

National Consumer Research Survey: Wine Opinions HFHE Research, Nov. 2015 (presented Jan. 2016)

Follow-up Questions from Webinar

Better understanding HFHE consumers (note: HE = High End, defined as purchasing wine priced \$20/750ml retail at least once a month. HF = High Frequency, defined as consuming wine more often than once a week on average. All data on HF, HE proportions below is survey derived, from sources cited.)

Q: Is this group responsible for the vast majority of wine sold over \$20?

A. They account for approximately 90% of wines purchased at \$20 and up by all High Frequency wine drinkers. Among all adults, our most current estimate is they are responsible for at least 82% of wine over \$20/bottle retail.

Q: Is this group responsible for the vast majority of wine sold under \$20?

A: No, they account for roughly 40-45% of wines sold under \$20. They buy more frequently in the \$10-20 range and less frequently under \$10 than non-HE High Frequency wine consumers.

Q: Do high frequency wine drinkers represent the vast majority of total wine consumption?

A: High Frequency wine consumers (including those who are NOT High End) account for 80% of all wine consumption.

Q: What is the approximate total population of HFHE consumers?

A: In our last detailed projection (about two years ago), it was estimated that there were 8-10 million HFHE consumers in the United States. Current Wine Market Council (WMC) research suggests 10 million, but they are still crunching the numbers on that research.

Q: What % of Millennials are HFHE consumers?

A: The most recent WMC estimate, from the mid-2015 survey, is that 28% of Millennial wine drinkers are high frequency wine drinkers. This is a lower rate than GenX (32%) or Baby Boomers (40%)

Oregon Wine Availability

Q: For the Non-HFHE responders, does awareness and perceived availability of Oregon completely drop off?

A: Not completely, but there is a substantial difference. Only 9% of HF's (not HE) are unaware of Oregon wines. However, trial (ever tried) drops from 96% to 79% and regular drinking from 33% to 19%.

Q: When respondents said they didn't have wines available at restaurants or shops near them were the bulk of those in Cali or Oregon?

A: 64% of Oregon/Washington residents agreed that Oregon wines were "readily available at shops or restaurants near me." Only 30% of Californians and 41% of other state residents agreed with this. Among those who don't buy Oregon wines regularly, no one in the Northwest agreed that they "rarely or never see Oregon wines where I shop for wine." However, 47% of Californians agreed and 36% in other states.

Q: Was there investigation as to where the high end consumption takes place and where it's purchased? Any current insight on purchasing patterns for online wine sales?

A: This topic was not covered in this survey but could be a topic for future research. We have done research on this, although much of it is proprietary to other clients. In addition, there is some Wine Market Council data on this. Please contact me directly with any specific questions (cmm@fullglassresearch.com) Also, I'll probably include a few slides on this topic at the Symposium.

Variety questions

Q: Is there information on free association based on varietal (i.e. to see how high OR tracks for Pinot Noir, Gris, etc.)?

A: As noted in the presentation, mentions of Pinot Noir dominate the unaided, free association with Oregon (47% Pinot Noir per se, plus 6% "Good/Great Pinot Noir" entries for a total of 53%). Various white varieties counted for 6% of all open-end entries for Oregon (less than 1% Riesling, less than 2% Chardonnay, 3-4% Pinot Gris). Other reds were cited by only 2%, mostly in the context of blends or quality or cool climate reds in general.

Q: Could you please speak to recent surge in Oregon Chardonnay interest?

A: Only 28 respondents said they drink Oregon Chardonnay "regularly", so it's a very small sample to analyze separately. This group buys wine \$20+ only slightly more frequently than HFHEs overall. They don't drink Chardonnay more often than the average HFHE, but they do drink Oregon wines regularly at twice the rate as HFHEs in general. They strongly associate Oregon with Pinot Noir, then various white wines. And they rate Oregon quality significantly higher than the average HFHE. They are more familiar with Oregon Riesling and Pinot Gris than other respondents, but still 32% of them haven't tried the Riesling and 20% haven't tried the Pinot Gris. So, based on this admittedly small segment of the respondents, it would appear that they are Oregon wine enthusiasts who may have become so via Pinot Noir, but are branching out into the other wines