

# ***WINE OPINIONS PANEL*** **CONSUMER RESEARCH** **SURVEY RESULTS**

Research conducted: October-November 2016  
Presentation to industry: January 2017

***Presented by:***



# **CARRIE HARDISON**

Education Manager  
Oregon Wine Board



# WELCOME AND HOUSEKEEPING

- All attendees are on mute
- Send in your questions via the question box
- Clarifying questions will be addressed throughout the presentation
- In depth questions will be addressed at the end of the webinar
- Webinar is being recorded and will be available on **[industry.oregonwine.org/education](https://industry.oregonwine.org/education)** along with full research report and slides from today

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# PRESENTING TODAY

**Jess Willey**  
Director of Marketing  
Oregon Wine Board



**Christian Miller**  
Proprietor  
Full Glass Research



# JESS WILLEY

Director of Marketing  
Oregon Wine Board



# PURPOSE OF THIS RESEARCH

- Address industry request for more market intelligence
- Deepen our collective understanding of the premium wine consumer in the United States
- Provide members of the Oregon wine industry with insights to help inform their own business plans
- Understand potential opportunities for expansion and develop relevant marketing and communications strategies (OWB, regional associations, individual wineries and vineyards)

# RESEARCH OBJECTIVES

**Objectives:** To continue to build on our knowledge of High Frequency, High End consumers as it pertains to their Oregon wine consumption and purchase habits. In particular:

- Identify Oregon wine's core "fans" and understand how they differ from people who are less familiar or purchase less frequently
- Learn about the primary considerations for HFHE wine consumers in selecting a wine
- Identify Oregon's most compelling and ownable attributes as a region, compared to those in other U.S. growing regions
- Learn about barriers to and opportunities to drive deeper engagement with Oregon wine



# CHRISTIAN MILLER

Proprietor  
Full Glass Research





“Wine Opinions”

# Oregon Wine Board Consumer Research 2016

Webinar January 18th 2017

# METHODOLOGY - Qualitative

## 2 online discussion groups

**Both** recruited from Wine Opinions panelist respondents to the 2015 survey on Oregon wine.

\* All high frequency (drink wine more than once a week) & high end (purchase wine \$20+ monthly or more often) wine consumers.

- All live outside Oregon
- Discussion topics included shopping habits, how they try new wines or regions, factors in choosing wine on-premise or for special occasions, reactions to press on Oregon wines.

### Group 1 – High Potential Oregon consumers (8)

- Do not consume Oregon wine, or have tried it but consume it occasionally or less often
- 5 of 8 drink Pinot Noir Monthly or Weekly
- Also discussed: perceptions of Oregon wine if and how they tried Oregon wines, their reaction to them, and questions on Pinot Noir and Chardonnay

### Group 2 – Current Oregon consumers (10)

- \* All drink Oregon wine regularly
- All drink Pinot Noir monthly or weekly
- Also discussed : favorite wine regions and why, their initial Oregon wine experience, how they consumed Oregon wines and their favorites, how they would recommend or describe Oregon wines.

# METHODOLOGY - Quantitative

## Online Survey of Wine Opinions national consumer panel

- ❖ **over 11,000 consumers across the U.S.** that represent the high frequency, high involvement and high end wine consumers responsible for the majority of wine spending in the U.S.
- ❖ A survey was fielded to this group in November 2016
- ❖ A total of 1,153 completed surveys were received. For the analysis, report and this presentation, **only those respondents who were both high frequency (drink wine more often than once a week) and high end (purchase wine \$20+ per 750ml bottle monthly or more often) were used, totalling 532.**
- ❖ Where statistically significant results are reported, these have been calculated at a confidence level of at least 90%.\* For the overall sample margin of error at 90% ranges  $\pm 2.1\%$  -  $\pm 3.6\%$ .
- ❖ Results were analyzed by gender, age, level of Pinot Noir consumption, and whether respondents had visited Oregon.
- ❖ Respondents were also segmented based on their familiarity and interaction with Oregon wine.

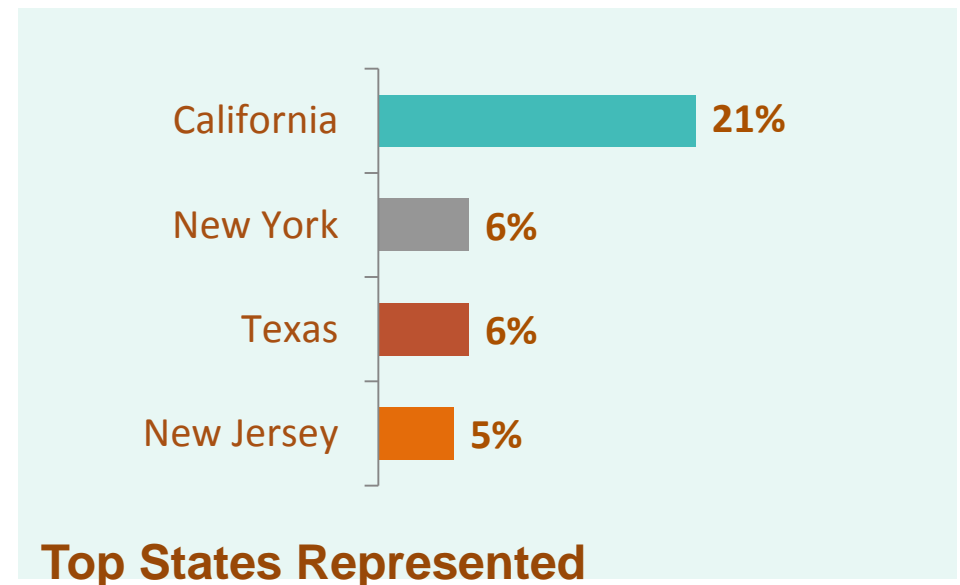
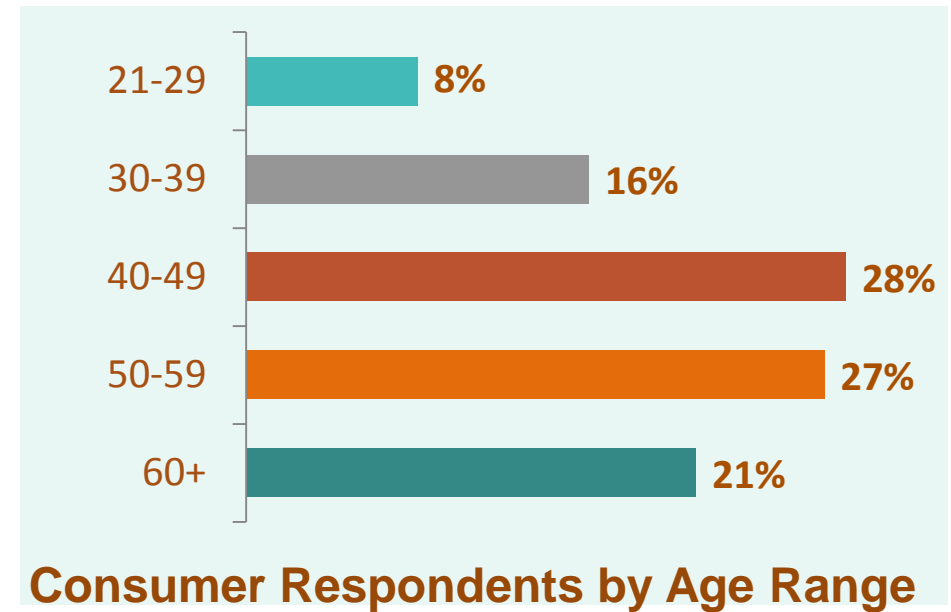
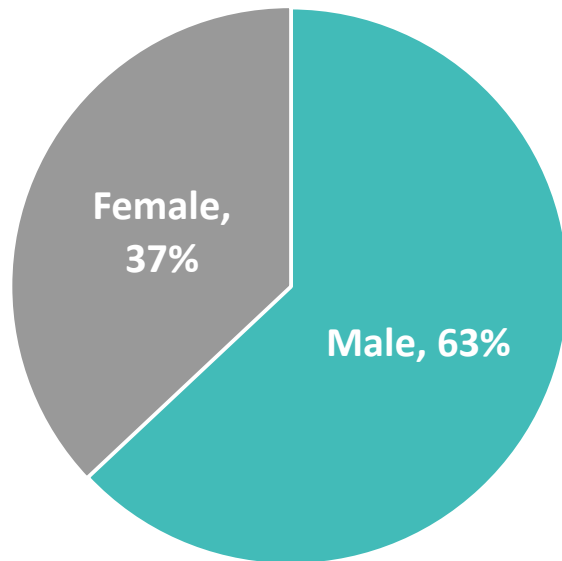
## Methodology (segmentation by Oregon Wine Familiarity)

Q11: "Thinking about wines from Oregon, or any wine regions within Oregon; which of the following statements most closely describes you? Please choose the ONE statement that best describes your experience with Oregon wines."

Q11 Answer	Segment Name	% of Total	
I have tried few or no Oregon wines and don't know much about them	Unfamiliar	15%	
I have tried some Oregon wines and don't have much interest in trying them again	Disinterested	4%	
I have tried and liked some Oregon wines but don't buy or drink them often	Somewhat Familiar	37%	
I buy and drink Oregon wines regularly, although I am not an expert on them	Users	27%	Core Oregon consumers
Oregon wines are among my favorites, I am very familiar with many wineries and varieties from there	Fans	17%	

# CONSUMER RESPONDENT PROFILE

Consumer Respondents by Gender



## Retail Wine Purchase Frequency by Price Category

	WEEKLY	MONTHLY	SEVERAL TIMES A YEAR	LESS OFTEN	NEVER
Under \$14	40%	20%	11%	19%	10%
\$14 - \$19.99	43%	36%	10%	8%	3%
\$20 - \$29.99	19%	74%	4%	2%	1%
\$30 - \$49.99	8%	35%	41%	14%	3%
\$50 or more	5%	18%	29%	37%	11%

## Weekly/Monthly Purchases of \$20+ Wine by Oregon Familiarity

PRICE SEGMENT (ALL WINES)	SOMEWHAT FAMILIAR (TRIED AND LIKED SOME OREGON WINES, BUT DON'T BUY OR DRINK THEM OFTEN)	USERS (BUY AND DRINK OREGON WINES REGULARLY, NOT AN EXPERT ON THEM)	FANS (VERY FAMILIAR, OREGON WINES ARE AMONG MY FAVORITES)
\$20-29.99	91%	94%	92%
\$30-49.99	38%	37%	66%
\$50+	23%	18%	38%





# FAMILIARITY WITH OREGON REGIONS

# Oregon and Competitive Regions

## Consumption Frequency by Wine Region

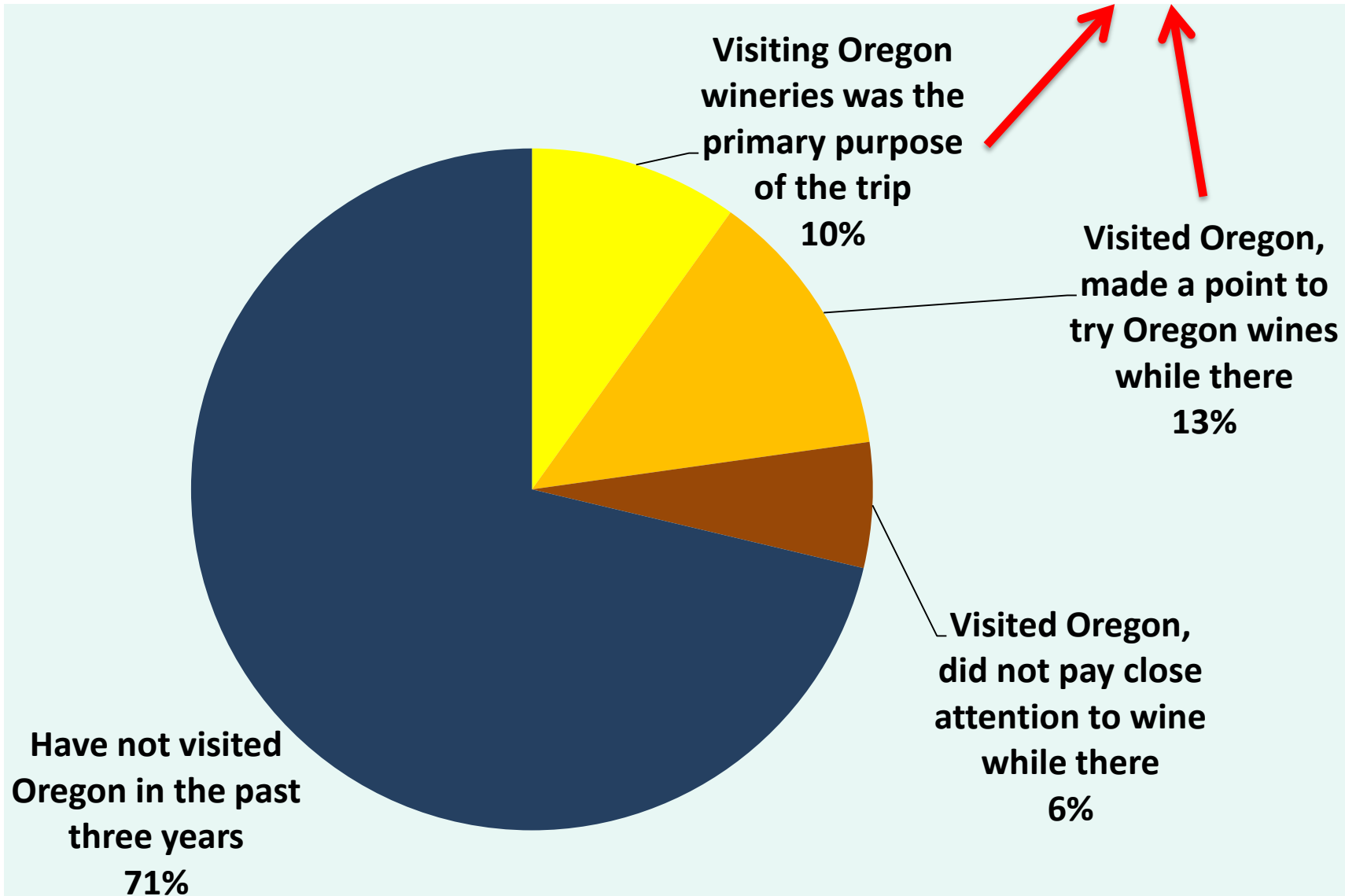
	WEEKLY	MONTHLY	EVERY 2 – 3 MONTHS	LESS THAN EVERY 2 – 3 MONTHS	NEVER
Napa Valley	43%	36%	12%	8%	2%
Sonoma County	41%	37%	11%	8%	3%
Washington	10%	23%	29%	28%	10%
Oregon	7%	24%	31%	26%	12%
Willamette Valley	7%	25%	27%	22%	20%
Walla Walla Valley	5%	13%	17%	38%	27%
Southern Oregon	3%	6%	14%	39%	38%
Columbia Gorge	3%	6%	15%	40%	35%

## MONTHLY/WEEKLY CONSUMPTION by OREGON WINE FAMILIARITY

REGION	SOMEWHAT FAMILIAR WITH OREGON	OREGON WINE “USERS”	OREGON WINE FANS
Oregon	9%	53%	77%
Willamette Valley	14%	48%	78%
Southern Oregon	2%	13%	23%
Columbia Gorge	4%	12%	23%
Walla Walla	12%	20%	39%

## Oregon Visitation Experience During Past Three Years

**50% of these people are Fans; 28% Users**



# CHOOSING WINE

# Importance of Attributes when Choosing a Wine Over \$20

(Scale 1=Not Very Important...5=Extremely Important)

	1 = NOT VERY IMPORTNT	5 = EXTREMELY IMPORTANT	MEAN
Has complex or nuanced flavors	<.5%	36%	4.2
Has the unique qualities of a region where it's made	2%	26%	3.9
Is easy to pair with a variety of foods	4%	15%	3.6
Has good aging potential/is worth cellaring	5%	16%	3.5
Receives high scores or good reviews from critics	8%	11%	3.3
Made by a small artisan producer or family winery	6%	12%	3.3
Recommended by store or restaurant staff	10%	8%	3.1
Sustainably farmed, environmentally friendly	22%	5%	2.6
Made with organically grown grapes	28%	5%	2.5

**Not a requirement, but can be a tie-breaker**

# Importance of Attributes when Choosing a Wine for a Meal

(Scale 1 Not Very Important...7 Extremely Important)

	1 = NOT AT ALL IMPORTNT	7 = EXTREMELY IMPORTANT	MEAN
<b>I know my guests/dining companions will like it</b>	2%	30%	5.7
<b>Balancing the weight of the wine and the food</b>	2%	28%	5.5
<b>Matching the wine and occasion</b>	3%	27%	5.4
Matching specific wine and food flavors	2%	22%	5.3
The wine is smooth and easy drinking on its own	2%	22%	5.2
Versatile and goes with many foods	3%	12%	4.9
The wine has a good, crisp acidity	2%	9%	4.6
I am already familiar with this type of wine	7%	12%	4.6
The wine comes from a region with a great reputation	4%	12%	4.5

# CHOOSING WINE: DIFFERENCES BY SEGMENT

## CHOOSING WINE OVER \$20:

- **OREGON FANS** rate regionality, small producers and complexity higher
- **UNFAMILIAR** rate scores & critics higher, regionality lower

## CHOOSING WINE WITH FOOD:

- **OREGON FANS** rate matching specific flavors and acidity higher
- **USERS & SOMEWHAT FAMILIAR** rate knowing their guests will like it higher
- **UNFAMILIAR** rate smooth and easy-drinking higher



# OREGON WINE INVOLVEMENT: DISCOVERY MOMENT

Circumstance	Unfamiliar (Tried a few*)	Somewhat Familiar	Fans
I heard they make great Pinot Noir	20%	48%	53%
I was just curious	20%	40%	33%
A friend recommended I try it	15%	26%	24%
It was being poured at a wine tasting or festival	20%	20%	25%
It had been recommended by a wine critic or magazine	9%	16%	25%
It was recommended by retailer	12%	15%	19%
I was visiting wineries in Oregon	6%	11%	34%
It was recommended by a sommelier or the restaurant wait staff	5%	12%	13%
It was selected by the host	9%	17%	8%
I attended an Oregon themed wine tasting	0%	8%	20%

\* Contains only “Unfamiliars” who have tried Oregon wines



# PERCEPTIONS OF OREGON WINE BY FAMILIARITY SEGMENTS

## UNFAMILIARS: Reasons They Don't Drink Oregon

I am not familiar with many Oregon wineries, so I am not sure which to select	60%
I don't see many Oregon wines where I shop for wine	53%
I would buy them more often if I knew which ones fit my taste preference	44%
Wines from Oregon are rarely or never on display or recommended where I shop	43%
I prefer to stick with wines I already know	16%
Oregon doesn't make the varieties of wine I like best	10%
I have not been impressed by the Oregon wines I have tried	7%
I seldom see good reviews or high critics' scores on wines from Oregon	6%
I am reluctant to try new wines from Oregon because they are expensive	4%

## WHO ARE THE UNFAMILIARS?

- ❖ They are slightly less upscale wine buyers, lower in age and more likely to be female
- ❖ They purchase nearly all varieties less frequently than other segments, except for Cabernet Sauvignon and Chardonnay.
- ❖ Are less concerned with food and wine pairing and details of the wine's flavors, and significantly more interested in the wine being smooth and drinkable. For wines above \$20, they are more concerned with good reviews and high scores, and less interested in regionality, small producers or complex flavor.
- ❖ Very familiar with Napa Valley or Sonoma County, and somewhat familiar with Washington wines.

**NEEDS: more chances to try Oregon wine; more visibility in stores; more opportunities with Cab, Chard, PG; more reinforcement with 3<sup>rd</sup> party recs; easy drinking wines.**

## Somewhat Familiar: Reasons They Don't Drink/Buy Oregon Wine More Often

Don't see many Oregon wines where I shop	50%
I am not familiar with many Oregon wines, so I am not sure which to select	33%
Wines from Oregon are rarely or never on display or recommended where I shop	34%
I prefer bigger, bolder wines than the kinds made in Oregon	<b>23%</b>
Oregon doesn't make varieties of wine I like best	16%
I am reluctant to try new wines from Oregon because they are expensive	12%
I prefer to stick with wines I already know	9%
I have not been impressed by the Oregon wines I have tried	9%
I seldom see good reviews or high critics scores on wines from Oregon	5%

## WHO ARE THE SOMEWHAT FAMILIARS?

- ❖ Demographically, they are typical HFHE consumers.
- ❖ They are similar to Oregon “Users” in their wine buying and usage, although they drink Pinot Noir and Riesling less.
- ❖ However, their familiarity with Oregon wines and sub regions is much lower than Oregon “Users” They are significantly more likely to have first tried Oregon wines out of curiosity, or because they were served by the host; rather than any kind of promotional or educational setting.
- ❖ Visibility, distribution, and lack of confidence in trying Oregon wines are their major barriers.
- ❖ Very few of them associate Oregon wines with ageability, critical acclaim, recommendations or complex flavors compared to Napa or Sonoma.
- ❖ They rate Willamette Valley and even more so Oregon quality significantly below Oregon “Users” and Fans, and rate Napa Valley higher. Their ratings for other Oregon regions are moderately lower.

**NEEDS: opportunities to try Oregon wine in a FOCUSED setting; exposure to Oregon Quality via recommendations and press (SEE QUALITATIVE); visibility & distribution.**

## CORE OREGON CONSUMERS (Users & Fans)

### What Makes Oregon Wine Different – Open-ended

Pinot Noir/great Pinot Noir	23%
Terroir/distinct terroir/product of terroir/distinct regional flavor	19%
Distinct flavor profile/taste	4%
More old world style/Burgundy style/bridge between old and new world/similar regional characteristics to Burgundy	11%
Earthy/earthier style/flavor	6%
Cooler climate	6%
Lighter style/wines	8%
Greater acidity/more acidity/unique acidity characteristics	4%
Balanced/not overpowering/great balance	6%
Complex/more complex	6%
Very food friendly wines	5%
Pinot Gris/great Pinot Gris	4%

# WHO ARE CORE OREGON WINE CONSUMERS?

## **The true Oregon Fan is:**

- ❖ A very high end wine consumer, more likely to be male
- ❖ classic connoisseur values of food pairing, old world precedents, balance, food pairing and acidity
- ❖ serious consumers of Pinot Noir, more interested in Chardonnay, Riesling and Tempranillo, less interested in Cabernet; see Willamette Valley quality as higher than Napa or Sonoma.
- ❖ Their first encounters with Oregon wines were much more likely to be quality, focused, intensive occasions: visiting a winery, attending an educational tasting, etc.

## **Oregon “Users” (drink regularly but “not expert”):**

- ❖ less high end, less male, more like typical HFHE consumer
- ❖ less familiar with Oregon wines, less of an “old world” influence.
- ❖ Their main interaction with Oregon is via Pinot Noir and Willamette Valley. They see Willamette Valley as equivalent in quality to Napa and Sonoma., but rate Oregon in general significantly lower.



# FANS, USERS AND SOMEWHAT FAMILIAR: Oregon vs. Napa vs. Sonoma Attributes

**FANS RATE OREGON HIGHER**

	OREGON	NAPA VALLEY	SONOMA COUNTY
Sustainably farmed, environmentally friendly	70%	10%	21%
Made with organically-grown grapes	69%	10%	21%
Many small artisan producers or family wineries	64%	13%	23%
Are easy to pair with a variety of foods	33%	33%	35%
Have complex or nuanced flavors	31%	43%	26%
Frequently recommended by store or restaurant staff	10%	72%	18%
Have good aging potential/are worth cellaring	9%	81%	10%
Regularly receives high scores or good reviews from critics	8%	82%	10%

# SOME KEY FINDINGS

## Oregon Strengths & Weaknesses

FACTOR	% ASSOCIATING WITH OREGON (ALL/FANS)	OREGON COMPETITIVENESS VS NAPA/SONOMA	IMPORTANCE WHEN CHOOSING \$20+ WINE
Sustainable/Green Image	28% /40%	HIGH	LOW
Small family wineries	61%/85%	HIGH	MEDIUM
Easy to pair with food	44%/69%	COMPETITIVE	MED-HIGH
Complex flavor	46%/87%	COMPETITIVE	HIGH
Recommendations from staff/store	11%/17%	LOW	MED-LOW
Aging Potential	26%/59%	LOW	MED-HIGH
Critical scores/reviews	30%/42%	LOW	MEDIUM

## CONCLUSIONS

**High end consumers** value complexity and regionality above other attributes in their wines costing over \$20. Critical ratings, aging ability and small family producers are of medium importance. Complexity and regionality are more important among core Oregon consumers and less important among occasional and infrequent consumers.

### **In wine and food pairing:**

- occasion and company is far more important than specifics of food pairing. Consumers think in terms of matching the grandness or specialness of the wine with the specialness of the occasion, or the tastes of their guests.
- when thinking of the food-wine match specifically, balancing weight or intensity of flavor is more important than acidity or specific flavors.
- Among Oregon wine and Pinot Noir fans, specific flavors and acidity are more important, while among other consumers, even those who purchase Oregon wines regularly, these are less important.
- Among those who focus on pairing, Oregon is already well-positioned on the wine and food aspect,.

**Oregon has succeeded with traditional wine connoisseurs. But Oregon needs to build familiarity and confidence among those who aren't aficionados, the “Users” and “Somewhat Familiar”.**

- ✓ Need to broaden their familiarity with other Oregon varieties and regions.
- ✓ Need more reinforcement of Oregon's quality credentials : ageability, critical ratings, world standing.
- ✓ Create encounters with Oregon in a more focused setting or recommendation.

## Conclusions *(continued)*

**Visibility and distribution are key factors in the frequency of purchase and familiarity with Oregon wines.**

- ✓ There is a strong positive correlation between familiarity/consumption of Oregon wines and the extent to which they are carried, displayed and recommended by respondents' preferred retailers.
- ✓ Less familiar consumers don't see them as often and seldom have them recommended. They are often uncertain as to which Oregon wines to try.
- ✓ Lack of distribution and uncertainty over which to try are much more substantial barriers to purchase than cost, perceived inferior quality or lack of critical acclaim.
- ✓ The less frequent consumers of Oregon wines (“Unfamiliar” and “Somewhat Familiar” from Q11) agreed in substantial numbers that they “don't see many Oregon wines” where they shop and that Oregon wines are “rarely” displayed or recommended. A majority of those Unfamiliar agreed they would buy them more often if they knew which ones fit their taste, and one third of the “somewhat familiar” indicated problems choosing an Oregon wine because they weren't familiar with them.
- ✓ These uncertainty barriers were significantly higher than those related to pricing or expense, varietal selection, flavor style or lack of critical acclaim.

## Conclusions *(continued)*

**Pinot Noir is currently the gateway to Oregon.** Pinot Noir and Oregon are inseparable, with strong correlations and interaction throughout the survey.

- ✓ Respondents that are the most avid Oregon wine drinkers are also more frequent Pinot Noir drinkers and vice versa. Regular Pinot Noir consumers are far more likely to be familiar with Oregon or drink it regularly.
- ✓ Nearly two-thirds (64%) of weekly Pinot Noir drinkers are Core Oregon consumers. In contrast, just 9% of those who consume Pinot Noir less often than monthly also consume Oregon wines monthly or more often.
- ✓ Weekly Pinot Noir consumption is also associated with significantly higher familiarity with, and consumption of Willamette Valley, Southern Oregon and Columbia Gorge, although not Walla Walla.

### **Visitation has a strong impact.**

- ✓ Half of those who visited Oregon with a mission to visit wineries or with intent to try Oregon wines consider the region wines among their favorites. A further 28% of them drink Oregon wines regularly. They are more likely to have positive perceptions of Oregon wine, rate Oregon wine quality much higher, and drink Oregon varietals more frequently than other respondents (with the exception of Cabernet Sauvignon).

## Conclusions (*continued*)

### Strengths:

- ✓ Extremely high regard for Oregon and Willamette Valley quality among Fans; competitive quality among Users.
- ✓ Popularity and interest in Pinot Noir offers important gateway to trial and high end image.
- ✓ Among those familiar with Oregon, association with a distinct regional style and small producers is very high.

### Barriers:

- ✓ Distribution and visibility, lack of recommendations/retail support.
- ✓ Generally low awareness of certain quality traits for Oregon: high critical ratings and ageability.
- ✓ Very low awareness, trial and familiarity with Oregon varieties other than Pinot Noir. Pinot Gris and Chardonnay are potential gateways. Mediterranean reds or blends too, but they now have a tiny base.
- ✓ Very low awareness, trial and familiarity with regions outside Willamette Valley.
- ✓ Moderate quality image among the somewhat and unfamiliar. Price inhibits trial without 3<sup>rd</sup> party recommendation for some of the wines.

### Not a barrier:

- ✓ Price (except for trial, which becomes more difficult at \$30+).
- ✓ Perceived poor quality or QPR.
- ✓ Lack of curiosity about new wines, regions or varieties.
- ✓ Poor experience with Oregon wine, or the perception that Oregon's style or varieties are not to the consumer's taste



“ **Wine Opinions** ”

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# SURVEY & LINKS

You will receive a follow up email with links to educational resources and a survey of today's webinar.

For questions, contact OWB education manager Carrie Hardison  
**[carrie@oregonwine.org](mailto:carrie@oregonwine.org)**

THANK YOU!

