Snapshot of the American Wine Consumer in 2015

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Topics

- About the Survey
- High-Level Results
- 8 Implications for Wineries
About the Survey

- Launched in May of 2015
- With Survey Sampling International – household panel data
- 1072 American wine consumers
- Representative Sample (Quota Sample)
- All 50 states
### About the Sample

- **Gender** = 59% women and 41% men
- **Ages** = 27% Millennials in 20’s, 29% Millennials in 30’s; 23% Gen Xers; 21% Boomers (50+)
- **Ethnicity** = 65% Caucasian, 13% Hispanic, 11% African-American, and 11% Asian
- **Median Income** = $50,000 – $69,999
  - *But 18% made over $100,000 per year*
- **Highly Educated** = 60% with college degrees (compared with 32% in US)
- **Marital Status** = 59% married; 48% with children under 18 living at home
Wine Consumption Frequency

How often do you drink wine?

- Occasional, 44%
- High Frequency, 56%

High Frequency = Daily or several times per week
Preferred Varietals

What are some of your favorite wine varietals? Check all that apply.

- Chardonnay: 50
- Merlot: 49
- White Zinfandel: 41
- Pinot Grigio: 40
- Cabernet Sauvignon: 38
- Pinot Noir: 38
- Riesling: 30
- Zinfandel: 30
- Sauvignon Blanc: 24
- Muscat: 20
- Malbec: 20
- Syrah: 10
Doesn’t Match Well With

Nielson Scan Data
Dollar Volume in Millions$
52 weeks ending 7/18/15
Preferred Wine Styles

How do you prefer your wine to taste? Check all that apply.

- Fruity 58
- Semi-Sweet 57
- Smooth 56
- Sweet 49
- Dry (no sugar) 26
- Savory (less fruit) 22
- Tannic 9

BUT varies by wine knowledge – Connoisseurs & Advanced prefer more Tannic & Savory
**Wine Knowledge Level**

How would you describe your level of knowledge about wine?

- **Novice** - I know very little about wine
- **Intermediate** - I know the basics about wine
- **Advanced** - I consider myself to know more about wine than most people
- **Connoisseur** - I am expert; I have an extensive knowledge of wine

<table>
<thead>
<tr>
<th>Level</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Connoisseurs/Expert</td>
<td>4%</td>
</tr>
<tr>
<td>Advanced Knowledge</td>
<td>21%</td>
</tr>
<tr>
<td>Intermediate</td>
<td>57%</td>
</tr>
<tr>
<td>Novice</td>
<td>18%</td>
</tr>
</tbody>
</table>

*Image Source: Sonoma State University, School of Business and Economics*
Motivations to Drink Wine

I drink wine for the following reasons. Check all that apply.

- I like the taste: 83%
- It helps me relax: 70%
- To socialize with friends: 59%
- It goes well with food: 57%
- To socialize with family: 45%
- For romance: 36%
- For health reasons: 22%
- To help me sleep: 20%
- To analyze and compare with friends: 9%

Ahh! Sweet Relaxation!

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When making a decision on which wine to buy, I usually consider. Check all that apply

- Price
- Brand
- Varietal
- Country
- Label
- Vintage
- Alcohol Level
- State
- Region (Appellation)
- Medals
- Organic Wines
- Sustainable Wines
- Biodynamic Wines

[Graph showing the percentages of each consideration:]

- Price: 72%
- Brand: 67%
- Varietal: 36%
- Country: 35%
- Label: 24%
- Vintage: 24%
- Alcohol Level: 22%
- State: 21%
- Region (Appellation): 20%
- Medals: 13%
- Organic Wines: 10%
- Sustainable Wines: 5%
- Biodynamic Wines: 3%
Location to Buy Wine

How often do you buy wine at the following locations

- Never (0)
- Rarely (1)
- Sometimes (2)
- Often (3)
- Almost Always (4)

<table>
<thead>
<tr>
<th>Location</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wine/Liquor Store</td>
<td>3.73</td>
</tr>
<tr>
<td>Grocery Store</td>
<td>3.12</td>
</tr>
<tr>
<td>Discount or Warehouse Store</td>
<td>2.6</td>
</tr>
<tr>
<td>Winery Tasting Room</td>
<td>2.44</td>
</tr>
<tr>
<td>Convenience Store</td>
<td>2.04</td>
</tr>
<tr>
<td>Drug Store</td>
<td>2.04</td>
</tr>
<tr>
<td>Online</td>
<td>1.92</td>
</tr>
</tbody>
</table>
# Purchase Price Per Bottle for HOME

How much do you usually spend per bottle to drink wine at home?

<table>
<thead>
<tr>
<th>Answer Choices</th>
<th>Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2 - 3 per bottle</td>
<td>1.13%</td>
</tr>
<tr>
<td>$3 - 5 per bottle</td>
<td>2.25%</td>
</tr>
<tr>
<td>$5 - 8 per bottle</td>
<td>10.51%</td>
</tr>
<tr>
<td>$8 - 10 per bottle</td>
<td>20.92%</td>
</tr>
<tr>
<td>$10 - 15 per bottle</td>
<td>32.18%</td>
</tr>
<tr>
<td>$15 - 20 per bottle</td>
<td>19.23%</td>
</tr>
<tr>
<td>$20 to 25 per bottle</td>
<td>8.82%</td>
</tr>
<tr>
<td>Over $25 per bottle</td>
<td>4.97%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
</tr>
</tbody>
</table>
**Purchase Price Per Bottle at Restaurant**

How much do you usually spend per bottle to drink wine at a restaurant?

<table>
<thead>
<tr>
<th>Answer Choices</th>
<th>Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>$15 - 25 per bottle</td>
<td>13.79%</td>
</tr>
<tr>
<td>$26 - 35 per bottle</td>
<td>23.26%</td>
</tr>
<tr>
<td>$36 - 45 per bottle</td>
<td>15.57%</td>
</tr>
<tr>
<td>$46 - 55 per bottle</td>
<td>8.26%</td>
</tr>
<tr>
<td>Over $55 per bottle</td>
<td>4.41%</td>
</tr>
<tr>
<td>I only buy wine by the glass at restaurants</td>
<td>23.73%</td>
</tr>
<tr>
<td>I bring my own bottle and pay corkage</td>
<td>0.38%</td>
</tr>
<tr>
<td>I don't buy wine at restaurants</td>
<td>10.60%</td>
</tr>
</tbody>
</table>

Total
# Price for Wine by the Glass

When buying wine BY THE GLASS I usually will spend

<table>
<thead>
<tr>
<th>Answer Choices</th>
<th>Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $6 per glass</td>
<td>20.45%</td>
</tr>
<tr>
<td>$7 to $10 per glass</td>
<td>50.84%</td>
</tr>
<tr>
<td>$11 to $15 per glass</td>
<td>14.73%</td>
</tr>
<tr>
<td>Over $15 per glass</td>
<td>5.16%</td>
</tr>
<tr>
<td>I do not buy wine by the glass</td>
<td>8.82%</td>
</tr>
</tbody>
</table>

_total_
Social Media Channels

Which types of Social Media do you use? Please check all that apply.

- Facebook: 84
- YouTube: 47
- Twitter: 45
- Instagram: 39
- Pinterest: 37
- Google+: 37
- LinkedIn: 27
- Yelp: 18
- TripAdvisor: 18
- Blogs: 13
- I do not use social media: 6
Using Social Media to Talk About Wine

Do you ever use any of the social media platforms to:

- Get wine information: 54%
- Ask friends for wine recommendation: 51%
- Look up wine prices: 47%
- Discuss wine: 44%
Mobile commerce predicted to grow 48% in the US to $90 billion by the end of 2017, (Forrester, 2012).

### Smart Phone Usage

**Do you? (check all that apply)**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have a Smart Phone</td>
<td>90%</td>
</tr>
<tr>
<td>Use your smart phone to check prices on wine</td>
<td>43%</td>
</tr>
<tr>
<td>Use apps to get coupons on wine</td>
<td>28%</td>
</tr>
<tr>
<td>Have wine apps on your smart phone</td>
<td>26%</td>
</tr>
<tr>
<td>Use wine apps to help you decide which wine to buy</td>
<td>25%</td>
</tr>
</tbody>
</table>
Wine Tourism

I have visited wineries to taste wine in the following States/Countries (check all that apply)

<table>
<thead>
<tr>
<th>Top 5 Wine Tourism States Visited by American Wine Drinkers</th>
<th>Top 5 Wine Tourism Countries Visited by American Wine Drinkers</th>
</tr>
</thead>
<tbody>
<tr>
<td>California (61%)</td>
<td>Italy (44%)</td>
</tr>
<tr>
<td>New York (30%)</td>
<td>France (42%)</td>
</tr>
<tr>
<td>Washington (23%)</td>
<td>Spain (28%)</td>
</tr>
<tr>
<td>Oregon (20%)</td>
<td>Germany (20%)</td>
</tr>
<tr>
<td>Florida (18%)</td>
<td>Canada (16%)</td>
</tr>
</tbody>
</table>
## Wine & Health

Which types of wine do you think are most healthy? Please check all that apply

<table>
<thead>
<tr>
<th>Answer Choices</th>
<th>Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Red</td>
<td>88.62%</td>
</tr>
<tr>
<td>White</td>
<td>33.65%</td>
</tr>
<tr>
<td>Rose</td>
<td>17.78%</td>
</tr>
<tr>
<td>Sparkling</td>
<td>10.42%</td>
</tr>
<tr>
<td>Fortified</td>
<td>6.02%</td>
</tr>
</tbody>
</table>

**Total Respondents: 1,046**

*Wine Business Institute*

School of Business and Economics
## Wine & Health Perceptions

Please indicate the extent to which you agree or disagree with the following statements.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>I believe the sulfites in wine can give some people headaches.</td>
<td>2.08%</td>
<td>8.41%</td>
<td>32.14%</td>
<td>38.75%</td>
<td>18.62%</td>
<td>1,058</td>
</tr>
<tr>
<td>I believe wine is healthier to drink than beer.</td>
<td>0.76%</td>
<td>1.52%</td>
<td>15.15%</td>
<td>48.86%</td>
<td>33.71%</td>
<td>1,056</td>
</tr>
<tr>
<td>I believe wine is healthier to drink than spirits, e.g. vodka, gin, etc.</td>
<td>0.47%</td>
<td>1.52%</td>
<td>14.81%</td>
<td>46.44%</td>
<td>36.75%</td>
<td>1,053</td>
</tr>
</tbody>
</table>
8 Implications for Wineries

1) Craft wines to match preferred taste styles
   • Fruity, smooth, and perhaps a little sweet

2) Focus marketing messages on the relaxation & social benefits of wine.

3) Adopt social media platforms to interact with your consumers.

4) Make sure your wine/winery is accessible via mobile phone websites and wine apps.
8 Implications for Wineries

5) If selling nationally, make sure your wines are available in wine/liquor stores

6) Consider adding a lower-priced tier to match the popular $10 – 15 price point, or the $15 – 20 category

7) Encourage wine tourism by working with local associations to promote your region to more visitors

8) Research methods to sell less expensive wine online at low shipping rates (Similar to China where wine ecommerce is much more popular)

Singles Day in China on Nov. 11
Thank you for your time!