

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

13 Author^{1,1,1}

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 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.

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. In the Australian context, these include
28 biosecurity, climate and international market demands.

29 There is an extensive amount of research into the effects of a variety of
30 factors on grape quality and yield (He et al., 2022; Laurent et al., 2022;
31 Liakos et al., 2018). However, due to the lack of long-term and in-depth
32 data, individual factors are often studied in isolation (Abbal et al., 2016).
33 The lack of consolidated datasets also restricts the ability to gain statisti-
34 cal insights at large scales and across multiple regions (Keith Jones, 2002;
35 Knight et al., 2019). The dataset used for this analysis includes data col-
36 lected for the past 10 years from a multitude of vineyards located over a
37 diverse range of Australian winegrowing regions. We aim to use this dataset
38 to describe the relationship of resources related to water and fuel use with
39 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
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	Area Harvested * scope one Emissions Area Harvested * Water Use Year * Region
Model 3	Yield \times 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	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

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

2. Methods

2.1. Data

Data used in this analysis were obtained from Sustainable Winegrowing Australia and Wine Australia. Sustainable Winegrowing Australia is

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

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

66 Data obtained from Wine Australia were collected via phone surveys and
67 included: total tonnes purchased, average price per tonne and yearly change
68 in price for region and grape varietal. Data recorded by Sustainable Wine-
69 growing Australia was entered manually by winegrowers using a web based
70 interface with some fields being optional. Required variables included: re-
71 gion, harvest year, yield and area harvested. Optional variables included
72 average sale price, water used and fuel used (diesel, petrol, biodiesel and
73 LPG). To enable direct comparisons between fuels, fuel use was converted to
74 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 Table1)
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,
92 see Table1) 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 Ge-
115 ographical Indicator Regions (GI Regions). Each GI Region has its own
116 unique mixture of climatic and geophysical properties that describes a unique
117 winegrowing region within Australia; these regions were predefined by Wine
118 Australia (Halliday, 2009; Oliver et al., 2013; SOAR et al., 2008). Both Wine
119 Australia and Sustainable Winegrowing Australia used the same GI Region
120 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-

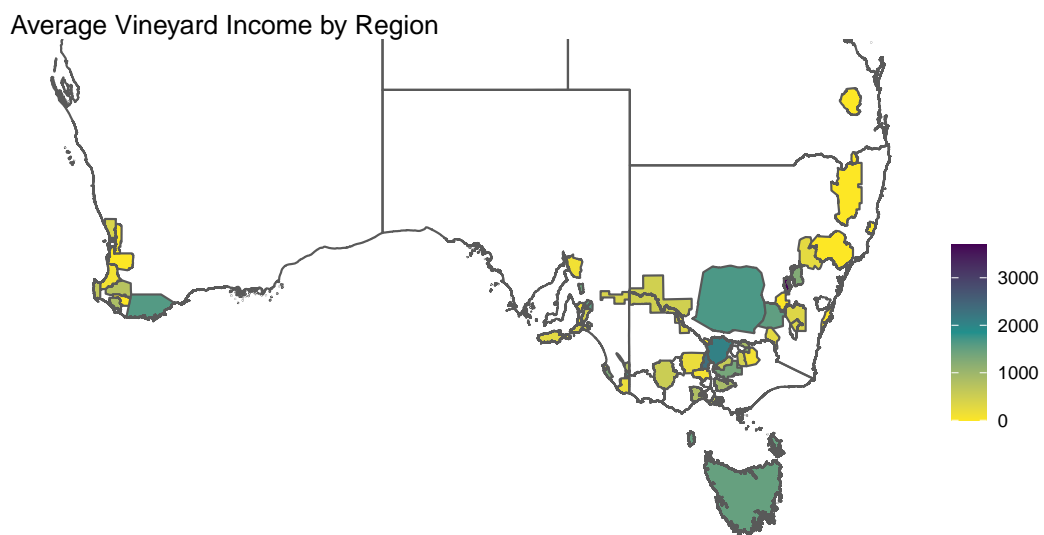


Figure 1: Map of vineyard average income for each of the used GI Regions.

123 nant of grape yield and quality (Abbal et al., 2016; Agosta et al., 2012; Fraga
124 et al., 2017). The climatic properties of each GI Region were summarised by
125 using predefined classifications as per the Sustainable Winegrowing Australia
126 (2021) user manual. The user manual describes climates by rainfall and tem-
127 perature, creating supersets of Regions of similar climatic properties. The
128 climatic groups were used to illustrate similarities and differences occurring
129 in areas larger than GI Regions.

130 *2.2. Analysis*

131 Pairwise Pearson Correlation Coefficients were calculated to assess the
132 potential existence of linear relationships between the input and predicted
133 variables. To determine if a coefficient was indicative of a strong relationship,
134 confidence intervals were used. P-values reflected the significance of a given
135 correlation coefficient with statistical significance being declared when the as-
136 sociated value was lower than 0.05. Pairwise Pearson Correlation Coefficients
137 were calculated for data on the original scale and for data as a logarithmic
138 transform. Transforming data prior to calculating the coefficients changes
139 several things. The logarithmic transform of the data alters the interpreta-
140 tion of the coefficients to percentage change; a coefficient will be indicative
141 of the change in percentage of one variable compared to the other, scaling
142 by standard deviation also changes this interpretation to be a percentage
143 of that variables standard deviation. When considering the logarithmically
144 transformed variables, a coefficient of 1 would indicate that the change of one
145 variable by one percentage of its standard deviation would correlate to the
146 other variable changing by one percent of its own standard deviation. The
147 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 (m^2)	6.670E+05	1.337E+06	7.000E+02	2.436E+07
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
$\frac{\text{Yield (tonnes)}}{\text{Area (m}^2\text{)}}$	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
$\frac{\text{Average Sale Price (AUD)}}{\text{Area Harvested (m}^2\text{)}}$	1.347E+02	5.711E+02	1.753E-01	2.979E+04

172 3. Results

173 3.1. Exploratory Analysis

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

178 Pearson Correlation Coefficients of the transformed, centered 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

179 variables are shown in Table 3. All correlations were found to be statistically
180 significant ($P < 2.200\text{E-}16$). Except for 'average price' all variables are posi-
181 tively correlated. It can be considered that more resources and area are likely
182 to lead to greater yields. However, the negative correlation between resource
183 use and average sale price, although not as strong, indicates the possibility
184 that resource consumption alone is not determining factor for grape quality.

185 3.2. General Linear Models

186 Each model had a high R^2 value, indicating that a most of the variance
187 within the data was described by the models (see Table 4). The models
188 were were found to be a good fit, with overall F-tests being statistically
189 significant ($P < 2.200\text{E-}16$). And, aside from 3 variables, F-tests across each
190 model's variables were also significant (with all being at least, $P < 0.05$).
191 The three exceptions were: scope one emissions in Model 3 ($P=0.22$) and
192 Model 4 ($P=0.039$), and the interaction between area harvested and water
193 used in model 2 ($P=0.22$). Note that, scope one emissions was included in all

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	9.072E-01	9.061E-01	7.753E+02	2.200e-16	3.065E-01	4.913E+02	1.000E-01
Model 2	7.951E-01	7.770E-01	4.403E+01	2.200e-16	4.722E-01	1.085E+03	2.200E-01
Model 3	9.753E-01	9.748E-01	1.885E+03	2.200e-16	1.589E-01	7.111E+01	3.000E-02
Model 4	9.669E-01	9.638E-01	3.095E+02	2.200e-16	1.904E-01	9.528E+01	4.000E-02
Model 5	0.9089	0.9004	107.2	2.200e-16	0.3155	262.04	0.10

models to directly compare the response variables as ratios of vineyard size to raw values and because it was strongly correlated to the response variable in every model (except model 5); especially for Models 1 and 4 (Table 3). A full list of regression coefficients 95% CIs and p-values for each of the four models is provided in the appendix.

Models' continuous variable's coefficient values are summarised in Table 5. Model 1 showed all coefficients except for the intercept were significantly contributing to the model ($P < 0.05$). Model 2's coefficients were all statistically significant. However, for Models 3, 4 and 5 Scope one emissions did not significantly contribute. And, Model 4 only saw statistically significant contributions from the intercept and water use. Although the coefficient for water use was statistically significant for each model, it did not have the highest value, instead area harvested, being an order of magnitude greater dominated the models. Model 5 was able to achieve a similar R^2 to Model 4 without area harvested, having stronger influences from water use and scope one emissions.

Table 5: Summary of each Models coefficients for continuous variables

	Intercept	Area Harvested	Water Used	scope one Emissions	Area Harvested * scope one Emissions	Area Harvested * Water Used
Model 1	-3.318E-02	7.418E-01	8.660E-02	6.731E-02		
Model 2	-6.516E-01	5.774E-01	1.079E-02	8.498E-02	-4.971E-02	-5.346E-02
Model 3	1.808E-02	9.713E-01	-2.310E-02	-6.992E-03		
Model 4	6.702E-01	-7.354E-01	-6.732E-03	-5.645E-03	2.726E-02	7.515E-02
Model 5	1.2008636941		-0.040359875	-0.017057894		

210 The regression coefficients for the categorical variables year and GI region,
 211 and their interaction under each of the four models are depicted in 2. The first
 212 year for a model's data is used as the baseline. The Adelaide Hills is used as
 213 the regional baseline with the interaction between year and region using the
 214 first year and the Adelaide Hills as the baseline. Region and year contributed,
 215 in some but not all cases, more than the other variables. However, some years
 216 are not significant, as they are not statistically different from 0, given their
 217 error. Models 4 and 5 appear very similar, however this is likely due to the
 218 averaging generalising the finer differences between specific year and region
 219 combinations. No trend is apparent for any model, with only a slight drop
 220 for 2019 in Models 1 and 2, and a slight increase after 2018 for Models 3, 4
 221 and 5.

222 Broad regional differences are summarised in Figure 3. The most notable
 223 difference is between vineyards within 'Hot' and 'Very Dry' (inland) areas
 224 where little emphasis is put on achieving high average sale prices, with the

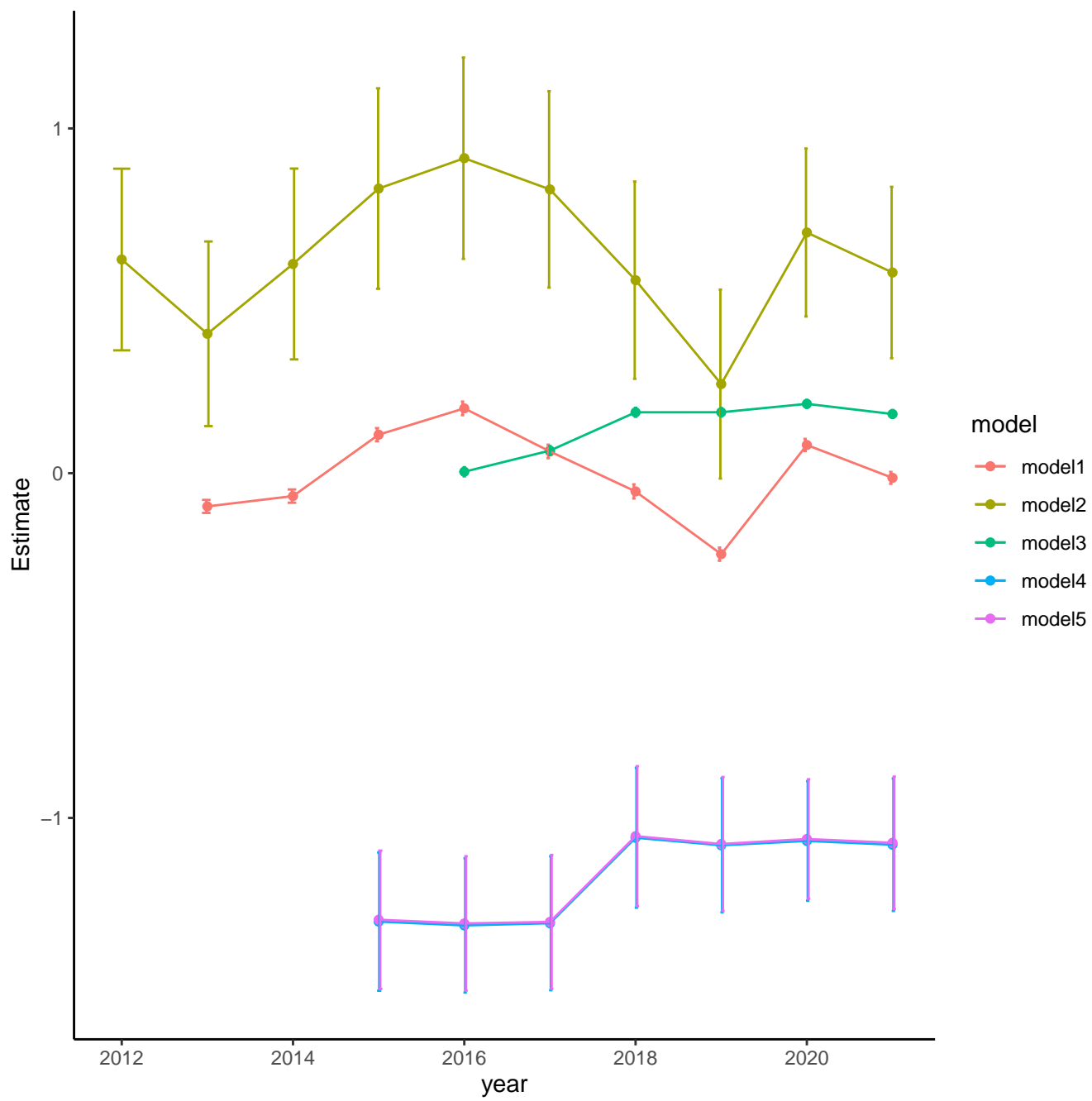


Figure 2: Model Coefficient values for GI Region and Year, with standard error bars. The average of Models 2, 4 and 5 were used in place of every combination of region and year.

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

	Residual Mean Squared Error	R ²	Mean Average Error
Model 1	3.087E-01	9.045E-01	2.165E-01
Model 2	5.104E-01	7.409E-01	3.493E-01
Model 3	1.652E-01	9.723E-01	1.008E-01
Model 4	2.235E-01	9.500E-01	1.279E-01

focus being on the larger scale yield. Water Use changes dramatically between these regions as well, with water being a driving force in the mass production of grapes but not necessarily the quality. The warmer and drier regions tend to also cater to larger vineyards, with greater areas.

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

Table 3.2 shows the validation results of each of the models. The R^2 measures of fit show similar results to the original models, with a slight decrease. Indicating that the models are robust and consistent.

4. Discussion

There was an expected strong relationship between size and resource use, with the overall space of a vineyard and its access to resources greatly deter-

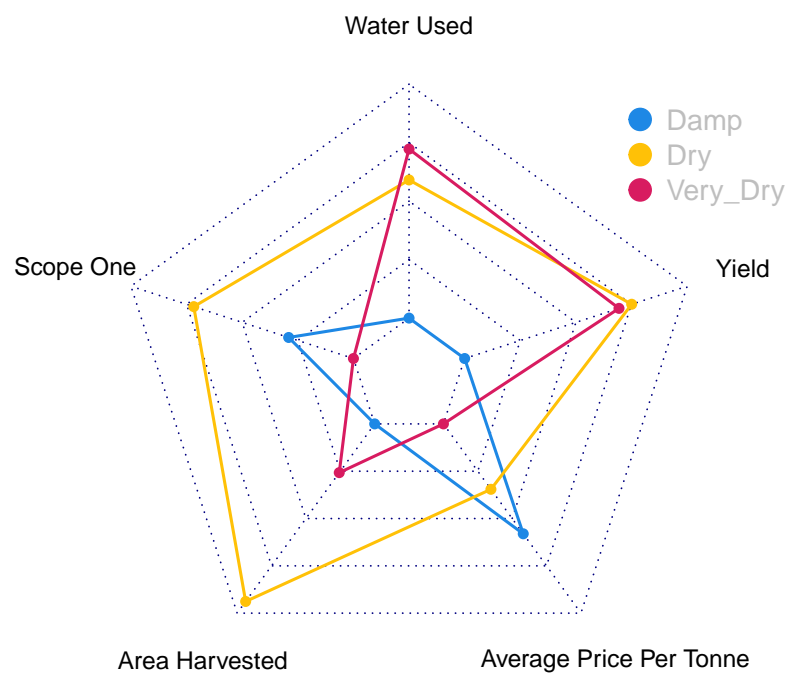


Figure 3: Radar plot of climatic profile's resource use, yield and average sale price.

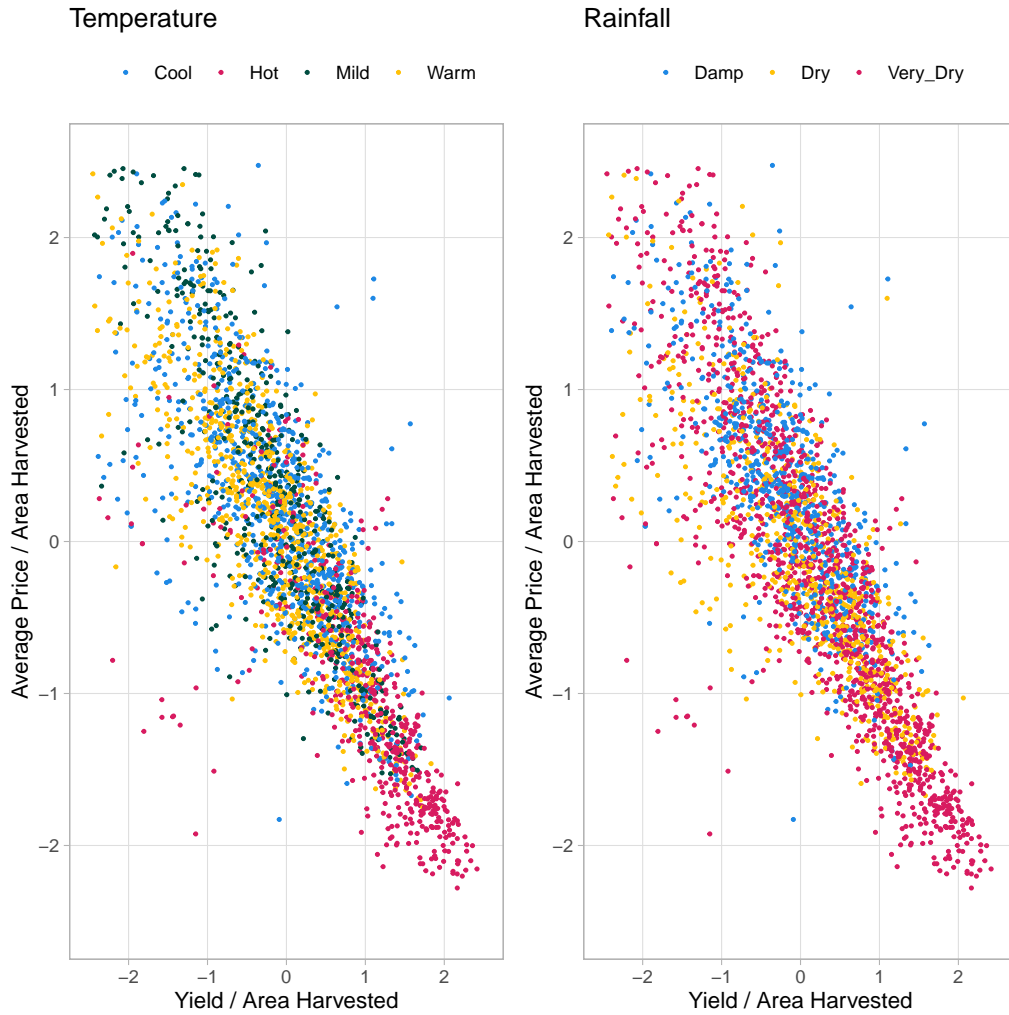


Figure 4: Scatter plot of vineyard yield against the product of yield and average price per tonne as ratios to area harvested. The axes are in standard deviations with points coloured by climate.

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

246 *4.1. Resource use and yield versus quality*

247 There are many on-the-ground decisions that influence both quality and
248 yield. The R^2 values for Models 2 and 4 showed that the average price per
249 tonne of grapes described a great deal of the relationship between resource
250 use and yield when variables were considered as ratios of area (due to the
251 discrepancy in R^2 between the two models, see Table 4). This discrepancy is
252 likely due to different vineyard prioritisation, which can be described by the
253 type of quality and quantity a vineyard aims to target. Decisions such as the
254 prioritisation of quality over quantity, are governed by complex physical and
255 social forces, for example international market demands, disease pressures
256 and natural disasters (Abad et al., 2021; Cortez et al., 2009; Hall et al., 2011;
257 I. Goodwin, et al., 2009; Kasimati et al., 2022; Oliver et al., 2013; Srivas-
258 tava and Sadistap, 2018), with many of these occurrences being highlighted
259 throughout the reports from Wine Australia (Wine Australia, 2019, 2021,
260 2022; Winemakers' Federation of Australia, 2013, 2014, 2015, 2016, 2017,
261 2018) over the past decade. It is also important to consider that these re-
262 ports show that the warm inland regions have seen a decline in profit during
263 this period, whereas regions targeting quality did not. Size becomes an im-

portant consideration, as it dictates the potential capacity to produce greater volumes of grapes. However, given the comparison of value per area, regions with larger vineyards (such as warmer in land regions) and larger vineyards in general, tend to underperform. The 'Hot Very Dry' vineyards (see Figure 4) These vineyards would be very competitive with only a minor increase to sale price, possibly outperforming other regions.

The negative trend between size and average sales price could be a side effect of supply versus demand, especially when looking at the level of difference in production of some vineyards. Economies of scale likely played a role in determining yield but were only one consideration alongside resource use. Size was also less of a determining factor when considering quality. It is possible that the relationship of scope one emissions between yield and sale price was closely tied to a vineyard's area due to requiring more fuel to cover issues (such as fixing a broken irrigation pipe), where a larger area has the potential for issues to be further away. This is further observed when noting that most irrigation systems are diesel based, with water use being a significant variable in each model and scope one emissions not; scope one emissions' lack of significance and contribution given its F-statistics, could be indicative that other vineyard activities requiring fuel are not leading factors for a vineyards grape quality. The relationship between yield, value and area was not simply about efficiently producing the most grapes; sales price and by association grape quality, are integral to the profitability, and this is strongly linked to resource-use and thus the longevity and sustainability of a vineyard.

There are important considerations unique to winegrowing compared to

289 other agricultural industries. The vertical integration of winegrowing within
290 the wine industry ties winegrowers to secondary and tertiary industries, such
291 as wine production, packaging, transport and sales. This results in unique
292 issues and considerations for each vineyard, where on-the-ground decisions
293 are influenced by other wine industry’s choices, such as the use of sustainable
294 practices in vineyards as a requirement for sale in overseas markets; notably
295 these interactions can be further complicated by some winegrowers being
296 completely integrated into a wine company, while others are not (Knight
297 et al., 2019). Incorporating decisions into the model could help describe the
298 contributing factors to regional differences beyond resource consumption and
299 regional differences this motivates the call for more granular data and more
300 sophisticated modelling.

301 *4.2. Regional Differences*

302 Some regions appeared to produce many low quality grapes at scale whilst
303 others focussed on producing higher quality grapes in lower volumes. This
304 empirical finding is consistent with Wine Australia’s annual reports, which
305 shows that some GI regions, such as the Riverland, are known for producing
306 large amounts of lower grade (low value per tonne) grapes Wine Australia
307 (2022); Winemakers’ Federation of Australia (2017). Comparatively other
308 regions, such as Tasmania, only produce high quality grapes but in smaller
309 quantities. The difference in pricing per tonne between the lowest and highest
310 graded grapes can be greater than a hundred times the difference in value per
311 tonne. Not all regions target only one grade of grape, with some producing a
312 variety of differently graded grapes; such as the Yarra Valley, which produces
313 grades from C to A.

314 Some regions are known for their quality and may have a bias in pur-
315 chasers or bring greater demand regardless of similarities and differences in
316 production of quality of grapes (Halliday, 2009). This effect could stifle the
317 potential for market opportunities within lesser known regions. A further
318 possibility is the existence of regional upper limits on potential quality, or
319 that there are diminishing returns in some regions when pursuing quality or
320 quantity; however these types of relationships may be obfuscated by knowl-
321 edgeable 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 ??). 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 4.3. Limitations

335 Limitations in the analyses presented in this paper included overestimat-
336 ing yield for models 1 and 2, and underestimating crop value in models 3
337 and 4 (see appendix). The issue of model 1 and 2 over-predicting yield may
338 have been due to preventative measures brought on by regional pressures

339 such as fire, frost and disease. More resources were required to prevent these
340 issues from spreading within a region, thus disproportionately affecting some
341 vineyards compared to others locally. This type of maintenance is not well
342 captured in the models, especially when considering that some regions, espe-
343 cially those in warmer areas, are not as prone to disease as cooler climates
344 and could potentially have lower operating costs per hectare. This could
345 create a discrepancy in vineyards that utilised preventative measures in wet-
346 ter regions, as opposed to those that did not, thus expending less fuel and
347 energy but risking disease. When reviewing the differences between regions,
348 it is important to consider that vineyards in 'Hot Very Dry' areas can be
349 hundreds of times the size of those in other regions. This limitation could
350 be overcome by incorporating the profitability of vineyards, comparing the
351 financial success of working at different operational scales.

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

362 Having more data for each region would also be beneficial, allowing greater
363 comparison between regions. More variables may also help to discern vine-

yards that can produce larger volumes of grapes at higher prices. The use of other models such as random forests and decision trees alongside more variables and data may help to uncover the reasons for under or overestimation. These differences could be caused by the use of alternative sustainable practices in the field. Moreover, while there is evidence to suggest that environmentally sustainable practices can reduce costs, and increase efficiency whilst improving the quality of grapes; more research is needed to link these benefits across different regions and climates (Baiano, 2021; Mariani and Vastola, 2015; Montalvo-Falcón et al., 2023).

5. Conclusion

In summary, vineyard yield and crop value is well-defined by the resources used. However, it is important to consider a vineyard’s business goal, region, external pressures and economies of scale where larger vineyards are likely to produce greater overall yields, and have higher yield per area. Smaller vineyards are likely to produce more value per area and a higher quality of grape. It is likely that regional constraints also contribute to the best strategy to pursue when considering quality or quantity.

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