Bordeaux 2016 Abstract Submission

Title  
Characteristics of wine consumers in the Mid-Atlantic United States: An econometric analysis

I want to submit an abstract for:  
Conference Presentation

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Keywords  
Markets, survey, purchasing, preference, behavior, wine, consumption

Research Question  
What wine types, wine regions (including local wines), and other factors influence the quantity of wines the target consumers purchase? How have purchases changed between 2010 and 2013.

Methods  
A 15-minute Internet survey was administered (20-25 September, 2013) to wine consumers residing in three states within the Mid-Atlantic U.S. region (New Jersey, New York, and Pennsylvania).

Results  
Data were segmented to detect statistical significance among groups, which could then be the basis of marketing strategies that wineries and tasting rooms could employ.

Abstract  
The purpose of this research was to conduct a survey with a large sample of wine consumers in the tri-state region of the United States to better understand their preferences for wine types, wine regions (including local wines), and other factors that influence the quantity of wines that they purchase. We are also interested in how wine choices among our sample have changed over the 2010 to 2013 period.
A 15-minute Internet survey was administered (20-25 September, 2013) to wine consumers residing in three states within the Mid-Atlantic U.S. region (New Jersey, New York, and Pennsylvania). Panelists were screened for not being a member of the wine industry, being at least 21 years old, residing in one of the targeted states, and for having purchased and drank wine at least once within the previous year. Surveys were pre-tested on a subset (n = 164) of the target consumer. Of the 1,952 participants who opened and attempted the survey, 1,246 qualified and completed the questionnaire. Survey questions focused on participants’ wine purchasing and consumption attitudes and behaviors, and data were segmented by behaviors and demographics, such as: wine consumption frequency, whether wine consumption changed between 2010 and 2013, and number of adults, age 21 and older, in the household who drank wine. Data were segmented to detect statistical significance among groups, which could then be the basis of marketing strategies that wineries and tasting rooms could employ.

Nearly a third of participants, 32.9%, were “super core” (drank wine daily to a few times a week), 18.8% were “core” (drank wine about once a week); however, approximately half (48.3%) were “marginal” (consumed wine less frequently) wine consumers. Pertaining to their change in wine consumption, 51.0% of participants indicated that their consumption had not changed between 2010 and 2013, 32.0% had increased their consumption of wine, and 17.0% had decreased their consumption. For those who decreased their wine consumption, the top three reasons that influenced the change were: “price of wine” (35.4% of these respondents), “I am spending money that I would normally spend on wine on other things” (31.8%), and “concerns about weight gain” (28.1%). The primary reasons why those who increased their consumption decided to do so were: participant “became more interested in drinking wine than other alcoholic beverages” (52.6% of these respondents), “learned more about wine and was interested in consuming more” (43.2%), and “health benefits associated with drinking wine” (41.6%). Of those who were “marginal” wine consumers, 59.4% had decreased their wine consumption between 2010 and 2013, with 40.2% of “super core” wine consumers responding that their consumption had increased during this period. The largest of the four segments describing number of adults who lived in the household and drink wine was: “participant and one other adult,” of which 44.7% participants belonged.

Wine consumption frequency had an impact on how often bottles of wine were purchased, with a greater percentage of “super core” consumers reported that they purchased wine “daily” to “about once a week,” compared to “core” and “marginal” wine consumers. There were no differences for purchasing at these intervals when data were segmented based on number of adults in the household who consumed wine or whether wine consumption changed between 2010 and 2013. Fewer of those who decreased their wine consumption during this period were likely to “purchase one or more 750 mL bottles of wine for their collect and/or to be consumed at a later date” (40.1%) compared to respondents who either didn’t change their consumption or indicated that their consumption increased (50.7 and 54.1%, respectively). No differences were detected among these segments when they “purchased one or more bottles of wine to be consumed immediately,” or if participants “purchased wines infrequently, but when they did they purchased at least a case.”

As might be expected, “marginal” wine consumers and participants whose wine consumption had decreased were less likely to purchase wine: to be consumed in the home, when entertaining, for a gift, and at a restaurant. However, depending on the occasion, three-quarters or less of those who lived in a household with other adults, but only the participant drank wine, responded that they were involved in these purchases. For example, 77.7% of these respondents purchased the “everyday” wine for the household and 62.5% purchased wine to be served during special occasions and/or when entertaining. Thus, even though these individuals indicated that they were the only adults in the household who drank wine, it appears that someone else may be making the actual wine purchases. In addition, as the number of adults who drink wine in the household increased the participant’s role in purchasing wine decreased. Fewer of those who lived in a household with two, or more, other wine drinkers purchased the everyday wine and selected the wine when dinning at a restaurant.

When asked whether different wines were purchased for everyday consumption compared to special occasions and/or when entertaining, more “super core” and “core” wine consumers (84.1 and 77.4%, respectively)
indicated that they did purchase different wines, compared to “marginal consumers (57.5%), but there were no differences when data were segmented based on change in wine consumption between 2010 and 2013. If the participant lived in a household with one or more other adult wine consumers, they were more likely to purchase different wines for the two drinking occasions than participants who lived in a household with other adults but only they drank wine. Differences between wine purchased for everyday consumption and special occasions and/or when entertaining pertaining were further explored to discover which of the following differed: price of wine, sweetness, bottle size, container materials, and closure types. Participants who lived in households with more than one other wine consumer were more likely to purchase everyday wine priced between $25.00 and $29.99 and when priced at $35.00 and higher than participants who lived in households were only they drank wine but other adults resided.

While there were statistical significance among the groups for certain variables and responses to consumption and purchasing questions, the lack of differences for other issues investigated implies that winery and tasting room owners and operators may not need to develop several unique marketing strategies to appeal to the various segments investigated.