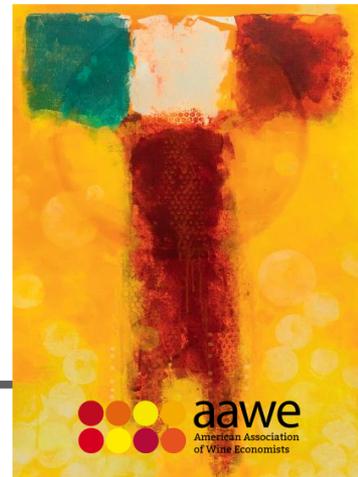


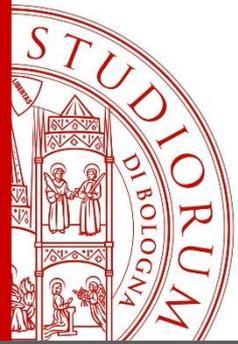
# 11th Annual AAWE Conference 2017 in Padua, Italy



## Italian Millennial consumers' attitude towards innovative wine products

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# Objectives and structure of the study

- To identify consumption and purchasing behaviour of Italian Millennial consumers and their perceptions and attitudes towards innovative aspects in wine products.
- This presentation comprehends:
  - a short picture about Millennials and about innovation in wine sector;
  - An explanation of the adopted methodology
  - Some results from data elaboration (please note that this is a work in progress)
  - Final reflection from a marketing point of view and regard possible future steps of the research



# Shorts about Italian Millennials

- *Italian young adult consumers can be one of the most promising innovation-oriented consumer group; despite they are exposed to family and societal consumption habits rooted in tradition and terroir.*
- They account for about 11 million people (18% pop.) (Eurispes, 2016)
- They are looking for hedonism, not politically involved, cosmopolitan but with a high sense of their own privacy. (Fabris, 2013)
- 70% of surveyed Millennials (18-35 years old) watched videos more than 6 hour per week and the 16% of the sample prefer those about food ([www.buzzmyvideos.com](http://www.buzzmyvideos.com), 2016)
- This age cohort perceives wine as a social drink preferring to share it with friends or family, at home or at wine shops. (PwC, 2017)
- Social media like Facebook and Twitter are used quite commonly to find suggestions for their purchases also because often they are not interested in brand loyalty looking for new products more sustainable and with an attractive marketing (PwC, 2017)



# Data gathering

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## Qualitative research phase

- 2 focus groups, in Bologna, December 2016
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## Quantitative research phase

- Questionnaire construction and submission (face to face) to people ageing between 18 and 35 years old
- Spring 2017 – Bologna
- Structure of the questionnaire

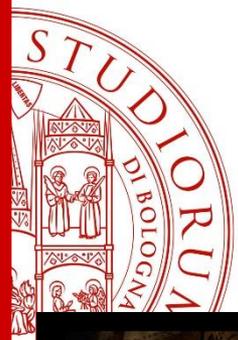
Beginning with a cut question «Do you drink wine?»

1° section: wine consumption habits – wine purchasing habits

2° section: are you neophobic/neophilic? WNS

3° section: attitude towards innovative wine attributes – CAGE\* scale

4° section: Socio-demographic information



# Innovative wine packaging





# New types of wine



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## UK Low-alcohol wine

(UK) New bottles: wine is offered in five varietals and packaged in a 187ml PET bottle that replicates the shape of a full-size bottle and features a plastic, screw-on cap





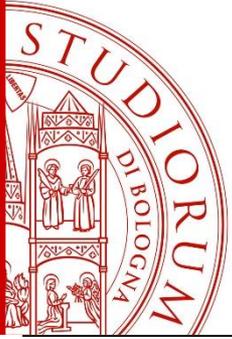
# The Wine Neophobia Scale (WNS)

N.	Statements	Positive/ Negative
1	I like going to place serving wines from different countries	+
2	I will drink almost any wine	+
3	I am afraid to drink wines I have never had before	-
4	At social gatherings, I will try a new wine	+
5	I like wines from different countries	+
6	If I do not know what wine it is, I won't try it	-
7	I do not trust new wines	-
8	I am constantly trying new and different wines	+

Ristic R. et al. (2016). Towards development of a Wine Neophobia Scale (WNS): Measuring consumer wine neophobia using an adaptation of The Food Neophobia Scale (FNS). *Food quality and preference* 49 (2196) 161-167

9-point Likert scale: 1 totally disagree / 9 totally agree

Statements are coded positive or negative considering the consumer's attitude to innovation or not (+ means a neophilic behaviour ; - for neophobic)

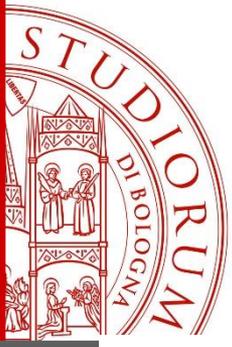


# WNS and consumers' approach towards wine innovation

- **Wine Neophobics** are the consumers with a lower acceptability for unfamiliar wine and higher disliking and avoidance for new types of wines or novel wines.



- **Wine Neophilics** show positive and enjoyable approach to novel wine and/or new types of wine and/or innovative elements.



# Data elaboration

## Step 1: Neophobic/Neophilic scale

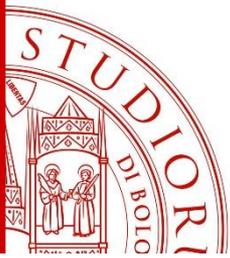
### Identification of quartiles

Aim: to identify the Millennials most in favour of innovation

## Step 2: Two Exploratory factor analysis – Principal component Analysis with Varimax rotation

Aim: to identify latent factors on wine consumption and purchasing habits

Aim: to identify latent factors on wine innovation attributes



# Sample

Total respondents  
404

Total valid  
questionnaires  
393

GENDER	%
Women	36.7
Men	63.3
Total	100.0

LEVEL OF EDUCATION	%
No academic degree	59.8
With academic degree	34.4
Master, PhD...	5.9
Total	100.0

AGE	%
18-21 year-old	36.6
22-25 year-old	39.7
26-34 year-old	23.7
Total	100.0

LEVEL OF INCOME	%
Less than 500 euro	32.6
501 – 1,400 euro	24.4
1,401 – 2,800 euro	7.1
2,801 – 4,200 euro	0.8
More than 4,200 euro	0.3
Total*	100.0

\* The 34.9% did not respond to this question (I do not know or I do not want to respond)

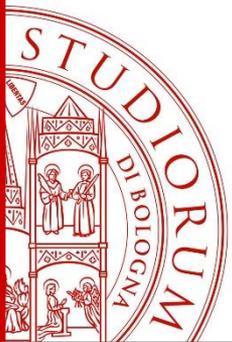


# Results from EFA: 6 factors

FACTORS			WINE IS
1	Buying wine is special, expert advice	→	SPECIAL DRINK
2	Wine is a social drink	→	SOCIAL DRINK
3	Wine information about local producer	→	USUAL DRINK
4	Wine can be bought at supermarket	→	COMMON DRINK
5	To buy wine I need others advice	→	ADVICE TO BUY
6	I buy wine directly, on line or from producer	→	DIRECT PURCHASING

## Total variance explained

The resulted 6 factors explained about the 60% of the variance (57.5%)



# The WNS results

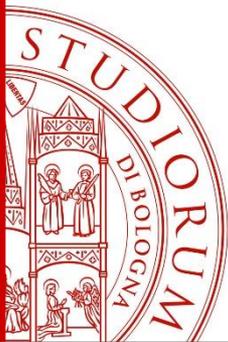
- Lowest scoring quarter: **Neophobics** towards wine innovation < 43
- Highest scoring quarter: **Neophilics** towards wine innovation > 56

WNS test	Valid	397
	Missing	2
Mean		49.33
Std. Deviation		9.994
Percentiles	25	<b>43.00</b>
	50	50.00
	75	<b>56.00</b>

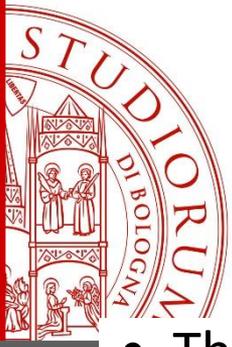
8 worded items  
9-point Likert scale



# Descriptive statistics of the Factors

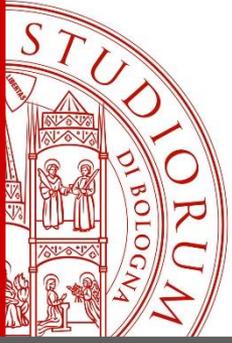


Factors	N	Minimum	Maximum	Mean	Std. Deviation
F1_HEAWINE	393	1.00	5.00	2.51	.99189
F2_COMMUNICATIO N	392	1.00	5.00	2.99	.82330
F3_CHANNEL	393	1.00	5.00	1.82	.80836
F4_PACKAGING	393	1.00	5.00	1.46	.64688



# Conclusions

- The application of WNS reveals that the interviewed Italian Millennials move towards a neophilic position with a positive approach to innovation in wine sector.
- The EFA on wine product innovation shows a quite different picture: the mean value for each factor is not so high
  - ➔ Before applying an innovative attribute to wine addressed to a millennial consumer, a winegrower/marketer is suggested to do an in depth evaluation about their WTB and (why not?) their WTP for it.
  - ➔ Marketers should plan strategic action for each segment of Millennial wine drinkers: this group of people must be better surveyed it its wine consumption characteristics.
- Authors are conscious that the sample composition must be improved respecting the real Italian Millennial population classes



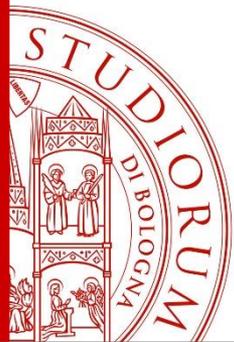
# Next steps and ideas for future research

Our next research steps will be probably:

- To survey this group of consumers in order to do a more precise segmentation (Factor-cluster analysis?)
  - To study in depth the different behaviour of Millennials wine consumers linked to their different age cohorts (i.e. Junior mill. 18-25 years old and Senior mill. 26-35 years old) and socio-demographic characteristics
- 
- A cross-country comparison on Millennials wine consumption behaviour (*who would like to contribute with us?*)
- 
- WNS could be study in depth in order to add items fitting Italian Millennial wine consumers characteristics

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- And many others ...



*Thank you for the kind attention*



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