintage Report 2016 .
- 514 Winemakers' Federation of Australia, 2017. National Vintage Report 2017 .
- 515 Winemakers' Federation of Australia, 2018. National Vintage Report 2018 .
- 516 Yegge, J.M., 2001. Influence of Sensory and Non-Sensory Attributes of  
517 Chardonnay Wine on Acceptance and Purchase Intent. Ph.D. thesis. Pro-  
518 Quest Dissertations Publishing.
- 519 ZHU, D.w., ZHANG, H.c., GUO, B.w., XU, K., DAI, Q.g., WEI, H.y., GAO,  
520 H., HU, Y.j., CUI, P.y., HUO, Z.y., 2017. Effects of nitrogen level on yield  
521 and quality of japonica soft super rice. Journal of Integrative Agriculture  
522 16, 1018–1027. doi:10.1016/S2095-3119(16)61577-0.

523 **Appendix A. Appendix**

Model 1 – Normal QQ

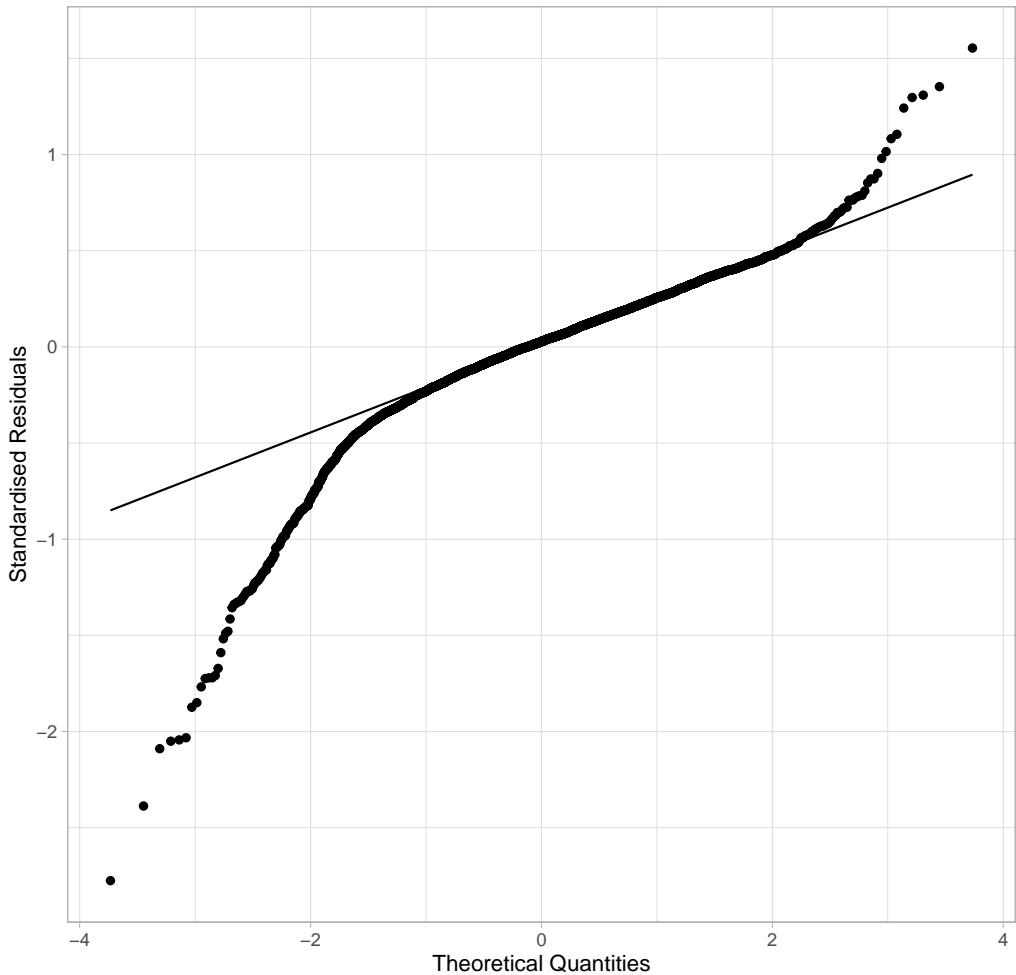


Figure A.5: QQ-plot of Model 1.

Model 1 – Residuals vs fitted

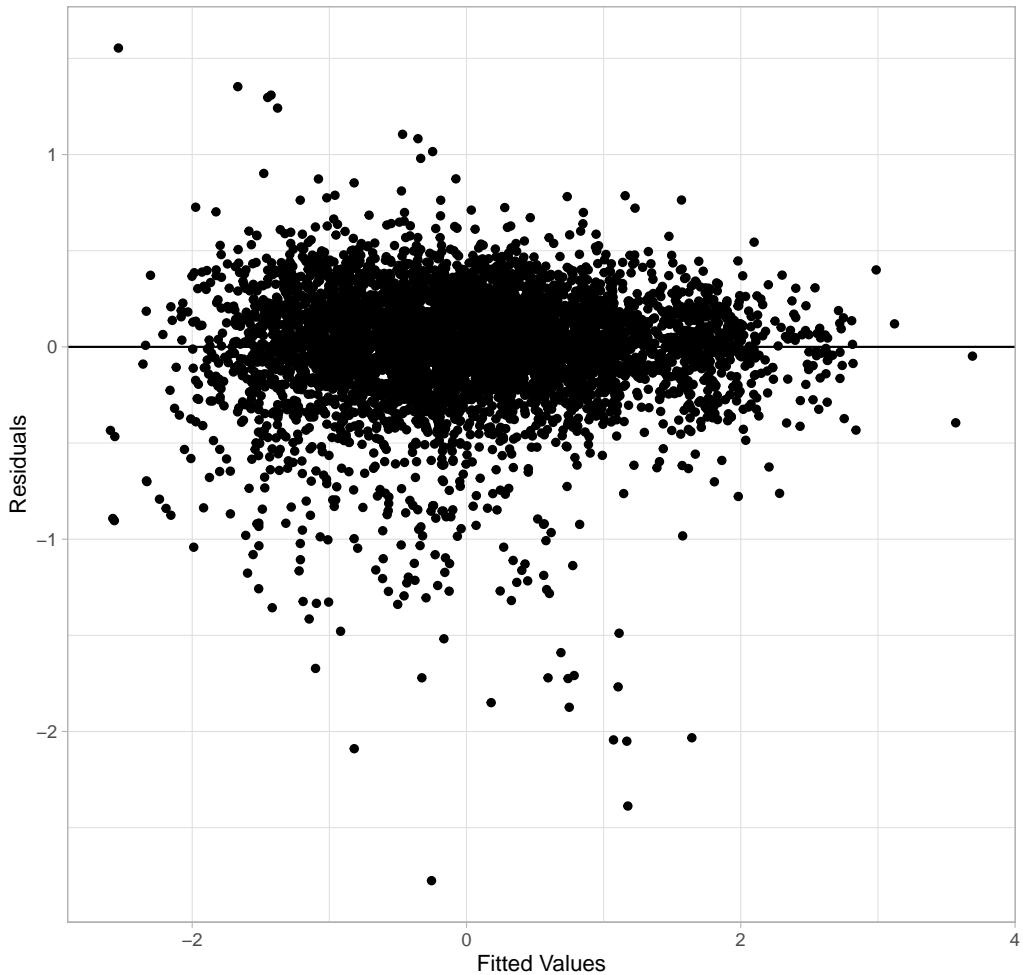


Figure A.6: Residuals vs fitted values for Model 1.

Model 2 – Normal QQ

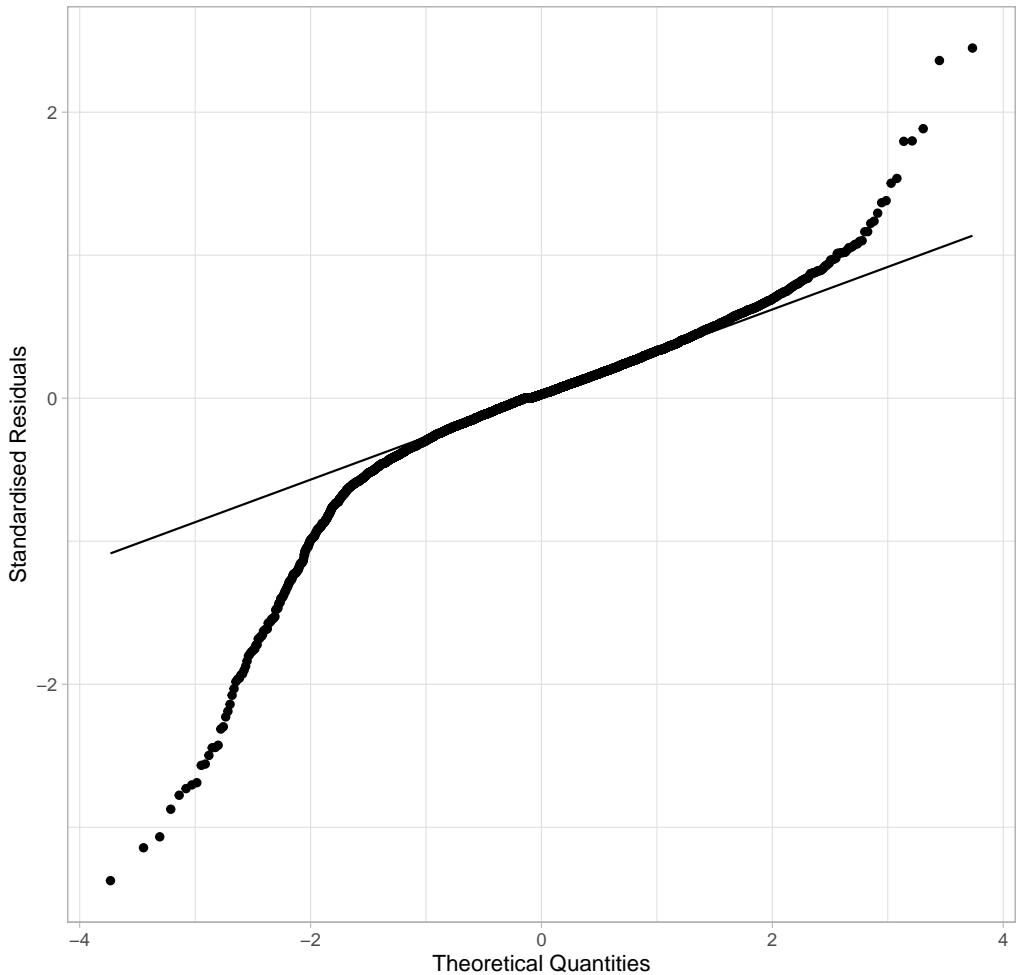


Figure A.7: QQ-plot of Model 2.

Model 2 – Residuals vs fitted

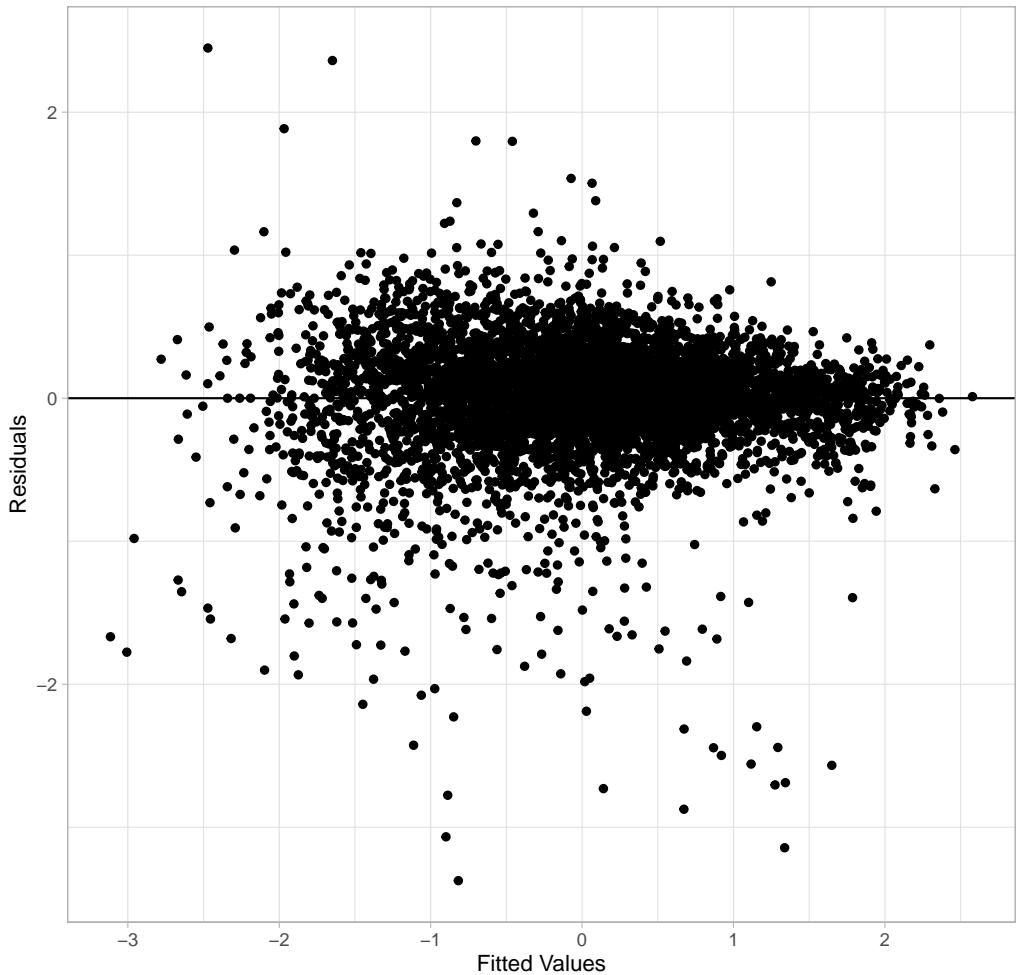


Figure A.8: Residuals vs fitted values for Model 2.

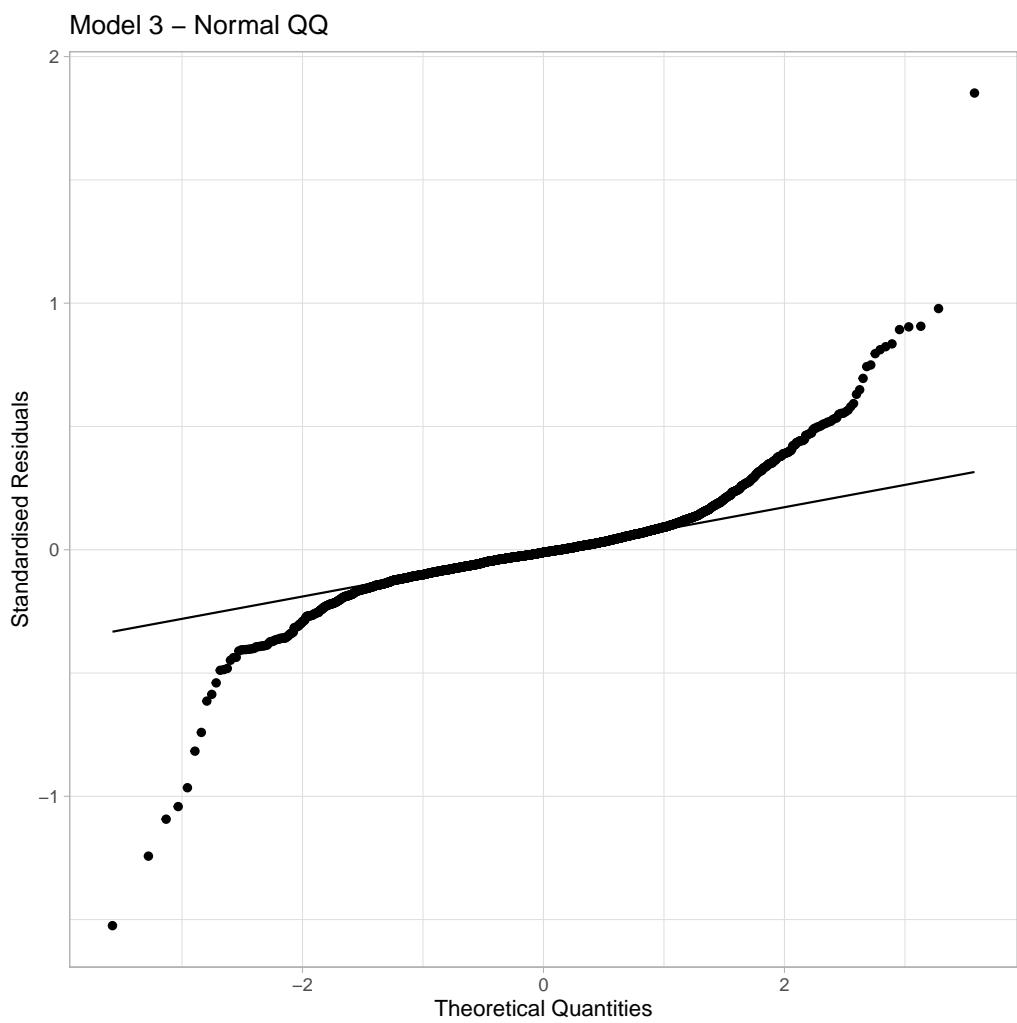


Figure A.9: QQ-plot of Model 3.

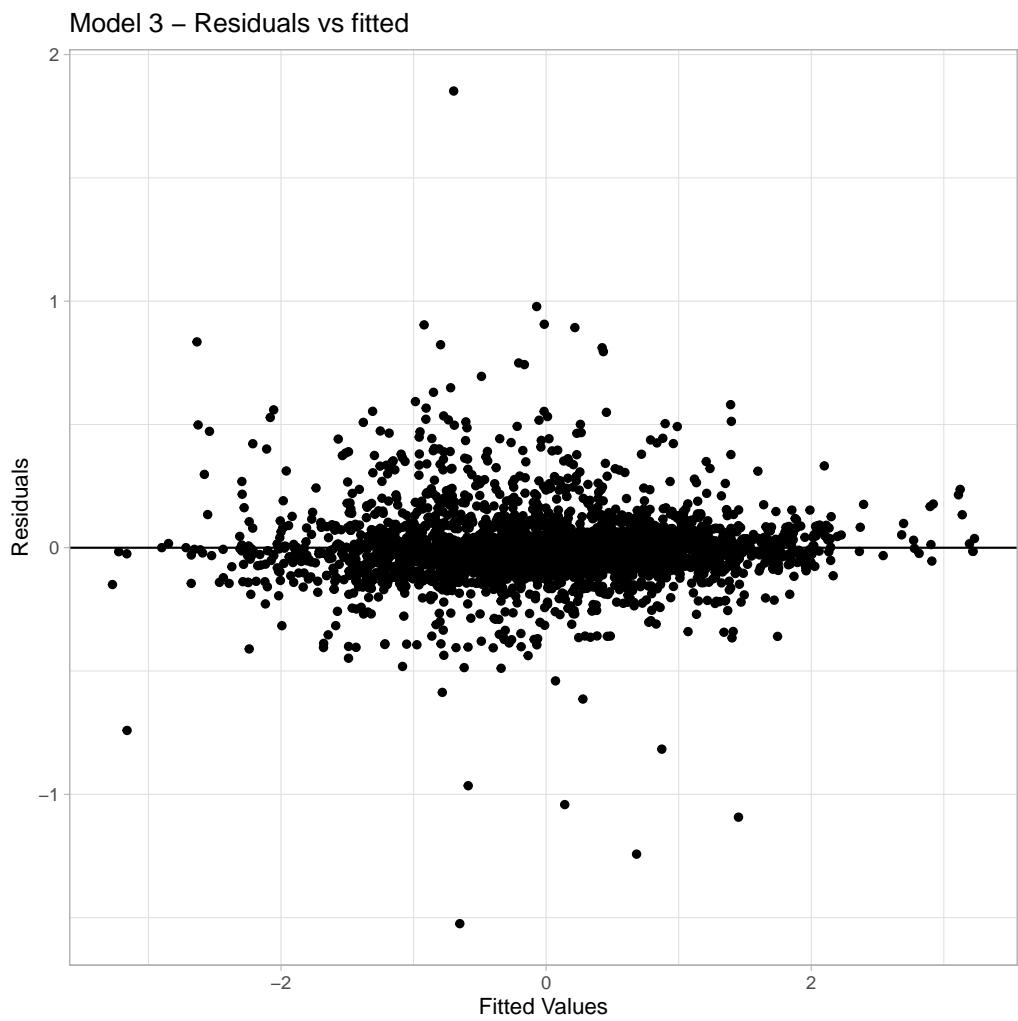


Figure A.10: Residuals vs fitted values for Model 3.

Model 4 – Normal QQ

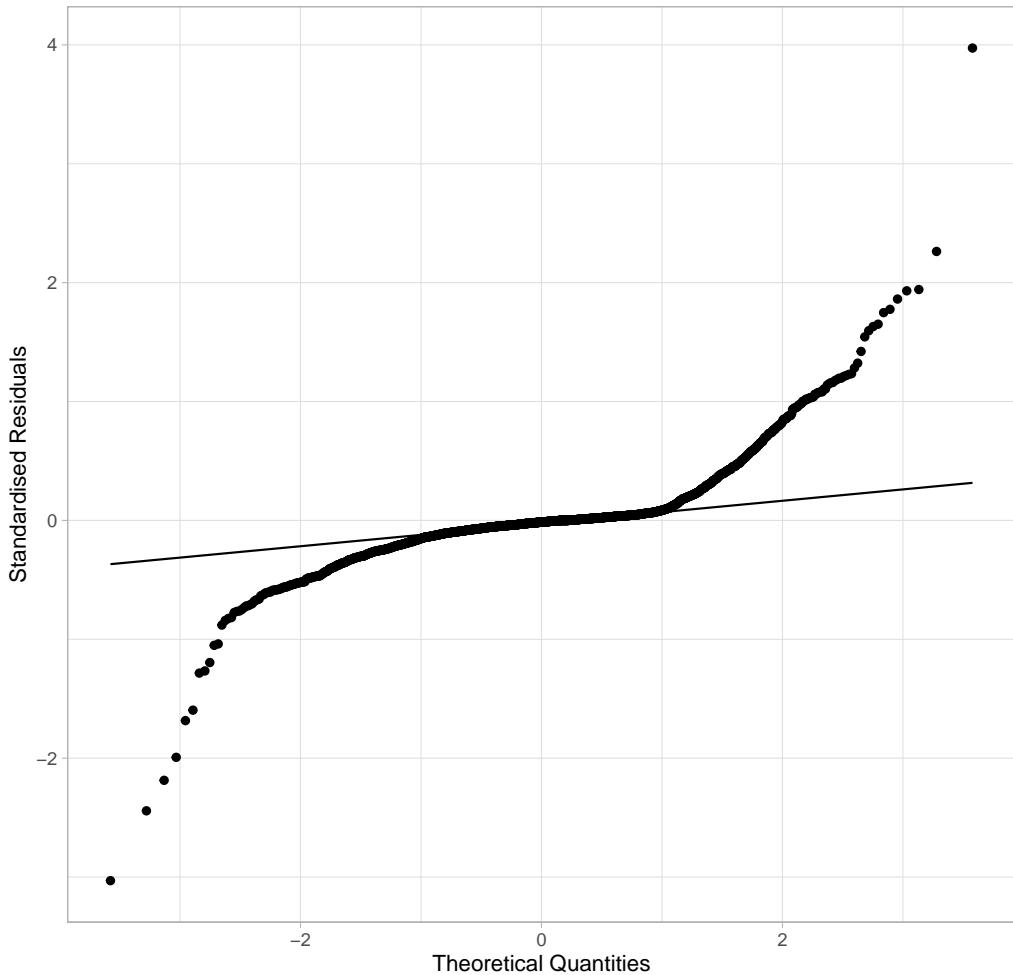


Figure A.11: QQ-plot of Model 4.

Model 4 – Residuals vs fitted

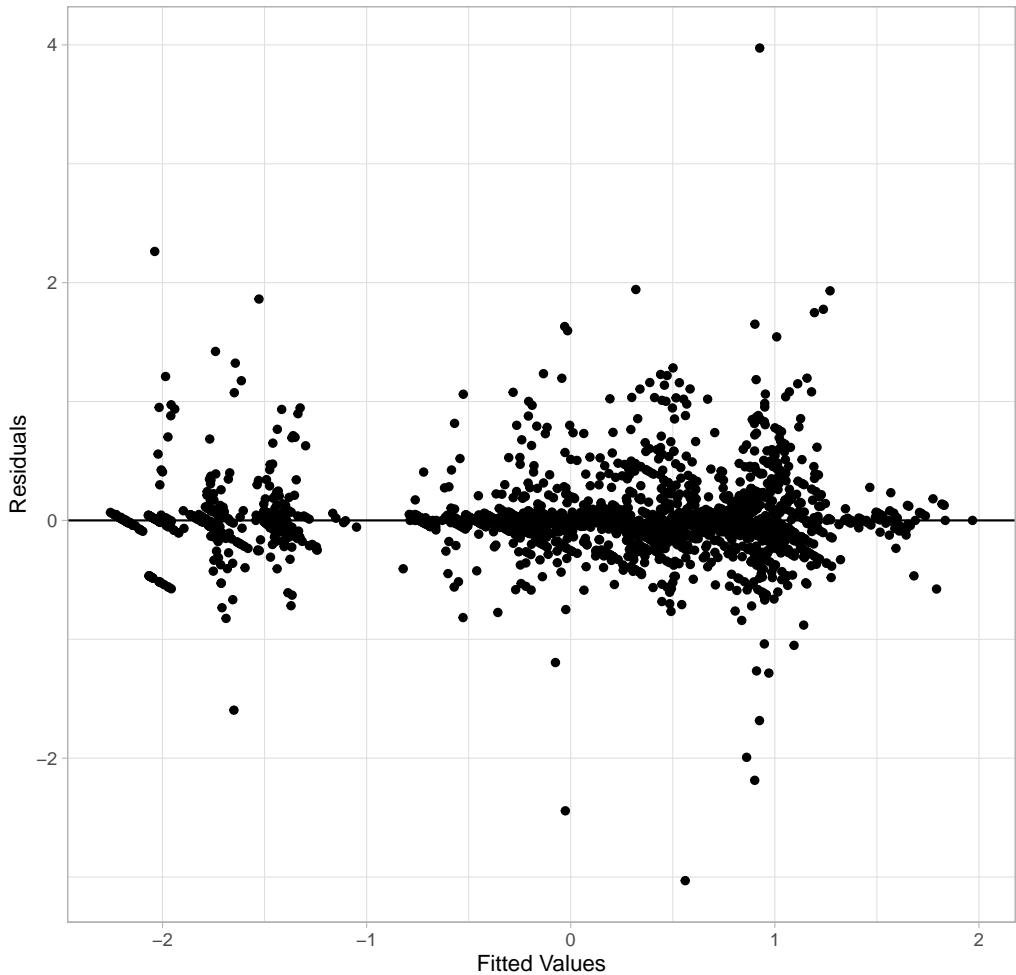


Figure A.12: Residuals vs fitted values for Model 4.

Model 5 – Normal QQ

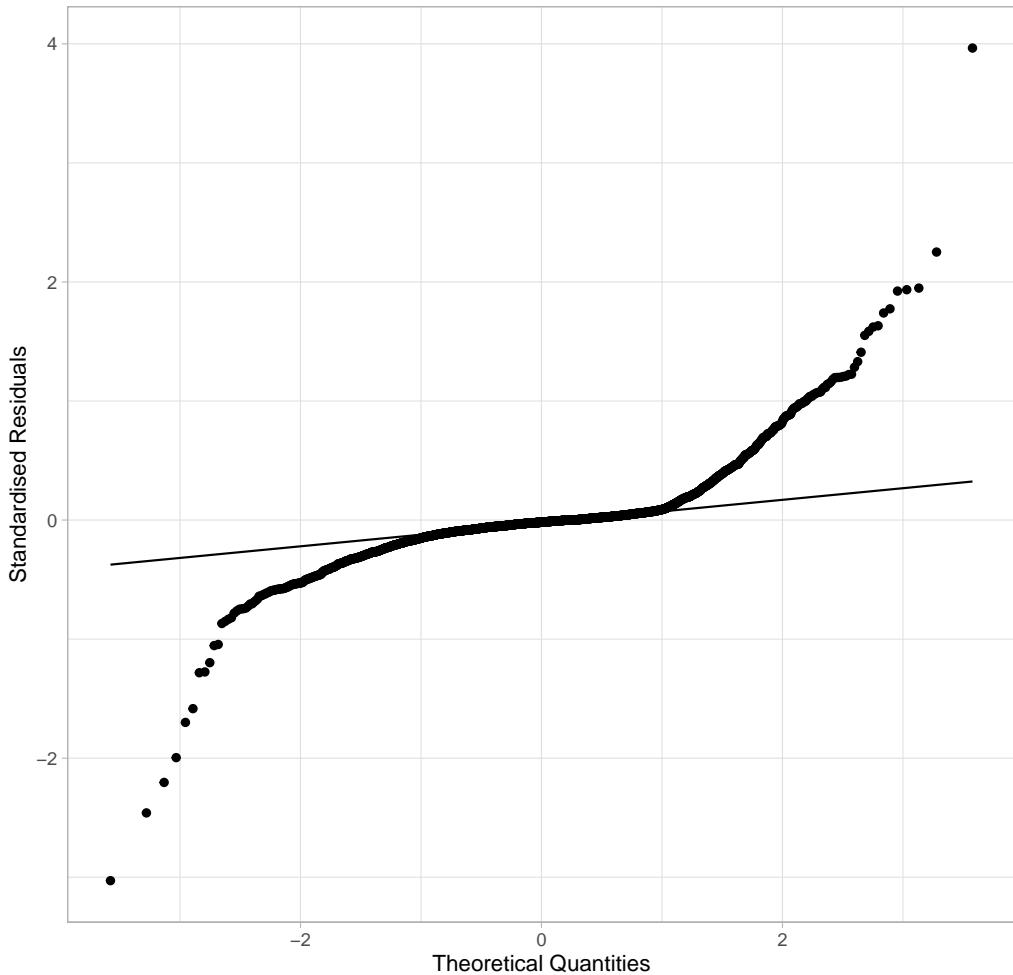


Figure A.13: QQ-plot of Model 5.

Model 5 – Residuals vs fitted

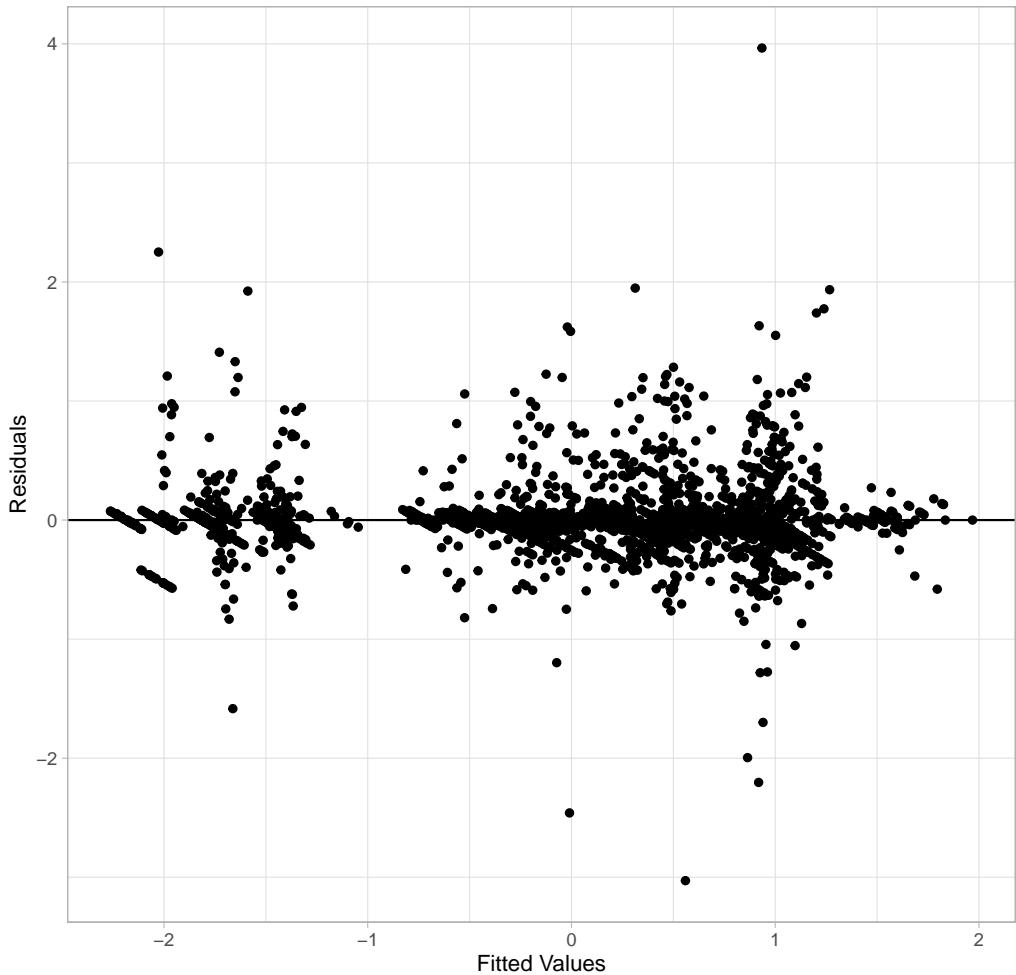


Figure A.14: Residuals vs fitted values for Model 5.

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