DEVELOPING WINE MARKETING STRATEGIES FOR THE MID-ATLANTIC REGION

A Thesis in
Horticulture
by
Abigail L. Miller

© 2015 Abigail L. Miller

Submitted in Partial Fulfillment
of the Requirements
for the Degree of

Master of Science

December 2015
The thesis of Abigail L. Miller was reviewed and approved* by the following:

Kathleen M. Kelley  
Professor of Horticultural Marketing and Business Management  
Thesis Advisor

Jeffery Hyde  
Professor of Agricultural Economics

Robert Crassweller  
Professor of Horticulture

Denise Gardner  
Enology Extension Associate

Richard Marini  
Professor of Horticulture  
Head of the Department of Horticulture

*Signatures are on file in the Graduate School.
ABSTRACT

Mid-Atlantic consumer wine consumption and purchasing habits and appropriate wine marketing and promotion strategies were investigated through two Internet surveys that were administered (20-25 September 2013 and 22-24 October 2014) to participants residing in one of three states within the Mid-Atlantic U.S. region (New Jersey, New York, and Pennsylvania). With data indicating that U.S. wine industry sales and consumer demand continuing to increase, this research was conducted to understand the wine consumer who resides in the region, specifically their behaviors, psychographics, and demographic characteristics. Consumers who participated in the survey were age 21 and older; not a member of the wine industry; and had purchased and consumed wine at least once within the previous year. Data were collected pertaining to consumption frequency (e.g. daily, a few times a week, once a week), purchasing behavior, retail outlet preference (e.g. winery tasting room, retail store, Internet), and website and social networking outlets they felt were mandatory for a winery to implement. Additionally, consumers were asked to identify what promotion events and activities would encourage them to visit a winery tasting room and their perception of wines produced from grapes grown in the Mid-Atlantic region.

Nearly half of participants in each survey (32.1%, super core and 18.8%, core, from Survey 1 and 12.4%, super core and 36.0%, core, from Survey 2) were part of the “super core” and “core” consumption segments, with the highest frequency of respondents between 35 to 44 years of age and consuming wine “a few times a week.” Analysis indicated that 55.4% of participants responded that a Facebook Business Page was a mandatory social media tool that winery and tasting rooms should implement, while 65.2% felt a website for promoting the winery and wines produced was mandatory.
As for promotion strategies that would encourage participants to a visit a winery or tasting room, 68.8% of respondents reported that a “sale section of merchandise,” followed by 67.6% wanting a “new wine featured each month at a discounted price” would appeal. Results concerning consumer perception of wines produced from grapes grown in one of the three Mid-Atlantic states found that females were more interested in purchasing wine produced with grapes grown in New York for “special occasions” (55.0%) and to “give as a gift” (54.2%) compared to males (48.1 and 47.8%, respectively). Knowing consumption and purchasing patterns and promotions that would appeal to wine consumers can assist winery and tasting rooms with enhancing their marketing strategies.
TABLE OF CONTENTS

List of Tables........................................................................................................... vii
Acknowledgements................................................................................................... x

Chapter 1.
INTRODUCTION........................................................................................................ 1
References................................................................................................................. 24

Chapter 2. CONSUMER PURCHASING AND CONSUMPTION PATTERNS OF WINE
PRODUCED IN THE MID-ATLANTIC REGION (NEW JERSEY, NEW YORK, AND
 PENNSYLVANIA)
Summary.................................................................................................................. 31
Introduction.............................................................................................................. 32
Research Objectives................................................................................................. 42
Materials and Methods............................................................................................ 42
Statistical Analysis.................................................................................................. 44
Results..................................................................................................................... 44
Discussion............................................................................................................... 59
References............................................................................................................... 66

Chapter 3. CONSUMER ATTITUDES TOWARDS SOCIAL MEDIA, WEBSITES, AND
EMAIL STRATEGIES IMPLEMENTED TO PROMOTE WINES PRODUCED IN THE
MID-ATLANTIC (NEW JERSEY, NEW YORK, AND PENNSYLVANIA)
Summary.................................................................................................................. 73
Introduction.............................................................................................................. 74
Research Objectives................................................................................................. 77
Materials and Methods............................................................................................ 78
Statistical Analysis.................................................................................................. 79
Results..................................................................................................................... 79
Discussion............................................................................................................... 87
References............................................................................................................... 92

Chapter 4. UNDERSTANDING CONSUMER PREFERENCES TOWARDS
PROMOTIONAL STRATEGIES FOR WINERY TASTING ROOMS IN THE MID-ATLANTIC
REGION (NEW JERSEY, NEW YORK, AND PENNSYLVANIA)
Summary.................................................................................................................. 96
Introduction.............................................................................................................. 97
Research Objectives................................................................................................. 100
Materials and Methods............................................................................................ 101
Statistical Analysis.................................................................................................. 102
Results..................................................................................................................... 102
Discussion............................................................................................................... 113
References............................................................................................................... 119

Chapter 5. CONSUMER PERCEPTIONS OF WINE PRODUCED IN THE MID-ATLANTIC
REGION (NEW JERSEY, NEW YORK, AND PENNSYLVANIA)
Summary.................................................................................................................. 123
Introduction.............................................................................................................. 124
Research Objectives................................................................................................. 128
Materials and Methods............................................................................................ 129
Chapter 6. CONCLUSIONS
Summary...........................................................................................................146
Research Implications & Suggestions for Future Research......................147
References.................................................................................................151
LIST OF TABLES

Table 2.1. Demographic characteristics of wine consumers residing in New Jersey, New York, and Pennsylvania (Mid-Atlantic region) who participated in two separate Internet surveys.................................45

Table 2.2. Wine consumption and purchasing frequency, segmented by age range and gender.................................................................46

Table 2.3. Frequency of purchasing a 750 mL bottle of wine, segmented by age range, wine consumption frequency, gender, and state of residence.................................48

Table 2.4. Reasons why participants' wine consumption increased, segmented by age range, wine consumption frequency, and gender.........................................50

Table 2.5. Reasons participants wine consumption decreased, segmented by age range, wine consumption frequency, and gender..............................................................52

Table 2.6. Occasions when wine was consumed, segmented by age range, wine consumption frequency, and gender.................................................................53

Table 2.7. Outlets where wine produced in New Jersey, New York, and/or Pennsylvania was purchased, segmented by age range, wine consumption frequency, gender, and state of residence.........................................................55

Table 2.8. Sources used to learn about wine, segmented by age range, wine consumption frequency, and gender.................................................................57

Table 3.1. Demographic characteristics and wine consumption frequency of wine consumers residing in New Jersey, New York, and Pennsylvania (Mid-Atlantic region) who participated in two separate Internet surveys.........................................................80

Table 3.2. Social media outlets participants felt were mandatory for wineries and winery tasting rooms to implement to connect with customers segmented by age range and wine consumption frequency.................................................................81

Table 3.3. Email and website components participants felt were mandatory for wineries and winery tasting rooms to implement to connect with customers, segmented by age range and wine consumption frequency.................................................................83

Table 3.4. Information participants expected wineries and winery tasting rooms to post on social media sites, website, and through emails that to participants, segmented by age range, gender, and consumption frequency.................................................................84

Table 3.5. Social networks participants used to connect with companies, segmented by age range, gender, and consumption frequency.................................................................86
Table 4.1. Demographic characteristics of wine consumers residing in New Jersey, New York, and Pennsylvania (Mid-Atlantic region) who participated in two separate Internet surveys............................103

Table 4.2. Factors that would influence participant’s decision to participate in leisure activities and events held at a winery tasting room, segmented by age range, gender, and wine consumption frequency.................................................................104

Table 4.3. Tasting room activities held within 200 miles of the participant’s home that would encourage them to visit, segmented by age range, gender, and wine consumption frequency.................................................................107

Table 4.4. Interest in visiting a winery tasting room that offered the following events, segmented by age range, gender, and wine consumption frequency.................................................................109

Table 4.5. Purchasing a bottle of wine knowing that a winery donates profits to a cause encourages a visit, segmented by age range, gender, and wine consumption frequency.................................................................111

Table 4.6. Preferences of how to split donations to a winery’s cause marketing campaign, segmented by age range, gender, and wine consumption frequency.................................................................112

Table 5.1. Demographic characteristics of wine consumers residing in New Jersey, New York, and Pennsylvania (Mid-Atlantic region) who participated in two separate Internet surveys.................................................................131

Table 5.2. Perceived quality ratings for wines produced from grapes grown in New Jersey, segmented by age range, gender and wine consumption frequency.............132

Table 5.3. Perceived quality ratings for wines produced from grapes grown in New York, segmented by age range, gender and wine consumption frequency.............133

Table 5.4. Perceived quality ratings for wines produced from grapes grown in Pennsylvania, segmented by age range, gender and wine consumption frequency....134

Table 5.5. Percentages of survey participants who reported purchasing “everyday” wine made from grapes grown in New Jersey, New York, and Pennsylvania, segmented by age range, gender, and wine consumption frequency.......................................................134

Table 5.6. Percentages of survey participants who would purchase “special occasion” wine made from grapes grown in New Jersey, New York, and Pennsylvania, by age range, gender, and wine consumption frequency.......................................................135
Table 5.7. Percentages of survey participants who would purchase “wine to give as a gift” made from grapes grown in New Jersey, New York, and Pennsylvania, segmented by age range, gender, and wine consumption frequency………………………………………136

Table 5.8. Percentages of survey participants who would purchase wine for “bring your own” made from grapes grown in New Jersey, New York, and Pennsylvania, segmented by age range, gender, and wine consumption frequency………………………………………137

Table 5.9. Participants’ level of interest in purchasing and drinking skinny wine made from grapes grown in New Jersey, New York, and Pennsylvania, segmented by age range, gender, and wine consumption frequency……………………………………………………138
ACKNOWLEDGEMENTS

My sincere gratitude goes out to everyone who helped see this thesis to fruition. I greatly appreciate all the advice, support, and efforts contributed over the past two years.

Thanks to the USDA Federal-State Marketing Improvement Program grant, “Developing Wine Marketing Strategies for the Mid-Atlantic Region” (GRANT 11091317) whose goal is “to assist in exploring new market opportunities for U.S. food and agriculture products and to encourage research and innovation aimed at improving the efficiency and performance of the marketing system.”

To my committee members, Dr. Kathleen Kelley, Dr. Jeffrey Hyde, Denise Gardner, and Dr. Rob Crassweller; without their guidance, patience, humor, and knowledge this thesis could not have been possible. I would like to especially thank Kathy for her never-ending support, impeccable editing, and willingness to always lend her knowledge and skills throughout the entire process. Also, many thanks to Denise who was always encouraging and enabled me to believe in my own success, while always making sure to add a touch of humor.

Finally, I would like to thank my family and friends. Specifically, my Momma for always supporting and believing in me in any and every endeavor I have wanted to accomplish; my Dad for truly inspiring me to find my passion for wine and always supporting me in fulfilling what I have been most passionate about; my sister, Alyssa, for pushing me to do my very best, but reminding me to enjoy life and cherish every moment at the same time. To Brian, for being the greatest support system and willing to endure the ever-changing stresses of dating a graduate student, and lastly, Naomi for continuously
reassuring me during the many meltdowns she was lucky enough to witness first-hand.
Without my strong support system, I would not have been able to accomplish this
chapter of my life. I sincerely and truly thank you all.
CHAPTER 1. INTRODUCTION
The wine industry in the United States (U.S.) has been strong and successful for decades, in terms of both rising sales and production rates, with expectations of growth to continue. In 2011, the U.S. overtook France and Italy to become the world’s largest wine consumer by volume. In the U.S., consumer demand for still and sparkling wine, as well as resulting revenue, has increased over the last decade and industry reports predict that wine sales will rise 6 to 10% in 2014 (McMillan, 2013). Even during the years of the most recent recession, December 2007 through June 2009, neither sales nor revenue experienced a significant decline (Majumdar, 2014). According to a Wine Institute (the public policy advocacy association of California wineries) report, California wine sales to the U.S. market in 2008 increased by 2% in volume over the previous year to about 467 million gallons. The estimated retail value of shipments totaled approximately $18.5 billion, which was only a slight decrease from 2007 (Fredrikson et al., 2014).

Many unfamiliar with the industry may not be aware of the impact that sales of these beverages have on the U.S. economy. According to 2013 data, the wine industry contributed $45 billion to the economy, 556,000 jobs, which accounted for more than $12.8 billion in wages, and $3.3 billion in state and local tax revenue (Cisneros, 2013). With such considerable numbers, the Wine Market Council, a non-profit association of grape growers, wine producers, importers, wholesalers, and other affiliated businesses and organizations (Anonymous, 2014), reaffirmed how the U.S. is becoming a wine culture in their Annual Analysis of the American Drinks Market report (Gillespie, 2014). Domestically, according to Wines and Vines Staff (2014), an industry trade magazine, there were 8,335 wineries that produced wine in 2015. California was the leader in domestic wine production with 3,913 wineries; however, the Mid-Atlantic region was showing exceptional growth due the demand for wine in general (Majumdar, 2014). All
three Mid-Atlantic states (New Jersey, New York, and Pennsylvania) experienced an increase in total number of wineries between 2015 and 2014. As of 2015, New York had 333 wineries, Pennsylvania had 200, and New Jersey had 49 wineries (Klingensmith, 2014). Only three states (California, Washington, and Oregon) had more wineries than New York. Pennsylvania was ranked seventh out of the 50 states and New Jersey ranked 18th (Silverman, 2015).

A question that arises is “who” are the 100 million U.S. adult consumers that purchase and drink wine on a regular basis (e.g. several times a month) (Gillespie, 2014) and perhaps where these consumers reside. If focusing merely on the population in the Mid-Atlantic region, and based on 2014 Census Bureau data, New York had the fourth largest population (19.75 million) in the country, with Pennsylvania (12.79 million) ranked sixth, and New Jersey (8.94 million) 12th (Anonymous, 2014). In total, the population of the three states was roughly 41.2 million, 13% of the total U.S. population, and contained two of the most populated metropolitan areas (New York with a population of 20.1 million people and Philadelphia with a population of 6.03 million) (Mackun and Wilson, 2011). The population of the region can certainly appeal to wineries; however, population should not be the sole consideration when deciding where and how to market wine, which is why research studies benefit the wineries.

According to the Wine Market Council (Gillespie, 2014), 35% of U.S. consumers age 21 and older do not consume alcohol and an additional 21% consume alcohol, but not wine; that leaves 44% of adult consumers who do drink the beverage. Consumption frequency can be segmented even further into those who consume wine daily to a few times a week (“super core” wine drinkers, 8% of the U.S. wine drinker population), about once a week (“core” wine drinkers, 26% of the U.S. wine drinker population) and those who
consume wine less frequently ("marginal" wine drinker, 66% of the U.S. wine drinker population) (Gillespie, 2014). Dividing consumers into these three categories allows wine marketers to better target consumers who drink and purchase frequently and identify other segments where marketing strategies need to be modified in order to encourage greater levels of consumption. With 91% of all wine consumed being purchased by "core" wine drinkers (Gillespie, 2014) it would be prudent to understand their needs and wants while also investigating the likelihood of converting "marginal" wine drinkers into "core" drinkers.

Though there is an understanding of the "core" (which often includes the "super core" category) and "marginal" wine drinker concepts, these market segments’ behaviors and attitudes are only investigated on a national level. Some data that has been published based on wine consumption for the U.S. as a whole includes: how purchasing patterns between men and women differ, how Millennial drinking habits are different from their predecessors, and how certain minority groups are poised to consume significant amounts of wine based on growing populations and cultural influences (Forman and Buckley, 2011). Having research available on the consumption and purchasing patterns for certain demographic groups would benefit Mid-Atlantic wineries and tasting rooms immensely with developing marketing plans.

One area that has yet to be explored in detail for the Mid-Atlantic is the difference between male and female wine consumers in terms of why they drink wine and during what occasions they consume the beverage. According to one report, with data from 2013, approximately 55% of wine consumers were female and 45% were male (Koch, 2014). While these do not vary greatly, women purchase 80% of wine (Atkin et al., 2007). Recently, research has shown that men are beginning to consume wine more
frequently than they had in the past (Cisneros, 2013; Gillespie, 2009). Jones (2013) indicated that compared to data from the 1990’s, 17% more men consumed wine in 2013. One difference between men and women lies in how men and women gain information about wine prior to purchasing. Women tend to acquire their information by “asking store personnel, reading labels, or reading shelf tags,” whereas men preferred obtaining information about wine by reading books (Atkin et al., 2007).

Research has shown that many consumers drink wine because it provides a variety of tastes and flavors and because it goes well with food (Zanten, 2005). Historically, the main occasion for wine consumption in the U.S. had been with meals and religious ceremonies; however, Thach (2012) found that 60% of U.S. wine consumers drink wine without meals. Wine is now being viewed as a beverage to enhance socializing and is being consumed during less formal occasions (Pickering et al., 2014). The occasions during which wine is consumed also differs based on gender. Women identified with the social and relaxation benefits of consuming wine, whereas men selected more “pragmatic and/or intellectual benefits such as sophistication and health motivations” (Thach, 2012). Thach (2012) included a few quotes from males who participated in the study: “I like considering the historical nature of wine,” “I like to collect wine,” and “I think women like to enjoy wine with friends. Men use wine as a show off factor. They often like to brag about it” to illustrate this point.

The study concluded that 90% of males consumed less wine than women. Wine was chosen over other alcoholic beverages (Nielsen, 2014). Men; however, were willing to spend more on a bottle of wine compared to women, which may lead back to the “bragging” factor suggested by one of the male study participants. With national numbers indicating men consume alcohol more frequently than women, it would be
advantageous to learn if this trend is also true for the Mid-Atlantic region. If the gap between number of males and females interested in wine continues to narrow, wineries unaware of this trend may miss the opportunity to market wine to men and entice them to purchase their product.

For the past several years, the Baby Boomer generation (born between 1946 and 1964) has garnered most of the wine industry’s attention. However, Millennial (or Generation Y) consumers (born between the early 1980s and early 2000s), specifically the younger half of the generation, have become more interested in drinking wine and are credited with having a positive influence on the industry’s growth (Nichols, 2011). Consumers born between 1965 and 1984 have increased their consumption by 6% since the 1990’s, whereas Younger Millennials, who recently became of legal drinking age, have increased their consumption by 71% (Jones, 2013).

In fact, 6% (70 million) of these Younger Millennial consumers drink wine daily, which corresponds to the “super core” consumption segment; 26% drink wine several times a week and 19% drink wine once a week (Guenther, 2013). When these percentages are combined, this 51% can be defined as “core” wine drinkers.

While such a great emphasis is placed on Millennial wine drinkers, wineries and tasting room operators who focus solely on these consumers could run the risk of alienating other generations that may have different needs and interests. For example, Baby Boomers demand higher quality wine and services, and are less price sensitive when shopping in general (Walker and Mesnard, 2012). It may be realistic to assume that these criteria would also be important when Baby Boomers are purchasing wine. Hence, winery and tasting room owners and operators need to be aware of how their needs and wants differ from other generations.
Pertaining to wine package preference and differences based on generation, some research has shown that Younger Millennials may be moving towards purchasing boxed wine (Olsen, 2014) as opposed to glass bottles, which has been the traditional form of packaging. Reasons for the interest in boxed wine include: increased shelf life, ease of transporting, and affordability compared to wine in glass bottles (Gordon, 2013). Appeal of boxed wine is not the only noted difference between generations, rather, Millennials are often disinterested by wine labels that include a picture of a chateau because they consider them to be their “grandfather’s wine,” according to Dr. Liz Thach (Larson, 2012). Younger Millennials are attracted to eccentric and innovative wine labels that feature animals, cartoons, and humor. It seems that the future of wine labels is evolving towards edgier, less traditional designs in order to reflect styles and themes of popular culture (Larson, 2012).

It is also essential for wineries and tasting rooms to understand the psychographics (e.g. attitudes, aspirations) and behaviors (“the way in which one acts or conducts oneself, especially toward others”) of wine consumers and tasting room visitors, and segment these characteristics by demographic (“relating to the structure of populations”) and geographic variables in order to further create products and develop promotions that appeal to the target market (Merriam-Webster, 2015). Different age cohorts appear to be drinking wine for different reasons, and these differences may require marketing strategies to be modified in order to meet the desired needs and motivations of each (Olsen et al., 2007). For example, the reasons why Generation Y wine consumers in Italy drink the beverage is because of a favorable predisposition that consuming wine relates to healthy, relaxing, and cultural connotations (Capitello et al., 2014). Generation X consumers residing in New Zealand chose the wine they consumed based on the opinions and recommendations of their friends. It is necessary for marketers to
understand any generational differences and possible impacts that regional location may have on consumption in order to better market wine purchasing behaviors. Wineries may be able to leverage intrinsic cues on packaging and in marketing strategies in order to reach certain segments and encourage increased consumption outside the home and during meals (Capitello et al., 2014).

Wine shipments to the U.S. from all production sources, both domestic and foreign producers, grew 3% to 375.2 million cases from 2012 to 2013, with an estimated retail value of $36.3 billion (Wine Institute, 2014) which is a 5% increase from 2012. In fact, data indicates that the U.S. experienced 21 consecutive years of volume growth pertaining to wine shipments, making the U.S. the largest wine market in terms of revenues (Koch, 2014). Thirty-four percent of U.S. wine sales in 2013 were imported wines, 57% were California wines, and the remaining 9% were wines from all the other states in the country (Wine Institute, 2014). Historically, the majority of imports have come from Italy, France, Australia, Chile, Argentina, and Spain (Geisler, 2013).

Approximately 80% of wine sold in the U.S. is off-premise (consumed away from where purchased) and 16% is sold on-premise (consumed where purchased); the remainder is made up by Direct to Consumer (DTC) (sold directly to the consumer) and Direct to Trade (sold directly to a wine merchant or restaurant) (Thach, 2014). On-premise volume and value have not yet reached pre-recession levels experienced in 2007, but have slowly increased with the average bottle of wine price at $46 and the average glass of wine at $10.67 (Guestmetrics, 2012). DTC online sales were up 9.3% to 3.47 million cases of wine in 2013, compared to sales in 2012, with a value of $1.57 billion (Carroll, 2014). In 2013, 178 million off-premise cases were sold with a value of $14 billion (Adams, 2014). The number of outlets, both on and off-premise, which sold wine, was
approximately 522,420 in 2013 (Adams, 2014). The Beverage Information Group, the information source for the beverage alcohol industry, estimates that total wine sold on-premise and off-premise will have reached 297 million cases in 2014, a 1.6% increase from 2013 totals, and "continue a streak of 20 years with growing wine consumption" (Adams, 2014).

Purchasing wine online is becoming more popular. Online sales increased as direct shipments of wine grew to $1.57 billion in 2013, a $120.89 million increase from 2012 (Carroll, 2014). Furthermore, online sales grew 17% in 2014; however, total wine sales in the U.S. during the same period only grew 1.5%, in part due to consumers changing their purchasing habits by buying more from the Internet and less from other sources (Press, 2014). It is important to note that liquor laws vary throughout the country. In the Mid-Atlantic, the liquor laws among the three states differ and may affect consumer ability to purchase wine through the various outlets. For instance, in Pennsylvania, wine and spirits are sold in the state-run Fine Wine and Good Spirits stores, where prices are fixed and do not vary throughout the state (Anonymous, 2015a). In New Jersey, no wine, beer, or spirits are allowed to be sold in supermarkets, limiting the number of outlets available compared to other states in the U.S. As for New York, their liquor laws are considered one of the most lenient in the Atlantic northeast compared to the other states in this region, having the least amount of limitations about outlets where wines can be purchased. Also, Pennsylvania residents who purchase wine over the Internet are not allowed to have the wine shipped directly to their home, rather the wine must be shipped to the Fine Wine and Spirits store of their choice (Anonymous, 2015a). Whereas, in New Jersey and New York consumers are able to purchase wine from online retailers and have the wine shipped directly to their home or place of work (Anonymous, 2015a).
The demographics and purchasing patterns of U.S. wine drinkers are based on the entire country as a whole, and are not often segmented based on regions or metropolitan areas. Examining these trends as they pertain to consumers who reside in the three states that are included in the Mid-Atlantic region (New Jersey, New York, and Pennsylvania) is particularly important as there may be differences in preferences, motivations, how wine is purchased, and how consumers learn about wine compared to data reported on a national level or reported by other regions in the U.S. Focusing on consumer wine consumption and purchasing behaviors for those who reside in these states is necessary as the wine industry has a major impact on the region. To understand the true impact the wine industry has had on the three Mid-Atlantic states, statistics have been found that identify how beneficial it has been in this region. With the growth of the wine industry in New Jersey, there were 1,462 fulltime equivalent jobs; $58 million in wages paid and $20 million in wine-related tourism expenditures (Frank, Rimerman + Co. LLP, 2013a). In New York, with the growth of the wine industry, there were 24,913 fulltime equivalent jobs; $1,142,629,030 in wages paid and $401,469,999 in wine-related tourism expenditures (Trezise, 2014). In Pennsylvania, due to the wine industry’s growth as of 2011, there were 8,629 fulltime equivalent jobs; $401 million wages paid; and $222 million of wine-related tourism expenditures (Frank, Rimerman + Co. LLP, 2013b). By better understanding the who, what, when, where, why and how consumers select wine, wineries and tasting rooms can develop or enhance marketing strategies in hopes of boosting sales which can have a positive impact on the local economy. In addition, “wine is the ultimate value-added product with huge economic multiplier effects for many affiliated industries such as farm equipment, transportation, packaging, tourism, and many more” (Trezise, 2014).
Social media has revolutionized the world of business marketing, creating new opportunities for companies to promote their products for little to no cost (Pelet and Lecat, 2014). By creating profiles on popular social networking websites, businesses are able to build stronger connections and relationships with potential consumers. Social media networking allows companies to drive sales, increase their brand awareness, and reach new customers (Riman, 2013). There are many different social networks that companies can choose to use, from a more business-oriented page like LinkedIn to photo-heavy platforms such as Instagram or Pinterest, to pages that are community based and interactive in real-time like Facebook and Twitter. Sixty-seven percent of consumers who access the Internet use social media tools, with Facebook being the site with the most visitors (Duggan and Brenner, 2013). Other social media sites accessed by Internet users include: LinkedIn (20%), Twitter (16%), Pinterest (15%), Instagram (13%), and Tumblr (6%). All of these social networking sites attract different demographics, some which overlap; however, it may be prudent for a business to have a presence on several of these sites, as they will likely increase their reach and interaction with potential customers (Duggan and Brenner, 2013).

Connecting with consumers via social networks can be a rather attractive option for wineries and tasting rooms because of the relationships that can be built with many potential consumers. VinTank, a social media software company for wine businesses, published in 2013 that 14 million people had mentioned “wine” online at some point with that number growing by 450,000 people every month, and that 1.5 million conversations about wine occur online every single day (Maker, 2013). The social media outlets most frequently used to talk about wine were Facebook, Twitter, and Instagram. Social media should not be thought of as “advertising,” rather it is referred to as “digital word of mouth,” which, prior to the use of technology, traditional word of mouth was considered
the best form of marketing (Maker, 2013). To better understand which outlets would engage customers, winery and tasting room personnel need to learn about wine consumer usage of these tools and how they use these resources.

Facebook is used mainly by consumers ages 18 to 25 years old, of which 60% are female (Duggan and Benner, 2013). Facebook provides companies with opportunities to develop a community setting and building relationships with users (Riman, 2013). Twitter users tend to be age 26 to 34 years old, of which 57% are female. Twitter is best used for interacting with customers in real-time, and due to the nature of the tool, in short conversations of 140 characters or less (Duggan and Brenner, 2013). The number of Facebook and Twitter users who ‘follow’ or ‘like’ companies and businesses has increased over the past few years. In 2010, only 16% of users followed companies through Facebook and Twitter, but in 2012, 33% of these users indicated that they followed several businesses or companies (Edison Research, 2012). This 17% increase in brand following over the two-year period shows how useful social media networking can be for cultivating relationships with consumers.

Instagram, a mobile application that allows members to share photos online (Anonymous, 2015), is used primarily by 18 to 29 year olds, of which 68% are female. As of 2014, 17% of all online adults used Instagram. Though not as great of a percentage as the other tools discussed thus far, 57% of Instagram users access the site daily and of those users, 35% of them access the site multiple times a day.

Social media is not just a two-way conversation, but also a tool that allows for multi-way discussions and information sharing. Though it was first thought of as a sales and marketing tool, at its core it is used to build relationships (Maker, 2013). Alcohol companies have utilized social media by repositioning their marketing focus, relying on
less traditional forms of marketing (Nicholls, 2012). The most successful advertising and marketing campaigns are those that connect with consumers on an emotional and personal level (Siddle, 2013), and not because they use complicated wine terms that many of general public do not understand. For example, Yellow Tail brand of wine (produced by Constellation Wines Ptg. Ltd. Yellowtailwine.com) had over 1.3 million likes on Facebook as of June 2015. This company relies less on wine language and more on the colors and design of their posts, which appeal to consumers. The most effective type of advertising and marketing plan requires social networking outlets and media to not only reach heavy buyers of the brand, but also light buyers (Nelson-Field et al., 2012). Such a strategy will allow a broader and stronger reach of consumers.

According to Bouquet (2012), 94% of wineries had a Facebook Business Page in 2012 and 73% of wineries had a Twitter account. Findings suggest that Twitter can create value for wine focused businesses, but wine marketers need to be more aware of both the message tweeted and the types of users who follow the brand (Wilson and Quinton, 2012). By using a mix of social media tools that appeal to different generations, wineries and tasting rooms can potentially reach a wider demographic spectrum.

In general, consumers are interested in gathering information about wineries and other wine products online (Pelet and Lecait, 2014). In fact, a majority of consumers (70%) would rather hear about new products from Facebook friends rather than brands or companies (Carr, 2012), as users trust the previous experience of other users more than what the brand or company posts (Szolnoki, 2014). Ninety to 100% of U.S. wineries have some type of Internet presence (Thach, 2009). As consumers tend to use social media as an alternative to web searches, wineries and tasting rooms that engage in social networking allow for a linkage of information (Carr, 2012).
Poor website performance is a major reason for customer dissatisfaction. Consumers expect to be able to easily access a winery’s website or social media pages and find all pertinent information about their wines and winery, without hesitation (Gebauer and Ginsburg, 2003). This is crucial as research has shown that customer interaction and experience with a winery’s or tasting room’s website can influence their perception, purchasing decision, and interest in visiting the winery (Gebauer and Ginsburg, 2003).

Perhaps no concept is more important to marketing and advertising practitioners than a sound understanding of “who” their customers are and what factors affect their purchasing decisions. While a simple enough concept in theory, in practice, consumers represent a “heterogeneous group of market segments,” each responding differently to marketing efforts. As such, pricing, promotion, and advertising aimed at the average consumer may likely result in less than optimal outcomes (Cuellar and Claps, 2013). By understanding the specifics of consumers based on region and demographics, those marketing will be able to successfully reach the target market segments.

An increase in wine production and quality in New World (U.S.) wine regions and in Eastern Europe has resulted in new opportunities for the industry, one of which is the emergence of wine tourism, a concept based on consumers traveling to vineyards and cellar doors (Alonso and Northcote, 2008). Many small farms in the U.S. have recognized the need to broaden what is available in an attempt to remain (or become) economically sustainable. One way to do so is by being creative and diversifying their farm activities through value-added products and/or services, as well as, identifying new markets to enter. This is where agritourism could be immensely helpful (Tubene and Hanson, 2002). “Agritourism is an agriculturally based direct marketing operational or educational experience that can entice consumers to visit a farm or a ranch” (Hall et al.,
Agritourism can provide farmers and ranchers with opportunities to diversify their businesses, which can help buffer fluctuating markets, increase farm revenue, and increase community economic activity (Carpio et al., 2008). These same techniques would be beneficial for winery and winery tasting rooms to implement in order to increase the number of tourists visiting the tasting room in the hopes of increasing revenue. According to data from research conducted by Govindasamy and Kelley (2014), 17.9% of adult Americans had a high level of interest in wine and cuisine related travel, with an additional 17.2% of Americans having moderate interest.

Pennsylvania is one of two states with “exclusive control over both the distribution and retail components” of alcohol sales, with 81% of wine sold directly at the tasting room, demonstrating the need for and dependence on wine tourism (Dombrosky and Gajanan, 2013). Allowing consumers to sample wines, learn about grape and wine production, and purchase wines (Tassiopoulos et al., 2004) at the cellar door are seen as being extremely important wine tourism components.

Winery tasting rooms create and host events throughout the year; however, to truly benefit from these efforts it is necessary to understand which activities and events appeal to visitors. The positive impact of wine tourism on farmers’ economic sustainability, the potential to benefit the greater community, and encourage regional development are just a few factors that encourage and motivate consumers to travel to a winery (Hall and Mitchell, 2000). Wineries and tasting rooms that offer events and activities are, in part, creating a consumer experience. Additionally, events and activities have the potential to increase sales and allow the winery to build a relationship with the end user. Data collected from Spanish wine consumers showed that “being able to taste wines produced at wineries, visiting the establishment, wineries with ‘long’ hours, and
being able to purchase wine at the tasting room” were the main incentives for consumers to participate in wine tourism (Marzo-Navarro and Pedraja-Iglesias, 2009). Tasting rooms can be an essential tool that can educate visitors about wine and possibly convert them into loyal consumers (Shapiro and Gomez, 2014).

Agritourism is not the only promotional strategy that can benefit a winery tasting room. These establishments should also consider the advantage of implementing a cause marketing strategy, which involves the “cooperative efforts of a for-profit business and a non-profit organization for mutual benefit.” Shekih and Beise-Zee (2011), in order to characterize diversity in interest towards a cause, found that cause-related marketing (CRM) and corporate social responsibility (CSR) have similar positive effects on consumers’ attitudes. Cause-marketing programs, in general, are designed to achieve objectives such as improving overall corporate reputation, differentiating a brand, attracting the interest of targeted consumers, stimulating brand preference and loyalty, attracting loyal employees and, ultimately, increasing profits (Bloom et al., 2006). Another research study conducted by Andrews et al. (2014) found that cause marketing can significantly increase consumer purchases and the impact of cause marketing on sales purchases are strongest when price discounts are moderate rather than deep or absent.

A winery tasting room needs to offer more than just good quality wine or customer service to establish brand loyalty; rather, brand loyalty requires tasting room staff to make a personal connection with the visitor (Fountain et al., 2008). By developing a strong relationship with tasting room visitors there is a greater likelihood that they will make a return visit. It is imperative to investigate consumer behaviors and attitudes
regarding agritourism activities, events, and cause marketing to help winery personnel understand whether to incorporate these activities into their business model.

Consumers have many choices when selecting an alcoholic beverage. In 2002, 60% of U.S. consumers who consumed alcohol favored beer, 27% spirits, and 13% wine. By 2013, the number of consumers who drank alcohol and preferred beer fell to 51.1%, spirits rose to 33.7%, and wine grew to more than 15% (Adams, 2014). In that year, approximately 44% of all adults in the U.S. drank wine, therefore, of the 330 million people, age 21 and older, 101 million consumed the beverage (Thach, 2014). Although the number of U.S. consumers who preferred wine only grew 2% during this period, preference for beer fell by nearly 10%. Within the beer category, fewer 12-packs of light beer (reduced alcohol content or calories compared to regular beers) were purchased in 2014, but more six-packs of IPA’s (Indian Pale Ales), a hoppy beer style within the broader category of pale ale, were purchased, which could be at the expense of consumers purchasing a bottle of wine (Adams, 2014). Based on these data, it is clear that interest in wine has increased, but it is evident that beer is still the leading alcoholic beverage for the majority of U.S. alcohol consumers (Jones, 2013).

With such a large population consuming wine, it is likely that several different segments exist based on age, gender, or even reasons why they choose to drink wine. Hence, it is essential for winery tasting room staff to understand the demographic and psychographics of wine consumers and visitors in order to create products and develop promotions that entice them to purchase wine sold at the facility. An Italian study involving Generation Y (born 1980 to 2000) wine consumers indicated that these individuals expressed a favorable predisposition towards wine as it primarily had healthy, relaxing, and cultural connotations (Capitello et al., 2014). A study involving southern
California wine drinkers found that the perceived health benefits of wine strongly influenced consumption (James and Christodoulidou, 2007). Based on these data, wineries and tasting rooms may want to promote these benefits as a way of appealing to wine consumers and to encourage an increase in consumption.

Differences based on gender or state and country of residence could influence consumption, which may need to be reflected in marketing messages and advertising campaigns. For example, women drink wine mainly during social situations, while men tend to enjoy boasting about the wine they drink (Thach, 2012). Thus, two separate promotions may be warranted. A study conducted in northern Italy revealed that Generation Y consumers preferred to consume wine during “situations or occasions of conviviality or hospitality” (Agnoli et al., 2011). With data indicating that there are differences between groups pertaining to why they consume wine, it is essential for winery tasting room personnel to understand what motivates different age groups, etc. to drink wine and then modify their marketing message accordingly to match the desired needs (Olsen et al., 2007).

Varietals that wine drinkers consume and/or purchase can vary based on a consumer’s origin or culture. Based on volume, red wine accounts for 41.7% of the U.S. market share, white wine for about 41%, and blush represents a 17.4% share (Cisneros, 2013). Researchers from the University of Adelaide investigated which wine grapes were the most prevalent. In the 1990’s, the most widely grown grape was a white wine variety from Spain called Airen. In 2014, Cabernet Sauvignon, a red grape, accounted for 6.3% of production, followed by Merlot (5.81%) and Tempranillo (5.05%). While it is difficult to predict what the leading wine varieties will be in another couple decades, wine growers
are continuously adapting to factors such as climate change and investigating varieties that are likely to perform well in these climates in the coming years (Johanson, 2014).

More than half of wine purchased falls within the $15-$40 category and nearly a third of all purchases are in the $30-$75 category (Gillespie, 2014). The price that a consumer is willing to pay can differ based on occasion, for example a bottle selected for a casual weekday dinner may be less expensive than the one chosen for a weekend dinner with friends. Occasion also impacts the amount that consumers are willing to pay for a glass of wine. Based on a survey conducted by the Wine Market Council in 2013, 48% of respondents would spend less than $10 for a glass of wine during an average weeknight dinner at a restaurant and 29% were willing to spend $10 to $12. However, if the same consumer was buying wine by the glass on a weekend when out with friends, 30% would be willing to pay more than $15 and 24% would be willing to pay between $13 and $15 (Guenther, 2013). Data also exists pertaining to gender differences and price paid on different occasions; both of which may be reasons for spending more on a bottle or glass of wine when out on a weekend with friends (Guenther, 2013).

The same can be said for bottles purchased at restaurants. Forty-five percent of Wine Market survey respondents would not spend more than $30 on a bottle of wine served during a weeknight dinner at a restaurant. However, 34% would spend $30 to $49 and another 35% would spend $50 to $74 if they were dining out on a weekend night with friends (Guenther, 2013). These prices help identify a range suitable for wineries and tasting rooms to sell their wine, but without regional data available, as to possible differences in prices consumers are willing to pay, the ability to properly choose the “best” price range may be hindered.
Wine experts’ recommendations and wine ratings can have a huge impact on consumers’ attitudes and subsequent wine purchases. It is difficult for consumers to make a choice involving experience goods prior to purchase, so in order to avoid being disappointed by the wines they purchase, consumers have become more reliant on these recommendations and ratings (Chocarro and Cortinas, 2013). Little to no research has been conducted on how expert recommendations or ratings could impact a consumer’s view of wine made with grapes in the Mid-Atlantic region; therefore, it is possible that ratings and recommendations could not only benefit wineries and tasting rooms in the region, but also greatly assist consumers during the purchasing decision and alert them to brands and regions that they are less familiar.

Many studies have been conducted based on customer satisfaction and brand loyalty. It is not that the brand is not important, but the process of “loving and becoming loyal” to a brand begins with a product, as consumers first appreciate products based on their attributes, independent of the brand (Torres-Moraga, 2008). However, at the other end of the spectrum, the quality of the wine is not the only factor used to make the purchasing decision. Consumers have many choices when considering what wine to purchase and consume. The entire experience: the visitors’ sense of “belonging and camaraderie,” being involved in an experience that is exciting, fun, and memorable, all contribute to repeat purchase intentions (Nowak, 2006). Wineries need to first create a quality product that consumers will appreciate and be willing to purchase in order to create a desirable brand. Then, once the quality of such product is accepted, the experience of enjoying the product at a winery and tasting room becomes the foremost benefit of the brand (Nowak, 2006).
Unfortunately, there have not been any studies conducted within the Mid-Atlantic region to understand consumer consumption patterns and how they have changed over the years. Seeing data, mentioned above, about the number of wineries in the Mid-Atlantic region and past (and potential) growth, it would be extremely beneficial to have actual statistics that describe consumption, purchasing, attitudes, and preferences for those who reside in New Jersey, New York, and Pennsylvania, and how these may differ from consumers residing in other regions of the U.S., or even within the Mid-Atlantic region. With such research, wineries and tasting rooms should be able to enhance their marketing strategies and alert local, regional, and visiting consumers about their products, brand, and business.

Two Internet surveys were administered (20-25 September 2013 and 22-24 October 2014) to participants residing in the three states within the Mid-Atlantic U.S. region (New Jersey, New York, and Pennsylvania). Survey 1 questions were developed based on preliminary research and Survey 2 questions were based on analysis of the preceding survey. Participants answered questions concerning their wine purchasing and consumption attitudes and behaviors. Differences were explored by several demographic variables including age range and wine consumption frequency. Results indicated that 32.9% of Survey 1 and 48.4% of Survey 2 participants were considered “super core” wine drinkers (drank wine daily to a few times a week), 18.8% from Survey 1 and 21.8% from Survey 2 were “core” wine drinkers (drank wine about once a week), and 48.3% from Survey 1 and 29.8% from Survey 2 were considered “marginal” wine drinkers (drank wine less frequently). Reported wine purchasing behaviors differed statistically by age range with more participants age 25 to 34 years indicating that they purchased wine “daily” (4.7%) compared to participants age 35 to 44 years (1.2%) and those age 45 to 64 years, of which none of the respondents in this age range indicated
they purchased wine at this frequency. Over half of participants purchased “one or more 750 mL bottles to be consumed immediately” (65.3%), followed by 47.2% of respondents who purchased “one or more bottles to be added to a collection and/or be consumed at a later date.” Participants were also asked to answer questions about the change in the amount of wine they consumed over the past three years. Nearly a third (31.3%) of consumers in Survey 1 indicated that their consumption had increased; 17.7% of participants indicated their consumption had decreased, and roughly half (51.0%) indicated their consumption had not changed. There was only one statistically significant difference for reasons why wine consumption increased when responses were segmented by age range. Those age 45 to 64 years (53.9%) were more likely than participants age 25 to 34 years (34.3%) to select the response “health benefits associated with drinking wine.” The primary reason for a decrease in wine consumption was “price of wine” (34.1%), followed by a shift in “spending money that [the participant] would normally spend on wine on other things” (31.3%) When data were segmented by state of residence, more New Jersey (69.7%) participants purchased wine produced in the Mid-Atlantic region (New Jersey, New York, and Pennsylvania) from retail liquor stores compared to New York residents (57.0%); however, neither group was statistically different from Pennsylvania residents (65.4%). Pertaining to sources where participants learned about wine, females relied more on “friends/family” (80.8%) and “food and cooking magazines” (35.5%) compared to males (68.5 and 27.2%, respectively). Regarding occasions during which wine was consumed, “core” wine drinkers were more likely to drink wine “a party or gathering with family and/or friends” (78.6%) than “super core” and “marginal” wine consumers (70.0 and 68.9%, respectively). Results from this study can assist winery and tasting room owners and operators with identifying consumer segments with high consumption and purchasing frequencies, as well as
reasons why consumers increased their wine consumption. These data can then be used to develop or enhance their current marketing strategies.

Research results are presented in Chapters 2 through 5, with Chapter Two highlighting Mid-Atlantic consumer attitudes and behaviors pertaining to wine purchasing and consumption. Chapter 3 describes consumer use of social media networking outlets, specifically; understanding which social media outlets were mandatory for a winery to implement and what winery and tasting room staff should publish through these outlets, on the Internet, and in email correspondence. Research documenting preferences for events and activities held at a winery tasting room are detailed in Chapter 4. Factors that would encourage winery tasting room visits and how a cause-marketing program could encourage purchases were also investigated. Chapter Five includes research that examined consumer perception of wines produced from grapes grown in New Jersey, New York, and Pennsylvania, while also focusing on occasions when these wines would be purchased (e.g. for special occasions, to give as gifts).

Statistically significant differences based on demographic, behavioral, psychographics, and geographical characteristics are also discussed in each chapter. Lastly, Chapter Six details the overall implications and conclusions of the research presented in this study. Recommendations are also included on how wineries within the Mid-Atlantic region may utilize research results to help improve their marketing efforts.
References


CHAPTER 2: CONSUMER PURCHASING AND CONSUMPTION PATTERNS OF WINE PRODUCED IN THE MID-ATLANTIC REGION (NEW JERSEY, NEW YORK, AND PENNSYLVANIA)
Summary

Two Internet surveys were administered (20-25 September 2013 and 22-24 October 2014) to participants residing in the three states within the Mid-Atlantic U.S. region (New Jersey, New York, and Pennsylvania). Survey 1 questions were developed based on preliminary research and Survey 2 questions were based on analysis of the preceding survey. Participants answered questions concerning their wine purchasing and consumption attitudes and behaviors. Differences were explored by several demographic variables including age range and wine consumption frequency. Results indicated that 32.9% of Survey 1 and 48.4% of Survey 2 participants were considered “super core” wine drinkers (drank wine daily to a few times a week), 18.8% from Survey 1 and 21.8% from Survey 2 were “core” wine drinkers (drank wine about once a week), and 48.3% from Survey 1 and 29.8% from Survey 2 were considered “marginal” wine drinkers (drank wine less frequently). Reported wine purchasing behaviors differed statistically by age range with more participants age 25 to 34 years indicating that they purchased wine “daily” (4.7%) compared to participants age 35 to 44 years (1.2%) and those age 45 to 64 years, of which none of the respondents in this age range indicated they purchased wine at this frequency. Over half of participants purchased “one or more 750 mL bottles to be consumed immediately” (65.3%), followed by 47.2% of respondents who purchased “one or more bottles to be added to a collection and/or be consumed at a later date.” Participants were also asked to answer questions about the change in the amount of wine they consumed over the past three years. Nearly a third (31.3%) of consumers in Survey 1 indicated that their consumption had increased; 17.7% of participants indicated their consumption had decreased, and roughly half (51.0%) indicated their consumption had not changed. There was only one statistically significant difference for reasons why wine consumption increased when responses were segmented by age range. Those age 45 to 64 years (53.9%) were more likely than
participants age 25 to 34 years (34.3%) to select the response “health benefits associated with drinking wine.” The primary reason for a decrease in wine consumption was “price of wine” (34.1%), followed by a shift in “spending money that [the participant] would normally spend on wine on other things” (31.3%) When data were segmented by state of residence, more New Jersey (69.7%) participants purchased wine produced in the Mid-Atlantic region (New Jersey, New York, and Pennsylvania) from retail liquor stores compared to New York residents (57.0%); however, neither group was statistically different from Pennsylvania residents (65.4%). Pertaining to sources where participants learned about wine, females relied more on “friends/family” (80.8%) and “food and cooking magazines” (35.5%) compared to males (68.5 and 27.2%, respectively). Regarding occasions during which wine was consumed, “core” wine drinkers were more likely to drink wine “a party or gathering with family and/or friends” (78.6%) than “super core” and “marginal” wine consumers (70.0 and 68.9%, respectively). Results from this study can assist winery and tasting room owners and operators with identifying consumer segments with high consumption and purchasing frequencies, as well as reasons why consumers increased their wine consumption. These data can then be used to develop or enhance their current marketing strategies.

Introduction

The wine industry in the United States (U.S.) has been strong and successful for decades, in terms of both rising sales and production rates, with expectations of growth to continue. In 2011, the U.S. overtook France and Italy to become the world’s largest wine consumer by volume. In the U.S., consumer demand for still and sparkling wine, as well as resulting revenue, has increased over the last decade and industry reports predict that wine sales will rise 6 to 10% in 2014 (McMillan, 2013). Even during the years of the most recent recession, December 2007 through June 2009, neither sales nor
revenue experienced a significant decline (Majumdar, 2014). According to a Wine Institute (the public policy advocacy association of California wineries) report, California wine sales to the U.S. market in 2008 increased by 2% in volume over the previous year to about 467 million gallons. The estimated retail value of shipments totaled approximately $18.5 billion, which was only a slight decrease from 2007 (Fredrikson et al., 2014).

Many unfamiliar with the industry may not be aware of the impact that sales of these beverages have on the U.S. economy. According to 2013 data, the wine industry contributed $45 billion to the economy, 556,000 jobs, which accounted for more than $12.8 billion in wages, and $3.3 billion in state and local tax revenue (Cisneros, 2013). With such considerable numbers, the Wine Market Council, a non-profit association of grape growers, wine producers, importers, wholesalers, and other affiliated businesses and organizations (Anonymous, 2014), reaffirmed how the U.S. is becoming a wine culture in their Annual Analysis of the American Drinks Market report (Gillespie, 2014).

Domestically, according to Wines and Vines Staff (2014), an industry trade magazine, there were 8,335 wineries that produced wine in 2015. California was the leader in domestic wine production with 3,913 wineries; however, the Mid-Atlantic region was showing exceptional growth due the demand for wine in general (Majumdar, 2014). All three Mid-Atlantic states (New Jersey, New York, and Pennsylvania) experienced an increase in total number of wineries between 2015 and 2014. As of 2015, New York had 333 wineries, Pennsylvania had 200, and New Jersey had 49 wineries (Klingensmith, 2014). Only three states (California, Washington, and Oregon) had more wineries than New York. Pennsylvania was ranked seventh out of the 50 states and New Jersey ranked 18th (Silverman, 2015).
A question that arises is “who” are the 100 million U.S. adult consumers that purchase
and drink wine on a regular basis (e.g. several times a month) (Gillespie, 2014) and
perhaps where these consumers reside. If focusing merely on the population in the Mid-
Atlantic region, and based on 2014 Census Bureau data, New York had the fourth
largest population (19.75 million) in the country, with Pennsylvania (12.79 million) ranked
sixth, and New Jersey (8.94 million) 12th (Anonymous, 2014). In total, the population of
the three states was roughly 41.2 million, 13% of the total U.S. population, and
contained two of the most populated metropolitan areas (New York with a population of
20.1 million people and Philadelphia with a population of 6.03 million) (Mackun and
Wilson, 2011). The population of the region can certainly appeal to wineries; however,
population should not be the sole consideration when deciding where and how to market
wine, which is why research studies benefit the wineries.

According to the Wine Market Council (Gillespie, 2014), 35% of U.S. consumers age 21
and older do not consume alcohol and an additional 21% consume alcohol, but not wine;
that leaves 44% of adult consumers who do drink the beverage. Consumption frequency
can be segmented even further into those who consume wine daily to a few times a
week (“super core” wine drinkers, 8% of the U.S. wine drinker population), about once a
week (“core” wine drinkers, 26% of the U.S. wine drinker population) and those who
consume wine less frequently (“marginal” wine drinker, 66% of the U.S. wine drinker
population) (Gillespie, 2014). Dividing consumers into these three categories allows wine
marketers to better target consumers who drink and purchase frequently and identify
other segments where marketing strategies need to be modified in order to encourage
greater levels of consumption. With 91% of all wine consumed being purchased by
“core” wine drinkers (Gillespie, 2014) it would be prudent to understand their needs and
wants while also investigating the likelihood of converting “marginal” wine drinkers into “core” drinkers.

Though there is an understanding of the “core” (which often includes the “super core” category) and “marginal” wine drinker concepts, these market segments’ behaviors and attitudes are only investigated on a national level. Some data that has been published based on wine consumption for the U.S. as a whole includes: how purchasing patterns between men and women differ, how Millennial drinking habits are different from their predecessors, and how certain minority groups are poised to consume significant amounts of wine based on growing populations and cultural influences (Forman and Buckley, 2011). Having research available on the consumption and purchasing patterns for certain demographic groups would benefit Mid-Atlantic wineries and tasting rooms immensely with developing marketing plans.

One area that has yet to be explored in detail for the Mid-Atlantic is the difference between male and female wine consumers in terms of why they drink wine and during what occasions they consume the beverage. According to one report, with data from 2013, approximately 55% of wine consumers were female and 45% were male (Koch, 2014). While these do not vary greatly, women purchase 80% of wine (Atkin et al., 2007). Recently, research has shown that men are beginning to consume wine more frequently than they had in the past (Cisneros, 2013; Gillespie, 2009). Jones (2013) indicated that compared to data from the 1990’s, 17% more men consumed wine in 2013. One difference between men and women lies in how men and women gain information about wine prior to purchasing. Women tend to acquire their information by “asking store personnel, reading labels, or reading shelf tags,” whereas men preferred obtaining information about wine by reading books (Atkin et al., 2007).
Research has shown that many consumers drink wine because it provides a variety of tastes and flavors and because it goes well with food (Zanten, 2005). Historically, the main occasion for wine consumption in the U.S. had been with meals and religious ceremonies; however, Thach (2012) found that 60% of U.S. wine consumers drink wine without meals. Wine is now being viewed as a beverage to enhance socializing and is being consumed during less formal occasions (Pickering et al., 2014). The occasions during which wine is consumed also differ based on gender. Women identified with the social and relaxation benefits of consuming wine, whereas men selected more “pragmatic and/or intellectual benefits such as sophistication and health motivations” (Thach, 2012). Thach (2012) included a few quotes from males who participated in the study: “I like considering the historical nature of wine,” “I like to collect wine,” and “I think women like to enjoy wine with friends. Men use wine as a show off factor. They often like to brag about it” to illustrate this point.

The study concluded that 90% of males consumed less wine than women. Wine was chosen over other alcoholic beverages (Nielsen, 2014). Men; however, were willing to spend more on a bottle of wine compared to women, which may lead back to the “bragging” factor suggested by one of the male study participants. With national numbers indicating men consume alcohol more frequently than women, it would be advantageous to learn if this trend is also true for the Mid-Atlantic region. If the gap between number of males and females interested in wine continues to narrow, wineries unaware of this trend may miss the opportunity to market wine to men and entice them to purchase their product.

For the past several years, the Baby Boomer generation (born between 1946 and 1964) has garnered most of the wine industry’s attention. However, Millennial (or Generation
Y) consumers (born between the early 1980s and early 2000s), specifically the younger half of the generation, have become more interested in drinking wine and are credited with having a positive influence on the industry's growth (Nichols, 2011). Consumers born between 1965 and 1984 have increased their consumption by 6% since the 1990's, whereas Younger Millennials, who recently became of legal drinking age, have increased their consumption by 71% (Jones, 2013).

In fact, 6% (70 million) of these Younger Millennial consumers drink wine daily, which corresponds to the “super core” consumption segment; 26% drink wine several times a week and 19% drink wine once a week (Guenther, 2013). When these percentages are combined, this 51% can be defined as “core” wine drinkers.

While such a great emphasis is placed on Millennial wine drinkers, wineries and tasting room operators who focus solely on theses consumers could run the risk of alienating other generations that may have different needs and interests. For example, Baby Boomers demand higher quality wine and services, and are less price sensitive when shopping in general (Walker and Mesnard, 2012). It may be realistic to assume that these criteria would also be important when Baby Boomers are purchasing wine. Hence, winery and tasting room owners and operators need to be aware of how their needs and wants differ from other generations.

Pertaining to wine package preference and differences based on generation, some research has shown that Younger Millennials may be moving towards purchasing boxed wine (Olsen, 2014) as opposed to glass bottles, which has been the traditional form of packaging. Reasons for the interest in boxed wine include: increased shelf life, ease of transporting, and affordability compared to wine in glass bottles (Gordon, 2013). Appeal of boxed wine is not the only noted difference between generations, rather, Millennials
are often disinterested by wine labels that include a picture of a chateau because they consider them to be their “grandfather’s wine,” according to Dr. Liz Thach (Larson, 2012). Younger Millennials are attracted to eccentric and innovative wine labels that feature animals, cartoons, and humor. It seems that the future of wine labels is evolving towards edgier, less traditional designs in order to reflect styles and themes of popular culture (Larson, 2012).

It is also essential for wineries and tasting rooms to understand the psychographics (e.g. attitudes, aspirations) and behaviors (“the way in which one acts or conducts oneself, especially toward others”) of wine consumers and tasting room visitors, and segment these characteristics by demographic (“relating to the structure of populations”) and geographic variables in order to further create products and develop promotions that appeal to the target market (Merriam-Webster, 2015). Different age cohorts appear to be drinking wine for different reasons, and these differences may require marketing strategies to be modified in order to meet the desired needs and motivations of each (Olsen et al., 2007). For example, the reasons why Generation Y wine consumers in Italy drink the beverage is because of a favorable predisposition that consuming wine relates to healthy, relaxing, and cultural connotations (Capitello et al., 2014). Generation X consumers residing in New Zealand chose the wine they consumed based on the opinions and recommendations of their friends. It is necessary for marketers to understand any generational differences and possible impacts that regional location may have on consumption in order to better market wine purchasing behaviors. Wineries may be able to leverage intrinsic cues on packaging and in marketing strategies in order to reach certain segments and encourage increased consumption outside the home and during meals (Capitello et al., 2014).
Wine shipments to the U.S. from all production sources, both domestic and foreign producers, grew 3% to 375.2 million cases from 2012 to 2013, with an estimated retail value of $36.3 billion (Wine Institute, 2014) which is a 5% increase from 2012. In fact, data indicates that the U.S. experienced 21 consecutive years of volume growth pertaining to wine shipments, making the U.S. the largest wine market in term of revenues (Koch, 2014). Thirty-four percent of U.S. wine sales in 2013 were imported wines, 57% were California wines, and the remaining 9% were wines from all the other states in the country (Wine Institute, 2014). Historically, the majority of imports have come from Italy, France, Australia, Chile, Argentina, and Spain (Geisler, 2013).

Approximately 80% of wine sold in the U.S. is off-premise (consumed away from where purchased) and 16% is sold on-premise (consumed where purchased); the remainder is made up by Direct to Consumer (DTC) (sold directly to the consumer) and Direct to Trade (sold directly to a wine merchant or restaurant) (Thach, 2014). On-premise volume and value have not yet reached pre-recession levels experienced in 2007, but have slowly increased with the average bottle of wine price at $46 and the average glass of wine at $10.67 (Guestmetrics, 2012). DTC online sales were up 9.3% to 3.47 million cases of wine in 2013, compared to sales in 2012, with a value of $1.57 billion (Carroll, 2014). In 2013, 178 million off-premise cases were sold with a value of $14 billion (Adams, 2014). The number of outlets, both on and off-premise, which sold wine, was approximately 522,420 in 2013 (Adams, 2014). The Beverage Information Group, the information source for the beverage alcohol industry, estimates that total wine sold on-premise and off-premise will have reached 297 million cases in 2014, a 1.6% increase from 2013 totals, and “continue a streak of 20 years with growing wine consumption” (Adams, 2014).
Purchasing wine online is becoming more popular. Online sales increased as direct shipments of wine grew to $1.57 billion in 2013, a $120.89 million increase from 2012 (Carroll, 2014). Furthermore, online sales grew 17% in 2014; however, total wine sales in the U.S. during the same period only grew 1.5%, in part due to consumers changing their purchasing habits by buying more from the Internet and less from other sources (Press, 2014). It is important to note that liquor laws vary throughout the country. In the Mid-Atlantic, the liquor laws among the three states differ and may affect consumer ability to purchase wine through the various outlets. For instance, in Pennsylvania, wine and spirits are sold in the state-run Fine Wine and Good Spirits stores, where prices are fixed and do not vary throughout the state (Anonymous, 2015a). In New Jersey, no wine, beer, or spirits are allowed to be sold in supermarkets, limiting the number of outlets available compared to other states in the U.S. As for New York, their liquor laws are considered one of the most lenient in the Atlantic northeast compared to the other states in this region, having the least amount of limitations about outlets where wines can be purchased. Also, Pennsylvania residents who purchase wine over the Internet are not allowed to have the wine shipped directly to their home, rather the wine must be shipped to the Fine Wine and Spirits store of their choice (Anonymous, 2015a). Whereas, in New Jersey and New York consumers are able to purchase wine from online retailers and have the wine shipped directly to their home or place of work (Anonymous, 2015a).

The demographics and purchasing patterns of U.S. wine drinkers are based on the entire country as a whole, and are not often segmented based on regions or metropolitan areas. Examining these trends as they pertain to consumers who reside in the three states that are included in the Mid-Atlantic region (New Jersey, New York, and Pennsylvania) is particularly important as there may be differences in preferences, motivations, how wine is purchased, and how consumers learn about wine compared to
data reported on a national level or reported by other regions in the U.S. Focusing on consumer wine consumption and purchasing behaviors for those who reside in these states is necessary as the wine industry has a major impact on the region. To understand the true impact the wine industry has had on the three Mid-Atlantic states, statistics have been found that identify how beneficial it has been in this region. With the growth of the wine industry in New Jersey, there were 1.462 fulltime equivalent jobs; $58 million in wages paid and $20 million in wine-related tourism expenditures (Frank, Rimerman + Co. LLP, 2013a). In New York, with the growth of the wine industry, there were 24,913 fulltime equivalent jobs; $1,142,629,030 in wages paid and $401,469,999 in wine-related tourism expenditures (Trezise, 2014). In Pennsylvania, due to the wine industry’s growth as of 2011, there were 8,629 fulltime equivalent jobs; $401 million wages paid; and $222 million of wine-related tourism expenditures (Frank, Rimerman + Co. LLP, 2013b). By better understanding the who, what, when, where, why and how consumers select wine, wineries and tasting rooms can develop or enhance marketing strategies in hopes of boosting sales which can have a positive impact on the local economy. In addition, “wine is the ultimate value-added product with huge economic multiplier effects for many affiliated industries such as farm equipment, transportation, packaging, tourism, and many more” (Trezise, 2014).

This chapter will focus specifically on survey participants’ frequency of drinking and purchasing wine, reasons behind an increase or decrease in consumption over the previous three years, occasions when wine was consumed, and outlets within the Mid-Atlantic region where wine purchased in New Jersey, New York, and/or Pennsylvania was purchased. Differences based on state of residence are also described. An overall goal is to enhance marketing strategies implemented by wine businesses in each of the three Mid-Atlantic states.
Research Objective

- Document Mid-Atlantic (New Jersey, New York, and Pennsylvania) consumers’ wine consumption and purchasing attitudes and behaviors.

- Understand how wine preferences might differ based on gender, age range, consumption frequency, and state of residence.
  - Focus specifically on how to best market wine to males and females, and determine whether separate marketing strategies are warranted.
  - Understand the differences in preferences based on generations (e.g. Baby Boomers, Generation X, and Millennials) and consumption frequency levels (super core, core, and marginal).
  - Examine occasions when wine is consumed (e.g. at a party or gathering with friends/family, when dining out).

- Determine the reasons behind why wine consumption had increased or decreased.

- Understand which outlets (e.g. Internet, winery tasting room, retail liquor store) consumers use to purchase wine produced in New Jersey, New York, and Pennsylvania.

- Identify sources consumers use to learn about wine (e.g. friends/family, social media, winery tasting room staff).

Materials & Methods

Data were collected through two separate 15-minute Internet surveys (20-25 September 2013 and 22-24 October 2014) which were administered to Survey Sampling International, LLC (Shelton, CT) panelists residing in three states (New Jersey, New York, and Pennsylvania) in the Mid-Atlantic region. Those who elected to participate
proceeded to the survey which was developed using SurveyMonkey.com (Palo Alto, CA), an online provider of survey solutions. Internet surveys have become the most suitable medium with advances in technology, allowing the researcher to reach potential respondents all over the world with minimal cost of data collection and processing. Web surveys require less effort by respondents to complete and return compared to mail surveys. While a recognized limitation is the inability to ask participants clarifying questions, Internet surveys can "provide both the researcher and respondents with a clear, accessible, and highly usable mechanism that will minimize the confusing elements that may lower response rates or the quality of data" (Dillman et al., 2009). The project "Developing Wine Marketing Strategies for the Mid-Atlantic Region" (GRANT 11091317) was funded by a USDA Federal-State Marketing Improvement Program grant. 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 (Survey 1 = 164 and Survey 2 = 98) of the target consumer. For Survey 1, 1,952 participants opened and attempted the survey with 1,246 qualifying and completing the survey; Survey 2 had 1,280 participants open and attempt the survey, with 977 qualifying and completing the survey. Panelists received an electronic consent statement, along with a link to the survey developed by researchers and approved by the Office of Research Protections at The Pennsylvania State University (IRB 37365, University Park, PA). Panelists were informed of these criteria in the consent statement prior to proceeding with the survey and were provided with a one dollar incentive to encourage participation.
Statistical Analysis

Data were analyzed with SPSS (Versions 21 and 22; SPSS, Chicago, IL). To assess differences between responses, data were segmented by demographic (age range, gender), state of residence, and wine consumption frequency groups. Pearson's Chi Square, Phi and Cramer's V, and ANOVA followed by Games-Howell tests were used to detect differences for categorical and/or multiple-choice questions.

Results

A variety of questions were asked in both surveys, primarily in Survey 1, to quantify the consumption and purchasing behavior of wine consumers. Survey 1 age ranges were capped at 64 years of age due to previous research indicating alcohol consumption decreases for adults age 65 and older (Guenther et al., 2010). However, for Survey 2, the age range of 65 and older was included in order to learn what reasons, if any, might cause a decrease in wine consumption. Based on data published by researchers in the U.K., it has been suggested that alcohol consumption decreases for adults age 65 and older for reasons such as impaired health (Wilson et al., 2013). Table 2.1 provides an overview of the demographic profiles for both Survey 1 and Survey 2 participants. The most common responses to demographic questions for both surveys were female (62.9 and 61.9%, respectively); age 25 to 34 years (27.3 and 22.0%) and age 35 to 44 years (27.7 and 20.9%); household incomes of $25,000 to $49,999 (26.2 and 20.4%) and $50,000 to $75,999 (22.7 and 21.5%); having a Bachelor's degree (30.4 and 38.4%) and some college/technical school (25.8 and 19.4%); living in a household with no children (51.5 and 64.3%); and living in a household where one other adult drinks wine (44.7 and 56.9%).
Table 2.1. Demographic characteristics of wine consumers residing in New Jersey, New York, and Pennsylvania (Mid-Atlantic region) who participated in two separate Internet surveys

<table>
<thead>
<tr>
<th>Variable</th>
<th>Survey 1</th>
<th>Survey 2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(no)</td>
<td>(%)</td>
</tr>
<tr>
<td>Age Range</td>
<td></td>
<td></td>
</tr>
<tr>
<td>21 to 24</td>
<td>229</td>
<td>18.4</td>
</tr>
<tr>
<td>25 to 34</td>
<td>340</td>
<td>27.3</td>
</tr>
<tr>
<td>35 to 44</td>
<td>345</td>
<td>27.7</td>
</tr>
<tr>
<td>45 to 64</td>
<td>332</td>
<td>26.6</td>
</tr>
<tr>
<td>65 and older</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>744</td>
<td>62.9</td>
</tr>
<tr>
<td>Male</td>
<td>439</td>
<td>37.1</td>
</tr>
<tr>
<td>Gross household income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than $25,000</td>
<td>160</td>
<td>13.6</td>
</tr>
<tr>
<td>$25,000-$49,000</td>
<td>309</td>
<td>28.2</td>
</tr>
<tr>
<td>$50,000-$75,000</td>
<td>268</td>
<td>22.7</td>
</tr>
<tr>
<td>$76,000-$99,000</td>
<td>159</td>
<td>14.3</td>
</tr>
<tr>
<td>$100,000-$150,000</td>
<td>188</td>
<td>14.2</td>
</tr>
<tr>
<td>Greater than $150,000</td>
<td>105</td>
<td>9.0</td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Some high school/high school graduate</td>
<td>193</td>
<td>16.3</td>
</tr>
<tr>
<td>Some college/technical school graduate</td>
<td>306</td>
<td>25.8</td>
</tr>
<tr>
<td>Associate degree/technical school graduate</td>
<td>133</td>
<td>11.2</td>
</tr>
<tr>
<td>Bachelor's degree (e.g. BA, BS)</td>
<td>361</td>
<td>30.4</td>
</tr>
<tr>
<td>Master's degree or higher</td>
<td>193</td>
<td>16.3</td>
</tr>
<tr>
<td>Children, age 17 and younger, residing in the household</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No children</td>
<td>612</td>
<td>51.5</td>
</tr>
<tr>
<td>With children</td>
<td>573</td>
<td>48.5</td>
</tr>
<tr>
<td>State of Residence</td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Jersey</td>
<td>242</td>
<td>19.4</td>
</tr>
<tr>
<td>New York</td>
<td>597</td>
<td>47.9</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>407</td>
<td>32.7</td>
</tr>
<tr>
<td>Adults, age 21 and older, in household who drink wine</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No other adults in HH drink wine</td>
<td>112</td>
<td>9.5</td>
</tr>
<tr>
<td>One other adult</td>
<td>529</td>
<td>44.7</td>
</tr>
<tr>
<td>Two or more adults</td>
<td>352</td>
<td>28.3</td>
</tr>
</tbody>
</table>

The two surveys were administered as follows: Survey 1, 20-25 September 2013; Survey 2, 22-24 October 2014. The 65 and older age range was included in Survey II to better understand any reasons that might influence a decline in wine consumption.

Consumption & Purchasing Behavior

Based on data collected from 1,246 consumers who participated in Internet Survey 1 and 977 consumers who participated in Internet Survey 2, the consumption frequency category “a few times a week” had the greatest percentage of participants (25.7 and 36.0%, respectively) compared to the other consumption frequency segments (Table 2.2). The next largest group for Survey 1 consisted of those who consumed wine “two to three times a month” (23.0%), while the next largest group for Survey 2 was “about once a week” (21.8%). Though it is the smallest category, 7.2% of participants from Survey 1 responded that they consumed wine “daily,” while in Survey 2 the consumption
categories with the fewest participants were those who consumed wine “about once a month” (7.3%) and “a few times a year” (7.1%) (Table 2.2). Results indicated that 32.9% of Survey 1 and 48.4% of Survey 2 participants were considered “super core” wine drinkers (drank wine daily to a few times a week), 18.8% from Survey 1 and 21.8% from Survey 2 were “core” wine drinkers (drank wine about once a week), and 48.3% from Survey 1 and 29.8% from Survey 2 were considered “marginal” wine drinkers (drank wine less frequently).

Table 2.2 Wine consumption and purchasing frequency, segmented by age range and gender

<table>
<thead>
<tr>
<th>Variable</th>
<th>All Participants</th>
<th>Age Range</th>
<th>Gender</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wine Consumption</td>
<td>Daily</td>
<td>21-24</td>
<td>25-34</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Survey 1 (%)</td>
<td>7.2</td>
<td>6.1a</td>
<td>9.1a</td>
</tr>
<tr>
<td>A few times a week</td>
<td>25.7</td>
<td>21.8a</td>
<td>27.1a</td>
</tr>
<tr>
<td>About once a week</td>
<td>18.8</td>
<td>22.7a</td>
<td>15.6a</td>
</tr>
<tr>
<td>Two to three times a month</td>
<td>23.0</td>
<td>25.8a</td>
<td>24.1a</td>
</tr>
<tr>
<td>About once a month</td>
<td>10.5</td>
<td>13.5a</td>
<td>9.4a</td>
</tr>
<tr>
<td>A few times a year</td>
<td>14.8</td>
<td>10.0a</td>
<td>14.7a</td>
</tr>
<tr>
<td>Survey 2 (%)</td>
<td>12.4</td>
<td>9.1a</td>
<td>10.2a</td>
</tr>
<tr>
<td>A few times a week</td>
<td>36.0</td>
<td>25.7b</td>
<td>42.3a</td>
</tr>
<tr>
<td>About once a week</td>
<td>21.8</td>
<td>26.9a</td>
<td>23.3a</td>
</tr>
<tr>
<td>Two to three times a month</td>
<td>15.5</td>
<td>18.3a</td>
<td>10.2a</td>
</tr>
<tr>
<td>About once a month</td>
<td>7.3</td>
<td>11.4a</td>
<td>7.9ab</td>
</tr>
<tr>
<td>A few times a year</td>
<td>7.0</td>
<td>8.6a</td>
<td>6.0a</td>
</tr>
</tbody>
</table>

Wine Purchasing Frequency

<table>
<thead>
<tr>
<th>Variable</th>
<th>All Participants</th>
<th>Age Range</th>
<th>Gender</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Daily</td>
<td>21-24</td>
<td>25-34</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Survey 1 (%)</td>
<td>2.2</td>
<td>3.5ab</td>
<td>4.7a</td>
</tr>
<tr>
<td>A few times a week</td>
<td>5.7</td>
<td>7.4a</td>
<td>6.2a</td>
</tr>
<tr>
<td>About once a week</td>
<td>14.0</td>
<td>10.9a</td>
<td>15.6a</td>
</tr>
<tr>
<td>Two to three times a month</td>
<td>21.6</td>
<td>22.7a</td>
<td>25.0a</td>
</tr>
<tr>
<td>About once a month</td>
<td>22.4</td>
<td>20.5a</td>
<td>18.5a</td>
</tr>
<tr>
<td>A few times a year</td>
<td>34.1</td>
<td>34.9ab</td>
<td>30.0b</td>
</tr>
</tbody>
</table>

The two surveys were administered as follows: Survey 1, 20-25 September 2013; Survey 2, 22-24 October 2014.
Participants were able to select more than one response category, which is why percentages do not equal 100%.

<table>
<thead>
<tr>
<th>Variable</th>
<th>All Participants</th>
<th>Age Range</th>
<th>Gender</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Daily</td>
<td>21-24</td>
<td>25-34</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Survey 1 (%)</td>
<td>2.2</td>
<td>3.5ab</td>
<td>4.7a</td>
</tr>
<tr>
<td>A few times a week</td>
<td>5.7</td>
<td>7.4a</td>
<td>6.2a</td>
</tr>
<tr>
<td>About once a week</td>
<td>14.0</td>
<td>10.9a</td>
<td>15.6a</td>
</tr>
<tr>
<td>Two to three times a month</td>
<td>21.6</td>
<td>22.7a</td>
<td>25.0a</td>
</tr>
<tr>
<td>About once a month</td>
<td>22.4</td>
<td>20.5a</td>
<td>18.5a</td>
</tr>
<tr>
<td>A few times a year</td>
<td>34.1</td>
<td>34.9ab</td>
<td>30.0b</td>
</tr>
</tbody>
</table>

While there were no statistically significant differences between groups when responses were segmented based on age range in Survey 1, there were differences between groups for Survey 2 participants who consumed wine “a few times a week.” Participants
age 21 to 24 years were less likely to consume wine at this frequency (25.7%) compared to those age 25 to 64 years (38.9 to 42.3%). For those who consumed wine “about once a month,” more participants age 21 to 24 years (11.4%) consumed wine at this regularity than those age 35 to 44 years (3.4%). In Survey 1, more males (11.2%) consumed wine “daily” than females (5.0%), while in Survey 2, segmentation of all consumption categories based on gender were statistically different, with more males having consumed wine “a few times a week” (40.6 vs. 33.2%) and “daily” (15.1 vs. 10.7%) compared to females.

Purchasing frequency was also investigated in Survey 1, with 34.1% of these respondents indicating that they purchased wine “a few times a year,” followed by those who purchased wine “once a month” (22.4%) and “two to three times a month” (21.6%) (Table 2.2). Though it is the smallest category, 2.2% of participants responded that they purchased wine “daily.” Reported wine purchasing habits differed statistically based on age range with more participants age 25 to 34 years indicating they purchased wine “daily” (4.7%) compared to participants age 35 to 44 years (1.2%) and those age 45 to 64 years, of which none of the respondents in this age range indicated that they purchased wine at this frequency. There were no differences among age ranges for those who purchased wine between “a few times a week” and “about once a month,” whereas a greater percent of participants age 45 to 64 years (39.8%) had purchased wine “a few times a year” compared to participants age 25 to 34 years (30.0%).

When data were segmented based on gender (Table 2.2), more male participants purchased wine “daily” and “about once a week” (4.8 and 18.0%, respectively) compared to female participants (0.7 and 12.4%, respectively). There were no differences based on gender for purchasing frequencies: “a few times a week,” “two to three times a
month,” and “about once a month,” while a greater percentage of females purchased wine “a few times a year” (36.7%) compared to their counterparts (28.2%)

**Purchasing 750 mL Bottle of Wine**

Participants were asked to select the categories that described the frequency at which they purchased 750 mL bottles of wine: 1) one or more bottles to be consumed immediately; 2) one or more bottles to be added to a collection and/or consumed at a later date; 3) greater amounts (at least a case of wine; 12 bottles) but at infrequent intervals; and/or 4) a fixed number of bottles through a wine club on a scheduled basis. The majority of participants “purchased one or more 750 mL bottles to be consumed immediately” (65.3%), followed by 47.2% of respondents who purchased “one or more bottles to be added to a collection and/or be consumed later,” and 10.3% responded that they purchased “greater amounts (at least a case of wine; 12 bottles) but at infrequent intervals” (Table 2.3). The fewest (2.0%) purchased wine at a “fixed number through a wine club on a scheduled basis.”

**Table 2.3. Frequency (%) of purchasing a 750 mL bottle of wine, segmented by age range, wine consumption frequency, gender, and state of residence**

<table>
<thead>
<tr>
<th>Variable</th>
<th>All Participants</th>
<th>Age Range</th>
<th>Wine Consumption Frequency</th>
<th>Gender</th>
<th>State of Residence</th>
</tr>
</thead>
<tbody>
<tr>
<td>750 mL bottle purchasing frequency (%)</td>
<td>65.3</td>
<td>21-24</td>
<td>62.0a</td>
<td>67.9a</td>
<td>67.0a</td>
</tr>
<tr>
<td>One or more bottles to be consumed immediately</td>
<td>47.2</td>
<td>25-34</td>
<td>47.2a</td>
<td>48.5a</td>
<td>46.7a</td>
</tr>
<tr>
<td>One or more bottles to be added to a collection and/or consumed at a later date</td>
<td>10.3</td>
<td>35-44</td>
<td>10.5a</td>
<td>11.8a</td>
<td>9.9a</td>
</tr>
<tr>
<td>Greater amounts (at least a case of wine; 12 bottles) but at infrequent intervals</td>
<td>2.0</td>
<td>45-64</td>
<td>1.7a</td>
<td>2.4a</td>
<td>2.9a</td>
</tr>
</tbody>
</table>

*The survey was administered 20-26 September 2013 to consumers residing in New Jersey, New York, and Pennsylvania.

*Participants were able to select more than one response category, which is why percentages do not equal 100%.

*Percentages and means with different letters within different rows and demographic categories (age group, gender, and consumption frequency) represent Pearson’s Chi-Square, Phi or Cramer’s V, and ANOVA followed by Games-Howell tests where values are significantly different, at the level of p < 0.05; SPSS, Version 21 and 22, Chicago.

*“Super core” represents those who drink wine daily to a few times a week, “core” represents those who drink about once a week, and “marginal” represents those who drink wine less frequently.
When data were segmented by age range there were no statistical differences among groups. However, based on wine consumption frequency there were statistical differences, as more “super core” consumers (74.4%) purchased “one or more bottles to be consumed immediately” compared to “core” (58.1%) and “marginal” (62.0%) wine consumers. There were also statistically significant differences for the response category “one or more bottles to be added to a collection and/or be consumed at a later date,” with fewer “marginal” consumers (40.9%) selecting this response than “super core” (52.7%) and “marginal” (53.8%) wine drinkers.

One statistical difference was apparent when data were segmented by gender. More males (12.5%) purchased wine at “greater amounts (at least a case of wine; 12 bottles) but at infrequent intervals” compared to females (8.7%). There were no differences among groups when data was segmented by state of residence.

**Increase in Wine Consumption**

Nearly a third (31%) of consumers who participated in Survey 1 indicated that their consumption of wine increased over the previous three years (2010 to 2013), while 18% indicated their consumption decreased during this period and 51% indicated their consumption of wine had not changed.

Participants responded to questions regarding factors that influenced the change in their wine consumption, with participants allowed to select all reasons that applied (Table 2.4). For those who indicated that their consumption increased, approximately half, 52.9%, of these participants indicated that they did so because they “became more interested in drinking wine than other alcoholic beverages.” Other top reasons for increased wine consumption included: “learned more about wine and was interested in
consuming more” (42.3%) and the noted “health benefits associated with drinking wine” (42.1%). Only 3.2% of participants indicated that now having “access to certified organic, sustainable and/or biodynamic” wine was a contributing factor.

Table 2.4. Reasons why participants' wine consumption increased, segmented by age range, wine consumption frequency, and gender

<table>
<thead>
<tr>
<th>Variable</th>
<th>All Participants</th>
<th>21-24</th>
<th>25-34</th>
<th>35-44</th>
<th>45-64</th>
<th>Super Core</th>
<th>Core</th>
<th>Marginal</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reasons wine consumption has increased (%)</td>
<td>52.9</td>
<td>52.4a</td>
<td>56.3a</td>
<td>50.5a</td>
<td>48.7a</td>
<td>53.9a</td>
<td>52.0a</td>
<td>52.2a</td>
<td>52.3a</td>
<td>53.1a</td>
</tr>
<tr>
<td>Became more interested in drinking wine than other alcoholic beverages</td>
<td>42.3</td>
<td>48.5a</td>
<td>40.7a</td>
<td>35.2a</td>
<td>44.7a</td>
<td>40.4a</td>
<td>40.3a</td>
<td>45.7a</td>
<td>48.5a</td>
<td>39.0b</td>
</tr>
<tr>
<td>Learned more about wine and was interested in consuming more</td>
<td>42.1</td>
<td>37.9b</td>
<td>34.3b</td>
<td>46.2b</td>
<td>53.9a</td>
<td>48.5a</td>
<td>49.3a</td>
<td>30.4a</td>
<td>52.3a</td>
<td>37.3b</td>
</tr>
<tr>
<td>Health benefits associated with drinking wine</td>
<td>25.7</td>
<td>25.2a</td>
<td>24.1a</td>
<td>23.1a</td>
<td>31.6a</td>
<td>32.1a</td>
<td>25.3a</td>
<td>18.1b</td>
<td>26.2a</td>
<td>25.3a</td>
</tr>
<tr>
<td>Have more time available to do things like drink wine</td>
<td>21.4</td>
<td>16.5a</td>
<td>25.0a</td>
<td>18.7a</td>
<td>26.3a</td>
<td>26.1a</td>
<td>18.7a</td>
<td>17.4a</td>
<td>26.2a</td>
<td>18.7a</td>
</tr>
<tr>
<td>Increase in availability of wine varieties I like</td>
<td>16.1</td>
<td>10.7a</td>
<td>19.4a</td>
<td>22.0a</td>
<td>11.8a</td>
<td>23.0a</td>
<td>12.0a</td>
<td>10.1b</td>
<td>23.8a</td>
<td>12.4b</td>
</tr>
<tr>
<td>Spending money on wine that would normally spend on other things</td>
<td>13.0</td>
<td>10.7a</td>
<td>11.1a</td>
<td>14.3a</td>
<td>17.1a</td>
<td>18.3a</td>
<td>12.0a</td>
<td>6.5b</td>
<td>19.2a</td>
<td>10.0b</td>
</tr>
<tr>
<td>Reports published that moderate wine consumption helps with weight control</td>
<td>11.1</td>
<td>9.7a</td>
<td>9.3a</td>
<td>7.7a</td>
<td>19.7a</td>
<td>14.5a</td>
<td>10.7a</td>
<td>7.2a</td>
<td>10.0a</td>
<td>12.0a</td>
</tr>
<tr>
<td>No longer have to be concerned that children in the household will drink wine</td>
<td>3.2</td>
<td>4.9a</td>
<td>0.9a</td>
<td>4.4a</td>
<td>2.6a</td>
<td>6.1a</td>
<td>0.0b</td>
<td>1.4ab</td>
<td>4.6a</td>
<td>2.1a</td>
</tr>
</tbody>
</table>

*The survey was administered 20–22 September 2013 to consumers residing in New Jersey, New York, and Pennsylvania.
*Percentages and means with different letters within a different row and demographic category (age group, gender, and consumption frequency) represent Pearson’s Chi-Square, Phi and Cramer’s V, and ANOVA (followed by Games-Howell tests where values are significantly different, at the level of p < .05, SPSS, Version 21 and 22, Chicago
*“Super core” represents those who drink wine daily to a few times a week, “core” represents those who drink about once a week, and “marginal” represents those who drink wine less frequently.

There was only one statistically significant difference when responses were segmented by age range. Those age 45 to 64 years (53.9%) were more likely than participants age 25 to 34 years (34.3%) to select the response “health benefits associated with drinking wine.”

Many of the categories were statistically different when responses were segmented by wine consumption frequency. While there were no differences between groups for “became more interested in drinking wine than other alcoholic beverages,” “learned
more about wine and was interested in consuming more,” and “health benefits associated with drinking wine,” more “super core” wine consumers (32.1%) selected the response, “have more time available to do things like drink wine” compared to “marginal” wine consumers (18.1%). Neither group, however, was significantly different from those who were “core” wine drinkers (25.3%). The same statistical differences were apparent for the response “spending money on wine that would normally be spent on other things,” and “reports published that moderate wine consumption helps with weight control.” The final response with statistical differences revealed that more “super core” (6.1%) consumers increased their consumption more compared to “core” wine consumers (0.0%) based on “now having access to certified organic, sustainable, and/or biodynamic.”

As for differences based on responses segmented by gender, more males selected the response to “learn about wine and was interested in consuming more” compared to females (48.5 vs. 39.0%), as well as for categories: “health benefits associated with drinking wine” (52.3 vs. 37.3%), “spend money on wine that [they] would normally spend on other things,” (23.8 vs. 12.4%), and “reports published that moderate wine consumption helps with weight control” (19.2 vs. 10.0%).

**Decrease in Wine Consumption**

Only 18% of participants responded that their consumption of wine decreased during the period of 2010 to 2013. Approximately one-third of those participants indicated that the following reasons influenced the decrease: “price of wine” (34.1%), “spending money that I would normally spend on wine on other things” (31.3%), and “concerns about weight gain” (27.6%) (Table 2.5). Less frequently selected reasons included “concerns that children in the household will drink or begin to drink alcohol” (13.1%), “concerns
about the amount of wine I was drinking” (11.2%), and “a decrease in availability of wine I like” (3.3%).

Table 2.5. Reasons participants wine consumption decreased, segmented by age range, wine consumption frequency, and gender

<table>
<thead>
<tr>
<th>Variable</th>
<th>All Participants</th>
<th>21-24</th>
<th>25-34</th>
<th>35-44</th>
<th>45-64</th>
<th>Super Core*</th>
<th>Core</th>
<th>Marginal</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price of wine</td>
<td>34.1</td>
<td>16.7a</td>
<td>40.3a</td>
<td>35.4a</td>
<td>37.3a</td>
<td>44.2a</td>
<td>37.5a</td>
<td>29.2a</td>
<td>44.6a</td>
<td>30.8b</td>
</tr>
<tr>
<td>Spending money that I would normally spend on wine on other things</td>
<td>31.3</td>
<td>33.3a</td>
<td>32.3a</td>
<td>24.6a</td>
<td>37.3a</td>
<td>26.9a</td>
<td>43.8a</td>
<td>30.0a</td>
<td>30.8a</td>
<td>32.2a</td>
</tr>
<tr>
<td>Concerns about weight gain</td>
<td>27.6</td>
<td>30.6a</td>
<td>24.2a</td>
<td>27.7a</td>
<td>29.4a</td>
<td>36.5a</td>
<td>28.1a</td>
<td>23.8a</td>
<td>23.1a</td>
<td>28.7a</td>
</tr>
<tr>
<td>Health concerns associated with drinking wine</td>
<td>23.4</td>
<td>19.4a</td>
<td>30.6a</td>
<td>21.5a</td>
<td>19.6a</td>
<td>26.9a</td>
<td>28.1a</td>
<td>20.8a</td>
<td>30.8a</td>
<td>21.0a</td>
</tr>
<tr>
<td>Less time available to do things like drink wine</td>
<td>22.0</td>
<td>22.2a</td>
<td>25.8a</td>
<td>21.5a</td>
<td>17.6a</td>
<td>7.7b</td>
<td>25.0ab</td>
<td>26.9a</td>
<td>10.8b</td>
<td>28.0a</td>
</tr>
<tr>
<td>Became more interested in drinking other alcoholic beverages than drinking wine</td>
<td>17.3</td>
<td>22.2a</td>
<td>16.1a</td>
<td>16.9a</td>
<td>15.7a</td>
<td>15.4a</td>
<td>9.4a</td>
<td>20.0a</td>
<td>24.6a</td>
<td>14.7a</td>
</tr>
<tr>
<td>Concerns that children in the household will drink or begin to drink alcohol</td>
<td>13.1</td>
<td>22.2a</td>
<td>16.1a</td>
<td>9.2a</td>
<td>7.8a</td>
<td>5.8a</td>
<td>18.8a</td>
<td>14.6a</td>
<td>15.4a</td>
<td>12.6a</td>
</tr>
<tr>
<td>Concerns about the amount of wine I was drinking</td>
<td>11.2</td>
<td>11.1a</td>
<td>9.7a</td>
<td>13.8a</td>
<td>9.8a</td>
<td>15.4a</td>
<td>15.6a</td>
<td>8.5a</td>
<td>10.8a</td>
<td>10.5a</td>
</tr>
<tr>
<td>A decrease in availability of wines I like</td>
<td>3.3</td>
<td>2.8a</td>
<td>8.1a</td>
<td>0.0a</td>
<td>2.0a</td>
<td>3.8a</td>
<td>6.3a</td>
<td>2.3a</td>
<td>4.6a</td>
<td>2.8a</td>
</tr>
</tbody>
</table>

*Participants were able to select more than one response category, which is why percentages do not equal 100%.

The survey was administered 20-25 September 2013 to consumers residing in New Jersey, New York, and Pennsylvania.

There were no statistically significant differences when responses were segmented by age range. When participants’ responses were segmented by wine consumption frequency; however, there was one difference. Pertaining to “less time available to do things like drink wine” more “marginal” wine drinkers (26.9%) selected this response than “super core” wine drinkers (7.7%); however, neither group was different from “core” wine consumers (25.0%) (Table 2.5). Finally, when segmented by gender, there were two differences. More males (44.6%) selected the response “price of wine” compared to females (30.8%). A greater percentage of females selected the response “less time available to do things like drink wine” compared to males (28.0 and 10.8%, respectively).
**Occasions When Wine was Consumed**

Participants were asked to indicate occasions during which they consumed wine (Table 2.6). The top three occasions were: “a party or gathering with family and/or friends” (71.1%), “during meals at home” (65.9%), and “dining out at a restaurant” (64.8%). The occasion when people were least likely to consume wine was when they were at a “sporting event or concert” (11.0%).

**Table 2.6. Occasions when wine was consumed, segmented by age range, wine consumption frequency, and gender**

<table>
<thead>
<tr>
<th>Variable</th>
<th>All Participants</th>
<th>21-24</th>
<th>25-34</th>
<th>35-44</th>
<th>45-64</th>
<th>Super Core</th>
<th>Core</th>
<th>Marginal</th>
<th>Gender</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consume wine during the following occasions (%)</td>
<td>71.1</td>
<td>67.7a</td>
<td>68.8a</td>
<td>71.3a</td>
<td>75.6a</td>
<td>70.0b</td>
<td>78.6a</td>
<td>68.9b</td>
<td>63.1b</td>
</tr>
<tr>
<td>A party or gathering with family and/or friends</td>
<td>65.9</td>
<td>67.2a</td>
<td>61.2a</td>
<td>64.9a</td>
<td>70.8a</td>
<td>80.5a</td>
<td>68.8b</td>
<td>54.8c</td>
<td>70.6a</td>
</tr>
<tr>
<td>During meals at home</td>
<td>64.8</td>
<td>62.0a</td>
<td>62.6a</td>
<td>65.5a</td>
<td>68.4a</td>
<td>73.4a</td>
<td>69.7a</td>
<td>57.1b</td>
<td>63.9b</td>
</tr>
<tr>
<td>Dining out at a restaurant</td>
<td>63.6</td>
<td>58.1b</td>
<td>53.8b</td>
<td>58.0b</td>
<td>71.1a</td>
<td>50.0b</td>
<td>68.7a</td>
<td>61.5a</td>
<td>51.0b</td>
</tr>
<tr>
<td>Celebrating holidays or other special occasions</td>
<td>54.8</td>
<td>48.5a</td>
<td>56.8a</td>
<td>55.4a</td>
<td>56.6a</td>
<td>65.1a</td>
<td>60.7a</td>
<td>45.5b</td>
<td>50.1b</td>
</tr>
<tr>
<td>At the end of the day to relax</td>
<td>42.9</td>
<td>39.7bc</td>
<td>45.9ab</td>
<td>48.4a</td>
<td>36.4c</td>
<td>55.1a</td>
<td>46.2a</td>
<td>33.4b</td>
<td>36.9b</td>
</tr>
<tr>
<td>Bar or lounge</td>
<td>41.3</td>
<td>37.1a</td>
<td>41.5a</td>
<td>45.2a</td>
<td>39.8a</td>
<td>54.9a</td>
<td>44.4a</td>
<td>30.7b</td>
<td>36.9a</td>
</tr>
<tr>
<td>Watching TV or related activity</td>
<td>31.9</td>
<td>31.9a</td>
<td>28.2a</td>
<td>36.5a</td>
<td>30.7a</td>
<td>45.1a</td>
<td>38.5b</td>
<td>20.3c</td>
<td>31.0a</td>
</tr>
<tr>
<td>Cooking</td>
<td>29.2</td>
<td>28.4a</td>
<td>29.7a</td>
<td>30.4a</td>
<td>27.7a</td>
<td>35.1a</td>
<td>35.0a</td>
<td>22.9b</td>
<td>31.4a</td>
</tr>
<tr>
<td>Business dinner or event</td>
<td>11.0</td>
<td>10.5a</td>
<td>12.1a</td>
<td>13.6a</td>
<td>7.5a</td>
<td>15.9a</td>
<td>14.1a</td>
<td>6.5b</td>
<td>13.7a</td>
</tr>
<tr>
<td>Sporting event or concert</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The survey was administered 20-22 September 2013 to consumers residing in New Jersey, New York, and Pennsylvania.

1 Participants were able to select more than one response category, which is why percentages do not equal 100%.

2 Percentages and means with different letters within different rows and demographic categories (age group, gender, and consumption frequency) represent Pearson’s Chi-Square, Phi and Cramer’s V, and ANOVA followed by Games-Howell tests where values are significantly different, at the level of p < .05, SPSS, Version 21 and 22, Chicago.

3 *Super core* represents those who drink wine daily to a few times a week, “core” represents those who drink about once a week, and “marginal” represents those who drink wine less frequently.

There were only two statistical differences when these data were segmented by age range. Participants age 45 to 64 years (71.1%) were more likely to have consumed wine when “celebrating holidays or other special occasions” than participants in the other age groups (range of 53.8 to 58.1%) (Table 2.6). There were also statistically significant differences between age ranges for those who consumed wine at a “bar or lounge.” Those age 35 to 44 years (48.4%) were more likely to have consumed wine during this occasion than those age 21 to 24 years (39.7%) and age 45 to 64 years (36.4%). Those
age 25 to 34 years were also more likely to have consumed wine in this setting (45.9%) compared to those age 45 to 64 years.

When data reporting occasions during which wine was consumed were segmented by consumption frequency several differences were detected. “Core” wine drinkers drank more frequently than “super core” and “marginal” wine drinkers when wine was consumed at “a party or gathering with family and/or friends (78.6, 70.0, and 68.9%, respectively) (Table 2.6). More “super core” consumers drank wine “during meals at home” than “core” and “marginal” (80.5, 68.8, and 54.8%, respectively), and more “super core” (73.4%) and “core” (69.7%) consumers drank wine when “dining out at a restaurant” than “marginal” (57.1%) wine consumers. While a greater percentage of “core” (66.7%) and “marginal” (61.5%) wine consumers consumed wine when “celebrating holidays or other special occasions” than “super core” wine consumers (50.0%); more “super core” and “core” wine consumers consumed wine “at the end of the day to relax” (65.1 and 60.7%, respectively), in a “bar or lounge” (55.1 and 46.2%, respectively), when “watching TV or related activities” (54.9 and 44.4%, respectively), at a “business dinner or event” (35.1 and 35.0%), and at a “sporting event or concert” (15.9 and 14.1%, respectively) than “marginal” wine consumers. Pertaining to drinking wine when “cooking,” more “super core” wine consumers selected this occasion (45.1%) than both of the other consumption frequency segments, with more “core” wine consumers responded that they consumed wine when “cooking” (38.5%) compared to “marginal” wine consumers (20.3%).

As for gender, there were several statistical differences, one being that more females indicated that they drank wine when at “a party or gathering with family and/or friends” (80.9%) compared to males (63.1%), when “dining out at a restaurant” (69.5 vs. 63.8%)
and when “celebrating holidays or other special occasions” (70.2 vs. 51.0%). Another difference pertained to wine consumed “at the end of the day to relax” and at a “bar or lounge,” as more females (61.2 and 49.2%, respectively) consumed wine during this occasion compared to males (50.1 and 36.9%, respectively).

**Outlets where Mid-Atlantic Wine was Purchased**

Another objective of this research was to better understand purchasing of wines produced in New Jersey, New York, and Pennsylvania. The majority of participants (65.9%) purchased wines from “retail liquor stores in [their] state.” The second outlet where most participants purchased wine was from a “winery tasting room” (27.1%), closely followed by a “winery at festivals or events” (26.4%). The outlets where participants purchased wine the least were: “wholesale clubs” (13.9%) and “winery through the Internet” (9.5%).

### Table 2.7. Outlets where wine produced in New Jersey, New York, and/or Pennsylvania was purchased, segmented by age range, wine consumption frequency, gender, and state of residence

<table>
<thead>
<tr>
<th>Variable Where Wine is Purchased (%)</th>
<th>All Participants</th>
<th>Age Range</th>
<th>Wine Consumption Frequency</th>
<th>Gender</th>
<th>State of Residence</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>21-24</td>
<td>25-34</td>
<td>35-44</td>
<td>45-64</td>
</tr>
<tr>
<td>Outlets Where Wine is Purchased (%)</td>
<td>Retail liquor stores in participant’s state</td>
<td>65.9</td>
<td>63.6</td>
<td>68.4</td>
<td>64.1</td>
</tr>
<tr>
<td></td>
<td>Winery tasting room</td>
<td>27.1</td>
<td>25.5</td>
<td>28.1</td>
<td>28.1</td>
</tr>
<tr>
<td></td>
<td>Winery who are at festivals or events</td>
<td>26.4</td>
<td>23.9</td>
<td>30.5</td>
<td>26.3</td>
</tr>
<tr>
<td></td>
<td>Wholesale club</td>
<td>13.9</td>
<td>21.8</td>
<td>15.1</td>
<td>12.6</td>
</tr>
<tr>
<td></td>
<td>Winery through the Internet</td>
<td>9.5</td>
<td>11.7</td>
<td>14.7</td>
<td>7.0</td>
</tr>
</tbody>
</table>

The survey was administered 20-25 September 2013 to consumers residing in New Jersey, New York, and Pennsylvania.

Participants were able to select more than one response category, which is why the percentages do not equal 100%

Pearson’s Chi-Square, Phi and Cramer's V, and ANOVA followed by Games-Howell tests where values are significantly different at the level of p < .05, SPSS, Version 21 and 22, Chicago.

“Super core” represents those who drink wine daily to a few times a week, “core” represents those who drink about once a week, and “marginal” represents those who drink wine less frequently.

Fewer participants age 45 to 64 years (8.6%) purchased wine from a “wholesale club” than participants age 21 to 24 years (21.8%) (Table 2.7). When wine wines produced in New Jersey, New York, and Pennsylvania was purchased from a “winery through the
Internet,” more participants age 25 to 34 years (14.7%) bought wine from this source than those age 35 to 44 years (7.0%) and those age 45 to 64 years (5.0%); however, responses for those age 21 to 24 years (11.7%) did not differ from responses for any of the other age ranges. When responses were segmented by consumption frequency, “super core” wine drinkers purchased wines from some of these outlets at a higher frequency than “core” and “marginal” drinkers. Specifically, when consumers purchased wines produced in New Jersey, New York, and Pennsylvania from “winery tasting room,” more “super core” wine drinkers (33.9%) purchase from this outlet compared to “marginal” wine drinkers (20.9%); however, there were no differences when comparing the “super core” group to “core” wine consumers (30.0%). While more “super core” consumers (30.5%) purchased from a “winery who are at festivals or events” than “marginal” wine drinkers (22.3%), neither group differed from “core” wine consumers (28.9%). This pattern was also apparent for wine purchased from a “wholesale club” and a “winery through the Internet.” In both cases, more “super core” wine consumers purchased through these outlets (18.1 and 15.0%, respectively) than “marginal” wine drinkers (10.9 and 5.6%, respectively), and neither group differed from “core” wine consumers (13.7 and 8.9%, respectively).

When responses were segmented by gender, there were two differences: more females purchased wine produced in New Jersey, New York, and Pennsylvania from a “wholesale club” (17.7%) and from a “winery through the Internet” (12.5%) compared to males (12.6 and 8.0%, respectively) (Table 2.7).

Based on state of residence, there were two differences when Mid-Atlantic wine was purchased at a “retail liquor store in participant’s state” and from a “wholesale club.” More New Jersey (69.7%) participants purchased wines produced in New Jersey, New
York, and Pennsylvania from retail liquor stores compared to New York residents (57.0%), and more of these New Jersey residents (17.7%) purchased wine from a “wholesale club” compared to Pennsylvania participants (8.4%).

Sources Used to Learn About Wine

Participants were asked to indicate, from a provided list, sources they used to learn about wine. The majority of participants (76.2%) learned about wine from their “friends/family,” followed by 54.5% of respondents who learned about wine by talking with “wine and liquor store employees,” and 43.6% who learned from “winery tasting staff” (Table 2.8). The sources least used by participants were “national or local newspaper articles” (14.4%), “local or regional magazines” (13.6%), and “television/radio programs” (13.3%).

Table 2.8. Sources used to learn about wine, segmented by age range, wine consumption frequency, and gender

<table>
<thead>
<tr>
<th>Variable</th>
<th>All Participants</th>
<th>21-24</th>
<th>25-34</th>
<th>35-44</th>
<th>45-64</th>
<th>65 and older</th>
<th>Super Core&lt;sup&gt;a&lt;/sup&gt;</th>
<th>Core</th>
<th>Marginal</th>
<th>Gender</th>
</tr>
</thead>
<tbody>
<tr>
<td>Friends/Family</td>
<td>76.2</td>
<td>78.3%</td>
<td>77.7%</td>
<td>73.5%</td>
<td>76.0%</td>
<td>75.4%</td>
<td>72.5%</td>
<td>79.8%</td>
<td>79.4%</td>
<td>68.5%</td>
</tr>
<tr>
<td>Wine and liquor store employees</td>
<td>54.5</td>
<td>50.3%</td>
<td>52.6%</td>
<td>51.5%</td>
<td>60.6%</td>
<td>57.1%</td>
<td>54.3%</td>
<td>58.2%</td>
<td>51.9%</td>
<td>55.9%</td>
</tr>
<tr>
<td>Winery tasting staff</td>
<td>43.6</td>
<td>43.4%</td>
<td>45.6%</td>
<td>38.2%</td>
<td>48.6%</td>
<td>41.7%</td>
<td>48.2%</td>
<td>48.4%</td>
<td>32.6%</td>
<td>42.2%</td>
</tr>
<tr>
<td>Food and cooking magazines</td>
<td>32.3</td>
<td>36.0%</td>
<td>35.8%</td>
<td>30.4%</td>
<td>30.3%</td>
<td>28.1%</td>
<td>37.2%</td>
<td>31.9%</td>
<td>24.7%</td>
<td>27.2%</td>
</tr>
<tr>
<td>Wine focused magazine</td>
<td>22.5</td>
<td>24.0%</td>
<td>26.5%</td>
<td>20.1%</td>
<td>22.1%</td>
<td>19.4%</td>
<td>32.6%</td>
<td>18.3%</td>
<td>9.3%</td>
<td>26.1%</td>
</tr>
<tr>
<td>Social Media</td>
<td>18.4</td>
<td>32.0%</td>
<td>26.0%</td>
<td>18.1%</td>
<td>11.1%</td>
<td>4.6%</td>
<td>20.3%</td>
<td>13.6%</td>
<td>18.9%</td>
<td>15.6%</td>
</tr>
<tr>
<td>National or local newspaper articles</td>
<td>14.4</td>
<td>12.6%</td>
<td>10.2%</td>
<td>13.2%</td>
<td>19.2%</td>
<td>17.1%</td>
<td>19.5%</td>
<td>12.7%</td>
<td>7.6%</td>
<td>19.6%</td>
</tr>
<tr>
<td>Local or regional magazines</td>
<td>13.6</td>
<td>13.1%</td>
<td>14.4%</td>
<td>13.2%</td>
<td>14.4%</td>
<td>12.6%</td>
<td>16.3%</td>
<td>12.2%</td>
<td>10.3%</td>
<td>15.6%</td>
</tr>
<tr>
<td>Television/Radio Programs</td>
<td>13.3</td>
<td>15.4%</td>
<td>8.9%</td>
<td>11.6%</td>
<td>17.8%</td>
<td>13.1%</td>
<td>11.8%</td>
<td>14.6%</td>
<td>14.8%</td>
<td>13.7%</td>
</tr>
</tbody>
</table>

The one statistical difference when data were segmented by age range was for learning about with through “social media.” Participants age 21 to 24 years (32.0%) were more likely to use this source than those age 35 and older (range of 4.6 to 18.1%); however,
responses for participants age 21 to 24 years did not differ from those age 25 to 34 years (26.0%) (Table 2.8). Participants age 65 and older (4.6%) were the less likely than all other age ranges, except those age 45 to 64 years (11.1%), to use “social media” to learn about wine.

When data were segmented based on consumption frequency, there were many statistically significant differences. “Super core” (48.2%) and “core” (48.4%) wine consumers were more likely to ask the “winery tasting staff” to learn about wine compared to “marginal” (32.6%) wine consumers (Table 2.8). More “super core” wine drinkers (37.2%) used “food and cooking magazines” to learn about wine than “marginal” (24.7%) wine consumers, though neither group were significantly different than “core” (31.9%) wine consumers. “Super core” drinkers tended to be more likely than “core” wine drinkers and both segments, “super core” and “core” were more likely than “marginal” drinkers to use a source such as a “wine focused magazine” (32.6, 18.3 and 9.3%, respectively). More “super core” (19.5 and 16.3%, respectively) wine consumers used “national or local newspaper articles” and “local and regional magazines” as source than “marginal” (7.6 and 10.3%, respectively), with neither group differing from “core” (12.7 and 12.2%, respectively) wine consumers.

Differences were also detected when data were segmented by gender, as more females than males used “friends/family” (80.8 vs. 68.5%) and “food and cooking magazines” (35.5 vs. 27.2%) to learn about wine. More males than females used “wine focused magazines” (26.1 vs. 20.3%) and “national or local newspaper articles” (19.6 vs. 11.2%).
Discussion & Conclusion

Results provide insight into the purchasing and consumption patterns among wine consumers residing in the Mid-Atlantic region. Nearly half of participants in each survey were part of either the “super core” or “core” consumption frequency segments, consuming wine about once a week to daily. Even though their behaviors indicate a loyalty with consuming the beverage; wineries and tasting rooms still need to continue strengthening their relationship with these consumers, while also determining what strategies might entice less frequent drinkers to indulge more, return frequently to the tasting room, and to show recognition for frequent purchasers (e.g. loyalty programs) (Brunner and Sierras, 2011).

For the 17.7% of participants who increased their wine consumption between 2010 and 2013, the percentage of consumers that selected reasons “became more interested in drinking wine than other alcoholic beverages” and “learned more about wine and was interested in consuming more” did not differ based on consumption frequency or age range. Hence, there is a possibility that a winery tasting room that focuses on these educational-based reasons could appeal equally to wine consumers regardless of consumption frequency or generation. An interest in wine, due to learning more about the beverage, appealed to more males than females, thus education could prompt men to attend relevant events or could serve as the basis for social media communications.

“Health benefits associated with drinking wine,” was a motivational factor for 42.1% of participants who indicated their consumption had increased over the previous three years. While percentages did not differ between wine consumption frequency segments, there were differences when data was segmented by age range and gender. To attract older consumers, winery and tasting room personnel could focus on promoting how
consumers might benefit from moderate wine consumption, for example, antioxidants in red wine can “reduce the risk of coronary heart disease” (Yale-New Haven Physicians, 2014). A focus group study, with participants from the general public, was conducted with wine consumers published in the British Food Journal indicating that “organic” wine was perceived as being healthier than conventional wine, mainly due to the absence of chemical pesticides and additives involved in the winemaking process (Mann, 2012). However, there were several noted negative perceptions expressed by participants, including the taste of organic wine.

Very few, 3.2% of participants who increased their wine consumption, indicated that they did so because they “now have access to certified organic, sustainable, and/or biodynamic wine.” Considering that the Mid-Atlantic region is not conducive to organic grape production due to the climatically-influenced disease pressure, organic wine production may not be suitable for the region (Stolz and Schmid, 2008). There are, however, other “green” methods that can be implemented to attract consumers interested in sustainable practices. For instance, wineries could decrease their carbon footprint by distributing their wines locally. Sustainable practice options in the vineyard could include non-irrigated farms where less water is used and all facilities could benefit from solar panels. Overall, many of these practices follow the LEED (Leadership in Energy and Environmental Design) certification requirements for creating a green building (Anonymous, 2015b), which could also appeal depending on level of interest. Although only a small percentage of participants indicated an interest for organic wine, it would be beneficial for wineries to not only implement these green practices to attract those niche consumers, but also to benefit their winery. Having or implementing LEED (green) certified practices can save money and resources, while having a positive impact on the health of the occupants, while promoting renewable and clean energy
Referring back to “learning more about wine” and the affect on increased consumption, it is possible that tours highlighting sustainable grape growing or wine making practices could satisfy both an interest in “learning” and health as a component of “sustainable practices.”

Not only is it a value to understand why participants’ wine consumption increased, but also the negative impact on consumption as well. While the top two reasons consumers selected as having an influence on their decision to decrease the amount of wine they consumed were related to “price of wine” and a shift in spending money on wine to “other things,” the third most selected reason dealt with “health concerns associated with drinking wine.” Perhaps “skinny wine” could meet the needs of these and other calorie conscious wine consumers, as these wines, first introduced in 2009, have 15-25% fewer calories and less alcohol than a traditional wine (Schmitt, 2013). While described as “compromising on an indulgence,” in 2014, 37.8 million U.S. consumers bought a low-calorie wine (Pannett, 2015). With the question existing as to whether “skinny” or “low calorie” wine is a fad, it may be advisable for wineries that do not have such a product to focus on educating consumers about the calorie content of “standard” wine. For a five-ounce serving, these wines may only have 12 to 17 calories more than “skinny” options (Schmitt, 2013). Regardless, there appears to be an opportunity for wineries to position a product to meet the needs of those who want to imbibe in the beverage, and don’t want to feel guilty doing so.

Promotions developed to encourage increased consumption could also focus on occasions when wine is consumed. Slightly less than three-quarters of our survey participants (71.1%) indicated that they consume wine at “a party or gathering with family and/or friends,” with differences based on wine consumption frequency and
gender. More “core” wine drinkers consumed the beverage in this situation than either “super core” and “marginal” wine consumers, though at least 68.9% of consumers in each of the three segments would consume wine at “a party or gathering with family and/or friends,” and a higher percentage of female participants indicated that they drank wine during this occasion than males. For those segments of consumers who are more likely to drink wine in this situation, wineries could develop promotional messages that emphasize bringing a bottle or two of their wines to “a party or gathering with family and/or friends.” Another occasion which 63.6% of participants consumed wine was when “celebrating holidays or other special occasions.” To meet the needs of wine drinkers who consume the beverage during these occasions, a suggestion would be to promote wines that pair with foods commonly consumed during holidays, for example those that pair well with Thanksgiving turkey, and that are appropriate for special occasions, such as graduation and engagement parties, weddings, and other festivities. In addition, winery tasting room staff should talk with visitors and learn about potential events or gatherings they are hosting or attending, along with the theme or menu, and suggest wines that would appropriate.

Purchasing frequency also needs to be considered when developing strategies that resonate with wine consumers. While over half of participants purchased wine between “once a week” and “about once a month,” 2.2% of participants indicated that they purchased wine every day. Winery tasting room operators should consider promotions that would encourage consumers to purchase their wine more regularly, which could then increase tasting room foot traffic, as “about 81%” of Pennsylvania wine is sold at wineries (Dombrosky and Gajanan, 2013). For example, to potentially convert winery tasting room customers from purchasing “a few times a year” to purchasing “about once a month” (or more often), or increasing volume purchased during the visit, as 65.3% of
our participants indicated that they purchased “one or more [750 mL] bottles to be consumed immediately” and 10.3% purchased “greater amounts (at least a case of wine) but at infrequent intervals,” promotions or discounts that encourages multiple bottles to be purchased during a tasting room visit, but encourages multiple tasting room visits within a calendar year.

It is often reported that women prefer to drink wine compared to beer and spirits. Other data shows that their consumption habits influence other household members, specifically men, encouraging them to drink wine (Barber et al., 2006). Pertaining to our data, when segmented by gender, more male participants consumed wine “daily” compared to females (11.2 vs. 5.0%). This data could encourage wineries and tasting rooms to begin marketing more to males, if they currently do not, and develop strategies that appeal to both genders. For example, males are thought of as being the primary gender interested in sports, specifically football; however, women make up 45% of the NFL’s American fan base (Harwell, 2014). Knowing this, winery tasting rooms could host events during which live sporting events are aired and base promotions on particular sports or teams, which could appeal not only to men, but attract women as well. Another option would be to create specialized labels for specific sports teams in their city. As an example, the Cleveland Indians have a created a red blend in their name in hopes of meshing sports and wine (Bona, 2015). Wineries and tasting rooms could also focus on venues through which their wines are sold. Although a small percentage, 11% of our participants responded they consume wine during a “sporting event or concert.” Antidotal evidence suggests that the availability of wine at these events is limited, hence the low percentage of consumption at these locations. While not widely implemented, there is some indication that availability may be increasing. For example, The University of Texas will begin selling beer and wine in their stadium during
the fall 2015 football season (Eberts, 2015). This approach may even work for wineries with lower production levels the product could be offered based on a first come first served basis until sold out.

The type of outlet from which consumers can purchase wine has become more diverse. Choices now include the Internet as well as more traditional outlets such as supermarkets, general liquor stores, or specialty wine stores (Forbes, 2012), with online becoming a more recognized method for purchasing wine. Between 2012 and 2013, there was a 17% increase in purchases through this channel (Press, 2014). Pertaining to our survey, 9.5% of participants indicated that they purchased wine produced in the Mid-Atlantic region through the Internet. Research has shown that the U.S. wine consumer who purchases wine online is an older, married man, with an income higher than the average wine consumer (Higgins et al., 2014). Online buyers are also more likely to be wine connoisseurs and typically enjoy talking about wine (Higgins et al., 2014). Based on our data, males, “super core” wine consumers, and those age 25 to 34 years were more likely to buy wine through this channel than females, “marginal” wine consumers, and participants age 35 to 64 years, respectively. Although, compared to the other outlets tested, the percentage of participants who purchased wine through the Internet is rather small. The Internet; however, has the potential to allow smaller wineries to reach a much wider audience and array of consumers who do not live in the immediate or local area. As mentioned previously, each of the states in the Mid-Atlantic region has a different set of laws and regulations as to how alcohol can be sold. While there were no differences between age groups, wine consumption frequency, or gender pertaining to Mid-Atlantic wine purchased though “retail liquor states in [their] state,” there was a greater percentage of New Jersey participants who purchased through this outlet than New York participants. New Jersey participants were also more likely to have purchased
these wines from a “wholesale club” compared to Pennsylvania residents, most likely due to alcohol not being available in such retail outlets in the Commonwealth. Though not investigated in this study, it is possible that Pennsylvania participants who purchased wine from a “wholesale club” did so in another state. With the Internet and online sources becoming a more recognized method of purchasing and gaining information, wineries should strongly consider creating and/or enhancing an online presence.

There are many aspects that a consumer thinks about prior to purchasing a bottle of wine or visiting a winery tasting room, hence, it is essential to understand motivations, interests, behaviors, and other relevant issues to develop and execute the most applicable marketing strategy. Winery tasting rooms should consider the data and subsequent strategies presented and, after selecting those that are more appropriate for their operation, evaluate responses to those that were implemented.
References


CHAPTER 3: CONSUMER ATTITUDES TOWARDS SOCIAL MEDIA, WEBSITES, AND EMAIL STRATEGIES IMPLEMENTED TO PROMOTE WINES PRODUCED IN THE MID-ATLANTIC REGION (NEW JERSEY, NEW YORK, AND PENNSYLVANIA)
Summary

An Internet survey was administered (20-25 September 2013) to participants residing in one of the three states within the Mid-Atlantic U.S. region (New Jersey, New York, and Pennsylvania). Participants answered questions concerning their use of certain social networking outlets and what they expected to find published on winery and tasting room social media pages or websites. Results indicated that 26.9% of survey participants used Facebook as a social networking site to connect with companies, 12.8% used Twitter and 10.9% used YouTube. Differences were discovered when data was segmented by demographics. Pertaining to Twitter, more males (19.1%) indicated that they connected with companies using this tool than females (9.9%), while fewer participants age 45 to 64 years used Facebook to connect with businesses (14.5%) compared to those between age 21 and 44 (range of 27.5 to 37.1%). Participants were also asked questions about what social networking outlets, types of websites, and email newsletters they felt were mandatory for a winery and tasting room to implement and what information, promotions, and events they expected to be published through these outlets. Slightly more than half of participants felt that a “website for promoting the winery and wines produced” (65.2%), a “website for promoting the winery and from which wines can be purchased” (58.8%), and a “Facebook Page” (55.4%) were mandatory. Components that roughly half of participants believed should be published on these outlets were “wine serving and pairing suggestions” (55.1%), “coupons, promotions, and discounts” (53.9%), and “events and special occasions” (45.2%). Results from this study can assist wineries and tasting rooms with identifying the most appropriate social media networks to utilize and what components should be placed on these outlets in order to attract consumers and build a stronger consumer base.
Introduction

Social media has revolutionized the world of business marketing, creating new opportunities for companies to promote their products for little to no cost (Pelet and Lecat, 2014). By creating profiles on popular social networking websites, businesses are able to build stronger connections and relationships with potential consumers. Social media networking allows companies to drive sales, increase their brand awareness, and reach new customers (Riman, 2013). There are many different social networks that companies can choose to use, from a more business-oriented page like LinkedIn to photo-heavy platforms such as Instagram or Pinterest, to pages that are community based and interactive in real-time like Facebook and Twitter. Sixty-seven percent of consumers who access the Internet use social media tools, with Facebook being the site with the most visitors (Duggan and Brenner, 2013). Other social media sites accessed by Internet users include: LinkedIn (20%), Twitter (16%), Pinterest (15%), Instagram (13%), and Tumblr (6%). All of these social networking sites attract different demographics, some which overlap; however, it may be prudent for a business to have a presence on several of these sites, as they will likely increase their reach and interaction with potential customers (Duggan and Brenner, 2013).

Connecting with consumers via social networks can be a rather attractive option for wineries and tasting rooms because of the relationships that can be built with many potential consumers. VinTank, a social media software company for wine businesses, published in 2013 that 14 million people had mentioned “wine” online at some point with that number growing by 450,000 people every month, and that 1.5 million conversations about wine occur online every single day (Maker, 2013). The social media outlets most frequently used to talk about wine were Facebook, Twitter, and Instagram. Social media should not be thought of as “advertising,” rather it is referred to as “digital word of
mouth,” which, prior to the use of technology, traditional word of mouth was considered the best form of marketing (Maker, 2013). To better understand which outlets would engage customers, winery and tasting room personnel need to learn about wine consumer usage of these tools and how they use these resources.

Facebook is used mainly by consumers ages 18 to 25 years old, of which 60% are female (Duggan and Benner, 2013). Facebook provides companies with opportunities to develop a community setting and building relationships with users (Riman, 2013). Twitter users tend to be age 26 to 34 years old, of which 57% are female. Twitter is best used for interacting with customers in real-time, and due to the nature of the tool, in short conversations of 140 characters or less (Duggan and Brenner, 2013). The number of Facebook and Twitter users who ‘follow’ or ‘like’ companies and businesses has increased over the past few years. In 2010, only 16% of users followed companies through Facebook and Twitter, but in 2012, 33% of these users indicated that they followed several businesses or companies (Edison Research, 2012). This 17% increase in brand following over the two-year period shows how useful social media networking can be for cultivating relationships with consumers.

Instagram, a mobile application that allows members to share photos online (Anonymous, 2015), is used primarily by 18 to 29 year olds, of which 68% are female. As of 2014, 17% of all online adults used Instagram. Though not as great of a percentage as the other tools discussed thus far, 57% of Instagram users access the site daily and of those users, 35% of them access the site multiple times a day.

Social media is not just a two-way conversation, but also a tool that allows for multi-way discussions and information sharing. Though it was first thought of as a sales and marketing tool, at its core it is used to build relationships (Maker, 2013). Alcohol
companies have utilized social media by repositioning their marketing focus, relying on less traditional forms of marketing (Nicholls, 2012). The most successful advertising and marketing campaigns are those that connect with consumers on an emotional and personal level (Siddle, 2013), and not because they use complicated wine terms that many of general public do not understand. For example, Yellow Tail brand of wine (produced by Constellation Wines Ptg. Ltd. Yellowtailwine.com) had over 1.3 million likes on Facebook as of June 2015. This company relies less on wine language and more on the colors and design of their posts, which appeal to consumers. The most effective type of advertising and marketing plan requires social networking outlets and media to not only reach heavy buyers of the brand, but also light buyers (Nelson-Field et al., 2012). Such a strategy will allow a broader and stronger reach of consumers.

According to Bouquet (2012), 94% of wineries had a Facebook Business Page in 2012 and 73% of wineries had a Twitter account. Findings suggest that Twitter can create value for wine focused businesses, but wine marketers need to be more aware of both the message tweeted and the types of users who follow the brand (Wilson and Quinton, 2012). By using a mix of social media tools that appeal to different generations, wineries and tasting rooms can potentially reach a wider demographic spectrum.

In general, consumers are interested in gathering information about wineries and other wine products online (Pelet and Lecait, 2014). In fact, a majority of consumers (70%) would rather hear about new products from Facebook friends rather than brands or companies (Carr, 2012), as users trust the previous experience of other users more than what the brand or company posts (Szolnoki, 2014). Ninety to 100% of U.S. wineries have some type of Internet presence (Thach, 2009). As consumers tend to use social
media as an alternative to web searches, wineries and tasting rooms that engage in social networking allow for a linkage of information (Carr, 2012).

Poor website performance is a major reason for customer dissatisfaction. Consumers expect to be able to easily access a winery’s website or social media pages and find all pertinent information about their wines and winery, without hesitation (Gebauer and Ginsburg, 2003). This is crucial as research has shown that customer interaction and experience with a winery’s or tasting room’s website can influence their perception, purchasing decision, and interest in visiting the winery (Gebauer and Ginsburg, 2003).

Perhaps no concept is more important to marketing and advertising practitioners than a sound understanding of “who” their customers are and what factors affect their purchasing decisions. While a simple enough concept in theory, in practice, consumers represent a “heterogeneous group of market segments,” each responding differently to marketing efforts. As such, pricing, promotion, and advertising aimed at the average consumer may likely result in less than optimal outcomes (Cuellar and Claps, 2013). By understanding the specifics of consumers based on region and demographics, those marketing will be able to successfully reach the target market segments.

Question topics in this chapter focused on social networking outlets participants used to connect with companies and networks and website components participants believe to be mandatory for a winery to implement.

**Research Objectives**

- Identify Mid-Atlantic (New Jersey, New York, and Pennsylvania) consumers’ use and preferences for specific online social networking tools.
Understand what specifically wineries should post using social media outlets and promote on websites and through email communications.

- Focus on what tools to use to market wine using online marketing tools (e.g. websites and email newsletters) and social media outlets (e.g. Facebook, Twitter, and Instagram).
- Understand how different demographic groups use social media outlets (e.g. generations, age range, gender, and wine consumption frequency).

- Determine which social media networking tools consumers use to connect with companies.

Materials & Methods

Data were collected through a 15-minute Internet surveys (20-25 September 2013) which were administered to Survey Sampling International, LLC (Shelton, CT) panelists residing in three states (New Jersey, New York, and Pennsylvania) in the Mid-Atlantic region. Those who elected to participate proceeded to the survey which was developed using SurveyMonkey.com (Palo Alto, CA), an online provider of survey solutions. Internet surveys have become the most suitable medium with advances in technology, allowing the researcher to reach potential respondents all over the world with minimal cost of data collection and processing. Web surveys require less effort by respondents to complete and return compared to mail surveys. While a recognized limitation is the inability to ask participants clarifying questions, Internet surveys can “provide both the researcher and respondents with a clear, accessible, and highly usable mechanism that will minimize the confusing elements that may lower response rates or the quality of data” (Dillman et al., 2009). The project “Developing Wine Marketing Strategies for the Mid-Atlantic Region” (GRANT 11091317) was funded by a USDA Federal-State Marketing Improvement Program grant. 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. The survey was pre-tested on a subset \( n = 164 \) of the target consumer, and administered to additional panelists, of which 1,952 opened and attempted the survey with 1,246 qualifying and completing the survey. Panelists received an electronic consent statement, along with a link to the survey developed by researches and approved by the Office of Research Protections at The Pennsylvania State University (IRB 37365, University Park, PA). Panelists were informed of these criteria in the consent statement prior to proceeding with the survey and were provided with a one dollar incentive to encourage participation.

**Statistical Analysis**

Data were analyzed with SPSS (Versions 21 and 22; SPSS, Chicago, IL). To assess differences between responses, data were segmented by demographic (age range, gender), state of residence, and wine consumption frequency groups. Pearson’s Chi Square, Phi and Cramer’s V, and ANOVA followed by Games-Howell tests were used to detect differences for categorical and/or multiple-choice questions.

**Results**

A variety of questions were asked to quantify the social media behavior and attitudes of wine consumers. Table 3.1 provides an overview of the demographic profiles for participants. Age ranges were capped at 64 years of age due to previous research indicating alcohol consumption decreases for adults age 65 and older (Guenther et al., 2010). The most common responses to demographic questions were female (62.9%); age 25 to 34 years (27.3%) and age 35 to 44 years (27.7%); household incomes of $25,000 to $49,999 (26.2%) and $50,000 to $75,999 (22.7%); having a Bachelor’s
degree (30.4%) and some college/technical school (25.8%); living in a household with no children (51.5%); and living in a household where one other adult drinks wine (44.7%).

Pertaining to consumption frequency, 32.9% of participants were considered “super core” wine drinkers (drank wine daily to a few times a week), 18.8% were “core” wine drinkers (drank wine about once a week), and 48.3% were considered “marginal” wine drinkers (drank wine less frequently).

Table 3.1. Demographic characteristics and wine consumption frequency of wine consumers residing in New Jersey, New York, and Pennsylvania (Mid-Atlantic region) who participated in an Internet survey

<table>
<thead>
<tr>
<th>Variable</th>
<th>(no.)</th>
<th>(%)</th>
<th>Education</th>
<th>(no.)</th>
<th>(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age range</td>
<td></td>
<td></td>
<td>Some high school/high school graduate</td>
<td>193</td>
<td>16.3</td>
</tr>
<tr>
<td>21 to 24</td>
<td>229</td>
<td>18.4</td>
<td>Some college/technical school</td>
<td>306</td>
<td>25.8</td>
</tr>
<tr>
<td>25 to 34</td>
<td>340</td>
<td>27.3</td>
<td>Associate degree/technical school graduate</td>
<td>133</td>
<td>11.2</td>
</tr>
<tr>
<td>35 to 44</td>
<td>345</td>
<td>27.7</td>
<td>Bachelor’s degree (e.g. BA, BS)</td>
<td>361</td>
<td>30.4</td>
</tr>
<tr>
<td>45 to 64</td>
<td>332</td>
<td>26.6</td>
<td>Master’s degree or higher</td>
<td>193</td>
<td>16.3</td>
</tr>
<tr>
<td>65 and older *</td>
<td>n/a</td>
<td>n/a</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gender</td>
<td></td>
<td></td>
<td>Children, age 17 and younger, residing in the household</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>744</td>
<td>62.9</td>
<td>No children</td>
<td>612</td>
<td>51.5</td>
</tr>
<tr>
<td>Male</td>
<td>439</td>
<td>37.1</td>
<td>With children</td>
<td>573</td>
<td>48.5</td>
</tr>
<tr>
<td>Gross household income</td>
<td></td>
<td></td>
<td>State of Residence</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than $25,000</td>
<td>160</td>
<td>13.6</td>
<td>New Jersey</td>
<td>242</td>
<td>19.4</td>
</tr>
<tr>
<td>$25,000-$49,999</td>
<td>309</td>
<td>26.2</td>
<td>New York</td>
<td>597</td>
<td>47.9</td>
</tr>
<tr>
<td>$50,000-$75,999</td>
<td>268</td>
<td>22.7</td>
<td>Pennsylvania</td>
<td>407</td>
<td>32.7</td>
</tr>
<tr>
<td>$76,000-$99,999</td>
<td>169</td>
<td>14.3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$100,000-$150,000</td>
<td>168</td>
<td>14.2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Greater than $150,000</td>
<td>105</td>
<td>9.0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wine consumption frequency</td>
<td></td>
<td></td>
<td>Adults, age 21 and older, in household who drink wine</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Super core</td>
<td>410</td>
<td>32.9</td>
<td>No other adults in HH drink wine</td>
<td>112</td>
<td>9.5</td>
</tr>
<tr>
<td>Core</td>
<td>234</td>
<td>18.8</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marginal</td>
<td>602</td>
<td>48.3</td>
<td>One other adult</td>
<td>529</td>
<td>44.7</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Two or more adults</td>
<td>352</td>
<td>28.3</td>
</tr>
</tbody>
</table>

The survey was administered 20-25 September 2013.

*The 65 and older age range was included in Survey II to better understand any reasons that might influence a decline in wine consumption.

**Super core** represents those who drink wine daily to a few times a week, **core** represents those who drink about once a week, and **marginal** represent those who drink wine less frequently.
**Social Media Outlets Mandatory for a Winery to Implement**

A selection of questions was asked to understand if participants perceived that it was necessary for wineries and tasting rooms to implement certain social media and Internet networking tools. While a variety of tools were presented, and participants could select all that applied, slightly over half of the participants (55.4%) indicated that a “Facebook Page” was mandatory for a winery and tasting room to implement with fewer participants suggesting that a “Blog” (19.4%), “Twitter Account” (18.7%) or “YouTube Page” (17.3%) were mandatory (Table 3.2). Twelve percent or fewer felt either a “Pinterest Page” or “Instagram Account” were mandatory.

**Table 3.2. Social media outlets participants felt were mandatory for wineries and tasting rooms to implement to connect with customers segmented by age range and wine consumption frequency**

<table>
<thead>
<tr>
<th>Social Media Outlets Mandatory to Implement (%)</th>
<th>All Participants</th>
<th>21-24</th>
<th>25-34</th>
<th>35-44</th>
<th>45-64</th>
<th>Super Core</th>
<th>Core</th>
<th>Marginal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facebook Page</td>
<td>55.4</td>
<td>61.9a</td>
<td>60.5a</td>
<td>56.8a</td>
<td>42.0b</td>
<td>59.1a</td>
<td>61.1a</td>
<td>50.2b</td>
</tr>
<tr>
<td>Blog</td>
<td>19.4</td>
<td>24.4a</td>
<td>21.0ab</td>
<td>18.9ab</td>
<td>13.9b</td>
<td>22.9a</td>
<td>19.7a</td>
<td>16.7a</td>
</tr>
<tr>
<td>Twitter Account</td>
<td>18.7</td>
<td>19.3ab</td>
<td>20.3a</td>
<td>23.2a</td>
<td>10.9b</td>
<td>23.7a</td>
<td>18.1ab</td>
<td>15.2b</td>
</tr>
<tr>
<td>YouTube Page</td>
<td>17.3</td>
<td>21.8a</td>
<td>18.6a</td>
<td>16.1a</td>
<td>13.4a</td>
<td>23.1a</td>
<td>18.7ab</td>
<td>12.4b</td>
</tr>
<tr>
<td>Pinterest Page</td>
<td>12.0</td>
<td>14.2a</td>
<td>12.0a</td>
<td>14.4a</td>
<td>7.1a</td>
<td>13.1a</td>
<td>14.5a</td>
<td>10.0a</td>
</tr>
<tr>
<td>Instagram Account</td>
<td>10.4</td>
<td>21.3a</td>
<td>10.3b</td>
<td>7.7b</td>
<td>4.5b</td>
<td>10.3a</td>
<td>13.5a</td>
<td>9.2a</td>
</tr>
</tbody>
</table>

The survey was administered 26–25 September 2015 to consumers residing in New Jersey, New York, and Pennsylvania.

Participants were able to select more than one response category, which is why percentages do not equal 100%.

Percentages and means with different letters within different rows and demographic categories (age group and consumption frequency) represent ANOVA followed by Games-Howell tests where values are significantly different, at the level of *p < 0.05*, SPSS, Version 21 and 22, Chicago.

"Super core" represents those who drink wine daily or a few times a week, "core" represents those who drink about once a week, and "marginal" represents those who drink wine less frequently.

When data were segmented by age range, there were several statistical differences between groups. Participants age 45 to 64 years (42.0%) were less likely than all the other age groups to respond that a “Facebook Page” was mandatory for a winery to implement (range of 56.8 to 61.9%). These more mature consumers were less likely than those age 21 to 24 years to respond that a “Blog” was mandatory (13.9 vs. 24.4%), and they were less likely than those age 25 to 34 and 35 to 44 years of age to indicate that a “Twitter Account” was necessary (10.9 vs. 20.3 and 23.2%). The one social
media tool that participants age 21 to 24 years were more likely to consider mandatory compared to those 25 and older was an “Instagram Account” (Table 3.2). While only 21.3% of participants age 21 to 24 years considered this to be a mandatory tool, 10.3% less of all the other participants felt that an “Instagram Account” was mandatory (range of 4.6 to 10.3%). There were no significant differences between age groups when responding whether a “YouTube Page” or “Pinterest” page was considered mandatory.

Several statistical differences were apparent when responses were segmented by wine consumption frequency. More “super core” (59.1%) and “core” (61.1%) drinkers felt that a “Facebook Page” was mandatory compared to “marginal” wine consumers (50.2%). A greater percentage of “super core” wine consumers felt that a “Twitter Account” (23.7%) and a “YouTube Page” (23.1%) were mandatory compared to “marginal” wine customers (15.2, and 12.4%, respectively). No differences were found based on wine consumption frequency for a mandatory “Blog” (range of 16.7 to 22.9%) “Pinterest Page” (10.0 to 14.5%) or “Instagram account” (9.2 to 13.5%).

**Email and Website Components Mandatory for a Winery to Implement**

Questions were also asked whether it was mandatory for wineries and tasting rooms to have a website and/or email newsletter. More than half (65.2%) of participants responded that they found a “website for promoting the winery and wines produced” to be a mandatory component, closely followed by a “website for promoting the winery and from where wines can be purchased” (58.8%). Slightly over a third of participants (36.3%) felt an “email newsletter” was mandatory.
Table 3.3. Email and website components participants felt were mandatory for wineries and tasting rooms to implement to connect with customers, segmented by age range and wine consumption frequency

<table>
<thead>
<tr>
<th>Variable</th>
<th>All Participants</th>
<th>Age Range</th>
<th>Wine Consumption Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>21-24/ 25-34 35-44 45-64</td>
<td>Super Core I  Core  Marginal</td>
</tr>
<tr>
<td>Website for promoting the winery and wines produced</td>
<td>65.2</td>
<td>62.4ab 58.9b 88.1ab 71.8a</td>
<td>58.9b 66.8ab 69.2a</td>
</tr>
<tr>
<td>Website for promoting the winery and where wines can be purchased</td>
<td>58.6</td>
<td>57.4ab 53.6b 59.6ab 65.1a</td>
<td>50.9b 59.1ab 64.5a</td>
</tr>
<tr>
<td>Email newsletter</td>
<td>36.3</td>
<td>37.1a 31.6a 38.2a 39.1a</td>
<td>35.4a 40.4a 35.3a</td>
</tr>
</tbody>
</table>

When segmented by age range nearly three-quarters of participants age 45 to 64 felt that a “website for promoting the winery and wines produced” was mandatory (71.8%) compared to 58.8% of those age 25 to 34 years (Table 3.3). A similar pattern was evident for how these two groups felt about a “website for promoting the winery and where wines can be purchased,” with 65.1% of those age 45 to 64 years responding that this component was mandatory compared to 53.6% of those age 25 to 34 years. Though no significant differences were detected between the four age groups, approximately a third (range of 31.6 to 39.1%) of participants in each age range responded that an “email newsletter” was mandatory for a winery and tasting room to implement. While there were no differences between the three wine consumption frequency groups when asked if an “email newsletter” was mandatory, more “marginal” wine consumers responded that a “website for promoting the winery and wines produced” and “website for promoting the winery and where wines can be purchased” (69.2 and 64.5%, respectively) was mandatory when compared to the percentages of “super core” wine consumers felt this way (58.9 and 50.9%, respectively).
Information Posted on Social Media, Websites, and through Emails

Specific information that wineries and tasting rooms were expected include in social media messages and emails, as well as placed on websites was also investigated. Among the categories provided, the top three components participants expected to see on a website, included in an email newsletter, or posted on social media were: “wine serving and pairing suggestions” (55.1%), “coupons, promotions, and discounts” (53.9%), and “events and special occasions” (45.2%). Least favored categories were “information on complementar y businesses in the area” (17.3%), and “information about state’s wine marketing association” (12.7%), while 10.6% of participants found “none of the categories appealing.”

Table 3.4. Information participants expected wineries and tasting rooms to post on social networking sites, on websites and to include in emails, segmented by age range, gender, and consumption frequency

<table>
<thead>
<tr>
<th>Variable</th>
<th>All Participants</th>
<th>Age Range</th>
<th>Gender</th>
<th>Wine Consumer Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>21-24</td>
<td>25-34</td>
<td>35-44</td>
</tr>
<tr>
<td>Wine serving and pairing suggestions</td>
<td>55.1</td>
<td>59.4</td>
<td>56.8</td>
<td>57.1</td>
</tr>
<tr>
<td>Coupons, promotions, and discounts</td>
<td>53.9</td>
<td>52.8</td>
<td>53.8</td>
<td>56.8</td>
</tr>
<tr>
<td>Events and special occasions</td>
<td>45.2</td>
<td>45.0</td>
<td>44.1</td>
<td>49.0</td>
</tr>
<tr>
<td>Recipe using wine</td>
<td>38.5</td>
<td>42.6</td>
<td>42.1</td>
<td>37.1</td>
</tr>
<tr>
<td>Educational information</td>
<td>38.2</td>
<td>42.6</td>
<td>39.1</td>
<td>37.7</td>
</tr>
<tr>
<td>Storage information</td>
<td>32.9</td>
<td>32.8</td>
<td>34.4</td>
<td>32.2</td>
</tr>
<tr>
<td>Nutritional information</td>
<td>31.6</td>
<td>40.6</td>
<td>31.6</td>
<td>29.6</td>
</tr>
<tr>
<td>Responses to consumer questions and suggestions</td>
<td>27.9</td>
<td>29.7</td>
<td>25.0</td>
<td>27.0</td>
</tr>
<tr>
<td>Wine health claims</td>
<td>27.5</td>
<td>34.5</td>
<td>26.8</td>
<td>25.8</td>
</tr>
<tr>
<td>Wine trail information</td>
<td>22.0</td>
<td>25.6</td>
<td>16.8</td>
<td>24.9</td>
</tr>
<tr>
<td>Information on complementary businesses in the area</td>
<td>17.3</td>
<td>20.1</td>
<td>13.2</td>
<td>20.3</td>
</tr>
<tr>
<td>Information about a state’s wine marketing association</td>
<td>12.7</td>
<td>14.4</td>
<td>12.4</td>
<td>14.2</td>
</tr>
<tr>
<td>None are appealing</td>
<td>10.6</td>
<td>8.7</td>
<td>7.4</td>
<td>10.7</td>
</tr>
</tbody>
</table>

There were relatively few statistical differences among age ranges regarding what information they expected to be posted on social networking sites, on web pages, and included in emails. Those age 45 to 64 years (48.2%) were less likely to select “pairing
selections” than all other age groups (56.8 to 59.4%) as a mandatory component. While only 31.6% of all participants expected “nutritional information” to be posted on social networking sites, on websites, and included in emails, more participants age 21 to 24 years (40.6%) responded that this information would be expected compared to the other age groups ranges (27.4 to 31.8%). The other difference between age ranges pertaining to the presence of “wine trail information.” Fewer participants age 25 to 34 years expected this information to be posted (16.8%) compared to those age 21 to 24 and 35 to 44 years (25.8 and 24.9%, respectively).

When data related to proposed information were segmented by gender, there were several statistically significant differences. Females found the following more appealing than males: “wine serving and pairing suggestions” (60.6 vs. 53.3%), “coupons, promotions, and discounts” (63.0 vs. 45.8%), “events and special occasions” (52.0 vs. 40.1%), and “recipe using wine” (44.2 vs. 33.9%). More males; however, selected “information about a state’s wine marketing association” than females (16.2. vs 11.7%).

Responses were also segmented by wine consumption frequency with only one differences detected among wine drinkers. More “core” wine drinkers expected “wine health claims” to be published through these channels than “marginal” wine drinkers (34.2 vs. 25.2%); however, neither was significantly different than “super core” wine drinkers (27.1%) for this response.

**Activity on Social Networking Sites**

Understanding the demographics of those who actively use social networking sites is essential for wineries when developing marketing strategies. Thus, participants were asked to indicate whether they actively used social media to connect with companies,
with the top two sites most actively used being “Facebook” (26.9%) and “Twitter” (12.8%). The two least used social networking sites were “Instagram” (6.4%) and “Foursquare” (3.0%).

Table 3.5. Social networks participants used to connect with companies, segmented by age range, gender, and consumption frequency

<table>
<thead>
<tr>
<th>Variable</th>
<th>All Participants</th>
<th>Age Range</th>
<th>Gender</th>
<th>Consumption Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Social Network (%)</td>
<td>21-24</td>
<td>25-34</td>
<td>35-44</td>
</tr>
<tr>
<td>Facebook</td>
<td>26.9</td>
<td>27.5a</td>
<td>37.1a</td>
<td>28.4a</td>
</tr>
<tr>
<td>Twitter</td>
<td>12.8</td>
<td>10.0a</td>
<td>13.5a</td>
<td>11.3a</td>
</tr>
<tr>
<td>YouTube</td>
<td>10.9</td>
<td>13.1a</td>
<td>18.2a</td>
<td>14.8a</td>
</tr>
<tr>
<td>Google+</td>
<td>9.9</td>
<td>5.7bc</td>
<td>10.0a</td>
<td>8.1ab</td>
</tr>
<tr>
<td>Pinterest</td>
<td>6.6</td>
<td>12.2a</td>
<td>8.2ab</td>
<td>6.8a</td>
</tr>
<tr>
<td>Instagram</td>
<td>6.4</td>
<td>2.6ab</td>
<td>3.8a</td>
<td>4.3a</td>
</tr>
<tr>
<td>Foursquare</td>
<td>3.0</td>
<td>14.4a</td>
<td>13.5a</td>
<td>10.7a</td>
</tr>
</tbody>
</table>

*The survey was administered 20-25 September 2013 to consumers residing in New Jersey, New York, and Pennsylvania.
*Participants were able to select more than one response category, which is why percentages do not equal 100%.
*Percentages and means with different letters within different rows and demographic categories (age group, gender, and consumption frequency) represent Pearson’s Chi-Square, F and Cramer’s V, and ANOVA followed by Games–Howell tests where values are significantly different, at the level of $p \leq .05$; SPSS, Version 21 and 22, Chicago.
*“Super core” represents those who drink wine daily to a few times a week, “core” represents those who drink about once a week, and “marginal” represents those who drink wine infrequently.

When data were segmented by age range, several statistical significant differences were apparent. Older participants were less likely to actively use social networks in this manner when connecting with companies. Looking first at “Facebook,” more participants age 21 to 44 years (range of 27.5% to 37.1%) used this social network more to connect with companies than those age 45 to 64 years (14.5%). Participants age 45 to 64 years were also less likely to use “Twitter,” “YouTube,” and “Foursquare” than all other age ranges. “Google+” and “Instagram” were the exception. There were additional differences between participants between ages 25 to 44 years compared to those who were age 21 to 24 pertaining to using “Google+” and “Instagram” to connect with companies. More participants age 25 to 34 years (10.0% and 3.8%, respectively) and 35 to 44 years (8.1% and 4.3%, respectively) used these networks than 21 to 24 year olds (5.7% and 2.6%, respectively).
Differences based on gender were also apparent. More males used the following social networks to connect with companies than females: “Twitter” (19.1 vs. 9.9%); “YouTube” (16.2 vs. 8.6%); “Google+” (14.1 vs. 8.1%); and “Foursquare” (4.6 vs. 2.2%). There were no differences when males and females responded to the question regarding their use of “Facebook” (27.8 and 28.5%, respectively), “Pinterest” (5.5 and 7.2%, respectively), and “Instagram” (8.2 and 5.8%, respectively) to connect with companies.

There were also differences when data were segmented based on wine consumption frequency. Only one difference existed where “super core” wine consumers were more likely to use a social media tool than both “core” and “marginal” wine consumers. Specifically looking at “Twitter,” 21.7% of “super core” wine consumers used this social network to connect with companies, whereas only 10.7% of “core” consumers and 7.6% of “marginal” consumers used the tool for this purpose. Other differences indicate that more “super core” wine consumers used “Facebook” (32.9%) than “marginal” wine consumers (22.4%), as well as, “YouTube” (13.2 vs. 8.1%), “Pinterest” (10.2 vs. 4.2%), “Instagram” (10.2 vs. 3.8%), and “Foursquare” (5.1 vs. 1.2%). Both “super core” and “marginal” wine consumers were more likely to use “Google+” (14.9 and 11.5%, respectively) than “marginal” wine consumers (5.8%).

**Discussion & Conclusion**

Social networking has transformed the world of business marketing, creating new opportunities for companies to promote their products for little to no cost. Social media also allows brand managers to direct conversations around their brands. In research conducted in coastal California, 82% of wineries with tasting rooms believed social networking was at least “somewhat important” in attracting visitors to their tasting rooms (Wolf and Wolf, 2014); therefore, wineries should not take a *laissez faire* approach to
their social media marketing strategies (Reyneke et al., 2011). Another factor that
should appeal to wineries and tasting rooms is that the socialization aspect of social
networking encourages users to exchange information with followers and friends through
“word of mouth” (Thach and Lease, 2014), which could potentially increase awareness,
interests, and possibly sales.

In our study, while only 26.9% of participants connected with companies through
Facebook, 55.4% of participants felt it was a mandatory outlet for wineries and tasting
rooms. Specifically, more consumers between age 21 to 44 years responded that they
felt a “Facebook Page” was mandatory, as well as more “super core” and “core” wine
consumers compared to their counterparts. Since we did not ask participants if they
connected with wineries and tasting rooms through Facebook, it is unclear what
percentage of participants, if any, connect with the wine industry via this or any other
social networking outlet.

While a greater percentage of participants used “Facebook” to connect with companies
and indicated that it would be “mandatory” for a winery to implement, it is advisable for
wineries and tasting rooms to have an active presence on more than one social
networking platform in case customers do not use a particular tool that the tasting room
uses (Szolnoki, 2014). For example, the one social media tool that participants age 21 to
24 years were more likely to consider mandatory, compared to those 25 and older, was
an “Instagram Account.” While less than a quarter of participants age 21 to 24 years
considered this a mandatory tool, as of December 2014, Instagram had a reported 300
million users with 53% of all Instagram users being age 18 to 29 years old (Duggan et
al., 2015). If a winery chose to develop a presence on Instagram, it may also need to
build a Facebook Page. This strategy is necessary as less than 1% of participants age
45 to 64 years responded that they used Instagram to connect with companies, while 14.5% of these consumers used Facebook in this capacity. The same strategy should be used if Twitter is the only tool being used to connect with customers, but the wineries or tasting rooms goal is to attract female wine consumers. Our data suggests that while 19.1% of males use Twitter to connect with companies, fewer than 10% of female participants do so through this network. Thus, it may be necessary to also develop a presence on Facebook as slightly more than a quarter of males and females connect with companies through this tool.

A winery or tasting room website can be useful to both local consumers and those traveling from afar who wish to access information about the brand, facilities, etc. prior to visiting. It has been argued that a winery’s website should “play a lead role, providing background information about the establishment, managers, maps to tasting rooms, information about tourist attractions, calendars of events, and information about wine available through mail-order” (Neilson and Madill, 2014). This information coincides with results from our survey, as more than half of participants responded that they felt a “website for promoting the winery and wines produced” and a “website for promoting the winery and where wines can be purchased” was mandatory for wineries and tasting rooms to implement. These tools appear to be of more importance to “marginal” wine consumers compared to those who were “super core,” which could be a useful if a winery or tasting room would like to reach these consumers in hope of shifting them into the “core” wine consumer category. Developing these websites could also be helpful when connecting with participants age 45 to 64 years, as 65.1% of these respondents felt a “website for promoting the winery and where wines can be purchased” was mandatory and almost three-quarters (71.8%) felt the same about a “website for promoting the winery and wines produced.”
The type of information posted on a winery’s and tasting room’s social networking page, website or sent in an email can be instrumental in directing consumers to these outlets. If information of interest is posted or published through outlets that the core or targeted consumer subscribe to, then it would be expected that they would respond in a positive manner. Wineries and tasting rooms should survey their customers to determine what specific information would appeal, publish related content, and then evaluate response. The top three types of information our participants felt should be posted online were: “wine serving and pairing options,” “coupons, promotions, and discounts,” and “events and special occasions.”. Providing consumers with information that they are interested in will drive more social media traffic to wineries and tasting rooms (Rueger-Muck et al., 2014). Content that wineries and tasting rooms could post, which corresponds with these “expected” types of “information,” include “wine serving and pairing suggestions” for commonly consumed food items, as well as varietals and blends that would enhance meals served at “events and special occasions,” for examples wines appropriate for Thanksgiving or for celebrations such as engagement and anniversary parties. Additionally, “coupons, promotions, and discounts” could also be posted online and shared through email newsletters. Knowing “who” is using each of the online or social media networks that a winery or tasting room implements can help with developing the message that is published.

Understanding consumers’ social networking use will enable winery and tasting room owners/managers to implement marketing strategies that are most likely to entice and attract their target consumers, which can enhance relationships and build sales. Not only is it necessary to learn what content appeals to wine consumers and what tools they prefer to use to connect with the winery or tasting room, but it is also essential to understand how to best utilize the tools. For example, when developing a social
networking strategy that includes Facebook, it is advisable to include more promotions and advertising due to the high income and turnover rates of the existing customers (Szolnoki, 2014).

Wineries and tasting rooms that collect data about their customers, their attitudes and behaviors, and other pertinent information are in a better position to effectively use social media, electronic media, and all promotions in general. It is critical for wineries and tasting rooms to conduct their own research that they can use to develop a strategy tailored to their specific operation, needs, and goals.
References


CHAPTER 4: UNDERSTANDING CONSUMER PREFERENCES TOWARDS PROMOTIONAL STRATEGIES FOR WINERY TASTING ROOMS IN THE MID-ATLANTIC REGION (NEW JERSEY, NEW YORK, AND PENNSYLVANIA)
Summary

An Internet survey was administered (22-24 October 2014) to participants residing in three states within the Mid-Atlantic U.S. region (New Jersey, New York, and Pennsylvania). Participants answered questions concerning which tasting room events and activities would encourage them to visit a winery and what factors would either aid or deter them from participating in these events. Questions were also asked concerning participants’ interest in and support of cause marketing efforts. Results indicated that 68.8% of participants would be encouraged to visit a winery tasting room if there was a “sale section of merchandise,” followed by 67.6% who would visit if “each month a new wine is featured at a discounted price.” When responses were segmented by age range, fewer participants age 45 to 64 and 65 years and older were interested in several tasting room events compared to younger participants. For example, fewer 65 and older participants would be encouraged to visit a winery tasting room if “premade gift baskets that include wine” were available (49.4%) compared to those age 21 to 44 years (range of 70.1 to 75.0). There were many factors that appeared to affect a respondent’s decision to participate in an event held at a winery tasting room. Factors selected by the greatest percentages of participants were “distance needed to travel from home/office,” with 80.8% of participants, followed by “costs associated with attending an event” (78.7%). When segmented by gender, more female participants indicated that “distance needed to travel from home/office” (83.1%), “costs associated with attending an event” (81.9%), and “time of day or day of the week” (79.3%) influenced their decision to attend compared to male participants (77.1, 72.8, and 66.9%, respectively). The factor selected by the fewest participants (11.1%) was “child care to supervise children during an adult oriented event.” Participants were also asked if the presence of a cause
marketing effort supported by the winery or tasting room would influence their decision to purchase a bottle of wine or product that was sold at the winery or in the tasting room.

Half of respondents (50.2%) were encouraged by knowing a winery donates profits to a cause, with fewer consumers age 45 to 64 and age 65 and older (42.2 and 35.8%, respectively) indicating that this would encourage a visit compared to participants age 21 to 24 and 25 to 34 years (65.3 and 58.4%, respectively). Pertaining to interest in visiting a winery based on events offered, using a Likert-type scale from 1 to 7 (1 = very uninterested; 7 = very interested), top rated events included “tasting events” (rating of 5.65), “tour of the winery and vineyard” (5.56), “food vendors from local restaurants” (5.31) and “holiday events” (5.09). If given the opportunity to choose the cause that would benefit from their donation, or allowing the winery to select the cause, or a combination of both, more “super core” participants would like to choose the organization (51.7%) compared to “core” (37.0%) and “marginal” (36.5%) of wine consumers. A greater percentage of “marginal” wine consumers would prefer that “donations [are] split evenly between winery’s choice and participant’s choice” (35.0%) than “super core” wine consumers (21.7%). Results from this study can assist winery tasting room owners and operators with identifying the events and activities to hold at facility and other factors that could encourage attendance, increase foot traffic, and boost sales.

**Introduction**

Domestically, according to Wines and Vines Staff (2014), an industry trade magazine, there were 8,335 wineries that produced wine in 2015. California was the leader in domestic wine production with 3,913 wineries; however, the Mid-Atlantic region was showing exceptional growth due the demand for wine in general (Majumdar, 2014). All
three Mid-Atlantic states (New Jersey, New York, and Pennsylvania) experienced an increase in total number of wineries between 2014 and 2015. As of 2015, New York had 333 wineries, Pennsylvania had 200, and New Jersey had 49 wineries (Klingensmith, 2014). Only three states (California, Washington, and Oregon) had more wineries than New York. Pennsylvania was ranked seventh out of the 50 states and New Jersey ranked 18th (Silverman, 2015).

An increase in wine production and quality in New World (U.S.) wine regions and in Eastern Europe has resulted in new opportunities for the industry, one of which is the emergence of wine tourism, a concept based on consumers traveling to vineyards and cellar doors (Alonso and Northcote, 2008). Many small farms in the U.S. have recognized the need to broaden what is available in an attempt to remain (or become) economically sustainable. One way to do so is by being creative and diversifying their farm activities through value-added products and/or services, as well as, identifying new markets to enter. This is where agritourism could be immensely helpful (Tubene and Hanson, 2002). “Agritourism is an agriculturally based direct marketing operational or educational experience that can entice consumers to visit a farm or a ranch” (Hall et al., 2003). Agritourism can provide farmers and ranchers with opportunities to diversify their businesses, which can help buffer fluctuating markets, increase farm revenue, and increase community economic activity (Carpio et al., 2008). These same techniques would be beneficial for winery and winery tasting rooms to implement in order to increase the number of tourists visiting the tasting room in the hopes of increasing revenue. According to data from research conducted by Govindasamy and Kelley (2014), 17.9% of adult Americans had a high level of interest in wine and cuisine related travel, with an additional 17.2% of Americans having moderate interest. Pennsylvania is one of two states with “exclusive control over both the distribution and
retail components” of alcohol sales, with 81% of wine sold directly at the tasting room, demonstrating the need for and dependence on wine tourism (Dombrosky and Gajanan, 2013). Allowing consumers to sample wines, learn about grape and wine production, and purchase wines (Tassiopoulos et al., 2004) at the cellar door are seen as being extremely important wine tourism components.

Winery tasting rooms create and host events throughout the year; however, to truly benefit from these efforts it is necessary to understand which activities and events appeal to visitors. The positive impact of wine tourism on farmers’ economic sustainability, the potential to benefit the greater community, and encourage regional development are just a few factors that encourage and motivate consumers to travel to a winery (Hall and Mitchell, 2000). Wineries and tasting rooms that offer events and activities are, in part, creating a consumer experience. Additionally, events and activities have the potential to increase sales and allow the winery to build a relationship with the end user. Data collected from Spanish wine consumers showed that “being able to taste wines produced at wineries, visiting the establishment, wineries with ‘long’ hours, and being able to purchase wine at the tasting room” were the main incentives for consumers to participate in wine tourism (Marzo-Navarro and Pedraja-Iglesias, 2009). Tasting rooms can be an essential tool that can educate visitors about wine and possibly convert them into loyal consumers (Shapiro and Gomez, 2014).

Agritourism is not the only promotional strategy that can benefit a winery tasting room. These establishments should also consider the advantage of implementing a cause marketing strategy, which involves the “cooperative efforts of a for-profit business and a non-profit organization for mutual benefit.” Shekih and Beise-Zee (2011), in order to characterize diversity in interest towards a cause, found that cause-related marketing
CRM) and corporate social responsibility (CSR) have similar positive effects on consumers’ attitudes. Cause-marketing programs, in general, are designed to achieve objectives such as improving overall corporate reputation, differentiating a brand, attracting the interest of targeted consumers, stimulating brand preference and loyalty, attracting loyal employees and, ultimately, increasing profits (Bloom et al., 2006).

Another research study conducted by Andrews et al. (2014) found that cause marketing can significantly increase consumer purchases and the impact of cause marketing on sales purchases are strongest when price discounts are moderate rather than deep or absent.

A winery tasting room needs to offer more than just good quality wine or customer service to establish brand loyalty; rather, brand loyalty requires tasting room staff to make a personal connection with the visitor (Fountain et al., 2008). By developing a strong relationship with tasting room visitors there is a greater likelihood that they will make a return visit. It is imperative to investigate consumer behaviors and attitudes regarding agritourism activities, events, and cause marketing to help winery personnel understand whether to incorporate these activities into their business model.

**Research Objectives**

- Understand what encourages consumers to attend events and activities held at wineries and winery tasting rooms.
- Examine consumer willingness to attend activities at wineries within 200 miles of their home.
- Determine influence of cause-marketing programs on wine bottle purchases.
Understand consumer preferences for how donations could be split (e.g. winery chooses the organization, participant chooses the organization, donations split evenly between winery’s choice and participant’s choice).

Materials & Methods

Data were collected through a 15-minute Internet survey (22-24 October 2014) which was administered to Survey Sampling International, LLC (Shelton, CT) panelists residing in three states (New Jersey, New York, and Pennsylvania) in the Mid-Atlantic region. Those who elected to participate preceded to the survey, which was developed using SurveyMonkey.com (Palo Alto, CA), an online provider of survey solutions. Internet surveys have become the most suitable medium with advances in technology, allowing the researcher to reach potential respondents all over the world with minimal cost of data collection and processing. Web surveys require less effort by respondents to complete and return compared to mail surveys. While a recognized limitation is the inability to ask participants clarifying questions, Internet surveys can “provide both the researcher and respondents with a clear, accessible, and highly usable mechanism that will minimize the confusing elements that may lower response rates or the quality of data” (Dillman et al., 2009). The project “Developing Wine Marketing Strategies for the Mid-Atlantic Region” (GRANT 11091317) was funded by a USDA Federal-State Marketing Improvement Program grant. 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. The survey was pre-tested on a subset (n = 98) of the target consumer, after which, 1,280 participants opened and attempted the survey, with 977 qualifying and completing the survey. Panelists received an electronic consent statement, along with a link to the survey
developed by researches and approved by the Office of Research Protections at The Pennsylvania State University (IRB 37365, University Park, PA). Panelists were informed of these criteria in the consent statement prior to proceeding with the survey and were provided with a one-dollar incentive to encourage participation.

Survey topics focused on factors that encourage participants to attend an event or activity held at a winery tasting room (e.g. the distance from home/work to the winery or costs associated with the event), tasting room activities (e.g. local entertainment or educational workshops), as well as, how a cause marketing effort would entice consumers to purchase a bottle of wine.

**Statistical Analysis**

Data were analyzed with SPSS (Versions 21 and 22; SPSS, Chicago, IL). To assess differences between responses, data were segmented by demographic (age range, gender), state of residence, and wine consumption frequency groups. Pearson’s Chi Square, Phi and Cramer’s V, and ANOVA followed by Games-Howell tests were used to detect differences for categorical and/or multiple-choice questions.

**Results**

A variety of questions were asked in the survey to quantify wine consumer interest in attending events and activities held at winery tasting rooms and how a winery cause-marketing program could influence wine purchases. Table 4.1 provides an overview of the demographic profiles for the Internet survey participants. The most common responses to demographic questions were female (61.9%); with 17.9 to 22.0% of participants in each age category (e.g. 21 to 24); household incomes of $25,000 to $49,999 (20.4%) and $50,000 to $75,999 (21.5%); having a Bachelor’s degree (38.4%)
and some college/technical school (19.4%); no children in the household (64.3%); and having one other adult in the household who drinks wine (56.9%). Pertaining to consumption frequency, 48.4% of participants were considered “super core” wine drinkers (drank wine daily to a few times a week), 21.8% were “core” wine drinkers (drank wine about once a week), and 29.8% were considered “marginal” wine drinkers (drank wine less frequently).

Table 4.1. Demographic characteristics of wine consumers residing in New Jersey, New York, and Pennsylvania (Mid-Atlantic region) who participated in two separate Internet surveys

<table>
<thead>
<tr>
<th>Variable</th>
<th>(no.)</th>
<th>(%)</th>
<th>(no.)</th>
<th>(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Age range</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21 to 24</td>
<td>229</td>
<td>18.4</td>
<td>193</td>
<td>16.3</td>
</tr>
<tr>
<td>25 to 34</td>
<td>340</td>
<td>27.3</td>
<td>306</td>
<td>25.8</td>
</tr>
<tr>
<td>35 to 44</td>
<td>345</td>
<td>27.7</td>
<td>133</td>
<td>11.2</td>
</tr>
<tr>
<td>45 to 64</td>
<td>332</td>
<td>26.6</td>
<td>361</td>
<td>30.4</td>
</tr>
<tr>
<td>65 and older x</td>
<td>n/a</td>
<td>n/a</td>
<td>193</td>
<td>16.3</td>
</tr>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>744</td>
<td>62.9</td>
<td>612</td>
<td>51.5</td>
</tr>
<tr>
<td>Male</td>
<td>439</td>
<td>37.1</td>
<td>573</td>
<td>48.5</td>
</tr>
<tr>
<td><strong>Gross household income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than $25,000</td>
<td>160</td>
<td>13.6</td>
<td>242</td>
<td>19.4</td>
</tr>
<tr>
<td>$25,000-$49,000</td>
<td>309</td>
<td>26.2</td>
<td>597</td>
<td>47.9</td>
</tr>
<tr>
<td>$50,000-$75,999</td>
<td>268</td>
<td>22.7</td>
<td>407</td>
<td>32.7</td>
</tr>
<tr>
<td>$76,000-$99,999</td>
<td>169</td>
<td>14.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$100,000-$150,000</td>
<td>168</td>
<td>14.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Greater than $150,000</td>
<td>105</td>
<td>9.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Wine consumption frequency</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Super core</td>
<td>410</td>
<td>32.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Core</td>
<td>234</td>
<td>18.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marginal</td>
<td>602</td>
<td>48.3</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The survey was administered 20-25 September 2013.

The 65 and older age range was included in Survey II to better understand any reasons that might influence a decline in wine consumption.

“Super core” represents those who drink wine daily to a few times a week; “core” represents those who drink about once a week, and “marginal” represents those who drink wine less frequently.
Factors that Influence Attendance at an Event

Many factors affect whether a consumer will attend an activity held at a winery and/or winery tasting room. The top three reasons that would influence participants include: “distance needed to travel from home/office” (80.8%), “costs associated with attending an event” (78.4%), and the “time of day or day of the week” that the event is held (74.6%) (Table 4.2). The three factors least influential on the decision to attend were: “accessible parking” (32.5%), “age appropriate activities for adults and children” (19.2%), and “child care to supervise children during adult oriented event” (11.1%). There was a small percentage (5.0%) who indicated “none of the above would be a factor” in their decision to participate in an event held at a winery tasting room.

Table 4.2. Factors that would influence participant’s decision to participate in leisure activities and events held at a winery tasting room, segmented by age range, gender, and wine consumption frequency

<table>
<thead>
<tr>
<th>Variable</th>
<th>All Participants</th>
<th>Age Range</th>
<th>Gender</th>
<th>Wine Consumption Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distance needed to travel from home/office</td>
<td>80.8</td>
<td>74.6b, 78.1b, 74.9b, 88.3a, 89.5a</td>
<td>Male, Female</td>
<td>Super Core, Core, Marginal</td>
</tr>
<tr>
<td>Costs associated with attending an event</td>
<td>78.4</td>
<td>83.7a, 75.2a, 77.4a, 79.2a, 77.8a</td>
<td>77.9a, 78.7a, 79.8a</td>
<td></td>
</tr>
<tr>
<td>Time of day or day of the week</td>
<td>74.6</td>
<td>74.6a, 76.7a, 71.3a, 77.2a, 72.5a</td>
<td>72.3a, 75.4a, 77.7a</td>
<td></td>
</tr>
<tr>
<td>Personal interest in attending event</td>
<td>59.7</td>
<td>58.4b, 54.3b, 61.5ab, 68.0a, 55.6ab</td>
<td>57.5a, 61.0a, 61.2a, 61.8a, 55.7a</td>
<td></td>
</tr>
<tr>
<td>Discounts offered to individual members of the group sponsoring the event</td>
<td>33.5</td>
<td>42.8a, 34.3ab, 24.6b, 30.5ab, 37.3ab</td>
<td>34.8a, 32.7a, 37.1a, 26.1b, 33.3ab</td>
<td></td>
</tr>
<tr>
<td>Accessible parking</td>
<td>32.5</td>
<td>30.3bc, 21.9c, 23.1c, 37.6b, 54.9a</td>
<td>36.0a, 30.4a, 34.4a, 21.7b, 37.7a</td>
<td></td>
</tr>
<tr>
<td>Age appropriate activities for adults and children</td>
<td>19.2</td>
<td>19.1ab, 23.3a, 25.6a, 11.7b, 15.0ab</td>
<td>17.3a, 20.3a, 20.3a, 14.5a, 20.9a</td>
<td></td>
</tr>
<tr>
<td>Child care to supervise children during an adult oriented event</td>
<td>11.1</td>
<td>9.8bc, 20.5a, 16.4ab, 3.5cd, 2.6d</td>
<td>8.5a, 12.7a, 12.1a</td>
<td></td>
</tr>
<tr>
<td>None of the above would be a factor</td>
<td>5.0</td>
<td>1.1b, 2.3b, 4.4b, 5.3ab, 12.6a</td>
<td>5.1a, 5.0a, 5.3a, 2.6a, 6.2a</td>
<td></td>
</tr>
</tbody>
</table>

1 The survey was administered 22-24 October 2014 to consumers residing in New Jersey, New York, and Pennsylvania.
2 Participants were able to select more than one response category, which is why percentages do not equal 100%.
3 Percentages and means with different letters within different rows and demographic categories (age group, gender, and consumption frequency) represent Pearson’s Chi-Square, Phi and Cramer’s V, and ANOVA followed by Games-Howell tests where values are significantly different at the level of p ≤ .05; SPSS, Version 21 and 22, Chicago.
4 “Super core” represents those who drink wine daily to a few times a week, “core” represent those who drink about once a week, and “marginal” represent those who drink wine less frequently. 
When participant responses were segmented by age range, there were many statistical differences; however, no major trends were apparent across the groups. More of participants age 45 to 64 years (88.3%) and age 65 and older (89.5%) considered the “distance needed to travel from home/office” influential compared to those age 21 to 44 years (range of 74.6 to 78.1%) (Table 4.2). More participants age 45 to 64 (68.0%) were influenced by their “personal interest in attending the event” compared to participants age 25 to 34 years (54.3%). “Discounts offered to individual members of the group sponsoring the event” was more of a factor for participants age 21 to 24 years (42.8%) than those age 35 to 44 years (24.6%). “Accessible parking” was also an issue for more participants age 65 and older (54.9%) than participants in all the other age ranges (range of 21.9 to 37.6%), and this factor was also an issue for more participants age 45 to 64 (37.6%) than participants age 25 to 34 years (21.9%) and age 35 to 44 years (23.1%). Availability of activities or care for children at the winery tasting room affected some participants more than others. Participants age 45 to 64 years were less interested in “age appropriate activities for adults and children” (11.7%) than participants age 25 to 34 years (23.3%) and age 35 to 44 years (25.6%), while none of these groups were different from neither participants age 21 to 24 years (19.1%) nor age 65 and older (15.0%). “Child care to supervise children during an adult oriented event,” influenced more participants age 25 to 34 years (20.5%) than those age 21 to 24 years (9.8%) and those 45 and older (range of 2.6 to 3.6%).

More females indicated that the “distance needed to travel from home/office” (83.1%), “costs associated with attending an event” (81.9%), and “time of day or day of the week” that the event was held (79.3%) were influential in the decision to attend an event held at a winery tasting room compared to males (77.1, 72.8, and 66.9%, respectively), as well
as “child care to supervise children during an adult oriented event” (12.7 vs. 8.5%) (Table 4.2).

More “super core” wine consumers (37.1%) responded that “discounts offered to individual members of the group sponsoring the event” was a factor that would influence their decision compared to “core” wine consumers (26.1%), while neither group was significantly different from marginal wine consumers (33.3%). More “super core” (34.4%) and “marginal” (37.7%) wine consumers indicated that “accessible parking” would influence their decision to attend an event compared to “core” wine consumers (21.7%).

**Tasting Room Activities Held within 200 Miles of Participants’ Home**

Respondents answered questions pertaining to what activities winery tasting rooms could offer that would encourage consumers to visit. The top three reasons that would encourage participants to visit a winery within 200 miles of their home were: “sale section of merchandise” (68.8%), “each month a new wine is featured at a discounted price” (67.6%), and the “tasting fee applied to the bottles of wine purchased” (67.0%) (Table 4.3).
Table 4.3. Tasting room activities held within 200 miles of the participant’s home that would encourage them to visit, segmented by age range, gender, and wine consumption frequency

<table>
<thead>
<tr>
<th>Variable</th>
<th>All Participants</th>
<th>Age Range</th>
<th>Gender</th>
<th>Wine Consumption Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>21-24yr</td>
<td>25-34</td>
<td>35-44</td>
</tr>
<tr>
<td>Tasting Room Activities that would Encourage a</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Visit (%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sale section of merchandise</td>
<td>68.8</td>
<td>73.1a</td>
<td>70.8a</td>
<td>67.9a</td>
</tr>
<tr>
<td>Each month a new wine is featured at a</td>
<td>67.6</td>
<td>75.0a</td>
<td>77.1a</td>
<td>70.1a</td>
</tr>
<tr>
<td>discounted price</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tasting fee applied to the bottles of wine</td>
<td>67.0</td>
<td>60.7a</td>
<td>74.5a</td>
<td>66.5a</td>
</tr>
<tr>
<td>purchased</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Keep the glass from the tasting</td>
<td>54.4</td>
<td>66.5a</td>
<td>65.7a</td>
<td>57.1ab</td>
</tr>
<tr>
<td>Local entertainment</td>
<td>54.3</td>
<td>64.8a</td>
<td>60.9a</td>
<td>60.6a</td>
</tr>
<tr>
<td>Educational workshops</td>
<td>54.8</td>
<td>64.7a</td>
<td>63.4a</td>
<td>60.2a</td>
</tr>
<tr>
<td>Wine club availability and special incentives</td>
<td>49.7</td>
<td>58.5a</td>
<td>58.9a</td>
<td>54.1a</td>
</tr>
<tr>
<td>Premade gift baskets that include wine</td>
<td>39.9</td>
<td>59.9a</td>
<td>64.3ab</td>
<td>41.1b</td>
</tr>
<tr>
<td>Activities available to entertain children</td>
<td>27.5</td>
<td>25.5b</td>
<td>43.5a</td>
<td>42.2a</td>
</tr>
</tbody>
</table>

The survey was administered 22-24 October 2014 to consumers residing in New Jersey, New York, and Pennsylvania.

1Participants were able to select more than one response category, which is why percentages do not equal 100%.

While the “sale section of merchandise” and “tasting fee applied to the bottles of wine purchased” appealed equally to each age range, some differences were apparent for other activities (Table 4.3). While nearly half of participants age 65 and older (49.4%) indicated that “each month a new wine is featured at a discounted price” would encourage them to visit a winery tasting room, a greater percentage of participants age 21 to 44 years would be motivated by this component (range of 70.1 to 77.1%). Fewer participants 65 and older were interested in: “keep[ing] the glass from the tasting” (35.1%) than participants age 21 to 44 years (range of 57.1 to 68.5%); “local entertainment” being offered at a winery tasting room (35.1%) compared to those age 21 to 64 years (range of 49.5 to 64.8%); “educational workshops” (38.4%) compared to participants age 21 to 44 years (range of 60.2 to 64.8%); “wine club availability and special incentives to join” (31.7%) compared to those age 21 to 44 years (range of 54.1
to 58.9%); “premade gift baskets that include wine” (20.8%) compared to those age 21 to 44 years (range of 41.4 to 59.9%); and “activities available to entertain children” (12.4%) compared to those age 21 to 44 years (range of 25.5 to 43.5%).

Fewer differences were apparent when data was segmented by gender and wine consumption frequency. More females were interested in just two activities compared to males: being able to “keep the glass from the tasting” (53.9 vs. 47.3%) and “local entertainment” (54.2 and 46.5%, respectively) (Table 4.3). More “super core” (73.3%) and “core” (68.8%) wine consumers selected “each month a new wine is featured at a discounted price” compared to “marginal” wine consumers (55.6%). The percentage of participants in each of these two groups who selected “educational workshops” was also greater (60.2 and 56.6%, respectively) than the percentage of “marginal” wine consumers (44.9%) who indicated that this activity would encourage them to visit a winery tasting room. While more “super core” wine consumers (57.5%) indicated that “wine club availability and special incentives to join” would encourage them to visit than “marginal” wine consumers (38.0%), while neither group was significantly different from “core” wine consumers (48.5%).

**Interest in Visiting the Winery Tasting Room for Events**

Respondents were asked to rate their interest in events held at a winery tasting room on a Likert-type scale of 1 through 7, 1 being “very uninterested” in the event and 7 being “very interested.” Results in Table 4.4 are the means of participants’ responses. The top three events that interested participants were: “tasting events” (mean of 5.65), “tour of the winery and vineyard” (5.56), and “food vendors from local restaurants” (5.31). The event with the lowest mean, indicating participants had less of an interest, pertaining to interest in visiting a winery tasting room where “book clubs” (3.47) met.
Participants’ responses were segmented by age range with statistical differences found for each event listed. Though within the “interested” and “slightly interested” range, the mean level of interest for participants age 45 to 64 years (5.92) was significantly greater than the means for all those age 21 to 24 (mean of 5.50), age 35 to 44 years (5.57), and age 65 and older (5.49) (Table 4.4). Means for participants age 65 and older were lower than most of the other age for the remaining interests. Specifically, the mean was lower for: “tour of the winery and vineyard” (5.49) compared to the means for participants age 25 to 34 years (5.69) and age 45 to 64 years (5.77); “food vendors from local restaurants” (4.93) compared to participants age 25 to 64 years (range of 5.38 to 5.55); as well as “holiday events” (4.64), “concerts held at the winery” (4.35), “painting party/class while enjoying the wine” (2.53), and “book clubs” (2.71) compared to participants age 21 to 64 years.
Pertaining to mean response differences between males and females, means for females were higher for “food vendors from local restaurants” (mean of 5.35), “holiday events” (5.19), and “painting party/class while enjoying the wine” (4.00) compared to males (5.25, 4.92 and 3.49, respectively) (Table 4.4). For all interest topics tested, except for “concerts held at the winery,” there were statistical significant differences between wine consumption groups. Means for “super core” wine consumers were significantly greater than means for “marginal” wine consumers for three topics: “tour of the winery and vineyard” (5.70 vs. 5.33), “food vendors from local restaurants” (5.37 vs. 51.6), and painting party/class while enjoying the wine” (3.97 vs. 3.5). “Core” and “marginal” wine consumers differed for “holiday events,” “painting party/class while enjoying the wine,” and “book clubs.” Means for “super core” wine consumers were significantly different from both “core” and “marginal” wine consumers for topics: “tasting events” (5.79 vs. 5.62 and 5.42, respectively), “holiday events” (5.18 vs. 4.94 and 5.06, respectively), and “book clubs” (3.65 vs. 3.24 and 3.34, respectively).

**Cause Marketing Effects**

Participants were asked a question regarding whether a winery cause-marketing program would encourage them to visit the tasting room. Half of participants, 50.2%, responded that it would encourage a visit to the winery, 22.3% said it would not encourage a visit, and 26.6% were unsure (Table 4.5).
When responses were segmented by age range, more participants age 21 to 24 years (65.3%) indicated that “yes,” knowing that a winery donates profits to a cause would encourage a purchase than participants age 35 and older (range of 35.8 to 48.5%) (Table 4.5). While there were no differences between age ranges for percentage of participants who selected “no,” more participants age 65 and older (37.0%) were “unsure” that knowing that a winery donates profits to a cause would encourage a purchase than participants age 21 to 24 years (17.3%) and 25 to 34 years (22.4%).

Based on gender, more females answered “yes” than males pertaining to their likelihood of purchasing a bottle of wine due to profits being donated to a cause (54.3 vs. 43.4%). When segmented by consumption frequency, there were no statistical differences between groups (Table 4.5).

**Preferences of Splitting Donations for a Winery’s Cause Marketing**

When asked who should make the decision as to what organization should benefit from the donation, 44.1% of participants responded the “winery could choose the organization,” followed almost evenly by “donations split evenly between the winery’s choice and participant’s choice” (28.2%) and “participant wants to choose the
organization” (27.7%) (Table 4.5). A small percentage of participants had “no preference” (12.6%) as to how the donations should be split.

Table 4.6. Preferences of how to split donations to a winery’s cause marketing campaign, segmented by age range, gender, and wine consumption frequency

<table>
<thead>
<tr>
<th>Variable</th>
<th>All Participants</th>
<th>Age Range</th>
<th>Gender</th>
<th>Wine Consumption Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>21-24</td>
<td>25-34</td>
<td>35-44</td>
</tr>
<tr>
<td>Preference of How to Split Donations (%)</td>
<td>Winery could choose organization</td>
<td>44.1</td>
<td>46.5a</td>
<td>50.4a</td>
</tr>
<tr>
<td></td>
<td>Donations split evenly between winery’s choice and participant’s choice</td>
<td>28.2</td>
<td>22.8ab</td>
<td>18.6b</td>
</tr>
<tr>
<td></td>
<td>Participant wants to choose organization</td>
<td>27.7</td>
<td>28.7a</td>
<td>31.0a</td>
</tr>
<tr>
<td></td>
<td>No preference</td>
<td>12.6</td>
<td>10.6a</td>
<td>9.9a</td>
</tr>
</tbody>
</table>

The survey was administered 22-24 October 2014 to consumers residing in New Jersey, New York, and Pennsylvania. Participants were able to select more than one response category, which is why percentages do not equal 100%.

Based on age range those age 65 and older (26.4%) were less likely to select the response “winery could choose the organization” compared to those age 21 to 24 years (48.5%) and age 25 to 34 years (50.4%) (Table 4.5). The other difference between age ranges was for the response “donations split evenly between winery’s choice and participant’s choice.” More participants age 65 and older (43.4%) selected this response compared to those age 25 to 34 years (18.6%).

There was one statistically significant difference between groups when data were segmented by gender (Table 4.5). A greater percentage of females (31.3%) selected the option “donations split evenly between winery’s choice and participant’s choice” compared to males (22.0%). Based on wine consumption frequency, “super core” wine consumers were more likely to select “winery could choose organization” (51.7%) when deciding how to disperse donations compared to “core” (37.0%) and “marginal” (36.5%) wine consumers. For the option “donations split evenly between winery’s choice and participant’s choice,” a greater percentage of “core” wine consumers (35.0%) selected
this option compared to “super core” wine consumers (21.7%), though neither group differed from “marginal” wine consumers (33.9%).

Discussion/Conclusion

For Mid-Atlantic wineries, the tasting room is often the first point of contact with the customer (Charters et al., 2009). Thus, along with excellent service, strong ambiance attributes, and excelling at retail operations, tasting room personnel should offer activities and events to encourage consumers to visit, and evaluate response and attendance. All of these factors can positively influence a consumer’s perception of the business and therefore improve sales performance (Shapiro and Gomez, 2014). Overall, a better understanding of consumer needs and interests could increase the likelihood of them attending an event and activity.

When asked what would encourage survey participants to attend an activity or event, in general, at the winery or tasting room, the majority of survey participants indicated that the “distance needed to travel from home/office” was the primary factor that influenced their participation. “Costs associated with attending an event” and “time of day or day of the week” that the event is held also influenced 74.6% or more of participants. While fewer participants age 44 and younger were influenced by “distance needed to travel from home/office” to the winery tasting room, compared to those age 45 and older, there was no differences between age ranges pertaining to “time of day or day of the week.” However, with both factors relating to the participant's availability to attend an activity or event, it is imperative that tasting room staff host events based on potential participants’ schedules. Developing a survey and asking tasting room visitors, newsletter subscribers, and club members to indicate, for specific events: what amount of “distance needed to travel” would limit their attendance and was “time of day or day of the week”
they would prefer that the event be held. With over half of the participants indicating that “personal interest in attending the event” would influence their decision to attend an event, it would only be prudent to investigate availability and distance in conjunction with the event that would be offered.

Based on our data, and using a 7-point Likert-type scale, events such as “tasting events,” “tour of the winery and vineyard,” “food vendors from local restaurants,” and “holiday events” were rated between “slightly interested” and “interested” (mean range of 5.09 to 5.65). There were significant differences, when data were segmented by age range, for these and the other suggested events; however, no trends emerged. Means for “tasting events” and “tour of the winery and vineyard” were greater for those age 45 to 64 years than participants age 21 to 24 years, 35 to 44 years, and 65 years and older, while the mean for those age 45 to 64 years were only different from those who were age 25 to 34 and 65 years and older for “food vendors from local restaurants.” The average means for “super core” wine consumers was greater than means for both “core” and “marginal” wine consumers regarding interest in visiting a winery tasting room if there was a “tasting event” and “holiday events.” The average means for “super core” wine consumers were also greater than means for “marginal wine consumers” if the event was a “tour of the winery and vineyard” or “food vendors from local restaurants.” Winery tasting rooms could use these data as the basis for their investigation to learn what activities would encourage visits. For example, questions could be structured to ask wine consumers to indicate interest and willingness to participate in these events if they were offered at specific times and days of the week and abased on the distance that the participant would need to travel to attend.
However, other factors may also influence attendance. While there were no differences between age ranges or wine consumer frequency categories as to the influence that “costs” would have on their attendance, more females, than males, were influenced by this factor. This information could be of value to tasting room staff when developing events that would specifically target women.

Finally, of the top three activities that would encourage participants to visit a winery tasting room, there were no differences between groups, based on age range, gender, or wine consumption frequency, for either “sale section of merchandise” or that the “tasting fee [would be] applied to the bottles of wine purchased.” With regards to the other activities, fewer respondents age 65 and older would be encouraged to visit a tasting room based on the activities tested than those age 21 to 44 years. For example, compared to their older counterparts, a greater percentage of participants between age 21 to 44 years would be encouraged to visit a tasting room if “educational workshops” were offered. This activity may appeal to these younger consumers, especially if they are less familiar with wine, how grapes are grown, how a winery functions, etc., due to the number of years they would have drank the beverage (Brunner and Siergist, 2011), and encourage them to visit a tasting room.

Since “keeping the glass from the tasting” and “educational workshops” appealed to slightly more female than male participants, winery tasting room staff may want to consider these options when offering female specific events, such as “girls night out at the winery.” While “educational workshops” is a general category, tasting room staff should investigate the types of workshops and topics that would appeal to these customers. There were a few differences among wine consumption frequency groups, with a smaller percentage of “marginal” wine consumers responding that they would be
encouraged to visit if “each month a new wine is featured at a discounted price,” “educational workshops” were offered, or if a wine club was available and there was a “special incentive to join.” Hence, it may be useful to investigate if other activities could encourage this group of wine consumers to increase their winery tasting visits, and perhaps their wine consumption. The list of events was developed based on an informal investigation of those offered by winey tasting rooms and that were posted on the business’ website or through their social media accounts. Though seven of the nine events were likely to encourage between 49.7 and 68.8% of participants to visit a winery tasting room, it would be of interest to learn of other activities that could encourage an even greater percentage of participants to visit.

As the wine industry continues to build its customer base, a fair amount of attention has been focused on consumers in the Millennial, or Gen Y, generation (Williams and Page, 2011). Our data reveals a few events that were of a greater level of interest to these consumers than older participants. For example, while the overall mean regarding interest in visiting a winery tasting room to participate in a “painting party/class while enjoying the wine,” an event during which attendees are given instruction and paint pictures while drinking wine (Anonymous, 2015),” was 3.81 (a rating between “slightly uninterested” and “neither interested nor uninterested”), the mean rating for participants age 21 to 24 and 25 to 34 years was greater than the means for those age 35 and older. As with the other strategies, discussed above, each tasting room would need to survey their customers in order to better understand what is most likely to appeal. These data can be helpful in developing such a strategy, especially if the goal is to attract consumers of a particular demographic or behavioristic group.
A cause-marketing program can be a strong addition to a winery’s or tasting room’s promotional plan, as consumers feel good about spending their money on products that support a specific cause. According to the 2013 Cone Communications Social Impact Study (Anonymous, 2013), 54% of U.S. consumers bought a product associated with a cause during a 12-month period ending fall 2013. A majority of consumers, 91%, want even more of the products and services they use to support a cause and 88% of consumers want to hear how companies are supporting social and environmental issues. In addition, a cause-marketing program also provides social benefits and has the potential to increase a consumer’s perception of the winery or tasting room participating in the venture (Maumbe and Brown, 2013). Half of our survey respondents answered “yes,” that purchasing a bottle of wine, and knowing that profits were donated to a cause, would encourage them to visit that particular winery. If winery or tasting room personnel will be selecting the cause, they should choose one that has a personal connection to the winery, as this will be more appealing to consumers than a cause where no “connection” exists (Andrews et al., 2014). Another option would be to allow consumers to choose the cause that will receive the donation. It would be beneficial to not only be connected to a large, non-profit cause, but also locally sourced causes as consumer's may feel that a specific group or person may be benefiting from their donation (Andrews et al., 2014). Or, wineries may consider a strategy that would split funds between a cause that the winery selects and one that consumers would like to benefit from their donation, which is an option for ONEHOPE wine consumers (Kloberdanz, 2015). While a greater percentage of participants between age 21 and 34 years or who were “super core” wine consumers would prefer that the “winery could choose [the] organization, a greater percentage of participants age 65 years and older or “core” wine consumers would prefer that “donations [are] split evenly between [a] winery’s choice and [the] participant’s choice.” There were no differences among age
ranges, gender, or wine consumption frequency for the preference option, “participant wants to choose [the] organization.” With the category “winery could choose [the] organization” appealing to a greater percentage of participants, a tasting room may want to first consider this strategy if they are unsure, or question, and amount of planning necessary to document and distribute donations to more than one cause.

Customers’ experiences encompass every aspect of a company’s offering (Meyer and Schwager, 2007). To accomplish this goal, based on our research, it would be prudent for a winery and tasting room to offer events and activities that encourage repeat visits and helps customers create memories. One way to build and maintain a relationship is to offer customers an experience rather than just a place to purchase wine.
References


CHAPTER 5: CONSUMER PERCEPTIONS OF WINE PRODUCED FROM GRAPES GROWN IN THE MID-ATLANTIC REGION (NEW JERSEY, NEW YORK, AND PENNSYLVANIA)
Summary

An Internet survey was administered (22-24 October 2014) to participants residing in one of three states within the Mid-Atlantic U.S. region (New Jersey, New York, and Pennsylvania). Participants answered questions concerning past purchases and perception of wine produced from grapes grown New Jersey, New York, and Pennsylvania. Over half (64.5%) of all participants responded that they had purchased wine made from grapes grown in New York for “everyday consumption,” and that they would purchase the wine “to give as a gift” (53.4%), for “special occasions” (53.5%), and to consume at a restaurant that allows “bring your own beverages” (60.2%). Fewer participants age 21 to 24 years reported purchasing wine made from grapes grown in New York for “everyday consumption,” compared to participants age 25 to 34 and 45 to 64 years, while more females (55.0%) and “marginal” wine consumers indicated that they had would purchase New York wine for “special occasions” than males (48.1%) and “super core” wine consumers (50.9%). Participants were also asked, on a 7-point Likert-type scale (1 = unacceptable, 7 = excellent), to indicate their quality perceptions of five varietals (e.g. Chardonnay) produced from grapes grown in each of the three states. Mean perception ratings were between “satisfactory” and “good” (range of 4.40 to 4.99), with no significant differences between ratings assigned by males and females for any of the varietals tested. There were; however, several significant differences when data were segmented based on wine consumption frequency, with “super core” wine consumers being more likely to assign higher perceived quality ratings than the other two wine consumption frequency segments. Pertaining to interest in purchasing and drinking “skinny wines” produced from grapes growth in the three states, interest also ranged between “satisfactory” and “good” (range of 4.48 to 4.92). Again, while there were not differences between ratings assigned by females and males, ratings assigned by “super core” wine consumers were higher than those assigned by “core” and
“marginal” wine consumers. Results from this study can assist winery and tasting room owners and operators with identifying potential wine products and better understanding occasions when consumer may purchase wine made from grapes grown in each of the three Mid-Atlantic states.

**Introduction**

Domestically, according to Wines & Vines Staff (2014), an industry trade magazine, there were 8,335 wineries that produced wine in 2015. California was the leader in domestic wine production with 3,913 wineries; however, the Mid-Atlantic region was showing exceptional growth due to demand for wine in general (Majumdar, 2014). All three Mid-Atlantic states (New Jersey, New York, and Pennsylvania) experienced an increase in total number of wineries between 2015 and 2014. As of 2015, New York had 333 wineries, Pennsylvania had 200, and New Jersey had 49 wineries (Klingensmith, 2014). Only three states (California, Washington, and Oregon) had more wineries than New York. Pennsylvania was ranked seventh out of the 50 states and New Jersey ranked 18th (Silverman, 2015).

Consumers have many choices when selecting an alcoholic beverage. In 2002, 60% of U.S. consumers who consumed alcohol favored beer, 27% spirits, and 13% wine. By 2013, the number of consumers who drank alcohol and preferred beer fell to 51.1%, spirits rose to 33.7%, and wine grew to more than 15% (Adams, 2014). In that year, approximately 44% of all adults in the U.S. drank wine, therefore, of the 330 million people, age 21 and older, 101 million consumed the beverage (Thach, 2014). Although the number of U.S. consumers who preferred wine only grew 2% during this period, preference for beer fell by nearly 10%. Within the beer category, fewer 12-packs of light beer (reduced alcohol content or calories compared to regular beers) were purchased in
2014, but more six-packs of IPA’s (Indian Pale Ales), a hoppy beer style within the broader category of pale ale, were purchased, which could be at the expense of consumers purchasing a bottle of wine (Adams, 2014). Based on these data, it is clear that interest in wine has increased, but it is evident that beer is still the leading alcoholic beverage for the majority of U.S. alcohol consumers (Jones, 2013).

With such a large population consuming wine, it is likely that several different segments exist based on age, gender, or even reasons why they choose to drink wine. Hence, it is essential for winery tasting room staff to understand the demographic and psychographics of wine consumers and visitors in order to create products and develop promotions that entice them to purchase wine sold at the facility. An Italian study involving Generation Y (born 1980 to 2000) wine consumers indicated that these individuals expressed a favorable predisposition towards wine as it primarily had healthy, relaxing, and cultural connotations (Capitello et al., 2014). A study involving southern California wine drinkers found that the perceived health benefits of wine strongly influenced consumption (James and Christodoulidou, 2007). Based on these data, wineries and tasting rooms may want to promote these benefits as a way of appealing to wine consumers and to encourage an increase in consumption.

Differences based on gender or state and country of residence could influence consumption, which may need to be reflected in marketing messages and advertising campaigns. For example, women drink wine mainly during social situations, while men tend to enjoy boasting about the wine they drink (Thach, 2012). Thus, two separate promotions may be warranted. A study conducted in northern Italy revealed that Generation Y consumers preferred to consume wine during “situations or occasions of conviviality or hospitality” (Agnoli et al., 2011). With data indicating that there are
differences between groups pertaining to why they consume wine, it is essential for winery tasting room personnel to understand what motivates different age groups, etc. to drink wine and then modify their marketing message accordingly to match the desired needs (Olsen et al., 2007).

Varietals that wine drinkers consume and/or purchase can vary based on a consumer’s origin or culture. Based on volume, red wine accounts for 41.7% of the U.S. market share, white wine for about 41%, and blush represents a 17.4% share (Cisneros, 2013). Researchers from the University of Adelaide investigated which wine grapes were the most prevalent. In the 1990’s, the most widely grown grape was a white wine variety from Spain called Airen. In 2014, Cabernet Sauvignon, a red grape, accounted for 6.3% of production, followed by Merlot (5.81%) and Tempranillo (5.05%). While it is difficult to predict what the leading wine varieties will be in another couple decades, wine growers are continuously adapting to factors such as climate change and investigating varieties that are likely to perform well in these climates in the coming years (Johanson, 2014).

More than half of wine purchased falls within the $15-$40 category and nearly a third of all purchases are in the $30-$75 category (Gillespie, 2014). The price that a consumer is willing to pay can differ based on occasion, for example a bottle selected for a casual weekday dinner may be less expensive than the one chosen for a weekend dinner with friends. Occasion also impacts the amount that consumers are willing to pay for a glass of wine. Based on a survey conducted by the Wine Market Council in 2013, 48% of respondents would spend less than $10 for a glass of wine during an average weeknight dinner at a restaurant and 29% were willing to spend $10 to $12. However, if the same consumer was buying wine by the glass on a weekend when out with friends, 30% would be willing to pay more than $15 and 24% would be willing to pay between $13 and $15
Data also exists pertaining to gender differences and price paid on different occasions; both of which may be reasons for spending more on a bottle or glass of wine when out on a weekend with friends (Guenther, 2013).

The same can be said for bottles purchased at restaurants. Forty-five percent of Wine Market survey respondents would not spend more than $30 on a bottle of wine served during a weeknight dinner at a restaurant. However, 34% would spend $30 to $49 and another 35% would spend $50 to $74 if they were dining out on a weekend night with friends (Guenther, 2013). These prices help identify a range suitable for wineries and tasting rooms to sell their wine, but without regional data available, as to possible differences in prices consumers are willing to pay, the ability to properly choose the “best” price range may be hindered.

Wine experts’ recommendations and wine ratings can have a huge impact on consumers’ attitudes and subsequent wine purchases. It is difficult for consumers to make a choice involving experience goods prior to purchase, so in order to avoid being disappointed by the wines they purchase, consumers have become more reliant on these recommendations and ratings (Chocarro and Cortinas, 2013). Little to no research has been conducted on how expert recommendations or ratings could impact a consumer’s view of wine made with grapes in the Mid-Atlantic region; therefore, it is possible that ratings and recommendations could not only benefit wineries and tasting rooms in the region, but also greatly assist consumers during the purchasing decision and alert them to brands and regions that they are less familiar.

Many studies have been conducted based on customer satisfaction and brand loyalty. It is not that the brand is not important, but the process of “loving and becoming loyal” to a brand begins with a product, as consumers first appreciate products based on their
attributes, independent of the brand (Torres-Moraga, 2008). However, at the other end of the spectrum, the quality of the wine is not the only factor used to make the purchasing decision. Consumers have many choices when considering what wine to purchase and consume. The entire experience: the visitors’ sense of “belonging and camaraderie,” being involved in an experience that is exciting, fun, and memorable, all contribute to repeat purchase intentions (Nowak, 2006). Wineries need to first create a quality product that consumers will appreciate and be willing to purchase in order to create a desirable brand. Then, once the quality of such product is accepted, the experience of enjoying the product at a winery and tasting room becomes the foremost benefit of the brand (Nowak, 2006).

Unfortunately, there have not been any studies conducted within the Mid-Atlantic region to understand consumer consumption patterns and how they have changed over the years. Seeing data, mentioned above, about the number of wineries in the Mid-Atlantic region and past (and potential) growth, it would be extremely beneficial to have actual statistics that describe consumption, purchasing, attitudes, and preferences for those who reside in New Jersey, New York, and Pennsylvania, and how these may differ from consumers residing in other regions of the U.S., or even within the Mid-Atlantic region. With such research, wineries and tasting rooms should be able to enhance their marketing strategies and alert local, regional, and visiting consumers about their products, brand, and business.

**Research Objectives**

- Document Mid-Atlantic (New Jersey, New York, and Pennsylvania) consumers’ perception of wine that was produced from grapes grown in the three states.

Understand the occasions when consumers are willing to purchase wine produced with grapes grown in New Jersey, New York, and/or Pennsylvania (e.g. every day, special, gift, bring-your-own).

Analyze the level of interest consumers have in purchasing and consuming skinny wines produced from grapes grown in New Jersey, New York, and Pennsylvania.

**Materials & Methods**

Data were collected through a 15-minute Internet survey (22-24 October 2014) which was administered to Survey Sampling International, LLC (Shelton, CT) panelists residing in three states (New Jersey, New York, and Pennsylvania) in the Mid-Atlantic region. Those who elected to participate proceeded to the survey which was developed using SurveyMonkey.com (Palo Alto, CA), an online provider of survey solutions. Internet surveys have become the most suitable medium with advances in technology, allowing the researcher to reach potential respondents all over the world with minimal cost of data collection and processing. Web surveys require less effort by respondents to complete and return compared to mail surveys. Web surveys require less effort by respondents to complete and return compared to mail surveys. While a recognized limitation is the inability to ask participants clarifying questions, Internet surveys can “provide both the researcher and respondents with a clear, accessible, and highly usable mechanism that will minimize the confusing elements that may lower response rates or the quality of data” (Dillman et al., 2009). The project “Developing Wine Marketing Strategies for the Mid-Atlantic Region” (GRANT 11091317) was funded by a USDA Federal-State Marketing Improvement Program grant. 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. The survey was pre-tested on a subset (n = 98) of the target consumer. There were 1,280 participants who opened and attempted the survey, with 977 qualifying and completing the survey. Panelists received an electronic consent statement, along with a link to the survey developed by researchers and approved by the Office of Research Protections at The Pennsylvania State University (IRB 37365, University Park, PA). Panelists were informed of these criteria in the consent statement prior to proceeding with the survey and were provided with a one-dollar incentive to encourage participation.

**Statistical Analysis**

Data were analyzed with SPSS (Versions 21 and 22; SPSS, Chicago, IL). To assess differences between responses, data were segmented by demographic (age range, gender), state of residence, and wine consumption frequency groups. Pearson’s Chi Square, Phi and Cramer’s V, and ANOVA followed by Games-Howell tests were used to detect differences for categorical and/or multiple-choice questions.

**Results**

A variety of questions were asked to quantify the consumption and purchasing behavior of wine consumers. Table 5.1 provides an overview of the demographic profiles for Survey participants. The most common responses to demographic questions were female (61.9%); with 17.9 to 22.0% of participants in each age category (e.g. 21 to 24); household incomes of $25,000 to $49,999 (20.4%) and $50,000 to $75,999 (21.5%); having a Bachelor’s degree (38.4%) and some college/technical school (19.4%); no children in the household (64.3%); and having one other adult in the household who drinks wine (56.9%). Pertaining to consumption frequency, 48.4% of participants were
considered “super core” wine drinkers (drank wine daily to a few times a week), 21.8% were “core” wine drinkers (drank wine about once a week), and 29.8% were considered “marginal” wine drinkers (drank wine less frequently).

**Table 5.1. Demographic characteristics of wine consumers residing in New Jersey, New York, and Pennsylvania (Mid-Atlantic region) who participated in two separate Internet surveys**

<table>
<thead>
<tr>
<th>Variable</th>
<th>(no.)</th>
<th>(%)</th>
<th>Education</th>
<th>(no.)</th>
<th>(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age range</td>
<td></td>
<td></td>
<td>Some high school/high school graduate</td>
<td>139</td>
<td>14.3</td>
</tr>
<tr>
<td>21 to 24</td>
<td>177</td>
<td>18.1</td>
<td>Some college/technical school graduate</td>
<td>189</td>
<td>19.4</td>
</tr>
<tr>
<td>25 to 34</td>
<td>215</td>
<td>22.0</td>
<td>Associate degree/technical school graduate</td>
<td>97</td>
<td>10.0</td>
</tr>
<tr>
<td>35 to 44</td>
<td>204</td>
<td>20.9</td>
<td>Bachelor’s degree (e.g. BA, BS)</td>
<td>374</td>
<td>38.4</td>
</tr>
<tr>
<td>45 to 64</td>
<td>207</td>
<td>21.2</td>
<td>Master’s degree or higher</td>
<td>174</td>
<td>17.9</td>
</tr>
<tr>
<td>65 and older</td>
<td>175</td>
<td>17.9</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gender</td>
<td></td>
<td></td>
<td><strong>Children, age 17 and younger, residing in the household</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>605</td>
<td>61.9</td>
<td>No children</td>
<td>593</td>
<td>64.3</td>
</tr>
<tr>
<td>Male</td>
<td>372</td>
<td>38.1</td>
<td>With children</td>
<td>329</td>
<td>35.7</td>
</tr>
<tr>
<td>Gross household income</td>
<td></td>
<td></td>
<td><strong>State of Residence</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than $25,000</td>
<td>100</td>
<td>10.3</td>
<td>New Jersey</td>
<td>235</td>
<td>24.0</td>
</tr>
<tr>
<td>$25,000-$49,000</td>
<td>200</td>
<td>20.4</td>
<td>New York</td>
<td>466</td>
<td>47.6</td>
</tr>
<tr>
<td>$50,000-$75,999</td>
<td>210</td>
<td>21.5</td>
<td>Pennsylvania</td>
<td>276</td>
<td>28.2</td>
</tr>
<tr>
<td>$76,000-$99,999</td>
<td>150</td>
<td>15.3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$100,000-$150,000</td>
<td>189</td>
<td>19.3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Greater than $150,000</td>
<td>123</td>
<td>12.6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Wine consumption frequency</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Super core</td>
<td>473</td>
<td>48.4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Core</td>
<td>213</td>
<td>21.8</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marginal</td>
<td>291</td>
<td>29.8</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*The survey was administered 22-24 October 2014*

**Perception Ratings of Wine Produced with Grapes Grown in New Jersey, New York, and Pennsylvania**

Participants were asked about their perception of wine made from grapes grown in each of the three targeted states, by rating the perceived quality of five wines varietals (e.g. Cabernet Sauvignon, Chardonnay) on a Likert-type scale of 1 to 7 (1 = unacceptable, 7
These five wines were chosen based on the trends found for the most popular varietals (Thach, 2014). Mean perception ratings were between "satisfactory" and "good" (range of 4.40 to 4.99), with no significant differences between ratings assigned by males and females for any of the varietals tested regardless of state where the grapes originated (Tables 5.2 to 5.4). There were, however, several significant differences when data were segmented based on wine consumption frequency, with "super core" wine consumers being more likely to assign higher perceived quality ratings than the other two wine consumption frequency segments. Specifically, mean ratings for "super core" wine consumers (range of 4.56 to 4.78) were higher than both "core" (4.16 to 4.23) and "marginal" (4.29 to 4.43) wine consumers for all five varietals if the wines were made with grapes grown in New Jersey (Table 5.2).

Table 5.2. Perceived quality ratings for wines produced from grapes grown in New Jersey, segmented by age range, gender, and wine consumption frequency

<table>
<thead>
<tr>
<th>Variable</th>
<th>Perceived quality ratings for wines produced in New Jersey (mean)</th>
<th>Age Range</th>
<th>Gender</th>
<th>Wine Consumption Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cabernet Sauvignon</td>
<td>4.49</td>
<td>4.51</td>
<td>4.59</td>
<td>4.63a</td>
</tr>
<tr>
<td>Chardonnay</td>
<td>4.48</td>
<td>4.45a</td>
<td>4.54a</td>
<td>4.64a</td>
</tr>
<tr>
<td>Merlot</td>
<td>4.55</td>
<td>4.64a</td>
<td>4.62a</td>
<td>4.67a</td>
</tr>
<tr>
<td>Pinot Grigio/Pinot Gris</td>
<td>4.51</td>
<td>4.47a</td>
<td>4.56a</td>
<td>4.35a</td>
</tr>
<tr>
<td>Riesling</td>
<td>4.40</td>
<td>4.33a</td>
<td>4.47a</td>
<td>4.56a</td>
</tr>
</tbody>
</table>

Pertaining to the quality perception ratings for wine produced from grapes grown in New York, the mean ratings for "super core" wine consumers were higher than ratings assigned by both "core" and "marginal" wine consumers for "Cabernet Sauvignon," "Pinot Grigio/Pinot Gris," and "Riesling" (Table 5.3). Mean ratings; however, did not differ between "super core" and "marginal" for "Merlot," and there were no differences among groups for "Chardonnay." Similarly, for wine made from grapes grown in Pennsylvania, mean perceived quality ratings for "Cabernet Sauvignon" and "Riesling" were higher than
both “core” and “marginal” wine consumers, but there were no differences between “super core” and “marginal” segments for “Chardonnay,” “Merlot,” and “Pinot Grigio/Pinot Gris (Table 5.4)

Table 5.3. Perceived quality ratings for wines produced from grapes grown in New York, segmented by age range, gender, and wine consumption frequency

<table>
<thead>
<tr>
<th>Perceived quality ratings for wines produced in New York (mean)</th>
<th>All Participants</th>
<th>21-24</th>
<th>25-34</th>
<th>35-44</th>
<th>45-64</th>
<th>65 and older</th>
<th>Male</th>
<th>Female</th>
<th>Super Core</th>
<th>Core</th>
<th>Marginal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cabernet Sauvignon</td>
<td>4.94</td>
<td>4.79a</td>
<td>4.96a</td>
<td>4.97a</td>
<td>4.97a</td>
<td>4.99a</td>
<td>4.89a</td>
<td>4.97a</td>
<td>5.05a</td>
<td>4.71b</td>
<td>4.87b</td>
</tr>
<tr>
<td>Chardonnay</td>
<td>4.98</td>
<td>4.87a</td>
<td>5.01a</td>
<td>5.03a</td>
<td>5.00a</td>
<td>4.97a</td>
<td>4.91a</td>
<td>5.02a</td>
<td>5.06a</td>
<td>4.89a</td>
<td>4.93a</td>
</tr>
<tr>
<td>Merlot</td>
<td>4.99</td>
<td>4.92a</td>
<td>4.97a</td>
<td>5.04a</td>
<td>5.03a</td>
<td>4.95a</td>
<td>4.91a</td>
<td>5.05a</td>
<td>5.11a</td>
<td>4.76b</td>
<td>4.98a</td>
</tr>
<tr>
<td>Pinot Grigio/Pinot Gris</td>
<td>4.97</td>
<td>4.82a</td>
<td>4.97a</td>
<td>5.04a</td>
<td>5.03a</td>
<td>4.96a</td>
<td>4.96a</td>
<td>5.04a</td>
<td>5.07a</td>
<td>4.86b</td>
<td>4.88b</td>
</tr>
<tr>
<td>Riesling</td>
<td>4.97</td>
<td>4.71b</td>
<td>5.00a</td>
<td>5.02a</td>
<td>5.00a</td>
<td>5.09a</td>
<td>4.94a</td>
<td>4.99a</td>
<td>5.07a</td>
<td>4.91b</td>
<td>4.86l</td>
</tr>
</tbody>
</table>

The survey was administered 22-24 October 2014 to consumers residing in New Jersey, New York, and Pennsylvania. The Mann-Whitney U test was used to determine significant differences between values at the level of p < 0.05.

* Differences followed by common letters within rows and demographic categories (age range, gender, and wine consumption frequency) are not significantly different.

** Significance level:
1 = excellent, 2 = very good, 3 = good, 4 = satisfactory, 5 = poor, 6 = very poor, 7 = unacceptable

“Super core” represents those who drink wine daily to a few times a week, “core” represents those who drink about once a week, and “marginal” represent those who drink wine less frequently.

Fewer differences were apparent when data were segmented based on age range, with only one difference detected for both wine produced from grapes grown in New Jersey and Pennsylvania. Participants age 45 to 64 years rated the perceived quality of ‘Merlot’ wine produced with grapes grown in New Jersey lower (mean of 4.34) than the mean ratings for all other age groups (range of 4.47 to 4.67). For “Riesling” made from grapes grown in New York, mean ratings for participants age 21 to 24 years (4.71) was lower than means for all other age ranges (range of 5.00 to 5.09). While there was no particular pattern or trend for perceived quality ratings for wine made from grapes produced in Pennsylvania, the mean ratings for participants age 65 and older were generally lower than those awarded by participants age 44 and younger.
Table 5.4. Perceived quality ratings for wines produced from grapes grown in Pennsylvania, segmented by age range, gender, and wine consumption frequency

<table>
<thead>
<tr>
<th>Wine Quality Rating</th>
<th>All Participants</th>
<th>21-24</th>
<th>25-34</th>
<th>35-44</th>
<th>45-64</th>
<th>65 and older</th>
<th>Male</th>
<th>Female</th>
<th>Super Core</th>
<th>Core</th>
<th>Marginal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cabernet Sauvignon</td>
<td>4.69</td>
<td>4.76a</td>
<td>4.76a</td>
<td>4.66b</td>
<td>4.63c</td>
<td>4.29c</td>
<td>4.67a</td>
<td>4.72a</td>
<td>4.90c</td>
<td>4.37c</td>
<td>4.61b</td>
</tr>
<tr>
<td>Chardonnay</td>
<td>4.71</td>
<td>4.66a</td>
<td>4.76ab</td>
<td>4.64a</td>
<td>4.64a</td>
<td>4.50d</td>
<td>4.63a</td>
<td>4.77a</td>
<td>4.91b</td>
<td>4.52a</td>
<td>4.67ab</td>
</tr>
<tr>
<td>Merlot</td>
<td>4.71</td>
<td>4.77ab</td>
<td>4.62a</td>
<td>4.69a</td>
<td>4.58c</td>
<td>4.39c</td>
<td>4.62a</td>
<td>4.75a</td>
<td>4.52a</td>
<td>4.69a</td>
<td>4.67ab</td>
</tr>
<tr>
<td>Pinot Grigio/Pinot Gris</td>
<td>4.71</td>
<td>4.76ab</td>
<td>4.56a</td>
<td>4.92a</td>
<td>4.59c</td>
<td>4.39c</td>
<td>4.62a</td>
<td>4.77a</td>
<td>4.52a</td>
<td>4.52b</td>
<td>4.67ab</td>
</tr>
<tr>
<td>Riesling</td>
<td>4.68</td>
<td>4.70ab</td>
<td>4.75a</td>
<td>4.82b</td>
<td>4.59c</td>
<td>4.39c</td>
<td>4.59a</td>
<td>4.74a</td>
<td>4.82a</td>
<td>4.53b</td>
<td>4.61b</td>
</tr>
</tbody>
</table>

The survey was administered 22-24 October 2014 to consumers residing in New Jersey, New York, and Pennsylvania.
*The Mann-Whitney U test was used to determine significant differences between values at the level of p < .05.
*Means followed by common letters within rows and demographic categories (age range, gender, and wine consumption frequency) are not significantly different.
*1-excellent; 2-very good; 3-good; 4-satisfactory; 5-poor; 6-very poor; 7-unsatisfactory
*“Super core” represents those who drink wine daily to a few times a week, “core” represent those who drink about once a week, and “marginal” represent those who drink wine less frequently.

There were no statistically significant differences when data were segmented by gender, regardless of varietal or state where the grapes were produced to make the wine.

Wines Made from Grapes Grown in the Mid-Atlantic: Past Purchases and Intent

Wine Purchased for “Everyday” Occasions

Participants were asked to indicate if they had ever purchased wine made from grapes grown in the Mid-Atlantic for “everyday” consumption. Nearly two-thirds of participants (64.5%) responded that they had purchased wine for “everyday” occasions from New York, with slightly less than half of participants responding that they had purchased Pennsylvania wine and New Jersey wine (42.3%) for “everyday” consumption (Table 5.5).

Table 5.5. Percentages of survey participants who reported purchasing “everyday” wine made from grapes grown in New Jersey, New York, and Pennsylvania, segmented by age range, gender, and wine consumption frequency

| States where grapes were grown to make wine for everyday consumption (%) |
|-----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| New Jersey                  | 42.3            | 36.0a           | 42.3a           | 44.1a           | 43.8a           | 32.0a           | 38.2a           | 41.2a           |
| New York                    | 64.5            | 49.1b           | 65.8a           | 61.3ab          | 64.9a           | 61.1ab          | 60.1a           | 35.0a           |
| Pennsylvania                | 46.4            | 44.0a           | 44.2a           | 47.1a           | 46.2a           | 36.6a           | 42.2a           | 44.8a           |

The survey was administered 22-24 October 2014 to consumers residing in New Jersey, New York, and Pennsylvania.
*Participants were able to select more than one response category, which is why percentages do not equal 100%.
*Percentages are trimmed means with different letters within rows and demographic categories (age group, gender, and consumption frequency) represent Pearson’s Chi-Square. Phi and Cramer’s V, and ANOVA followed by Games-Howell tests where values are significantly different, at the level of p < .05; SPSS, Version 21 and 22, Chicago.
*“Super core” represents those who drink wine daily to a few times a week, “core” represent those who drink about once a week, and “marginal” represent those who drink wine less frequently.
When data were segmented by age range, a greater percentage of participants age 25 to 34 and 45 to 64 years indicated they purchased wine produced with grapes grown in New York for “everyday” occasions (66.5% and 64.9%, respectively) compared to those age 21 to 24 years (49.1%). There were no statistically significant differences based on age range for wines produced from grapes grown in New Jersey or Pennsylvania. Nor were there any differences when participants’ responses were segmented by gender or by wine consumption frequency, regardless of state where the grapes were produced.

**Interest in Purchasing Wine for “Special” Occasions**

Participants were also asked to answer a question about whether they would purchase wine produced from grapes grown in New Jersey, New York, or Pennsylvania for “special” occasions. More participants, 53.5% responded they would purchase wine for this occasion if the grapes were grown in New York, followed by Pennsylvania (35.3%) and thirdly, New Jersey (28.9%).

Table 5.6. Percentages of survey participants who would purchase “special occasion” wine made from grapes grown in New Jersey, New York, and Pennsylvania, segmented by age range, gender, and wine consumption frequency

<table>
<thead>
<tr>
<th>Variable</th>
<th>All Participants</th>
<th>Age Range</th>
<th>Gender</th>
<th>Wine Consumption Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>States where grapes were grown to make wine for special occasions (%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Jersey</td>
<td>28.0</td>
<td>26.0 a</td>
<td>24.0 a</td>
<td>23.0 a</td>
</tr>
<tr>
<td>New York</td>
<td>33.5</td>
<td>31.2 b</td>
<td>30.0 b</td>
<td>29.0 b</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>38.5</td>
<td>34.0 ab</td>
<td>33.0 ab</td>
<td>32.0 ab</td>
</tr>
</tbody>
</table>

| States where grapes were grown to make wine for special occasions (%) | | | | |
| New Jersey | 53.5 | 52.0 a | 50.5 a | 48.0 a | 46.5 a |
| New York | 36.3 | 35.0 a | 33.0 a | 32.0 a | 30.0 a |
| Pennsylvania | 36.3 | 35.0 a | 33.0 a | 32.0 a | 30.0 a |

Based on age range, participants age 45 to 64 years (55.8%) were more likely to purchase wine produced from grapes grown in New York for “special” occasions compared to participants age 65 and older (54.3%). When participants answered the question based on grapes being grown in Pennsylvania, those age 21 to 24 years
(39.4%) were more likely than all other age ranges (35.8 to 23.4%) to purchase the wine. When responses were segmented by gender, more females (55.0%) were likely to purchase wine for “special” occasions when made with grapes grown in Pennsylvania than males (48.1%), while more “core” and “marginal” wine consumers were interested in purchasing wine made from grapes grown in New York (55.1 and 54.8%) for this occasion than “super core” wine consumers (34.7%).

**Interest in Purchasing Wine to Give as a Gift**

When asked the same question, but to consider that they would give the wine as a gift, more than half, 53.4%, of participants responded they would purchase the wine if made from grapes grown in New York, followed by Pennsylvania (38.3%) and New Jersey (32.5%).

<table>
<thead>
<tr>
<th>States where grapes were grown to purchase wine to give as a gift (%)</th>
<th>All Participants</th>
<th>Age Range</th>
<th>Gender</th>
<th>Wine Consumption Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Jersey</td>
<td>32.5</td>
<td>32.6ab</td>
<td>35.3a</td>
<td>36.8a</td>
</tr>
<tr>
<td>New York</td>
<td>55.4</td>
<td>46.9a</td>
<td>52.1a</td>
<td>52.5a</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>38.3</td>
<td>41.7a</td>
<td>41.4a</td>
<td>40.7a</td>
</tr>
</tbody>
</table>

The survey was administered 23-24 October 2014 to consumers residing in New Jersey, New York, and Pennsylvania. **States where grapes were grown to purchase wine to give as a gift (%)** was segmented by age range (21-24, 25-34, 35-44, 45-64, 65 and older), gender (male, female), and wine consumption frequency (super core, core, marginal). Percentages and means with different letters within different rows and demographic categories (age group, gender, and consumption frequency) represent Pearson’s Chi-Square, Phi and Cramer’s V, and ANOVA followed by Games-Howell tests where values are significantly different at the level of p < 0.05. SPSS, Version 21 and 22, Chicago. *Super core* represents those who drink wine daily to a few times a week, *core* represents those who drink about once a week, and *marginal* represents those who drink wine less frequently.

When responses were segmented by age range, fewer participants age 65 and older (21.1%) were likely to purchase wine made from grapes grown in New York to “give as a gift” compared to those age 25 to 34 and 35 to 44 years (35.3 and 36.8%, respectively). Participants age 21 to 44 years (41.7 to 40.7%) were more likely to purchase wine made from grapes grown in Pennsylvania to “give as a gift” than those age 65 and older (25.7%). More females (54.2%) were likely to purchase wine made from grapes grown...
in New York to “give as a gift” than males (47.8%). When responses were segmented by wine consumption frequency, there were no statistically significant differences.

**Interest in Purchasing Wine for Bring Your Own (BYO) Restaurant Consumption**

Lastly, participants were asked to consider the occasion when they would purchase the wines to consume at a Bring Your Own (BYO) Restaurant. Once again, more than half of participants, 60.2%, responded they would purchase wine made from grapes grown in New York, followed by Pennsylvania (43.9%), and New Jersey (40.6%) for “BYO” purposes.

**Table 5.8. Percentages of survey participants who would purchase wine for “bring your own” made from grapes grown in New Jersey, New York, and Pennsylvania, segmented by age range, gender, and wine consumption frequency**

There was just one significant difference when data were segmented. A greater percentage of those age 25 to 44 years (61.9 and 58.3%) and those age 65 and older (58.9%) were more likely to purchase wine from New York for “BYO” compared to participants age 21 to 24 years (43.4%). There were no statistically significant differences when segmented by gender or wine consumption frequency.

**Skinny Wines**

Lastly, participants were asked to rate their about their level of interest in purchasing and drinking wines with less than 10% alcohol by volume and with fewer than 80 calories per 5 oz. made from grapes grown in New Jersey, New York, and Pennsylvania, commonly
known as “skinny wine.” Using a Likert-type scale of 1 to 7 (1 = very uninterested, 7 = very interested), the mean rating for interest in purchasing “skinny wine” made from grapes grown in New York was 4.92, followed by Pennsylvania (4.69) and New Jersey (4.48) (Table 5.9).

Table 5.9. Participants’ level of interest in purchasing and drinking skinny wine made from grapes grown in New Jersey, New York, and Pennsylvania, segmented by age range, gender, and wine consumption frequency

<table>
<thead>
<tr>
<th>Variable</th>
<th>All Participants</th>
<th>21-24</th>
<th>25-34</th>
<th>35-44</th>
<th>45-64</th>
<th>65 and older</th>
<th>Male</th>
<th>Female</th>
<th>Super Core&lt;sup&gt;1&lt;/sup&gt;</th>
<th>Core</th>
<th>Marginal</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Jersey</td>
<td>4.48</td>
<td>4.63ab</td>
<td>4.74a</td>
<td>4.64ab</td>
<td>4.26bc</td>
<td>4.06c</td>
<td>4.38a</td>
<td>4.54a</td>
<td>4.78ab</td>
<td>4.13b</td>
<td>4.25ab</td>
</tr>
<tr>
<td>New York</td>
<td>4.92</td>
<td>4.99ab</td>
<td>5.13a</td>
<td>5.03ab</td>
<td>4.74ab</td>
<td>4.65b</td>
<td>4.92a</td>
<td>4.91a</td>
<td>5.16a</td>
<td>4.62b</td>
<td>4.74b</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>4.69</td>
<td>4.92a</td>
<td>5.02a</td>
<td>4.76ab</td>
<td>4.44bc</td>
<td>4.24c</td>
<td>4.61a</td>
<td>4.73a</td>
<td>4.92a</td>
<td>4.41b</td>
<td>4.51b</td>
</tr>
</tbody>
</table>

The survey was administered 23-24 October 2014 to consumers residing in New Jersey, New York, and Pennsylvania.

<sup>1</sup>Means followed by common letters within rows and demographic categories (age range, gender, and wine consumption frequency) are not significantly different.

When responses were segmented by age range, many differences were apparent. The mean interest rating for participants age 25 to 34 years (4.74) were greater than ratings for participants age 45 to 64 years (4.26) and 65 and older (4.08) if the wine was made from grapes grown in New Jersey. The same pattern is found when participants answered questions about “skinny wine” produced in New York. The mean rating for participants age 25 to 34 years (5.13) was higher than those age 45 and older (range of 4.65 to 4.74) if the wine was made from grapes grown in New York. Pertaining to “skinny wines” made from grapes grown in Pennsylvania, mean ratings participants age 21 to 24 and 25 to 34 years (4.92 and 5.02, respectively) were higher than the ratings for those age 45 and older (range of 4.24 to 4.44). No significant differences were found when data were segmentation by gender. Level of interest in “skinny wine” was higher for “super core” wine consumers compared to “core” and “marginal” wine consumers regardless of state where the grapes were grown.
Discussion/Conclusion

Wine ratings are regularly published in both the general and specialized press, as well as on wine lists developed by restaurant sommeliers, which, when available to wine drinkers, makes it significantly easier for them to evaluate wines (Chocarro and Cortinas, 2013). The number of wineries in the Mid-Atlantic region has grown; however, most available consumption and purchasing data and information pertaining to attitudes and preferences are for the U.S. as a whole. With the possibility that differences exist based on region or state of residence, it would be beneficial for wineries in the Mid-Atlantic region to have access to statistics that describe the wine consumers who resides in New Jersey, New York, and Pennsylvania. Knowing “who” their customer is can assist wineries and tasting rooms with developing more detailed and targeted marketing strategies so that they can truly market their product and business to “likely buyers.”

Results from this research identified survey participants’ perceived quality ratings for five wines if they were made with grapes grown in each of the three Mid-Atlantic states. Mean perceived quality ratings for all participants ranged between “satisfactory” and “good,” regardless of the state where the grapes were grown. When segmented by age range, gender, and wine consumption frequency, and if made from grapes grown in New Jersey and Pennsylvania, the ratings for the five wines still fell between “satisfactory” and “good,” while some mean perceived quality rating for wine made from grapes grown in New York were rated between “good” and “very good.” When data were segmented based on wine consumption frequency, “super core” consumer means were higher for all five wines than both “core” and “marginal” segments if the wine was made from grapes produced in New Jersey. For wine made from grapes grown in New York, the mean quality ratings assigned by “super core” wine consumers fell within the “good” to “very good” range for all five wines, and ratings were statistically higher than both “core” and
“marginal” wine consumers for the following varietals: Cabernet Sauvignon, Pinot Grigio/Pinot Gris, and Riesling. Means for “super core” wine consumers were also higher than the other two segments for Cabernet Sauvignon and Riesling if made from grapes grown in Pennsylvania. Thus, more frequent wine consumers appear to perceive the quality of some of these wines as being higher than those who consume wine less frequently.

Age range also appeared to have an influence on mean quality perceptions ratings for Pennsylvania wine as those 65 and older, and in some cases participants age 45 to 64, as their ratings were lower than those assigned by the younger participants. Pertaining to Riesling produced from grapes grown in New York, mean perceived quality ratings for participants between age 21 and 24 years were lower than participants in all the other age ranges. It may be of interest to further investigate this as wine critics have commented that “good Rieslings from the Finger Lakes (region in New York) are vibrant and alive,” (Asimov, 2013) and that “some of the world’s finest Riesling wines hail from New York State” (Bell, 2013). Furthermore, “the apparent demographic of the new typical Riesling drinker [are] Millennials” (Clarke, 2013).

Although having a strong, quality product is key in creating a successful brand, there are many other determinants that are equally important to consumers. Researchers, who conducted a study in the Canberra District in Australia, concluded that the quality of the wine was an important attribute; however, the most important aspect for many of the participants in the study was the overall experience of visiting the winery and tasting room (relating to the staff and interior of the tasting room; Griffin and Loersch, 2006). Thus, the qualities consumers look for when purchasing and visiting wineries and tasting rooms was not solely based on the wine quality, but also on the tasting room experience.
Between 42.3 and 64.5% of participants reported that they purchased “everyday” wine made from grapes grown in three states; however, the percentages were even lower when participants indicated their interest in purchasing the wine for a “special occasion,” “to give as a gift,” and for a “bring-your-own” restaurant. The overall percentages were lower for interest in purchasing the wine for a “special occasion” and “to give as a gift” than if the wine from each of the states was purchased for a “bring-your-own” restaurant.

Results from this study indicate that females were more interested in purchasing wine produced with grapes grown in New York for “special occasions” and to “give as a gift” compared to males. Many more consumers today enjoy purchasing local products produced (Chocarro and Cortinas, 2013) in their state of residence; hence, winery and tasting room personnel should focus more on marketing their product as being “local,” and to have suggestions of occasions for which they could be purchased. For example, if women are more interested in purchasing wine produced with grapes grown in New York for “special occasions,” the staff should engage the visitor in a conversation, learn about the occasion during which the wine will be enjoyed, and suggest particular wines that will pair well with food that the consumer will be serving during the “special occasion.” Also, if women are more likely to purchase wine as a gift than men, wineries and tasting rooms could develop promotions that showcase the wine as a gift, or sparkling wine can be the focus of promotions that target festive occasions such as graduation, New Year’s Eve, and weddings. Knowing the occasions when consumers are interested in purchasing wine produced in New Jersey, New York, and/or Pennsylvania can enhance a winery tasting room’s marketing strategy, as well as the customer’s experience. A next step may be to further investigate and determine why there are differences in interest in purchasing based on occasion. While our investigation largely focused on “intent” to purchase this wine, it would be useful to
document which of the five wines tested, if any, consumers purchase and consume. Additionally, certain varietals may be consumed on different occasions or purchased for different purposes. Thus it would be prudent to better understand how consumption and purchasing of wine made from grapes grown in the three Mid-Atlantic states differs, if at all, based on occasion and/or usage.

With low-calorie becoming more prevalent in retail outlets, discussed more often in magazines, etc., we learned from our participants that overall, means regarding interest in purchasing and drinking these wines ranged from a mean of 4.48 for New Jersey “skinny” wine to 4.92 for the wine if made from grapes grown in New York. Data from a Wine Intelligence survey indicated that low-calorie wines produced and sold in France experienced a 31% increase in sales in 2014 compared to 2013 (Pannett, 2015). The article mentioned that U.S. consumers are not as interested in skinny wines yet, compared to France, as consumers find wine to be an indulgence and they are not interested in cutting calories for this indulgence (Pannett, 2015). Winery and tasting room staff should consider learning about intent and interest in drinking skinny wines in order to develop strategies to appeal to wine drinkers interested in this product.

Considering that not much research data has been published on purchasing and consumption of wines produced from grapes grown in the Mid-Atlantic region, it is useful to understand consumers’ perception of these wines. After having access to these data, winemakers and winery and tasting room marketing specialists will be able to determine where changes need to be made to the marketing and promotional messages for consumers to better understanding the product, its availability, and benefits they may obtain from purchasing and drinking wines made from grapes grown in the Mid-Atlantic region.
References


CHAPTER 6. CONCLUSIONS
Summary

This research was conducted to investigate consumer attitudes, behavior, and knowledge pertaining to wine consumption and purchasing patterns within the Mid-Atlantic region of the U.S., in order to provide winery and tasting room personnel insight so that they could develop or enhance their marketing strategies. The research was also conducted to examine consumer social media and promotion use and their perceptions of wine produced from grapes grown in New Jersey, New York, and Pennsylvania. The majority of survey participants were considered “super core” or “marginal” wine consumers, with approximately a third (31.3%) of participants indicating that their wine consumption had increased over the previous three years (2010 to 2013). The social media outlet nearly half of participants indicated was mandatory for a winery or tasting room to implement was a Facebook Page (55.4%), while roughly half of participants responded that a website for promoting winery and wines produced (65.2%) and from which wines can be purchased (58.8%) were also mandatory. The main factors that influenced participation at an event or activity held at the winery tasting room included: the “distance needed to travel from home/office” (80.8%) and the “costs associated with attending an event” (78.4%). Just over half of respondents (50.2%) would be encouraged to purchase a bottle of wine or product that was sold at the winery or in the tasting room if a winery donated profits to a cause. As for the perceived quality of wines produced from grapes grown in the Mid-Atlantic, participants rated the five wines tested (Merlot, Cabernet Sauvignon, Chardonnay, Pinot Grigio/Pinot Gris, and Riesling) between "satisfactory” and "good” (range of 4.40 to 4.99) based on the 7-point Likert-Scale.
Research Implications & Suggestions for Future Research

Results from Chapter Two indicated that 32.9% of Survey 1 and 48.4% of Survey 2 participants were considered “super core” wine drinkers (drank wine daily to a few times a week), 18.8% from Survey 1 and 21.8% from Survey 2 were “core” wine drinkers (drank wine about once a week), and 48.3% from Survey 1 and 29.8% from Survey 2 were considered “marginal” wine drinkers (drank wine less frequently). The greatest percentage of participants drank wine: at “a party or gathering with family and/or friends” (71.1%), “during meals at home” (65.9%), and “dining out at a restaurant” (64.8%), with “retail liquor stores in [the] participant’s state” (65.9%) being the main outlet where wine was purchased. Understanding how often a consumer purchases and consumes wine and for what occasion will allow winery and tasting room personnel to develop more targeted marketing strategies and connect with consumers on a more personal level when selling a bottle of wine. By knowing that a consumer is having a party or serving the wine during a dinner at home, winery tasting room personnel could provide advice on the best pairing for such gatherings.

Chapter Three results describe wine consumer social media and Internet use, and what consumers were specifically interested in learning by visiting such outlets. A Facebook Page was the top social media outlet (55.4%) consumers deemed mandatory for a winery. However, winery and tasting room staff need to learn from their customers what tools they use to connect with business and feel are mandatory for a winery to implement. With different demographic groups gravitating towards specific tools, it may be necessary to use more than one tool to reach their target audiences. Although only 10.4% of consumers consider an Instagram account to be mandatory, it may be strategic to create an account as the Younger Millennial generation appears to favor this social media outlet. A “website for promoting the winery and wines produced” (65.2%) and a
“website for promoting the winery and from which wines can be purchased” (58.8%) were also components participants found to be mandatory. As purchases shift from traditional retail outlets to the Internet, and because consumers in other states could potentially purchase wines through this channel, it may be prudent for winery and tasting room staff to strongly consider having such a presence. Now comes the question of what to publish on such social media pages and websites. The preliminary list could include the top three categories that interested our participants: “wine serving and pairing suggestions,” which can help consumers decide which wine to purchase; “coupons, promotions, and discounts;” and “events and special occasions.”

There are a variety of events and activities that winery or tasting room staff could host in an effort to encourage consumers to visit the facility. Hence, the problem is not developing a list of potential offers, but rather deciding which would have the greatest appeal. In Chapter Four, the top factors that would persuade a consumer to participate in an event held at the winery tasting room were: “distance needed to travel from home/office” (80.8%), “costs associated with attending an event” (78.4%), and the “time of day or day of the week” (74.6%) that the event is held. The three events and activities that survey participants found most interesting were: “tasting events” (5.65), “tour of the winery and vineyard” (5.56), and “food vendors from local restaurants” (5.31). When consumers visit a winery or tasting room, they are interested in not only sampling wine, but also they want to understand the winery’s “story,” including how the winery was established, and the establishment’s point of differentiation. Building a relationship with wine consumers by offering events and activities can greatly enhance the attendee’s experience. It is, however, imperative that wineries and tasting room staff plan the event such that it is worth the visitor’s time and distance traveled to attend. The resulting memorable experience can encourage first-time attendees to become repeat visitors,
and share their experiences with others. Chapter Four also focused on issues pertaining to cause-marketing strategies. Consumers responded positively to the suggestion that wineries and winery tasting rooms could donate a percentage of their profits to a cause, and the majority (50.2%) of participants would be encouraged to visit a winery that had a cause-marketing strategy.

Finally, Chapter Five analysis focused on the perception of wine produced from grapes grown in the Mid-Atlantic region. To date, no research has been conducted to understand how consumers perceive the quality of wine produced from grapes grown in the three states. Findings suggest that consumers rated the quality of five varietals that could be produced with these grapes to be “satisfactory” to “good.” Though not reported in this chapter, understanding the reasons why consumers awarded the ratings that they did would be beneficial and could be the basis for a more in-depth study.

Accessing the Internet is no longer limited to needing a desktop computer or laptop, most everything on the Internet can now be accessed on mobile devices. A study conducted by Adobe (2013) that involved mobile users in the U.S., Canada, United Kingdom, France, and Germany found that most had accessed social networks using a mobile device. Usage ranged from 94% of participants age 18 to 29 years of age to 75% of those age 50 to 64 years. Winery and tasting room staff should strongly consider developing a social media strategy, as Facebook was the second most visited Web site/application accessed by smartphones (Pelet, 2014). Looking forward, and as the use of mobile devices (smartphones, tablets, and smart watches) continues to increase, wineries and tasting rooms should consider how to adapt messages and graphics for optimal view on smaller screens. With so many wines selected remotely, using smartphones, tablets, or computers, to make purchases in restaurants, at airports, in
retail stores, while talking with friends, or even while sitting in the audience at a conference, it can only benefit wineries and tasting rooms to promote using the Internet and social media.

Overall, research results described in this thesis can alert Mid-Atlantic wineries about opportunities they should consider to reach potential customers and marketing strategies they can use to strengthen their brand. With no research previously conducted in the Mid-Atlantic that specifically address these issues, results provide the basis for future studies that can be implemented to further advance the wine industry in the region.
References