

V E R N O N
RESEARCH GROUP



ZLR *IGNITION*

Foundational Research for Brand Development

Final Quantitative Report

June 30, 2016

Purpose & Methodology

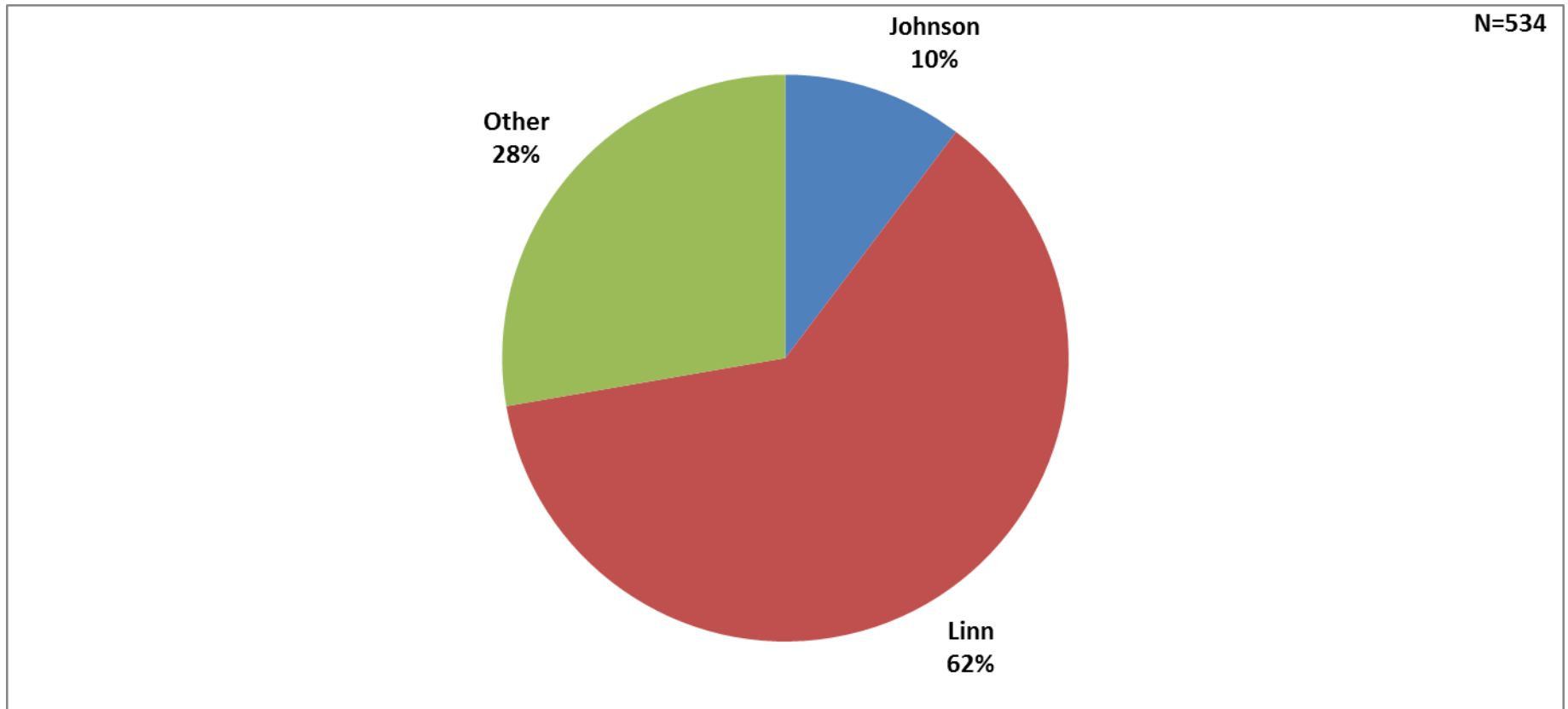
Purpose

The Iowa Wine and Beer Promotion Board is interested in learning more about consumers' awareness, perceptions, and preferences in relation to Iowa-produced wines. A 2014/15 report from the Alcohol and Beverage Division showed that Iowa wineries only captured 5.8% of the retail wine market in the state. The current research study seeks to gain deeper understanding of who currently buys Iowa wines and why.

Vernon Research Group is responsible for the follow-up quantitative study with the Iowa Opinion Panel. 534 panel members completed the survey. To qualify, participants needed to live in Iowa, consume wine on a regular basis, and be at least occasional drinkers of Iowa wines.

County

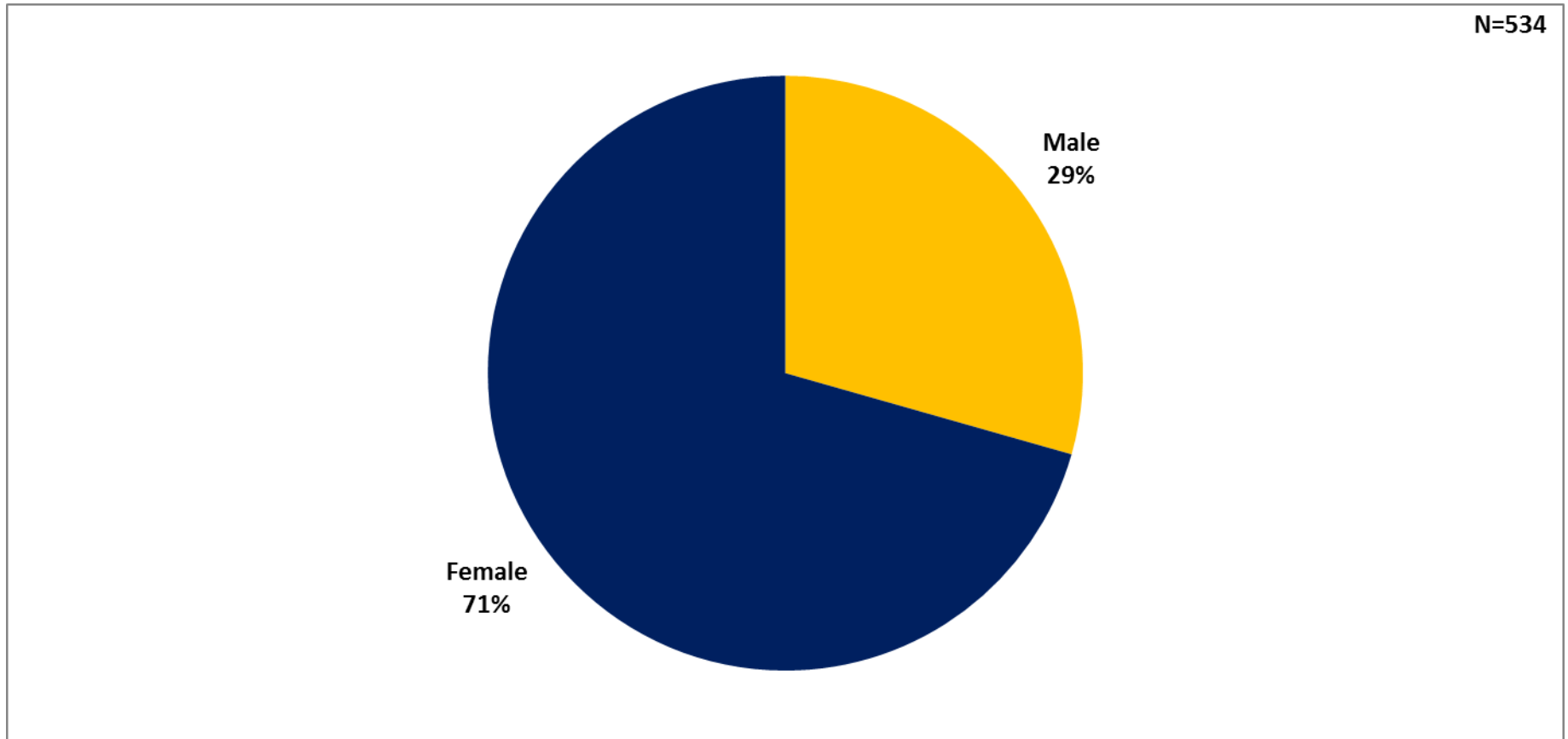
The majority of participants reside in Linn County.
Over a quarter of the respondents came from counties other than Linn and Johnson.



Profile variable.

Gender

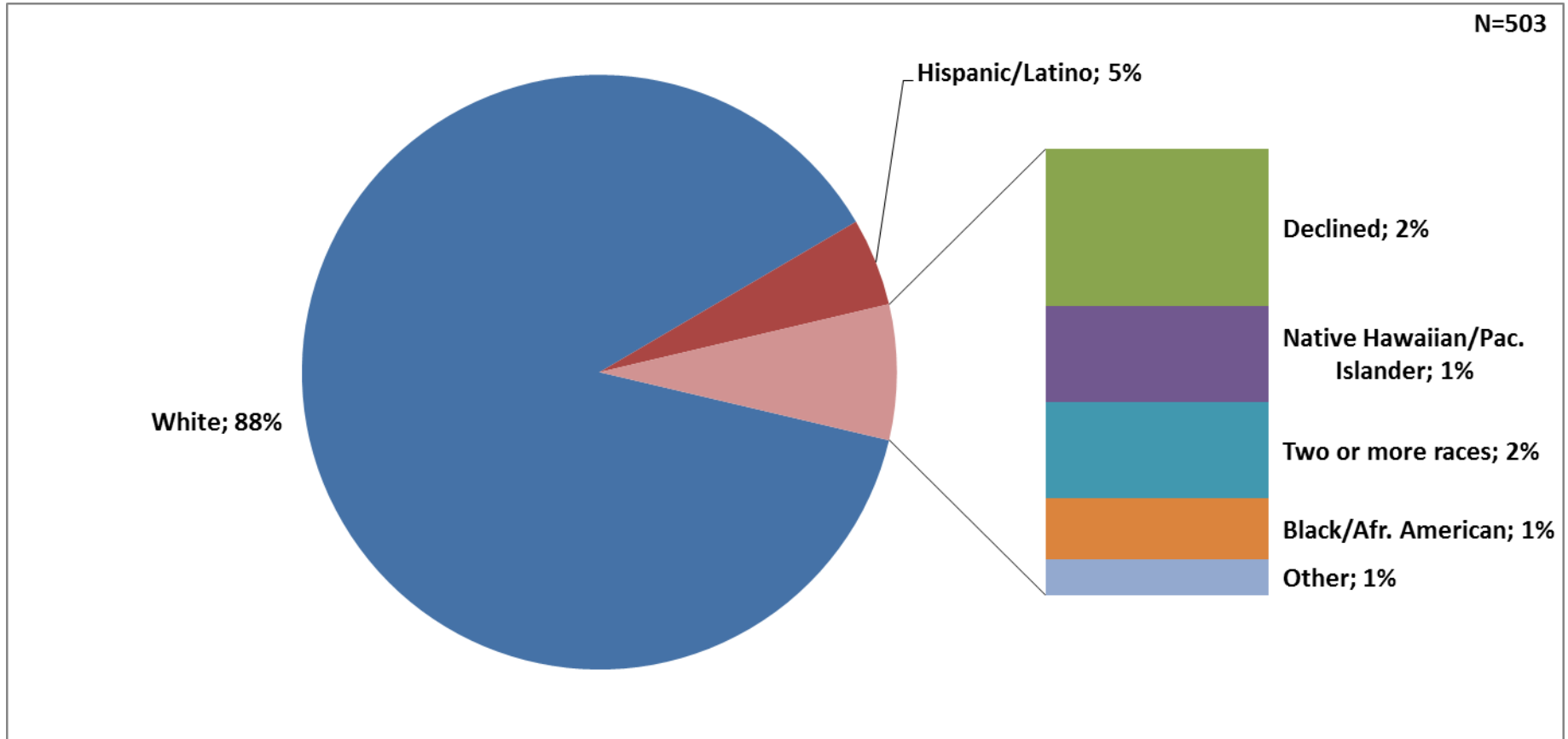
The majority of participants are female.



Profile variable.

Race/Ethnicity

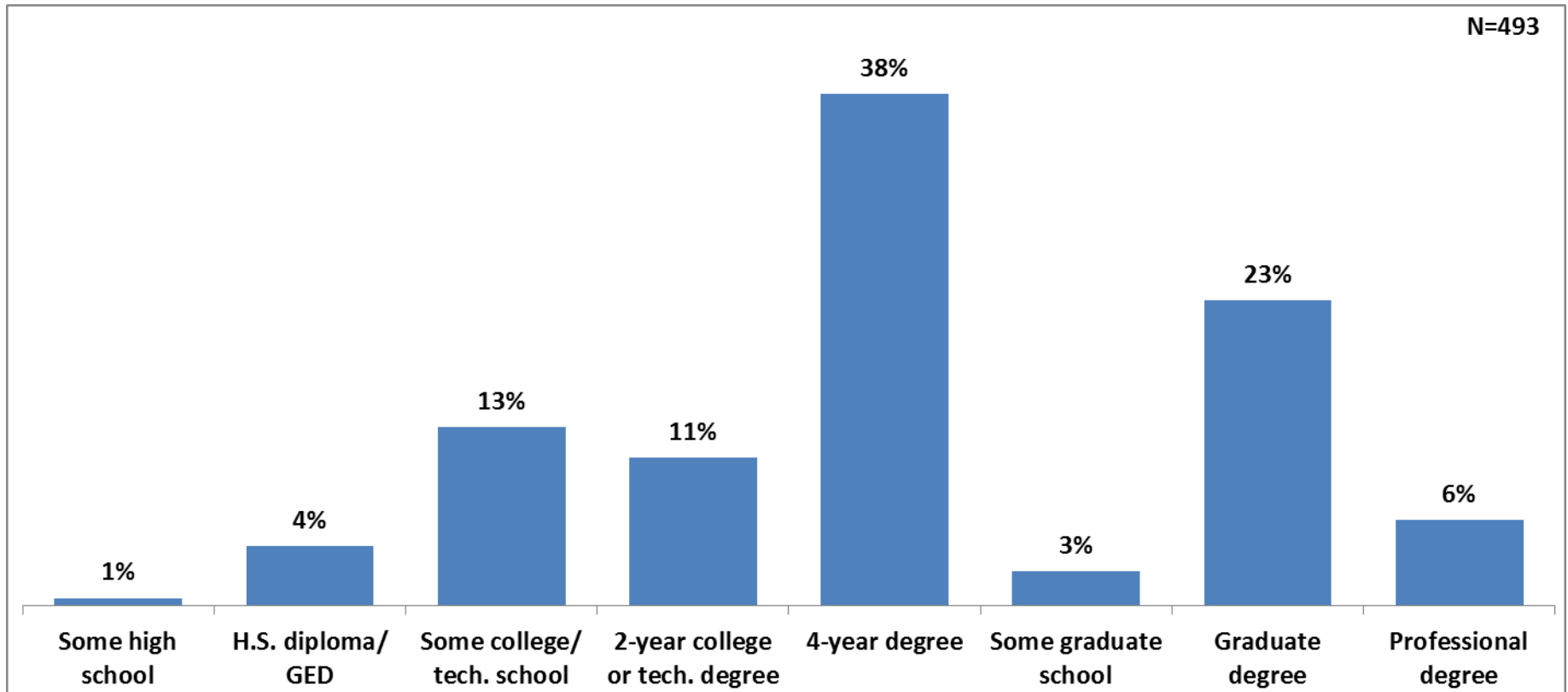
The majority of participants are white. 5% are Hispanic/Latino.



Profile variable.

Education

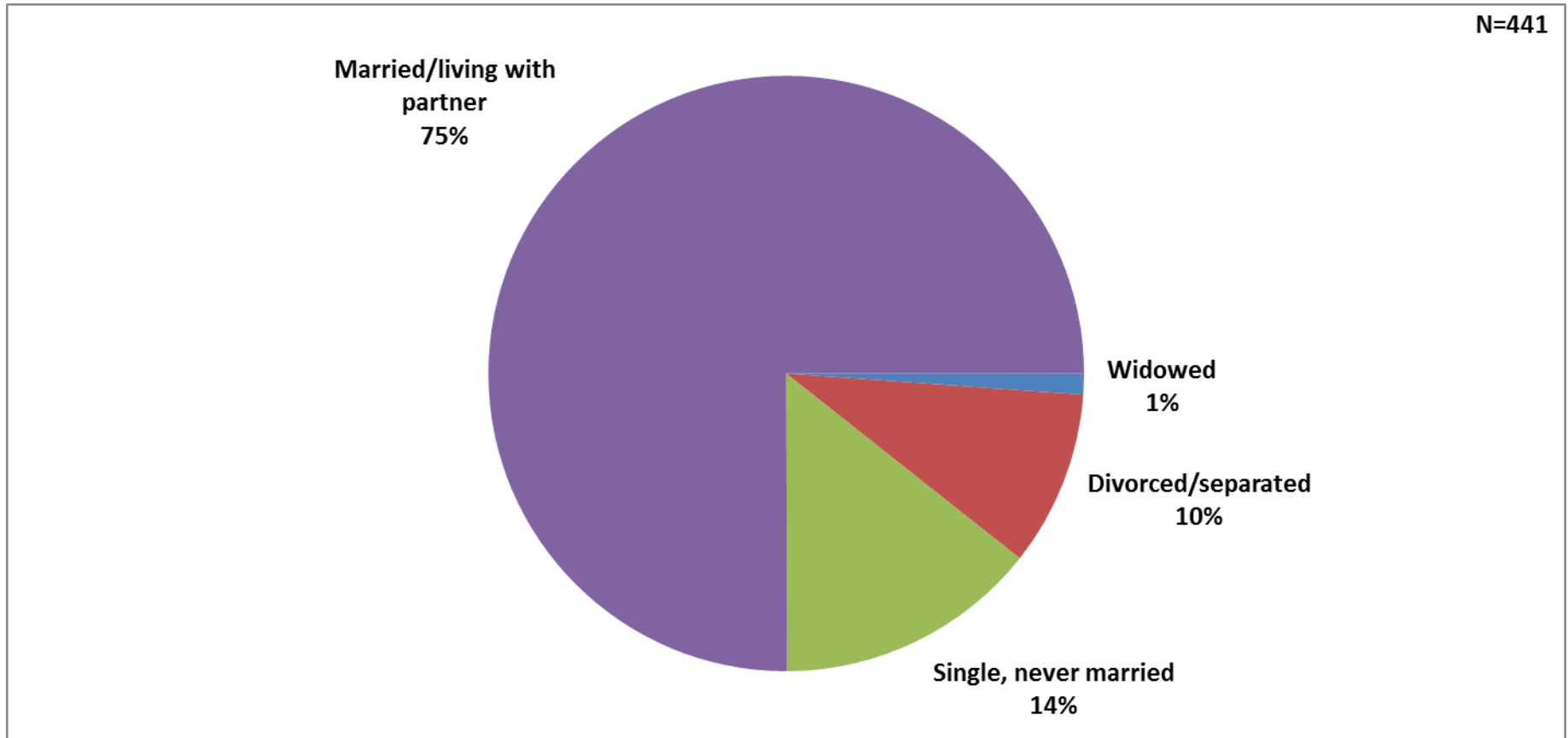
29% of the respondents have less than a 4-year college education.
38% have a 4-year degree, and 32% have more than a 4-year degree.



Profile variable.

Relationship Status

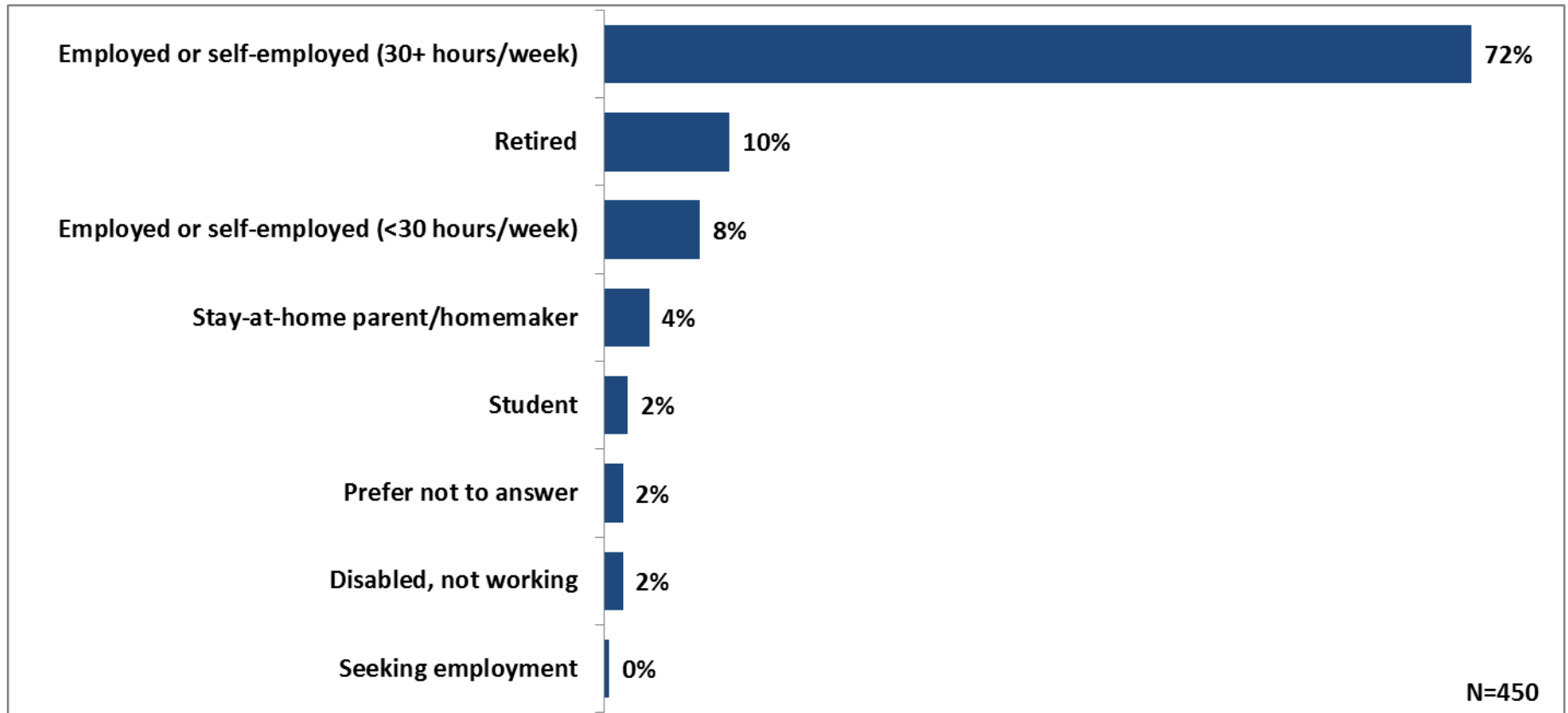
The majority of the respondents are married.



Profile variable.

Employment Status

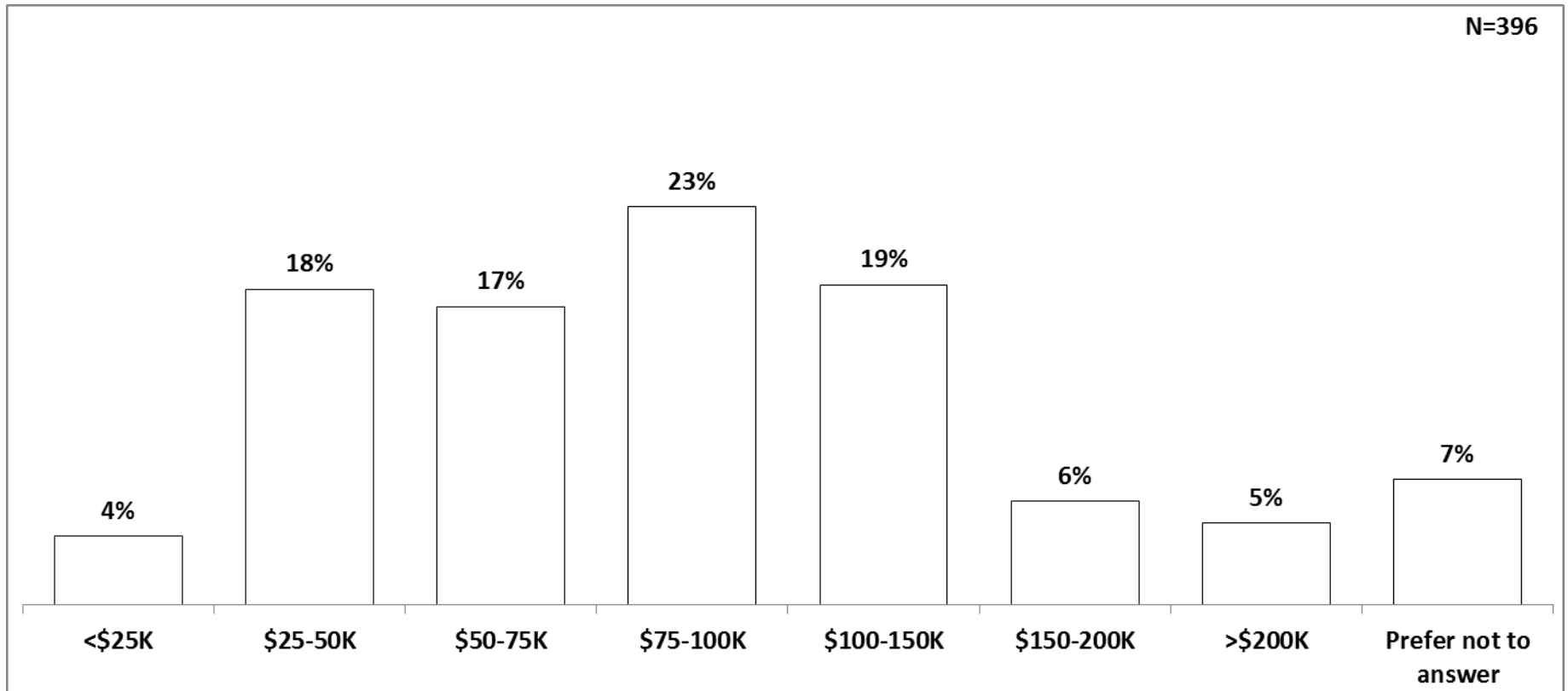
The majority of the respondents are employed full-time.



Profile variable.

Household Income Level

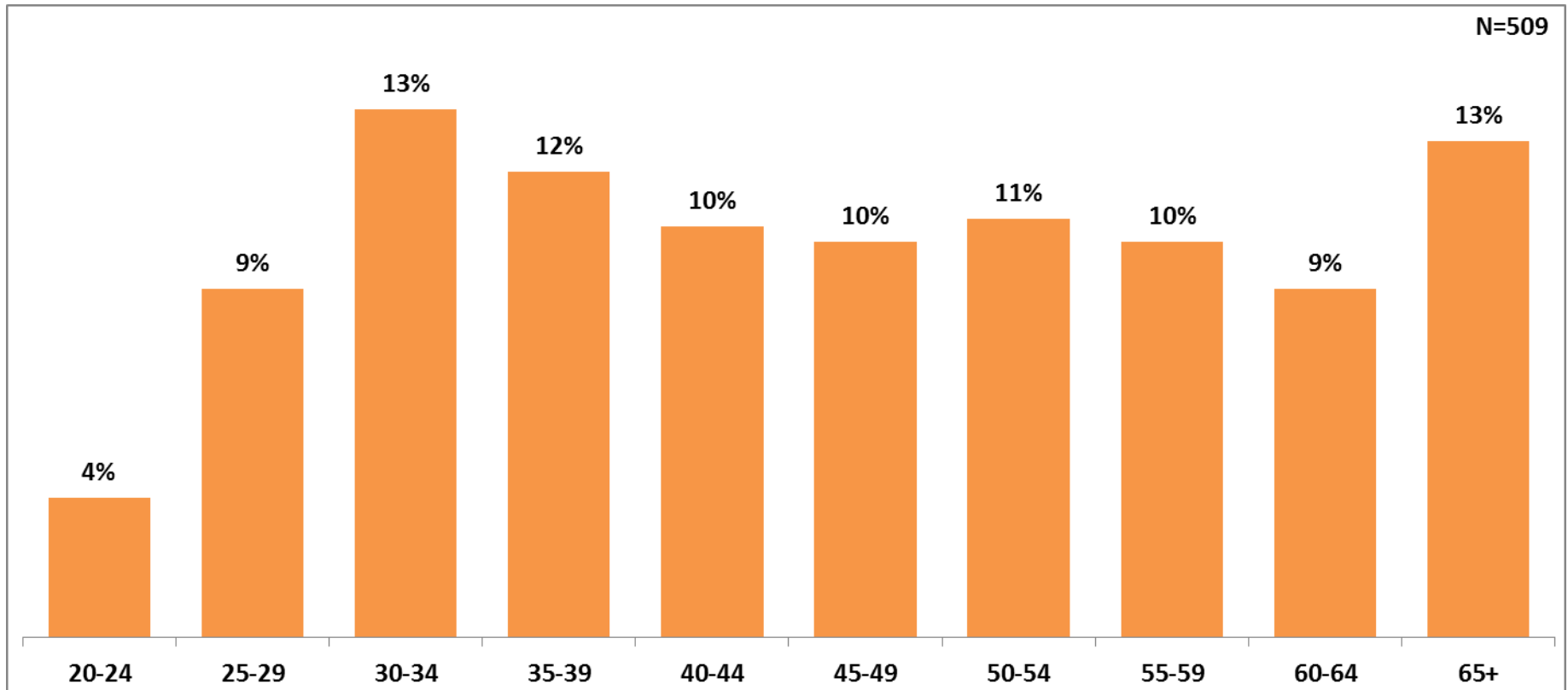
The majority of the respondents have household incomes of \$75K or more.



Profile variable.

Age

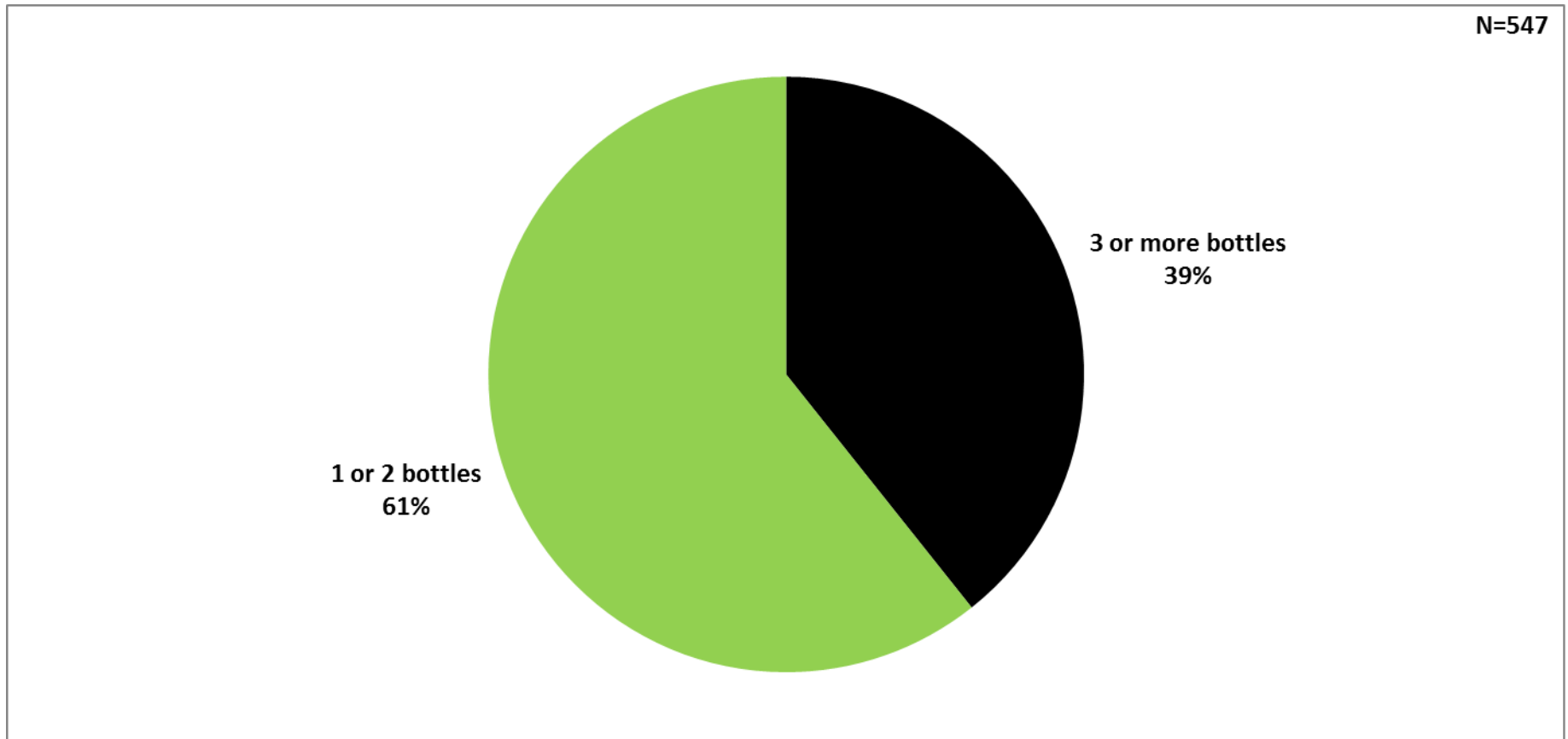
The median age of respondents is 46.8.
The mean age of respondents is 45.3.



Profile variable.

Monthly Wine Consumption Habits

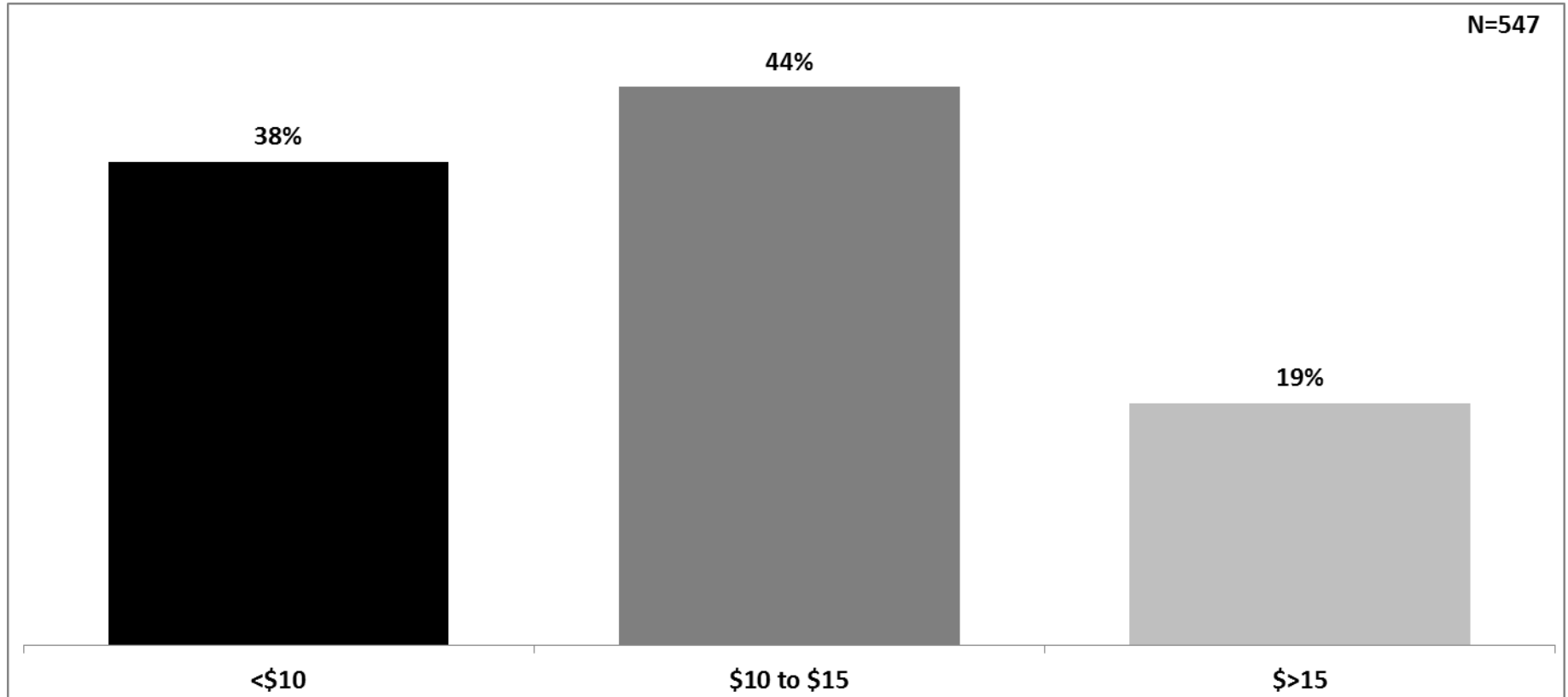
61% of respondents consume 1 or 2 bottles of wine per month.
39% of respondents consume 3 or more bottles of wine per month.



In a typical month, about how many bottles of wine do you purchase for yourself/your household?

Wine Spending Habits

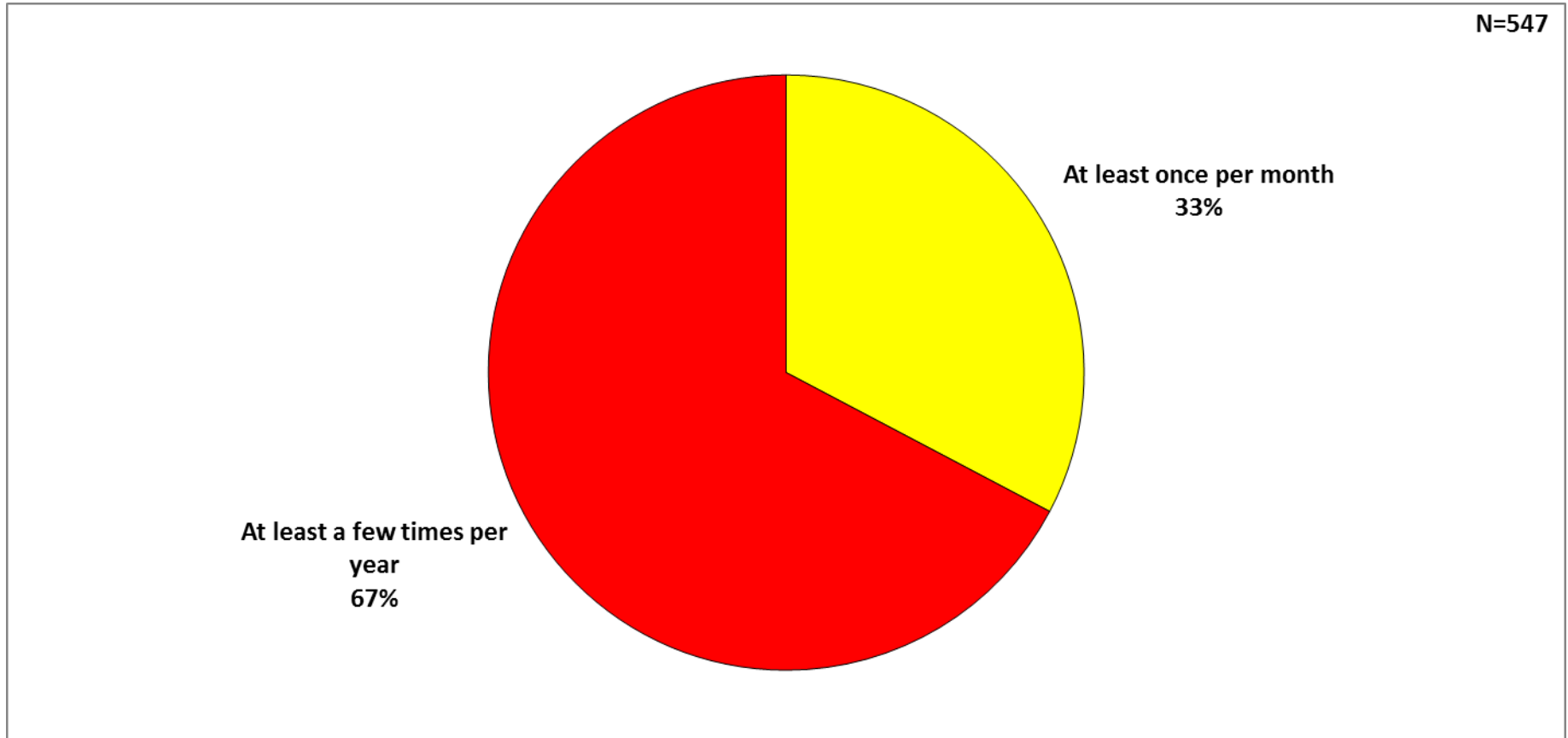
82% of respondents spend \$15 or less per bottle of wine.
38% of respondents spend less than \$10 per bottle of wine.



On average (across all types of wine and all occasions), how much do you typically spend for one bottle of wine?

Iowa-Made Wine Consumption Habits

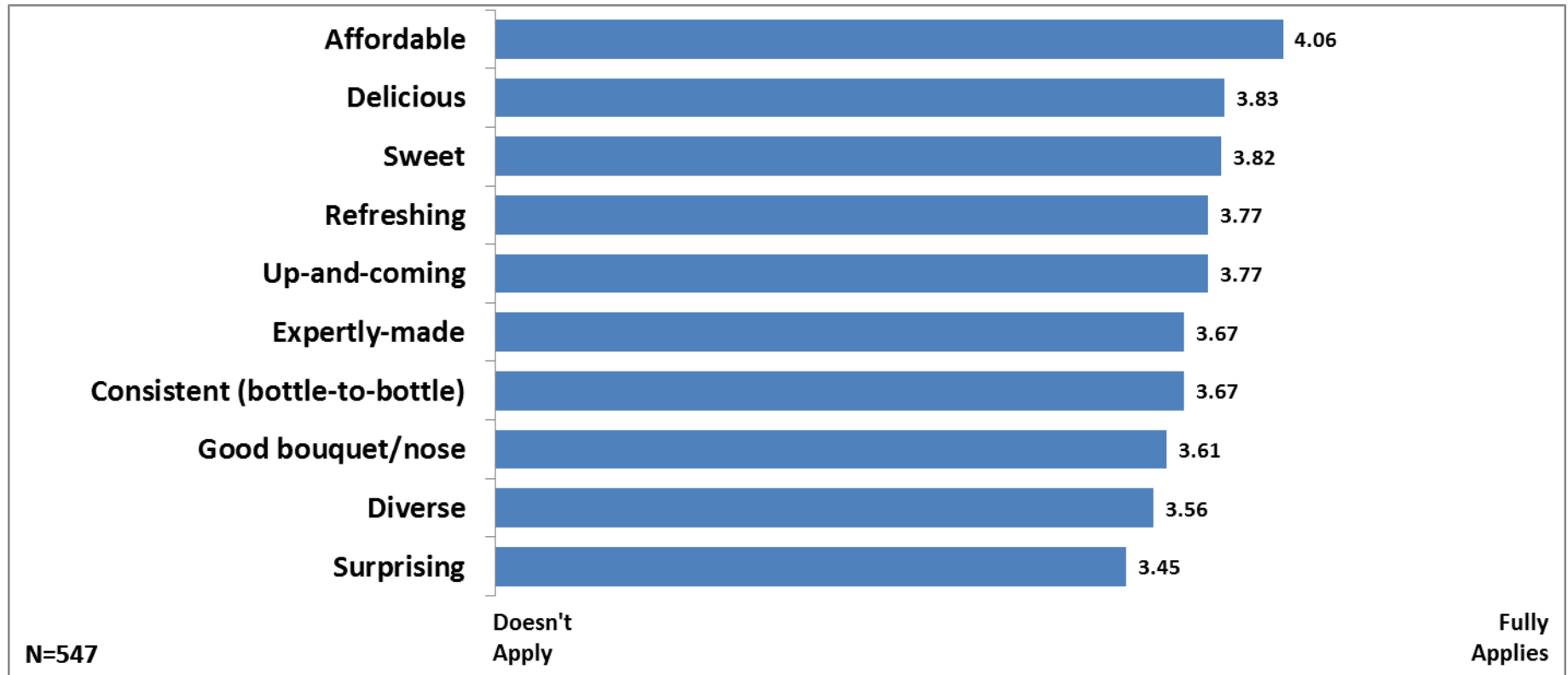
67% of respondents consume Iowa-made wine at least a few times per year.
33% of respondents consume Iowa-made wine at least once per month.



How often do you personally drink and/or purchase Iowa-made wine?

Descriptors of Iowa-Made Wine [1/3]

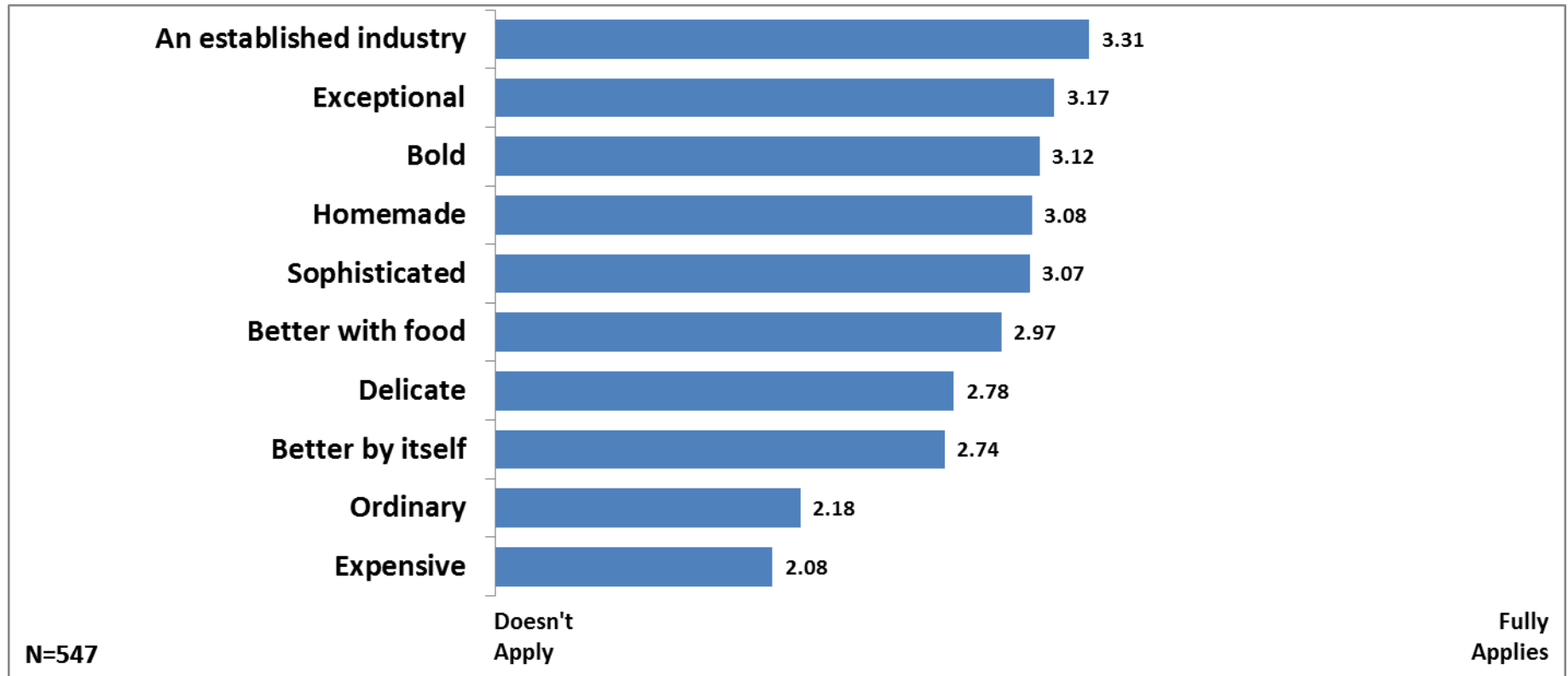
Respondents identified **affordable** as the most applicable descriptor of Iowa-made wine. **Delicious, sweet, refreshing, up-and-coming, expertly-made, and consistent** were also highly-applicable.



How applicable are each of these descriptors to **Iowa-made** wines?

Descriptors of Iowa-Made Wine [2/3]

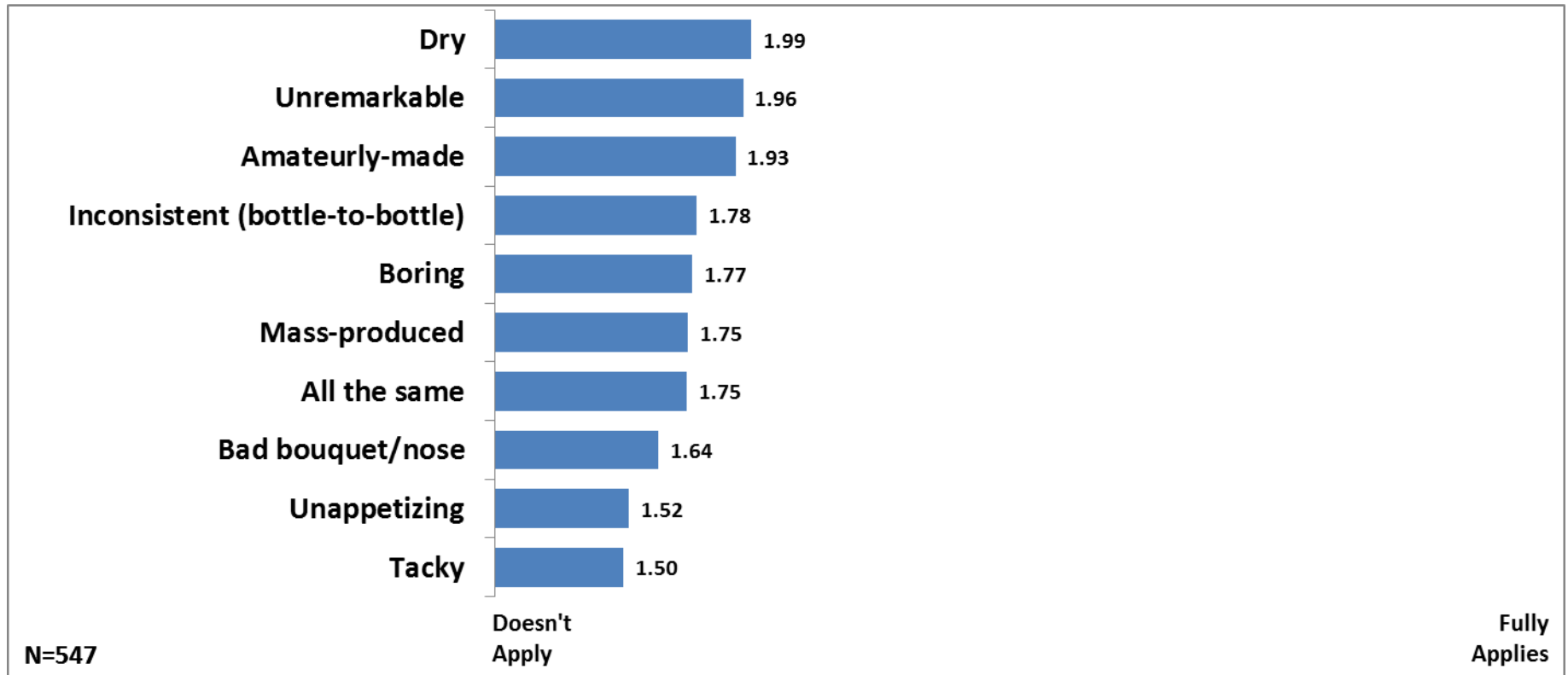
These descriptors were neither the most applicable nor the least applicable of those tested.



How applicable are each of these descriptors to **Iowa-made** wines?

Descriptors of Iowa-Made Wine [3/3]

Respondents identified **tacky** and **unappetizing** as the least-applicable descriptors of Iowa-made wine.

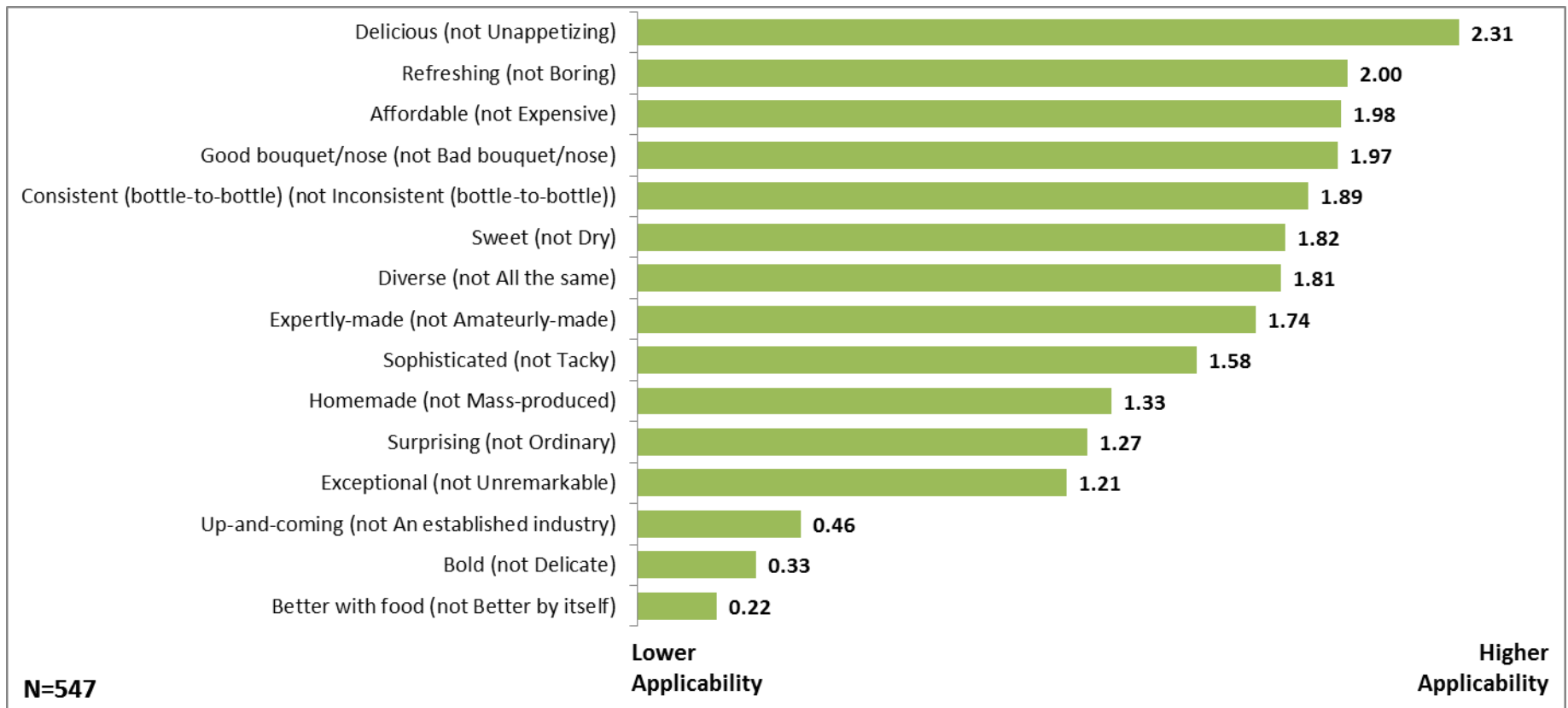


How applicable are each of these descriptors to **Iowa-made** wines?

Paired Descriptors of Iowa-Made Wine

Descriptors were designed to be paired. Comparing applicability ratings of designed pairs, **delicious** is identified as the strongest descriptor for Iowa-made wine.

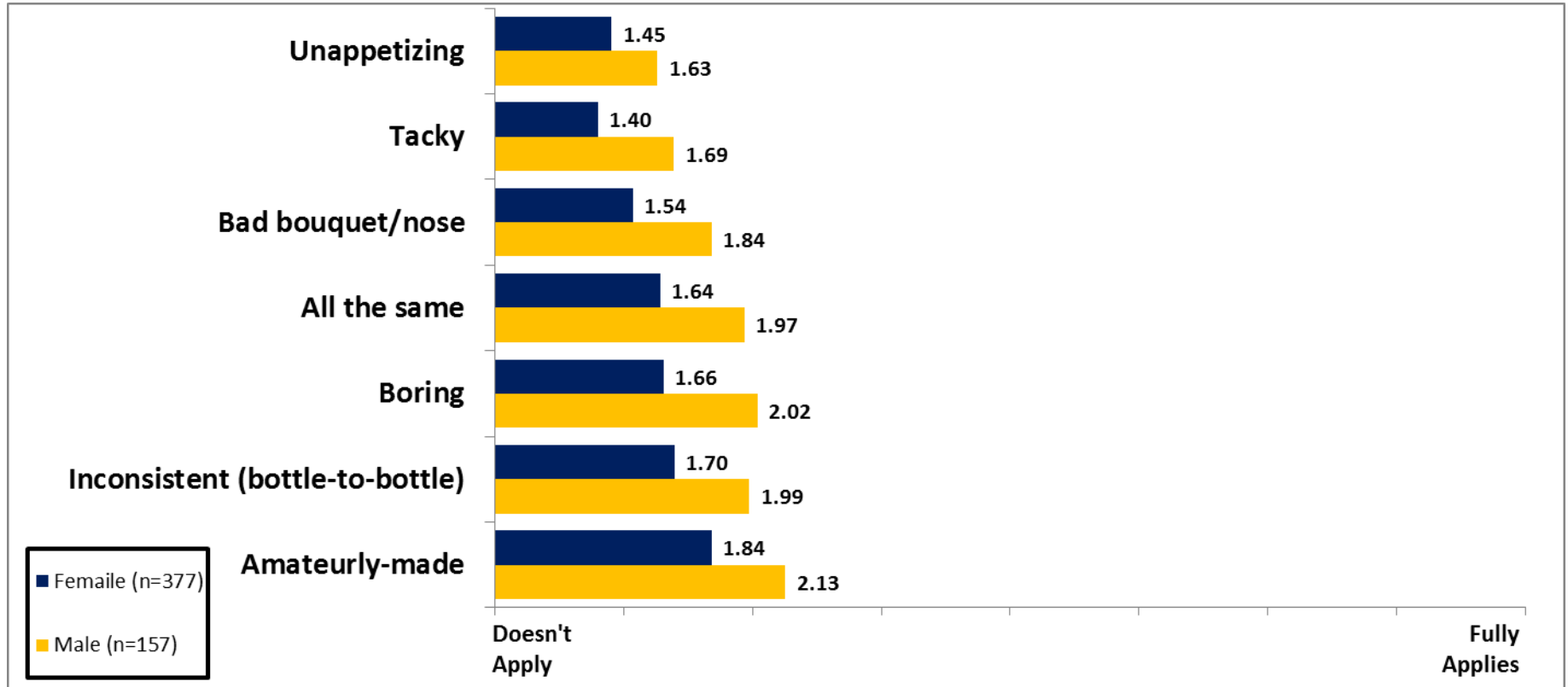
Refreshing, affordable, and good bouquet also scored as highly-applicable.



How applicable are each of these descriptors to **Iowa-made** wines?

Descriptors of Iowa-Made Wine by Gender [1/2]

These descriptors significantly varied by gender.
Generally, males were not quite as positive as females about Iowa-made wines.

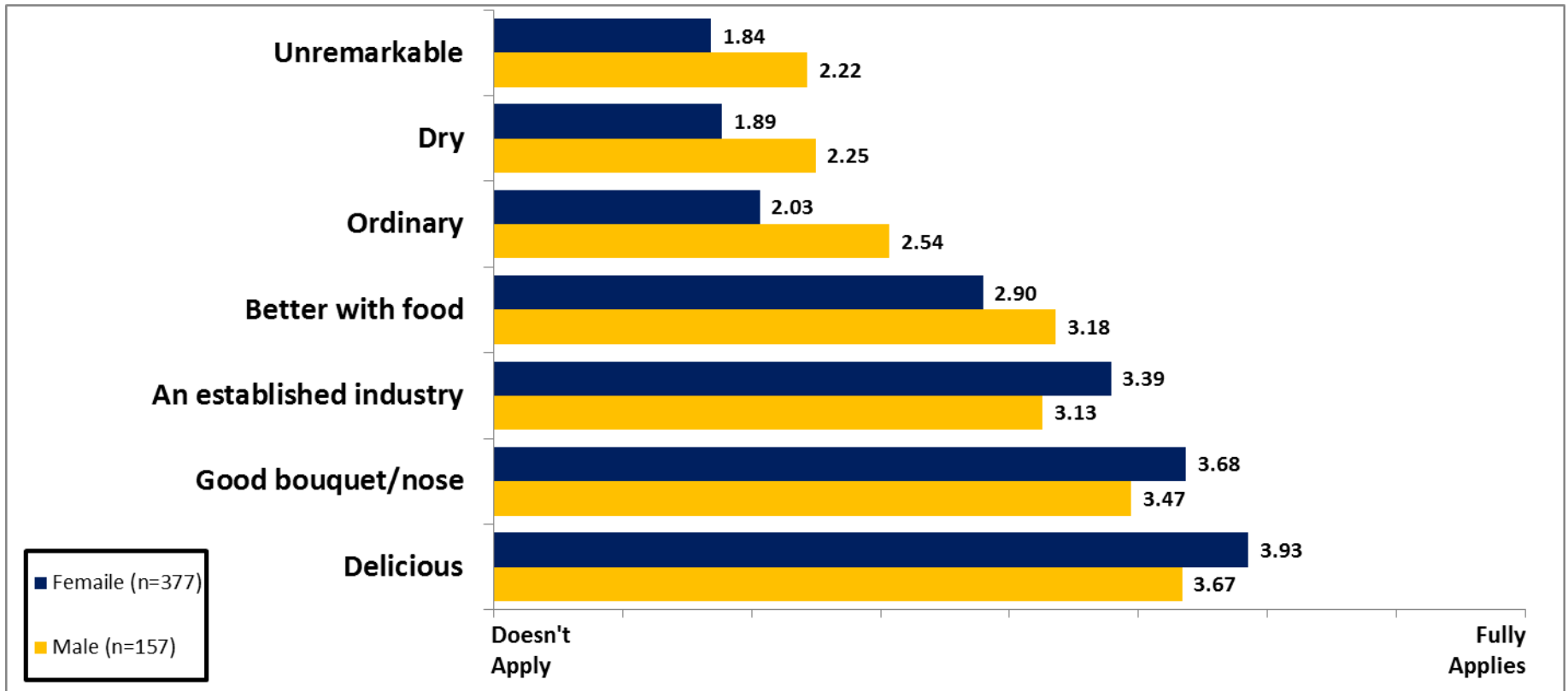


How applicable are each of these descriptors to **Iowa-made** wines?

Descriptors of Iowa-Made Wine

by Gender [2/2]

These descriptors significantly varied by gender.
Generally, males were not quite as positive as females about Iowa-made wines.

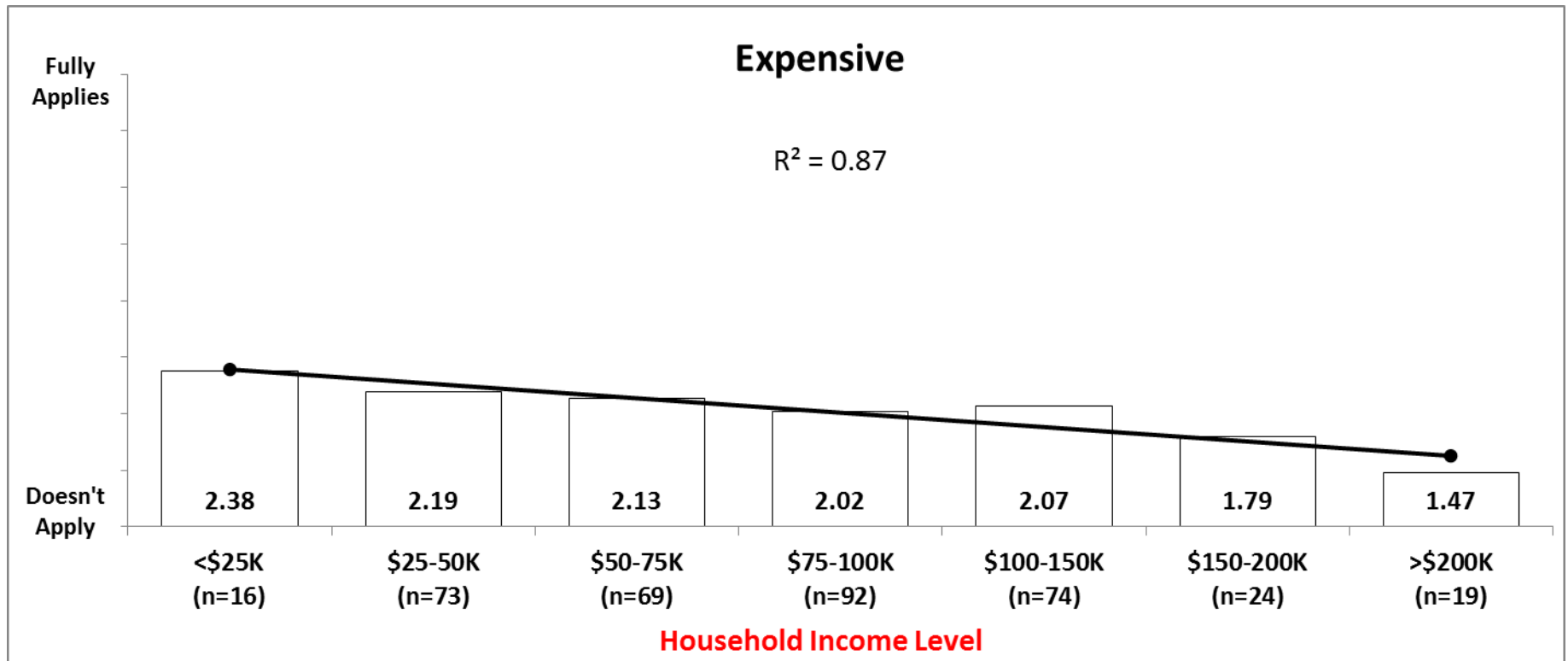


How applicable are each of these descriptors to **Iowa-made** wines?

Descriptors of Iowa-Made Wine

by Household Income Level [1/2]

There was a very strong and significant correlation between increased household income and decreased likelihood to select the descriptor **expensive** as applicable to Iowa-made wines. This is intuitive; the more money one has, the less “expensive” one is to consider something.

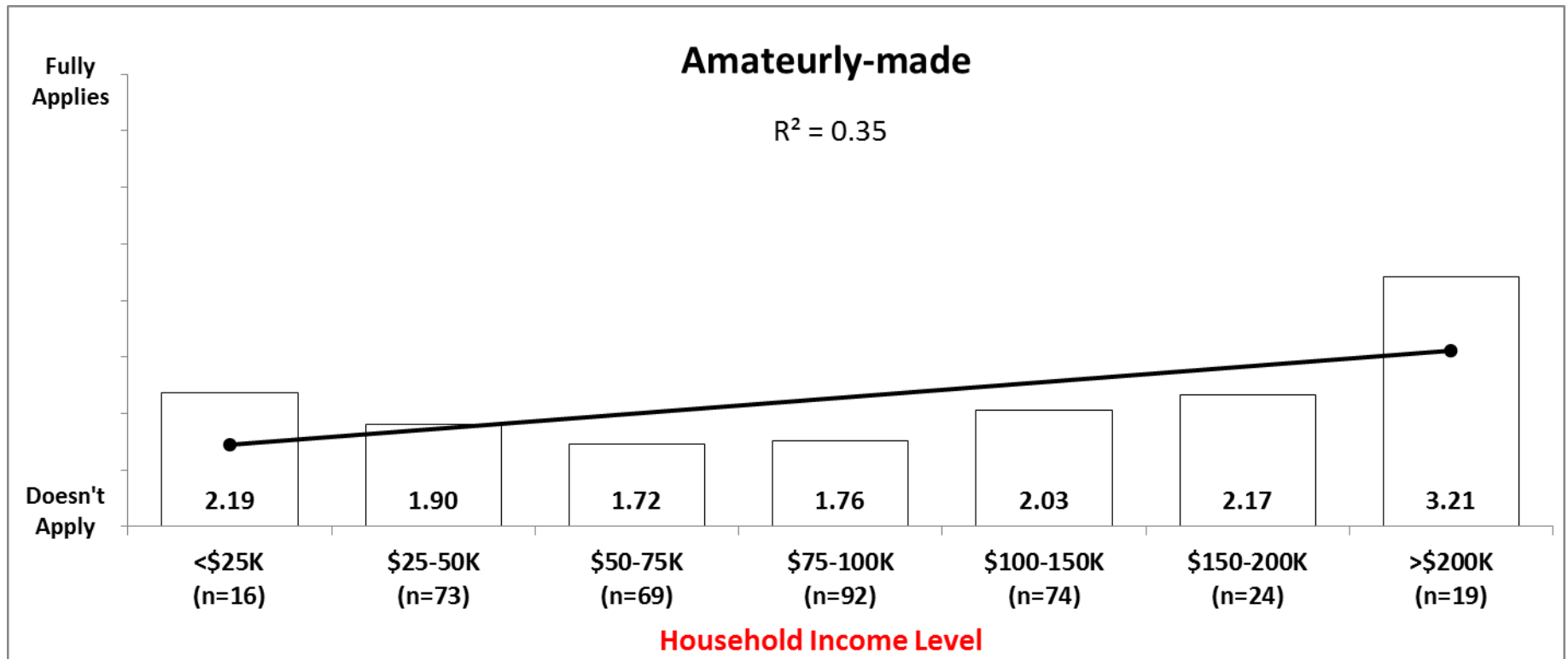


How applicable are each of these descriptors to **Iowa-made** wines?

Descriptors of Iowa-Made Wine

by Household Income Level [2/2]

There was a somewhat strong and significant correlation between increased household income and increased likelihood to select the descriptor **amateurly-made** as applicable to Iowa-made wines.

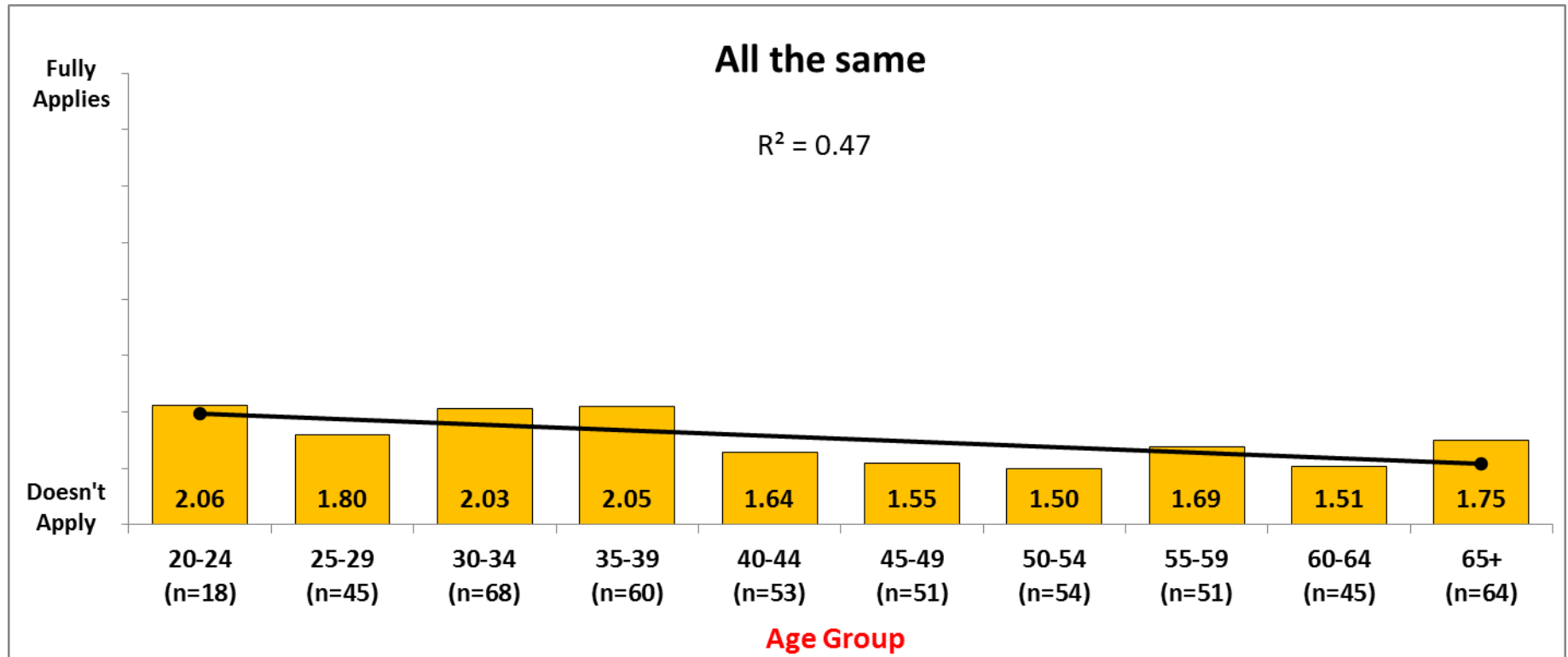


How applicable are each of these descriptors to **Iowa-made** wines?

Descriptors of Iowa-Made Wine

by Age [1/8]

There was a somewhat strong and significant correlation between increasing age and decreasing likelihood to select the descriptor **all the same** as applicable to Iowa-made wines. Presumably, older respondents have experienced a greater variety of Iowa-made wines.

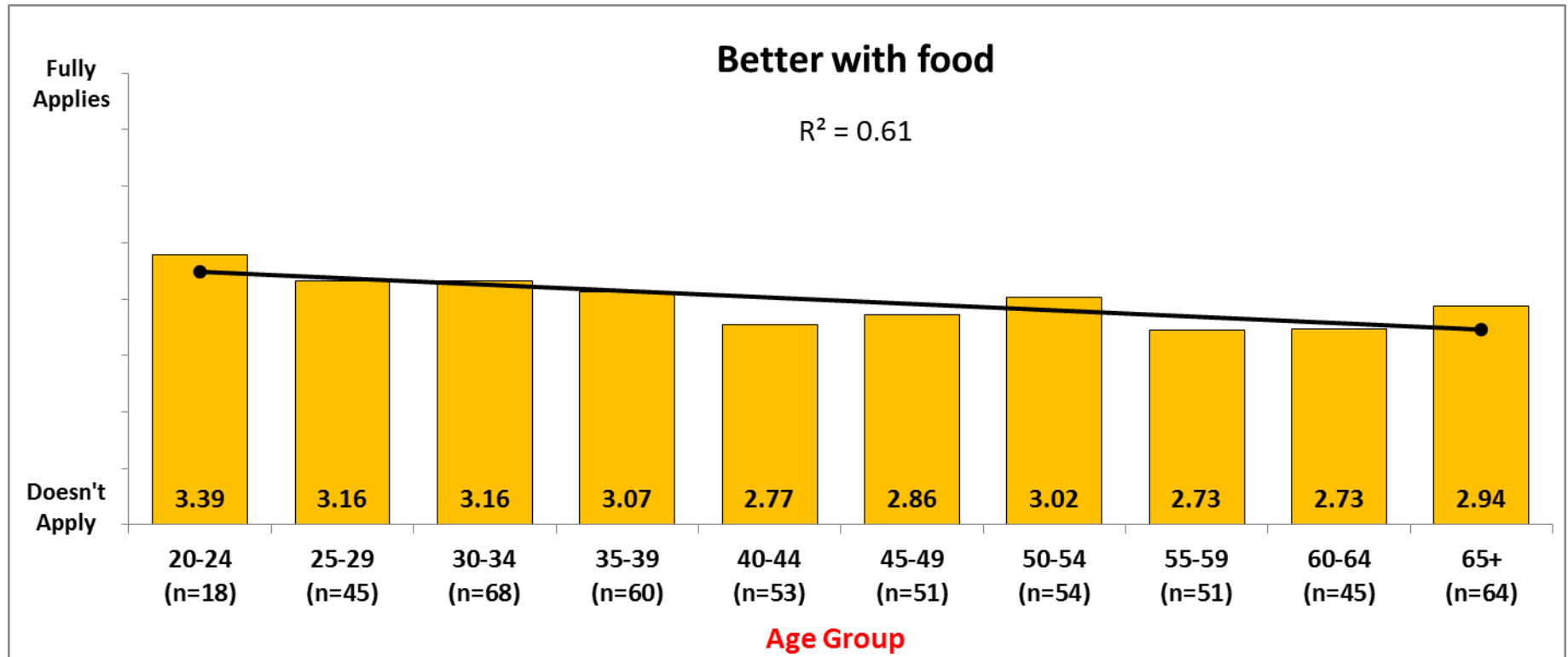


How applicable are each of these descriptors to **Iowa-made** wines?

Descriptors of Iowa-Made Wine

by Age [2/8]

There was a strong and significant correlation between increasing age and decreasing likelihood to select the descriptor **better with food** as applicable to Iowa-made wines.

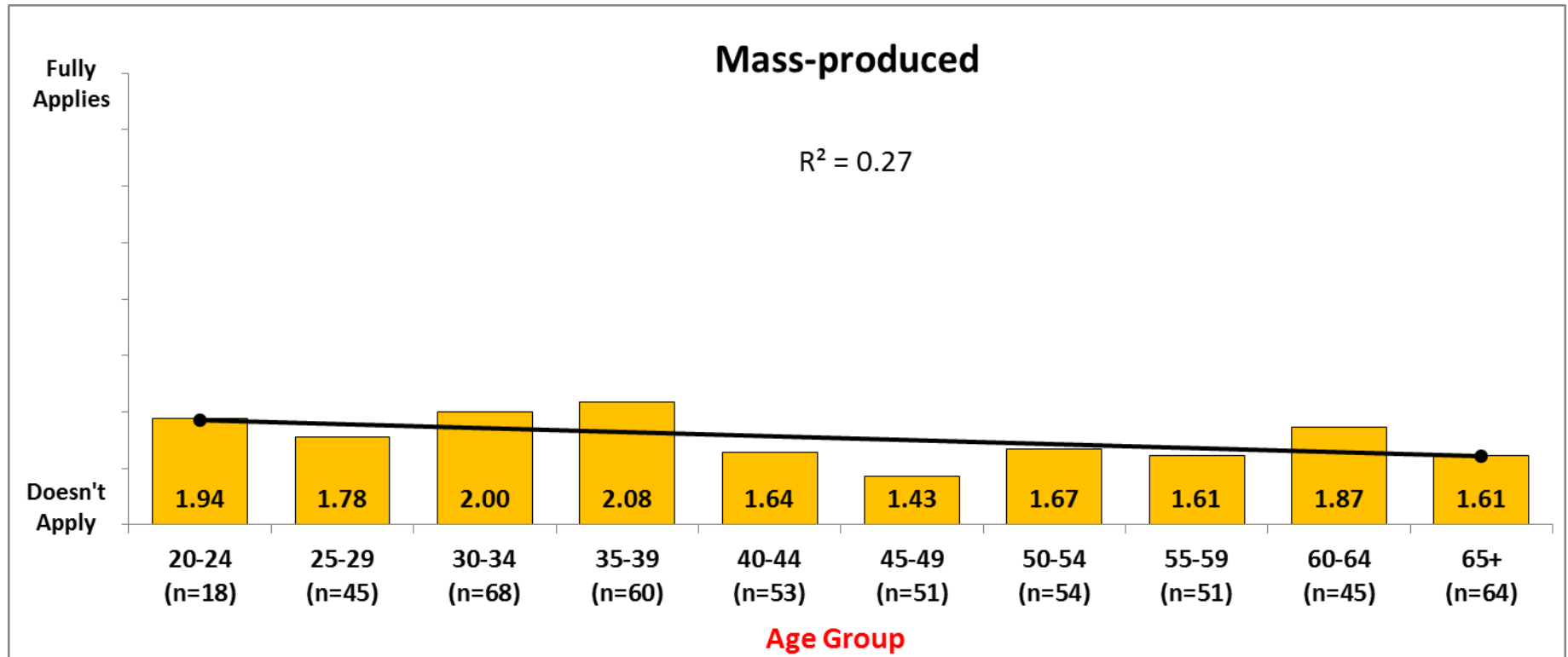


How applicable are each of these descriptors to **Iowa-made** wines?

Descriptors of Iowa-Made Wine

by Age [3/8]

There was a somewhat strong and significant correlation between increasing age and decreasing likelihood to select the descriptor **mass-produced** as applicable to Iowa-made wines.

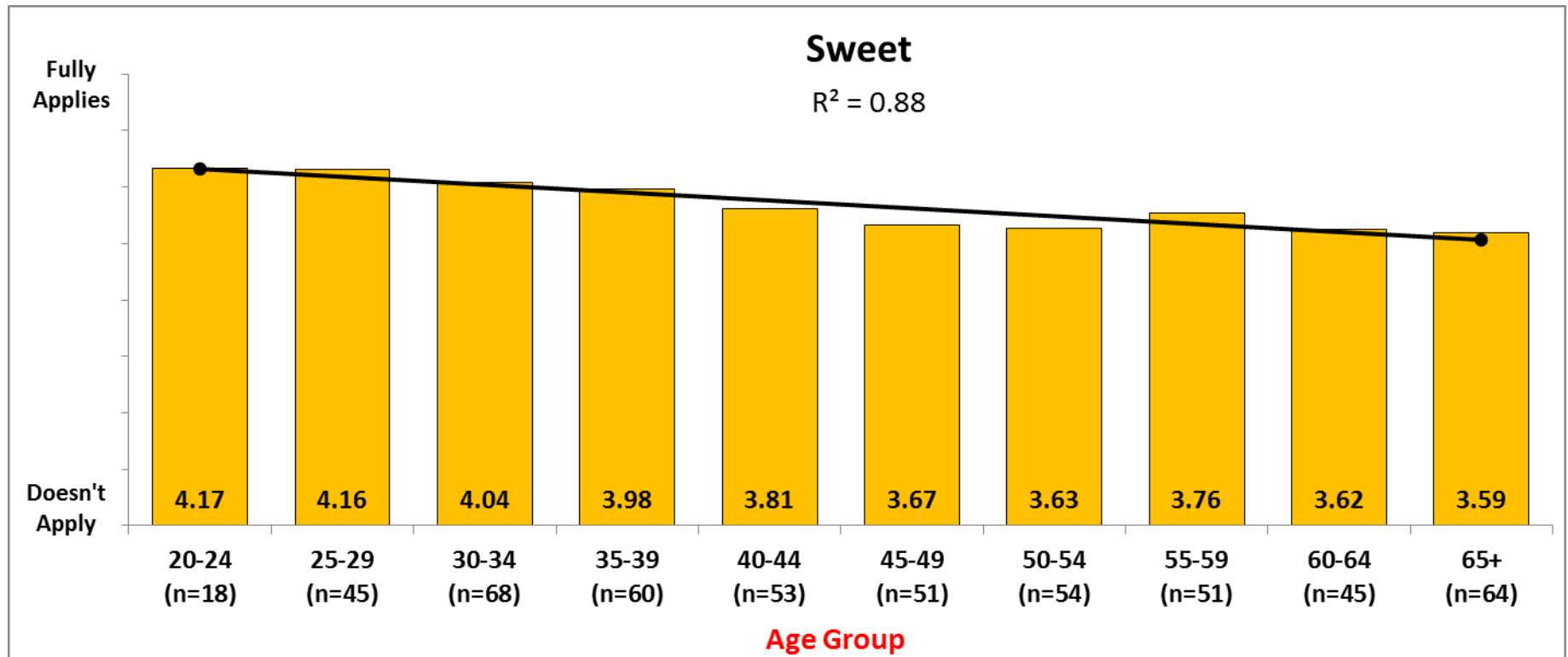


How applicable are each of these descriptors to **Iowa-made** wines?

Descriptors of Iowa-Made Wine

by Age [4/8]

There was a very strong and significant correlation between increasing age and decreasing likelihood to select the descriptor **sweet** as applicable to Iowa-made wines.

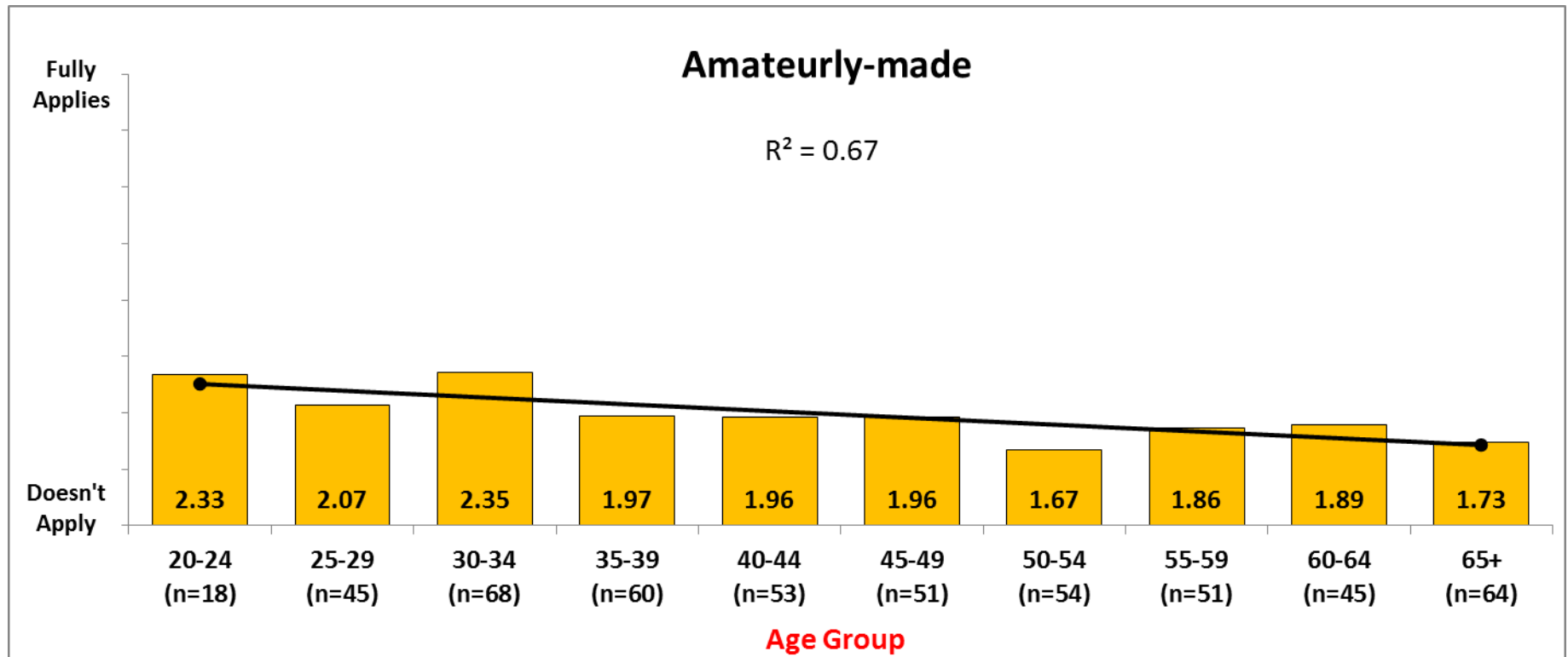


How applicable are each of these descriptors to **Iowa-made** wines?

Descriptors of Iowa-Made Wine

by Age [5/8]

There was a strong and significant correlation between increasing age and decreasing likelihood to select the descriptor **amateurly-made** as applicable to Iowa-made wines.

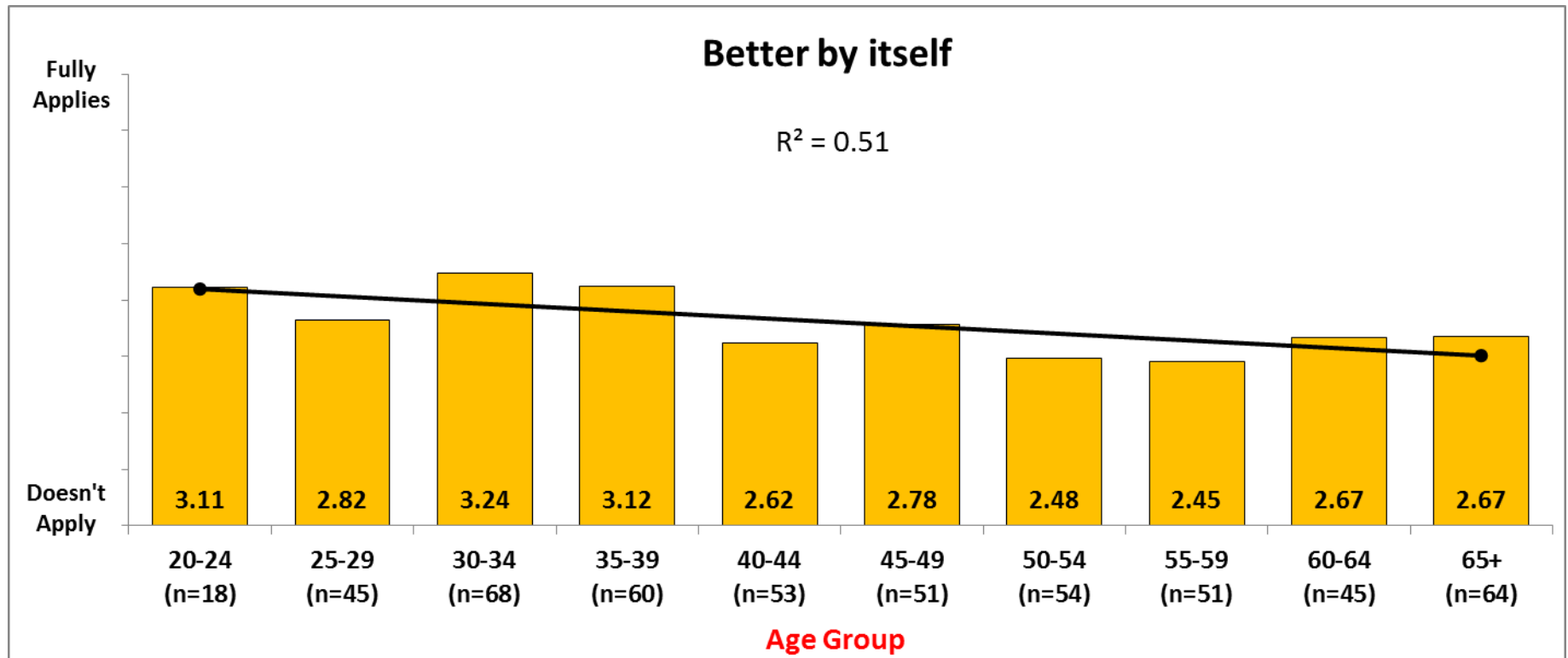


How applicable are each of these descriptors to **Iowa-made** wines?

Descriptors of Iowa-Made Wine

by Age [6/8]

There was a strong and significant correlation between increasing age and decreasing likelihood to select the descriptor **better by itself** as applicable to Iowa-made wines. While this is a significant overall correlation, there appear to be peaks and valleys, group-to-group.



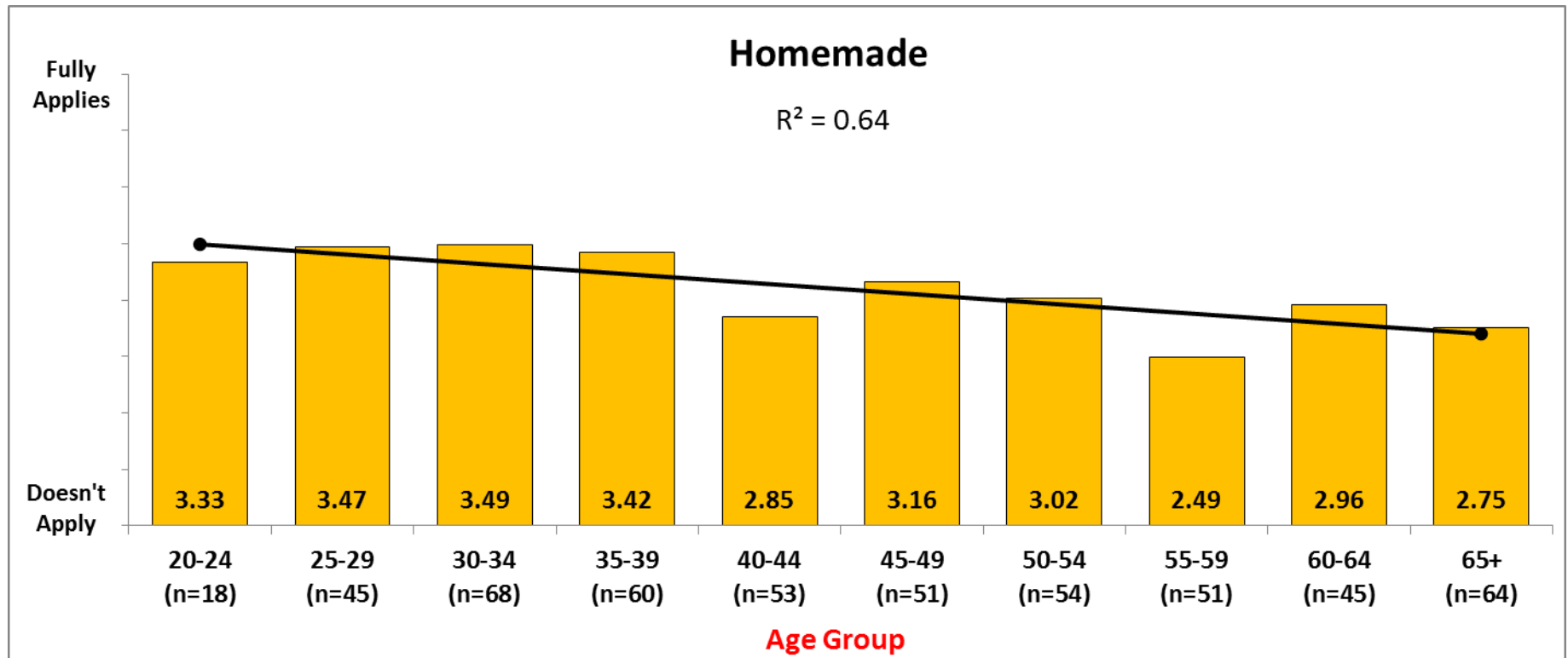
How applicable are each of these descriptors to **Iowa-made** wines?

Descriptors of Iowa-Made Wine

by Age [7/8]

There was a strong and significant correlation between increasing age and decreasing likelihood to select the descriptor **homemade** as applicable to Iowa-made wines.

While this is a significant overall correlation, there appear to be peaks and valleys, group-to-group.

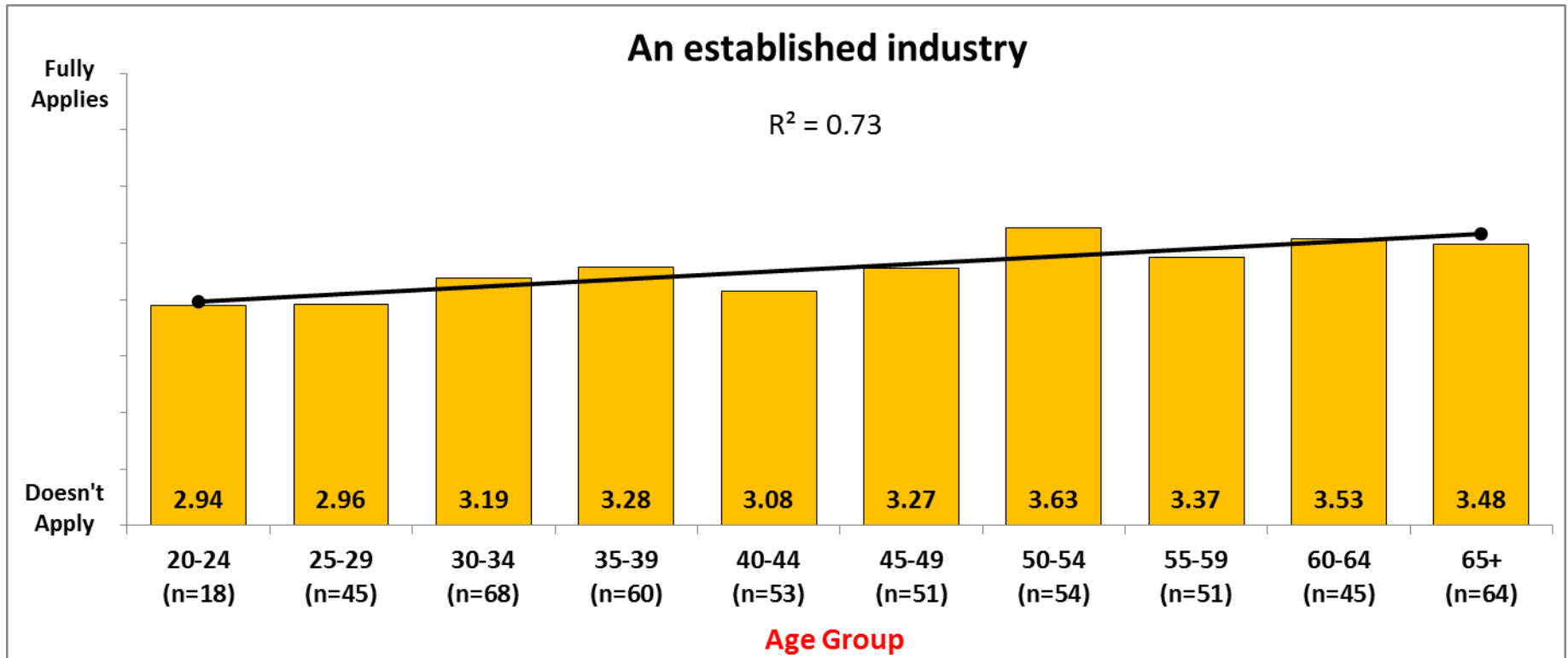


How applicable are each of these descriptors to **Iowa-made** wines?

Descriptors of Iowa-Made Wine

by Age [8/8]

There was a strong and significant correlation between increasing age and increasing likelihood to select the descriptor **an established industry** as applicable to Iowa-made wines.

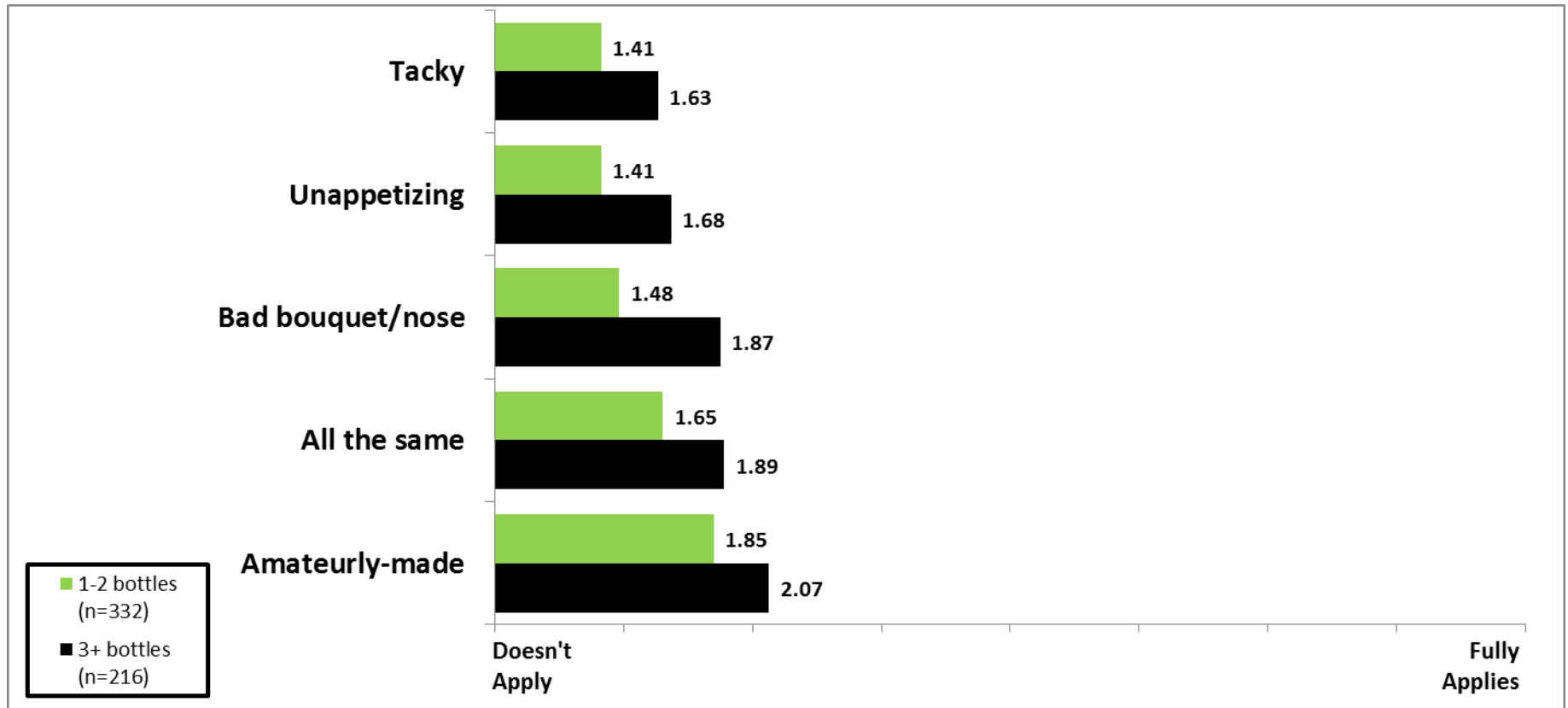


How applicable are each of these descriptors to **Iowa-made** wines?

Descriptors of Iowa-Made Wine

by Monthly Wine Consumption Habits [1/2]

Respondents who consume more wine find these descriptions significantly more applicable to Iowa-made wines than those who consume less wine.

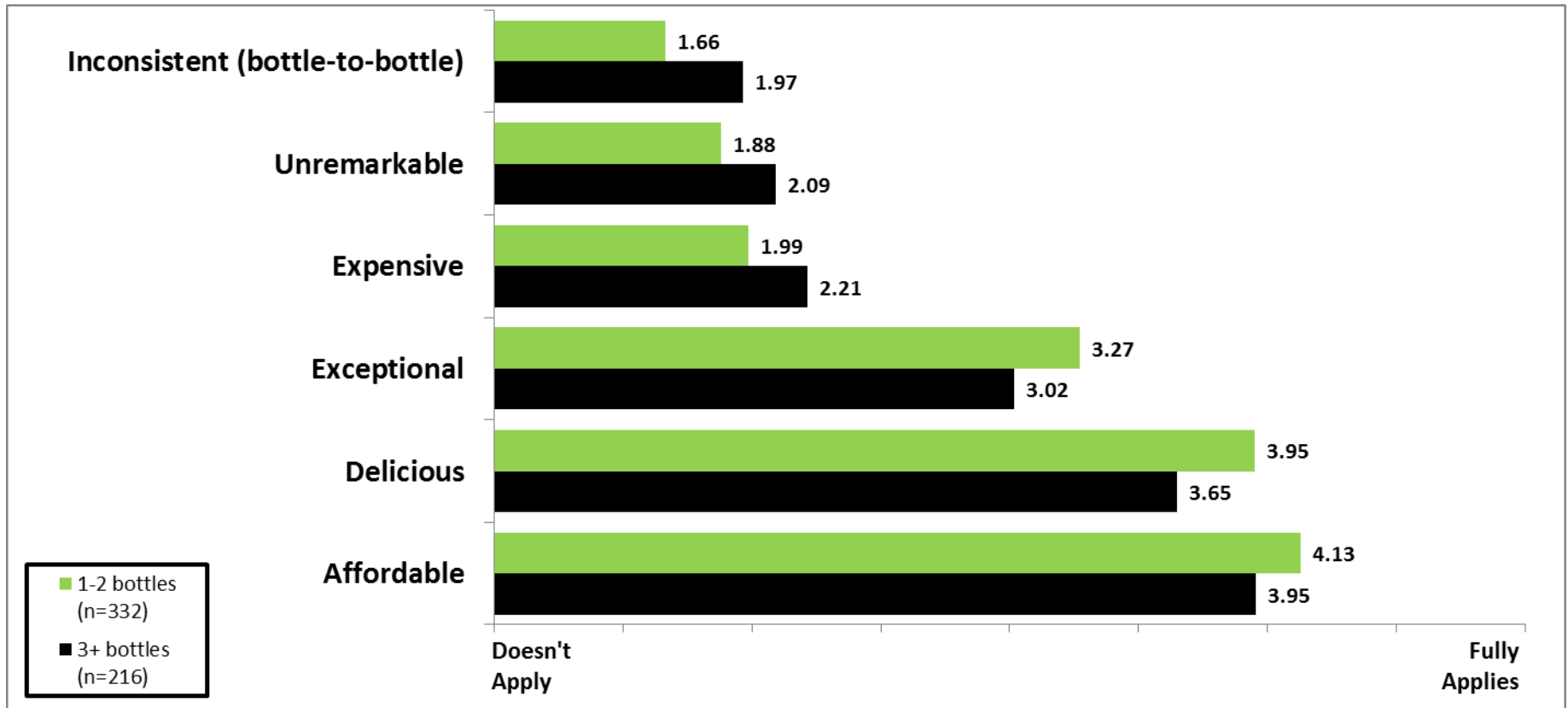


How applicable are each of these descriptors to **Iowa-made** wines?

Descriptors of Iowa-Made Wine

by Monthly Wine Consumption Habits [2/2]

Participants who consume less wine felt the descriptors **exceptional**, **delicious**, and **affordable** were significantly more applicable, while they felt the descriptors **inconsistent**, **unremarkable**, and **expensive** were significantly less applicable to Iowa-made wines.

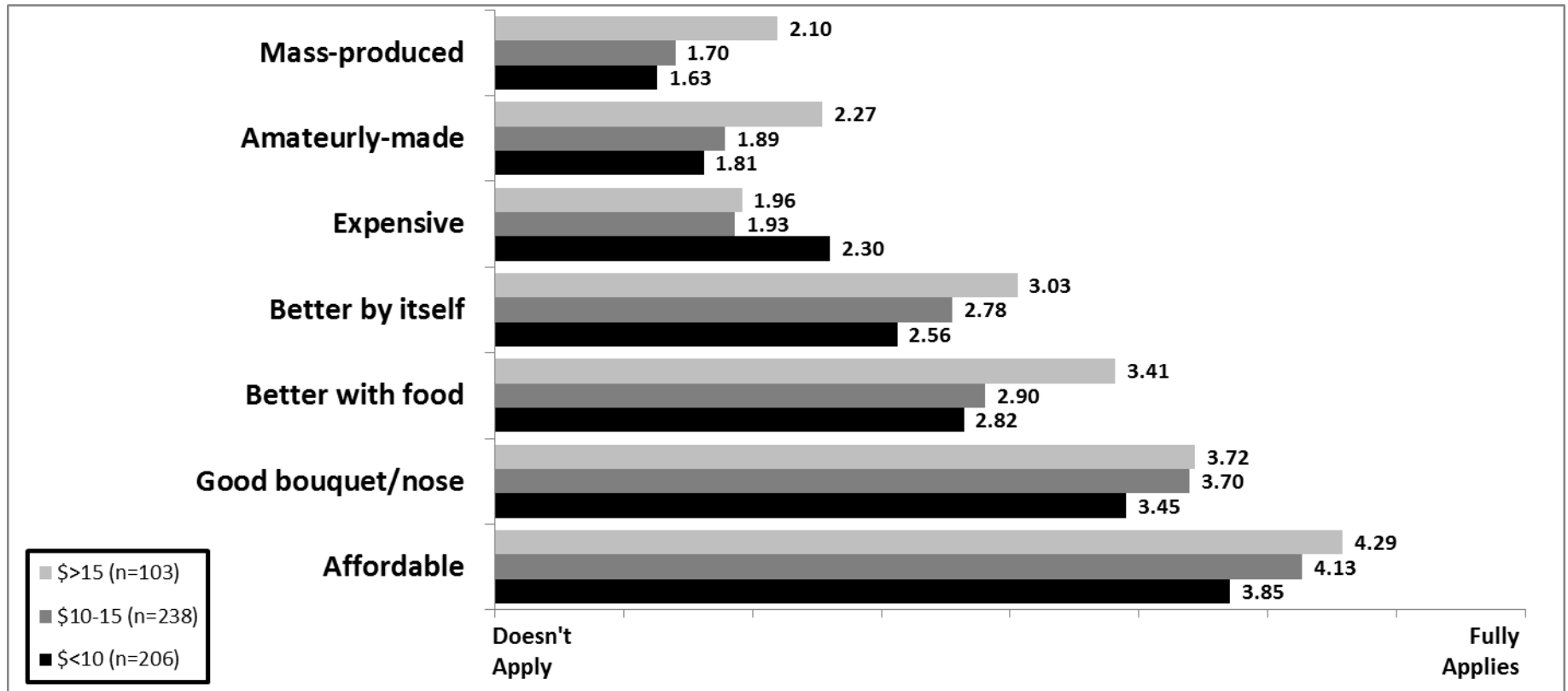


How applicable are each of these descriptors to **Iowa-made** wines?

Descriptors of Iowa-Made Wine

by Wine Spending Habits

Those spending more per bottle are significantly more likely to view Iowa wine as **mass-produced**, **amateurly-made**, **affordable**, **better by itself** AND **better with food**, and as having **good bouquet**. Those spending less are significantly more likely to view Iowa wine as **expensive**.

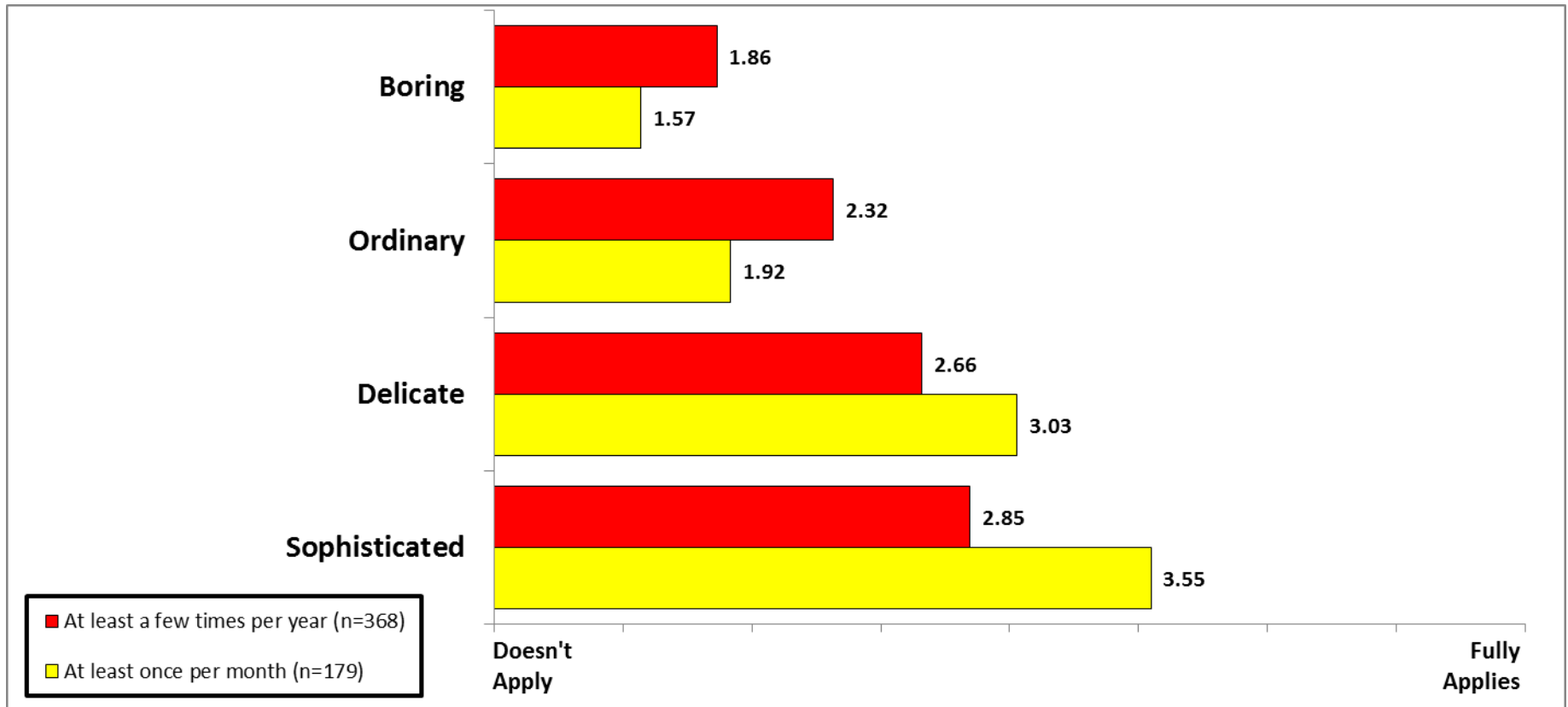


How applicable are each of these descriptors to **Iowa-made** wines?

Descriptors of Iowa-Made Wine

by Iowa-Made Wine Consumption Habits [1/4]

Those consuming Iowa wines more frequently are significantly more likely to describe them as **boring** and **ordinary**. They are also significantly less likely to describe Iowa wines as **delicate** and **sophisticated**.

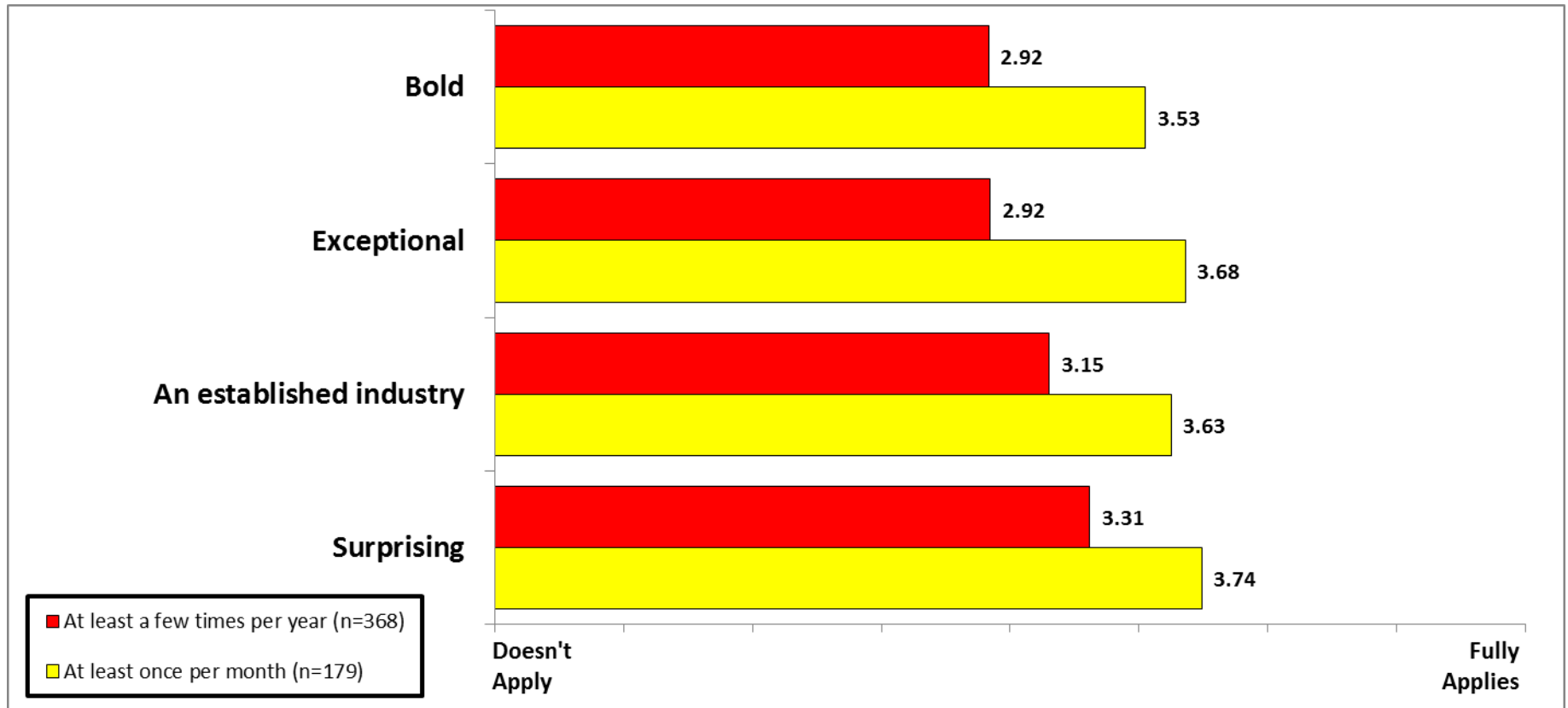


How applicable are each of these descriptors to **Iowa-made** wines?

Descriptors of Iowa-Made Wine

by Iowa-Made Wine Consumption Habits [2/4]

Those consuming Iowa wines more frequently are significantly more likely to describe them as **bold**, **exceptional**, and **surprising**. They are also significantly more likely to describe Iowa wine as **an established industry**.

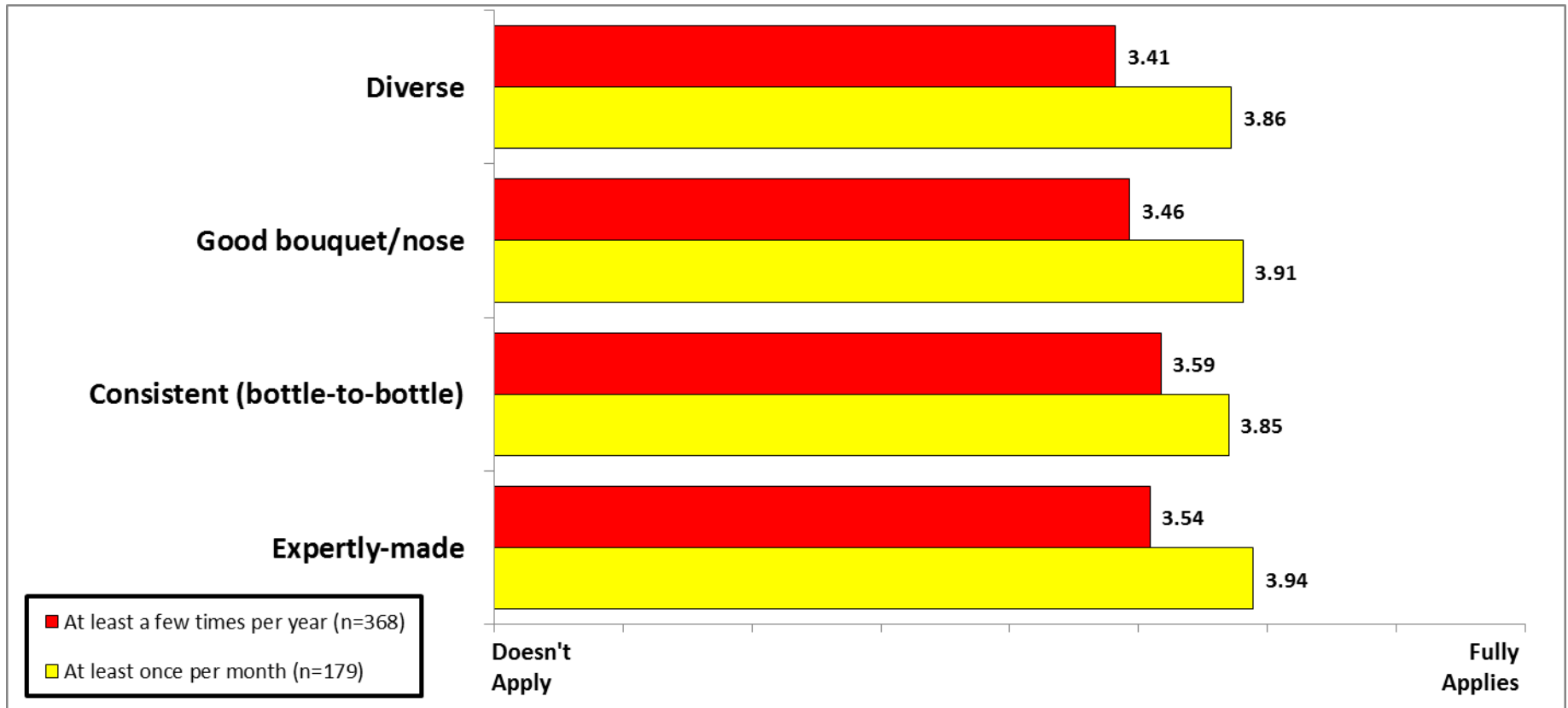


How applicable are each of these descriptors to **Iowa-made** wines?

Descriptors of Iowa-Made Wine

by Iowa-Made Wine Consumption Habits [3/4]

Those consuming Iowa wines more frequently are significantly more likely to describe them as **diverse**, **consistent**, and **expertly-made**. They are also significantly more likely to describe Iowa wine as having a **good bouquet/nose**.

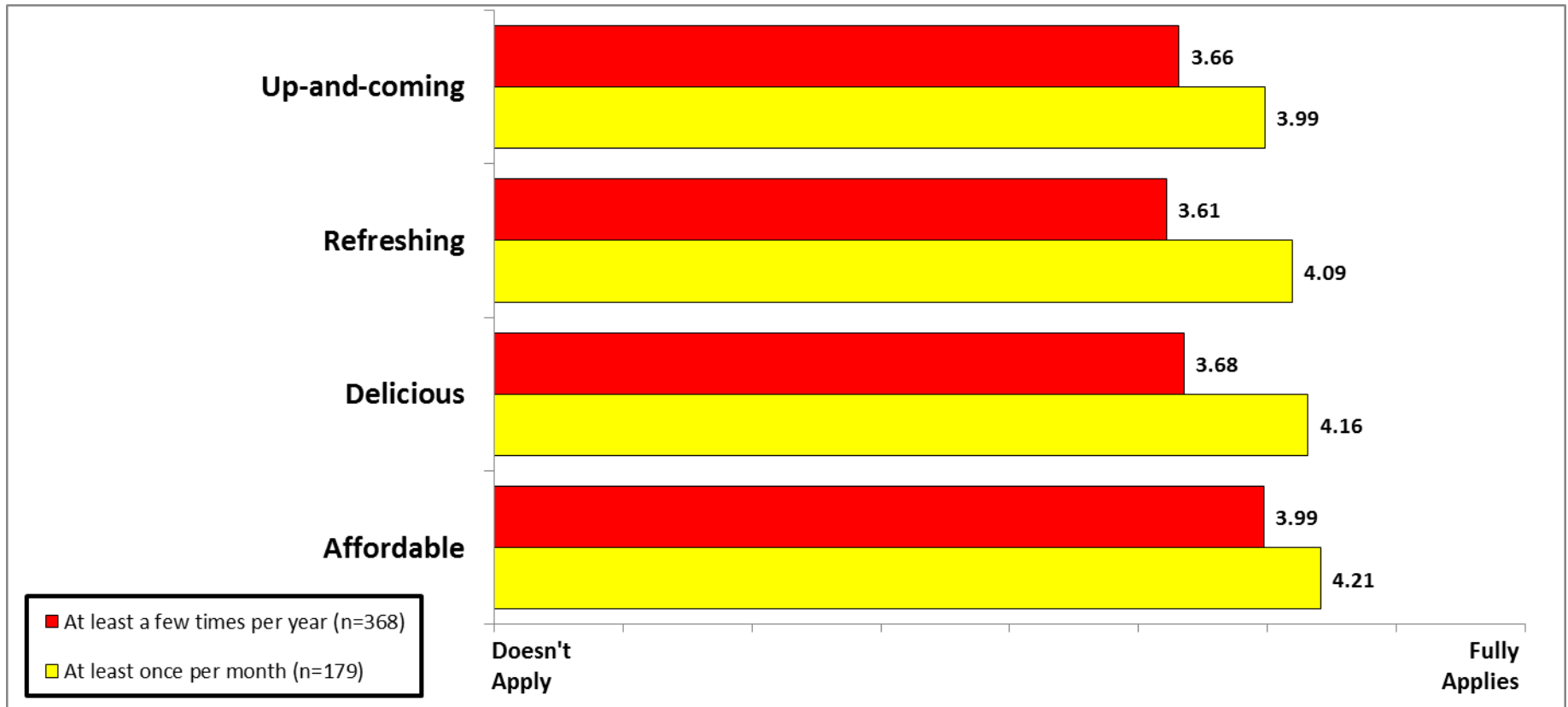


How applicable are each of these descriptors to **Iowa-made** wines?

Descriptors of Iowa-Made Wine

by Iowa-Made Wine Consumption Habits [4/4]

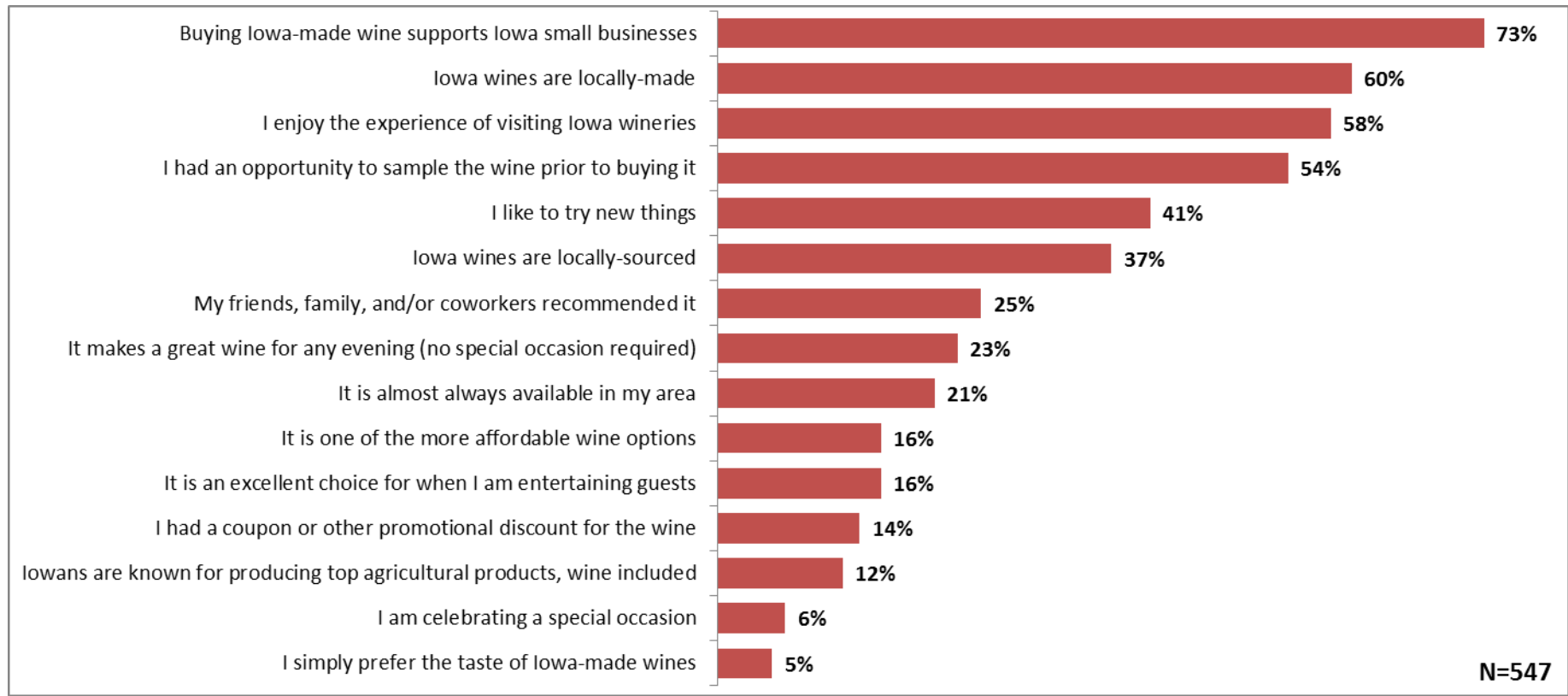
Those consuming Iowa wines more frequently are significantly more likely to describe them as **up-and-coming**, **refreshing**, **delicious**, and **affordable**.



How applicable are each of these descriptors to **Iowa-made** wines?

Purchase Motivators for Iowa-Made Wine

Buying Iowa-made wine supports Iowa small businesses was identified as the biggest motivator. **Iowa wines are locally-made, I enjoy the experience of visiting Iowa wineries, and I had an opportunity to sample the wine prior to buying it** were also notable motivators.

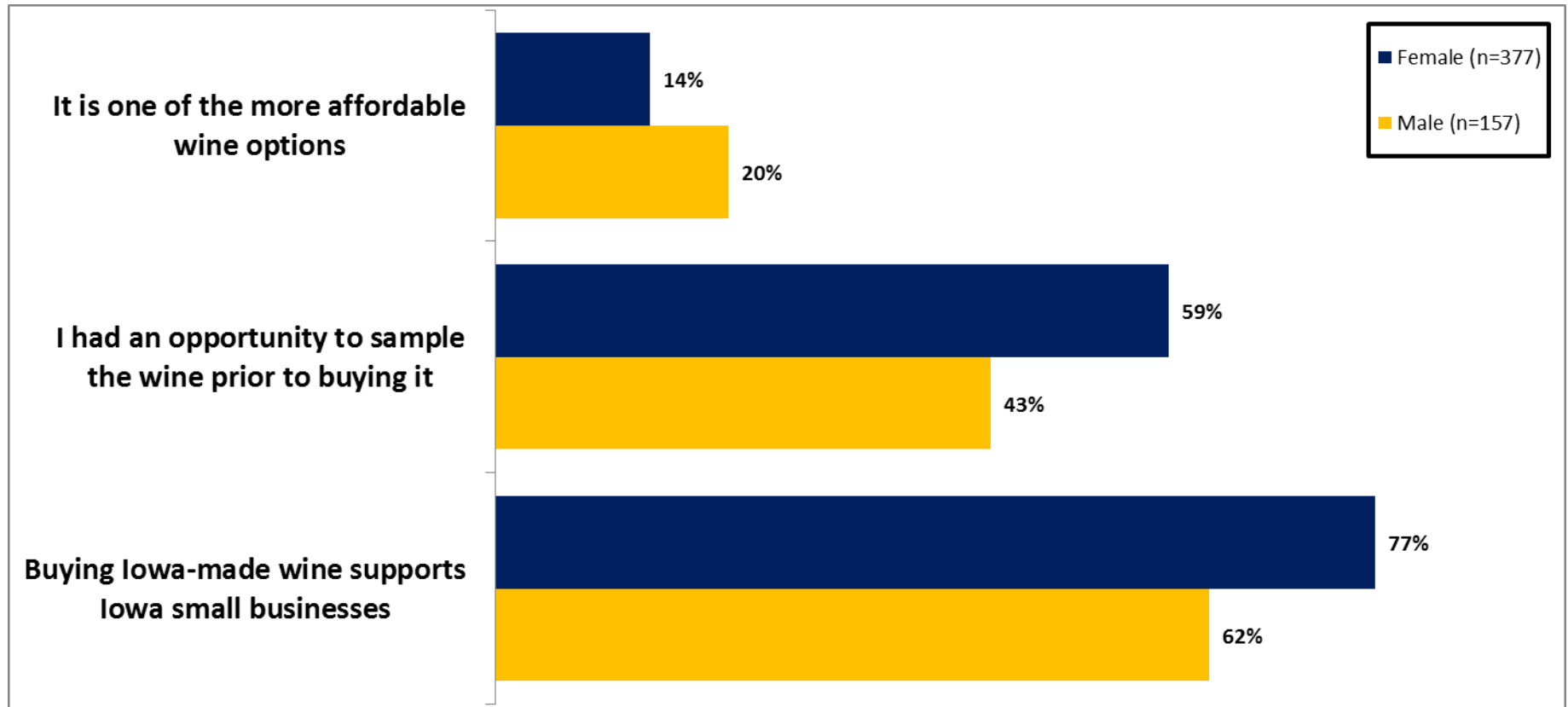


Which of the following reasons would motivate you to buy an **Iowa-made wine**? (Please select up to five reasons.)

Purchase Motivators for Iowa-Made Wine

by Gender

The **perceived affordability** of Iowa wine was significantly more motivating to men. **Sampling** and **supporting small businesses** was significantly more motivating to women.

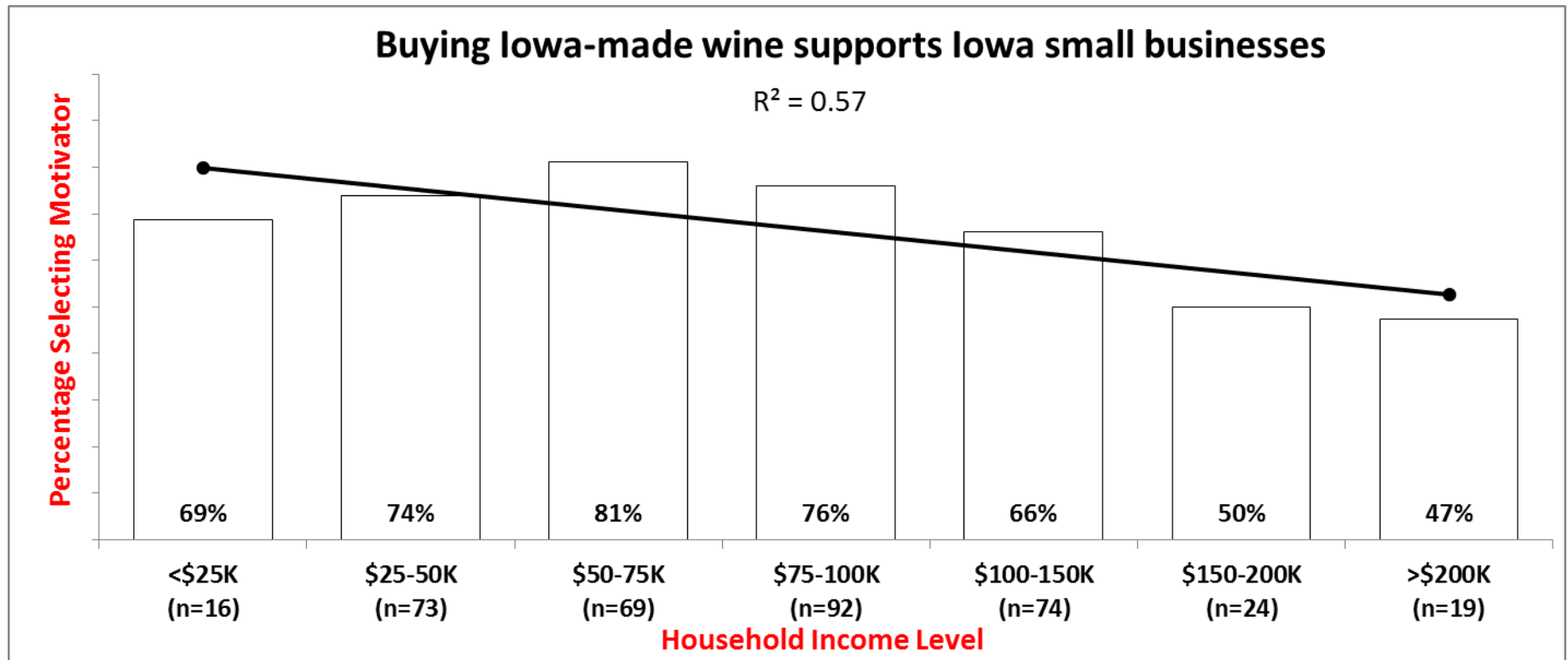


Which of the following reasons would motivate you to buy an **Iowa-made wine**? (Please select up to five reasons.)

Purchase Motivators for Iowa-Made Wine

by Household Income Level [1/2]

There was a strong and significant correlation between increasing household income and decreasing likelihood to select the motivator **buying Iowa-made wine supports Iowa small businesses**. This motivator is strongest at household income levels below \$100K/year.

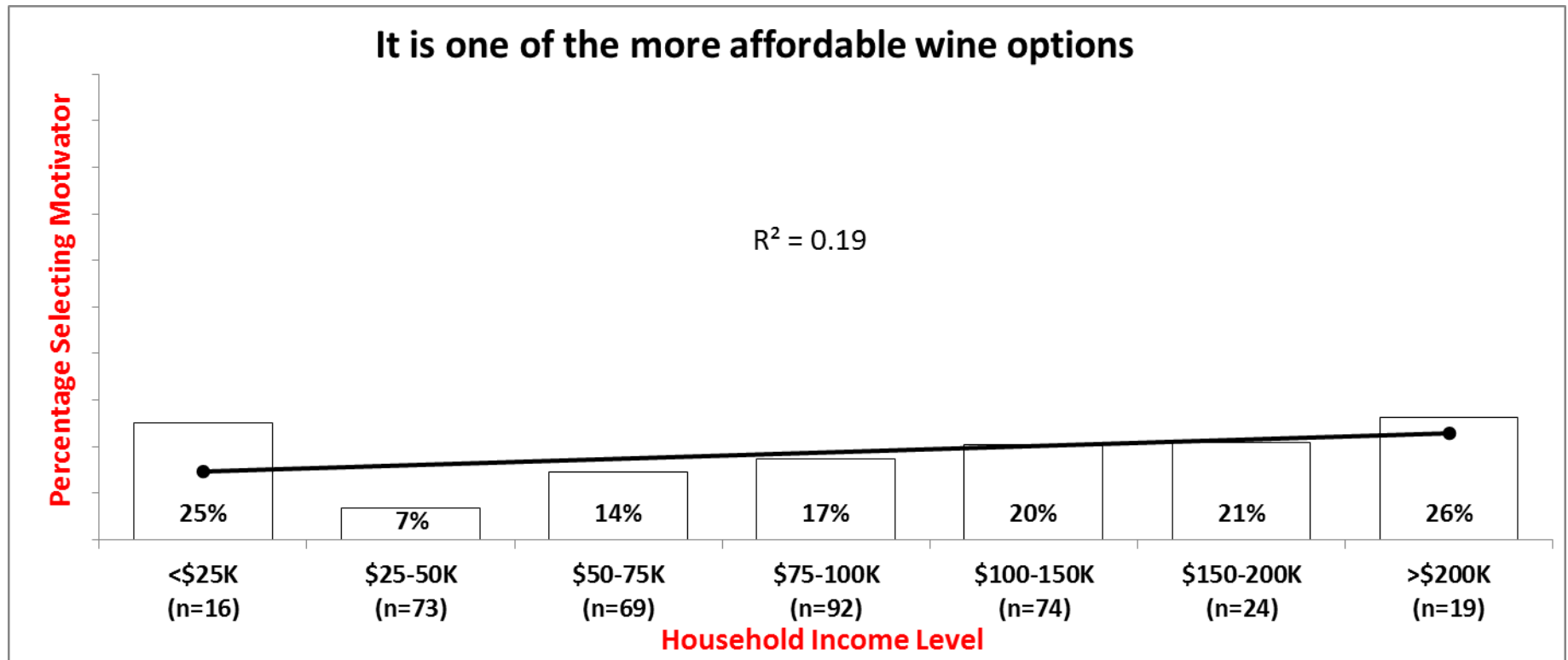


Which of the following reasons would motivate you to buy an **Iowa-made wine**? (Please select up to five reasons.)

Purchase Motivators for Iowa-Made Wine

by Household Income Level [2/2]

There was a significant correlation between increasing household income and increasing likelihood to select the motivator **it is one of the more affordable wine options**. This correlation becomes very strong if you discount those with household incomes below \$25K/year.

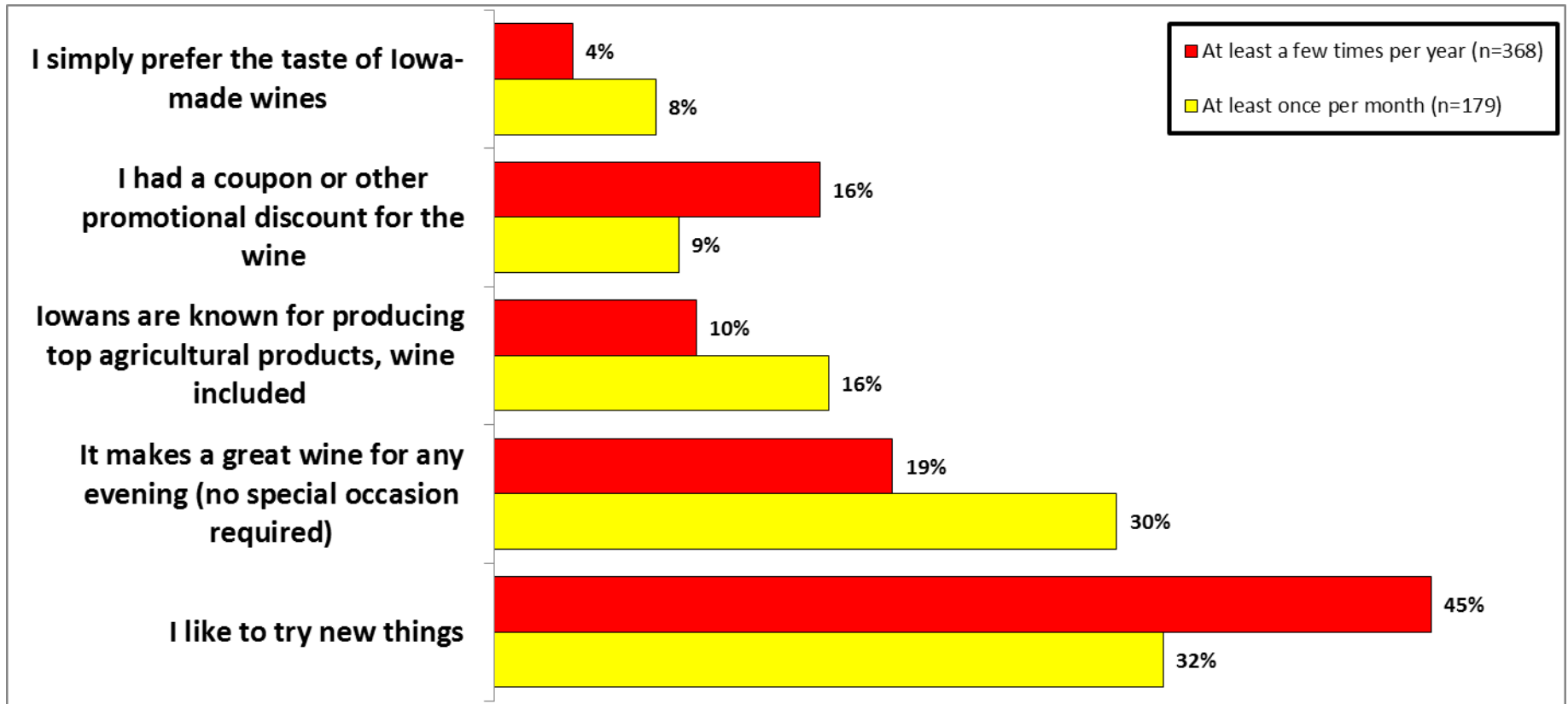


Which of the following reasons would motivate you to buy an **Iowa-made wine**? (Please select up to five reasons.)

Purchase Motivators for Iowa-Made Wine

by Iowa-Made Wine Consumption Habits

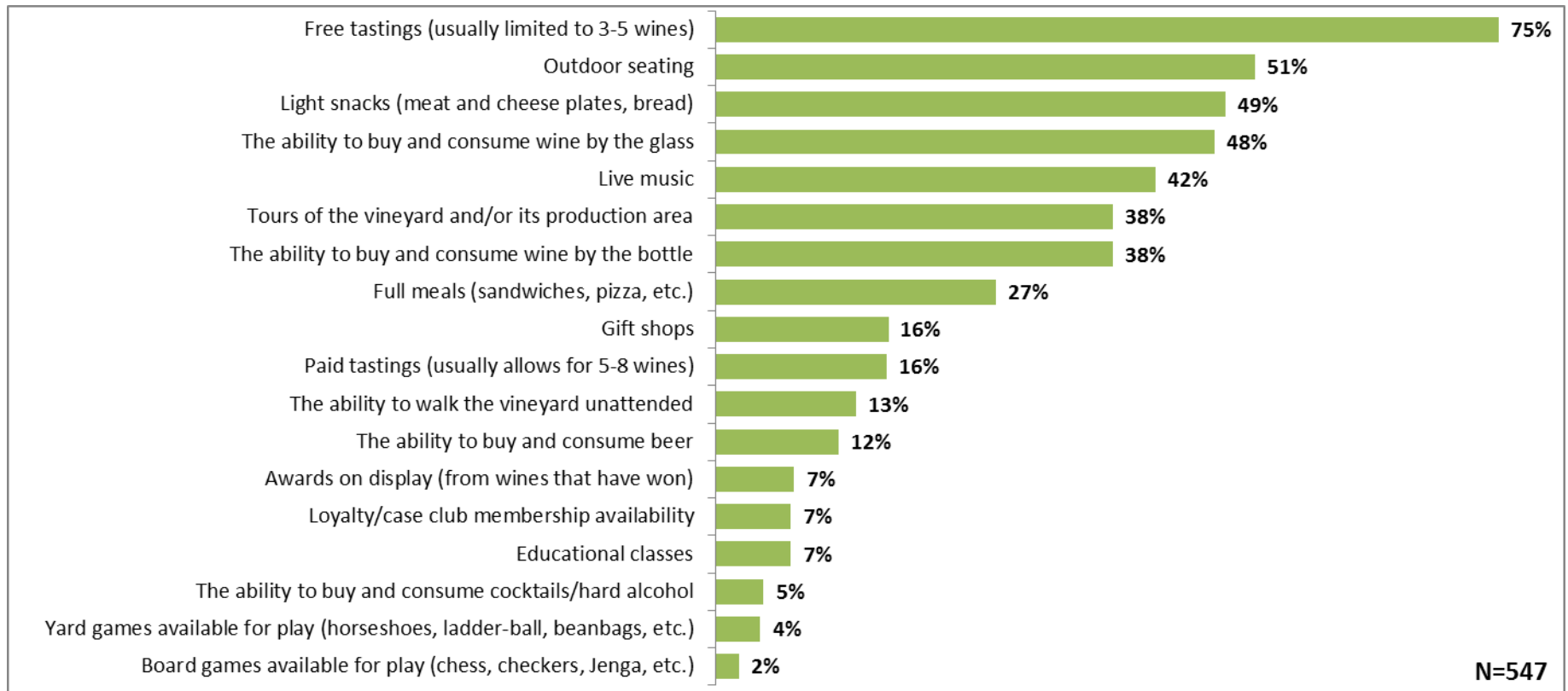
Those consuming Iowa wines more frequently were significantly more likely to be motivated by the **taste, state association, and everyday applicability** of Iowa wines. Those consuming Iowa wines less frequently were significantly more likely to be motivated by **discounts and newness**.



Which of the following reasons would motivate you to buy an **Iowa-made wine**? (Please select up to five reasons.)

Winery Activities and Amenities

Free tastings (usually limited to 3-5 wines) was the activity/amenity that respondents looked for most when visiting an Iowa winery. **Outdoor seating, light snacks and live music** are appealing. **Yard games and board games** were not large draws.

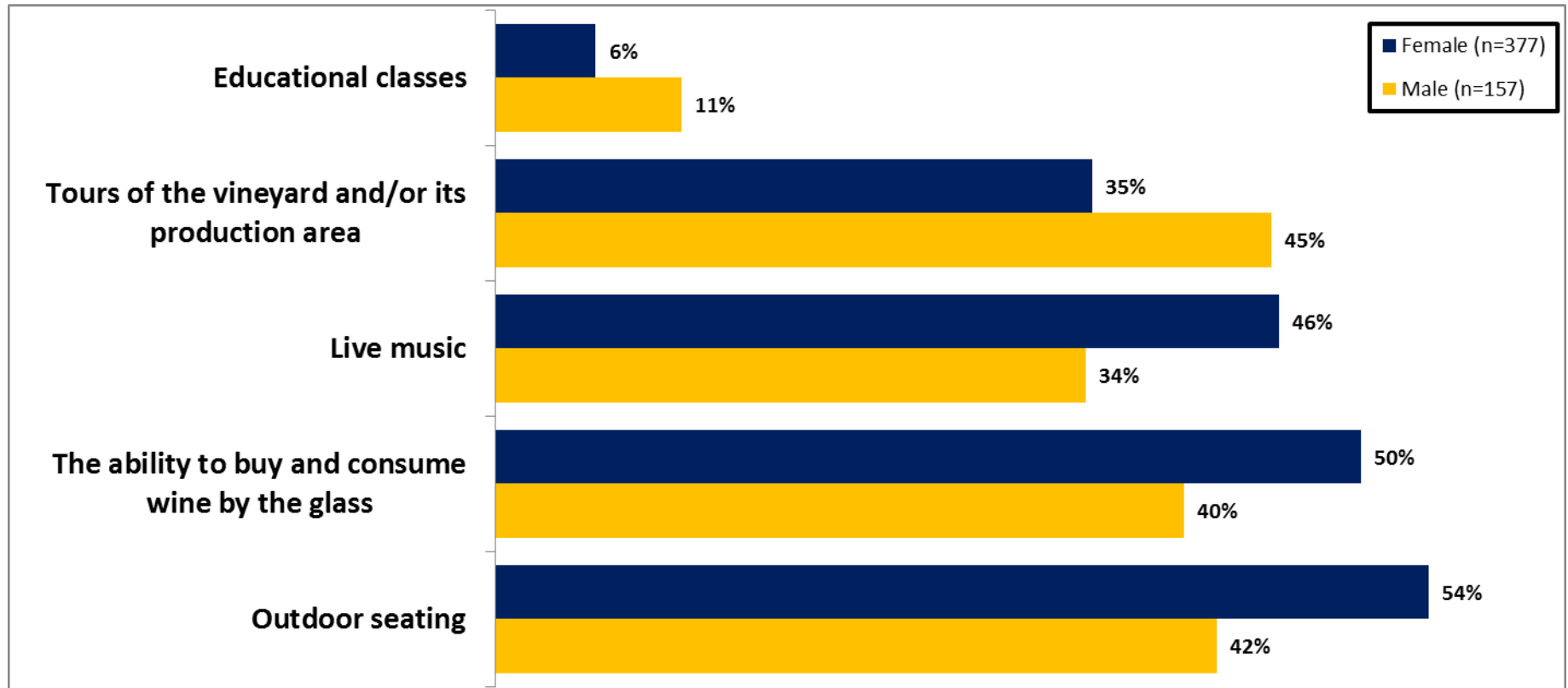


Which of the following activities or amenities do you look for MOST when visiting an Iowa winery?

Winery Activities and Amenities

by Gender

Educational classes and **winery/vineyard tours** were looked for significantly more by men.
Live music, wine-by-the-glass, and outdoor seating were looked for significantly more by women.

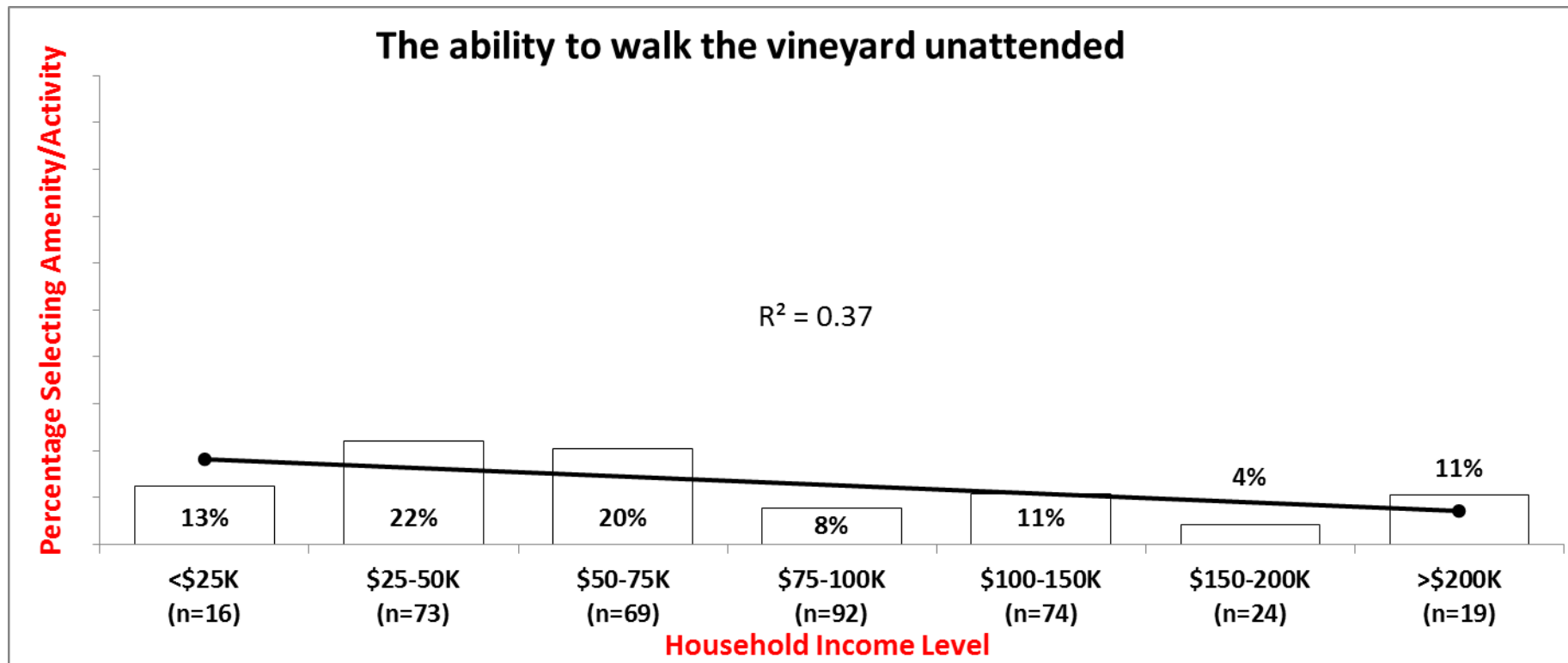


Which of the following activities or amenities do you look for MOST when visiting an Iowa winery?

Winery Activities and Amenities

by Household Income Level [1/4]

There was a somewhat strong and significant correlation between increasing household income and decreasing likelihood to select the amenity/activity **the ability to walk the vineyard unattended**. This activity/amenity is looked for most at income levels from \$25-75K/year.

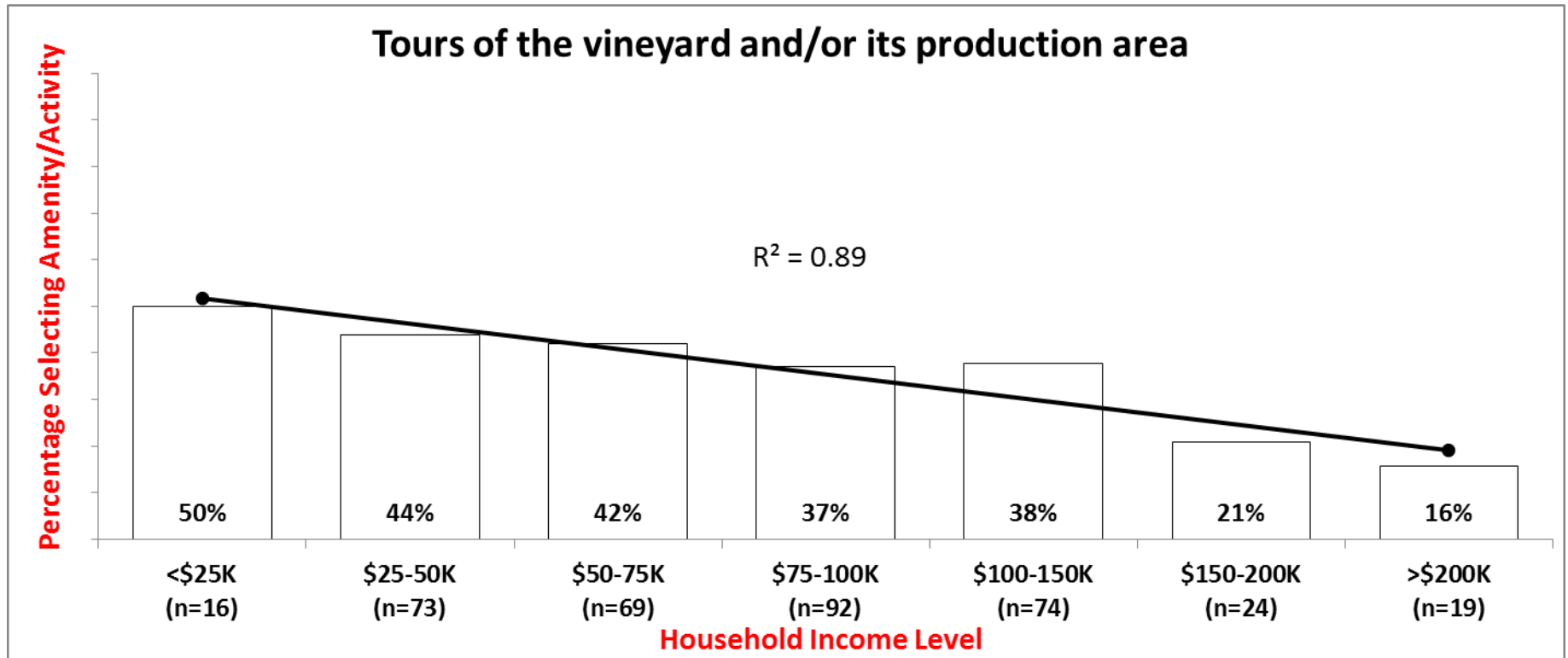


Which of the following activities or amenities do you look for MOST when visiting an Iowa winery?

Winery Activities and Amenities

by Household Income Level [2/4]

There was a very strong and significant correlation between increasing household income and decreasing likelihood to select the amenity/activity **tours of the vineyard and/or its production area.**

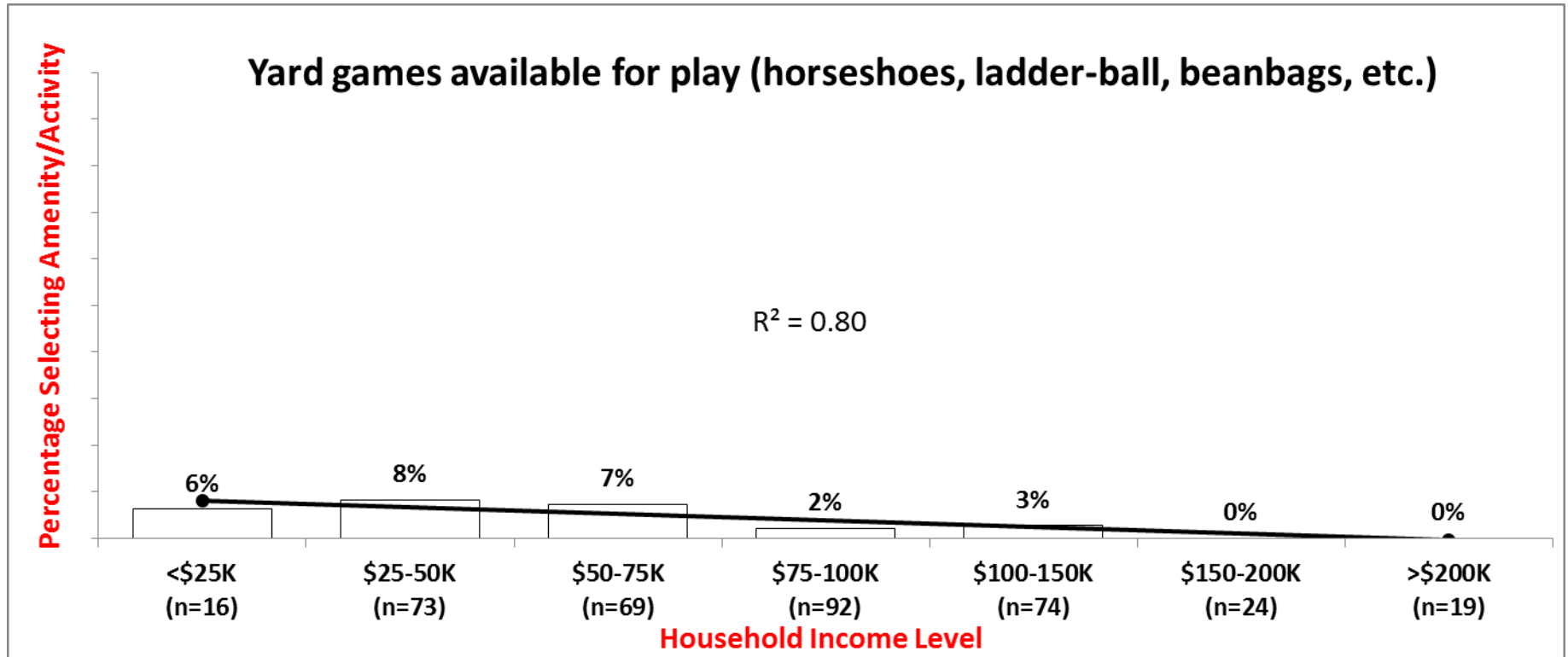


Which of the following activities or amenities do you look for MOST when visiting an Iowa winery?

Winery Activities and Amenities

by Household Income Level [3/4]

There was a very strong and significant correlation between increasing household income and decreasing likelihood to select the amenity/activity **yard games available for play**. While this is a strong correlation, it is important to note this was not an activity/amenity highly looked for, overall.

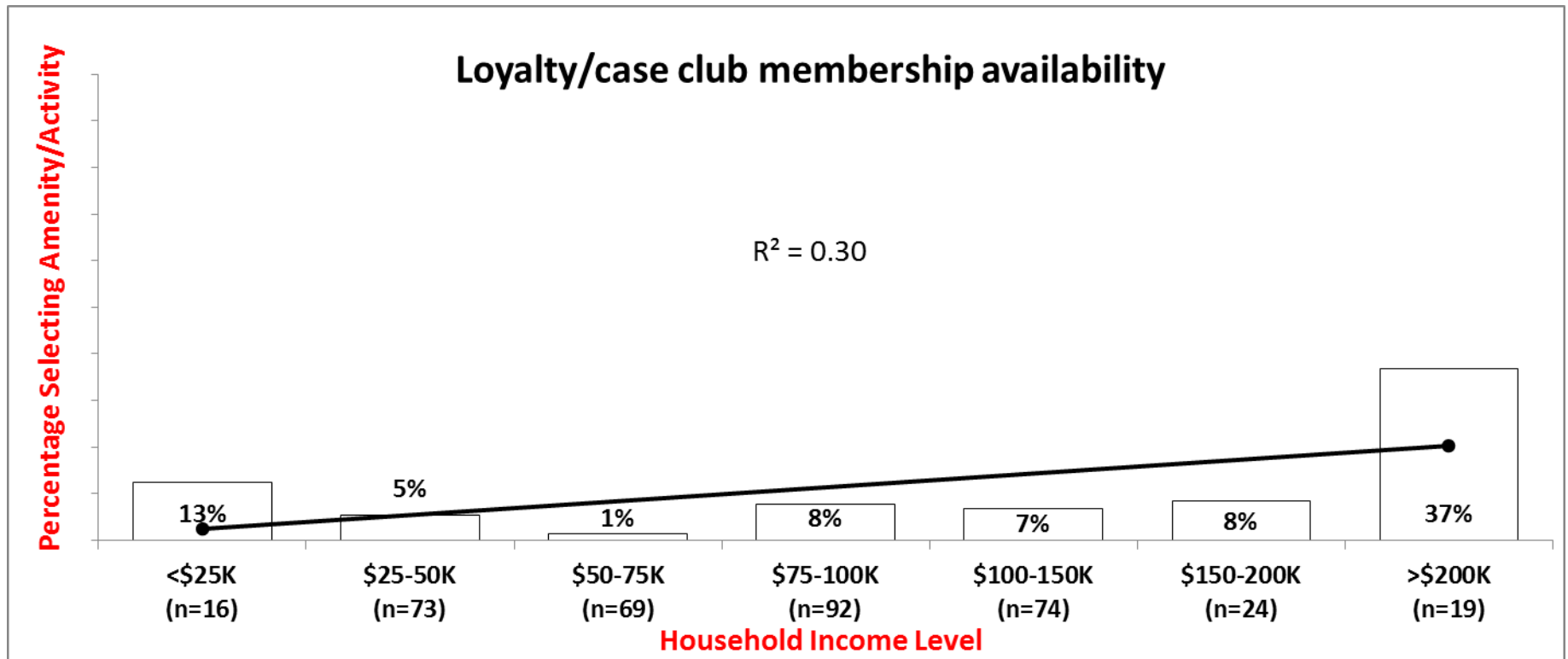


Which of the following activities or amenities do you look for MOST when visiting an Iowa winery?

Winery Activities and Amenities

by Household Income Level [4/4]

There was a somewhat strong and significant correlation between increasing household income and increasing likelihood to select the amenity/activity **loyalty/case club membership availability**. Interestingly, this activity/amenity was looked for most in both the poorest and wealthiest groups.

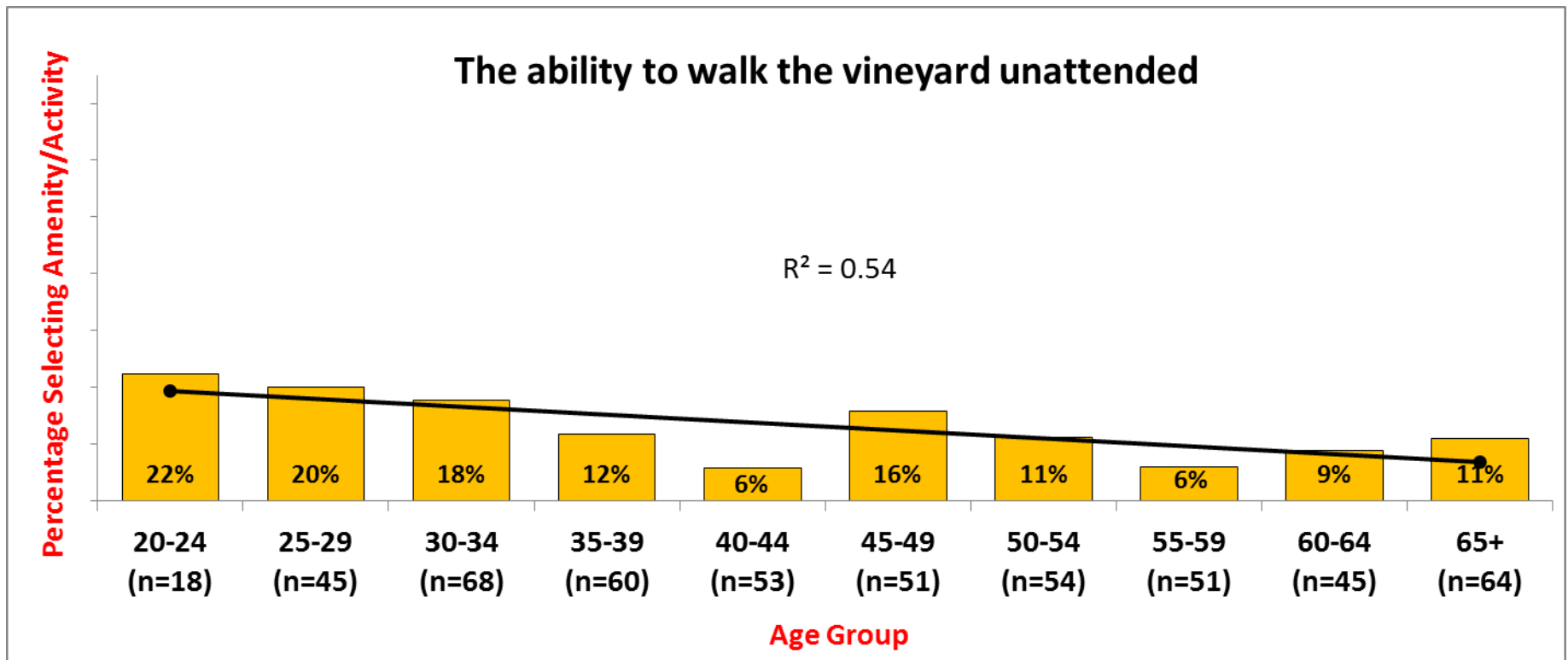


Which of the following activities or amenities do you look for MOST when visiting an Iowa winery?

Winery Activities and Amenities

by Age [1/6]

There was a strong and significant correlation between increasing age and decreasing likelihood to select the amenity/activity “the ability to walk the vineyard unattended.”
This activity/amenity did, however, see a spike in 45- to 54-year-olds.



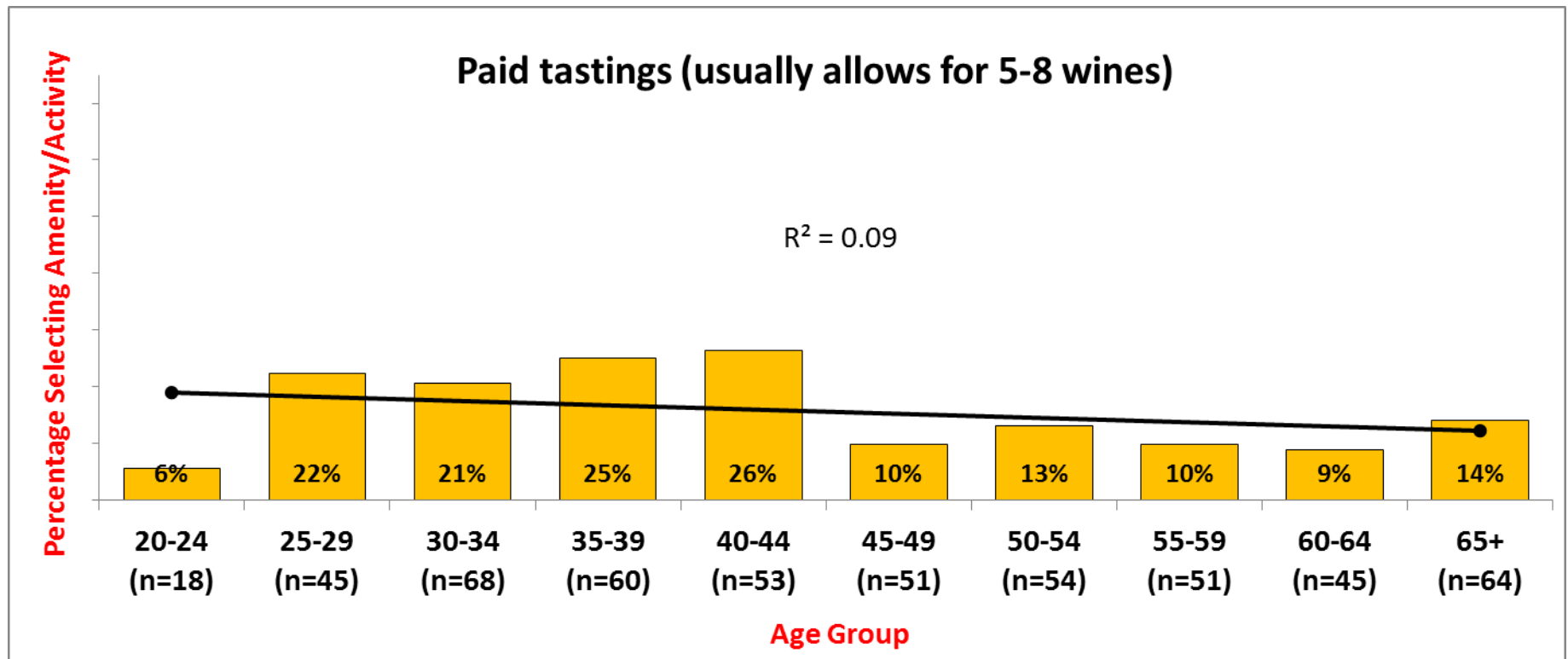
Which of the following activities or amenities do you look for MOST when visiting an Iowa winery?

Winery Activities and Amenities

by Age [2/6]

There was a significant correlation between increasing age and decreasing likelihood to select the amenity/activity “paid tastings.”

This activity/amenity was most looked for by 25- to 44-year-olds.

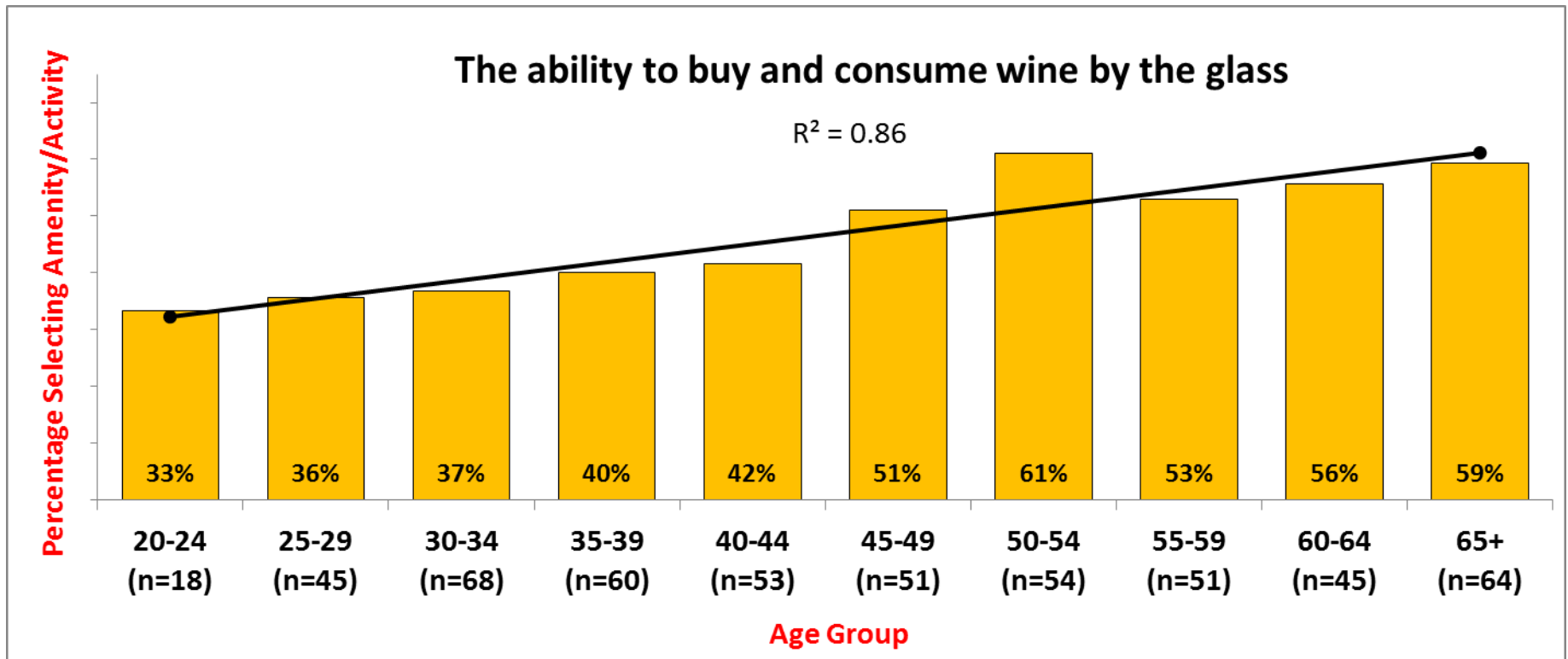


Which of the following activities or amenities do you look for MOST when visiting an Iowa winery?

Winery Activities and Amenities

by Age [3/6]

There was a very strong and significant correlation between increasing age and increasing likelihood to select the amenity/activity **the ability to consume wine by the glass**.



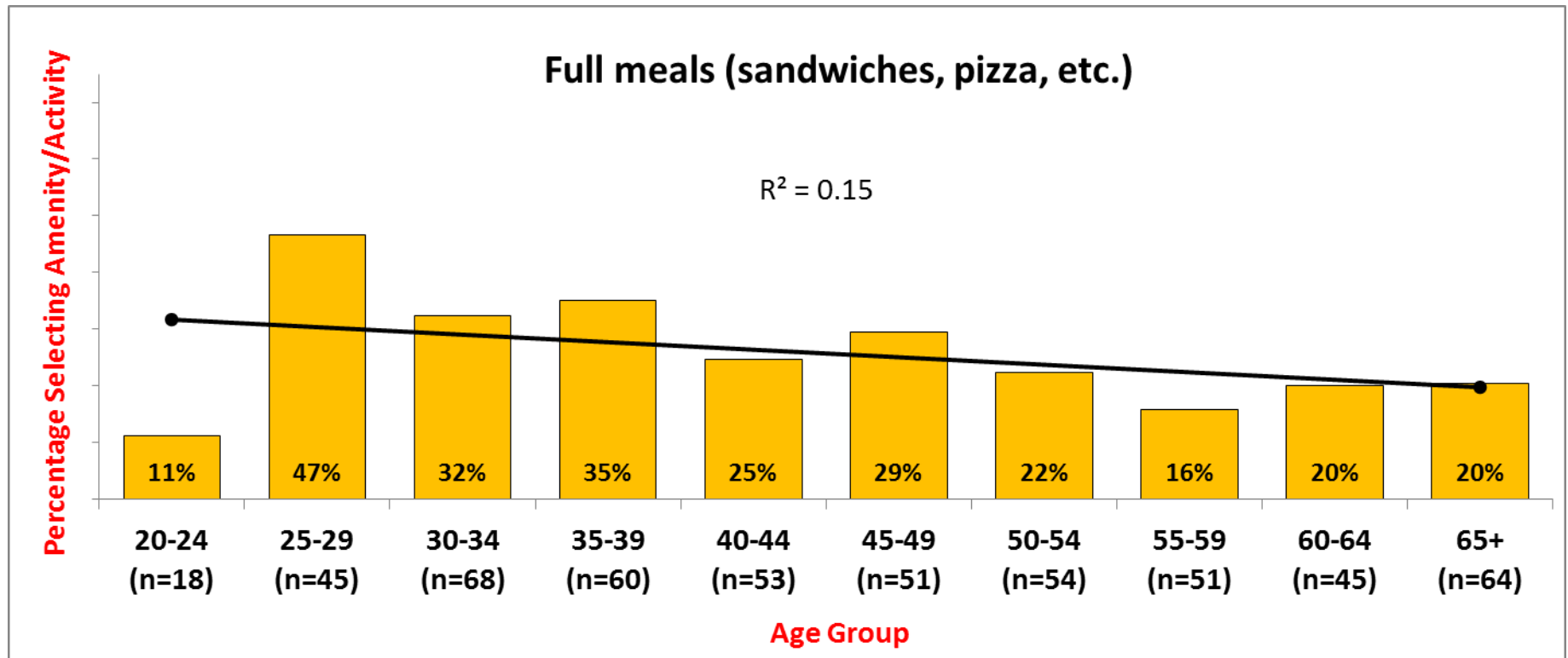
Which of the following activities or amenities do you look for MOST when visiting an Iowa winery?

Winery Activities and Amenities

by Age [4/6]

There was a significant correlation between increasing age and decreasing likelihood to select the amenity/activity **full meals**.

This correlation becomes very strong if the youngest age group is removed from analysis.

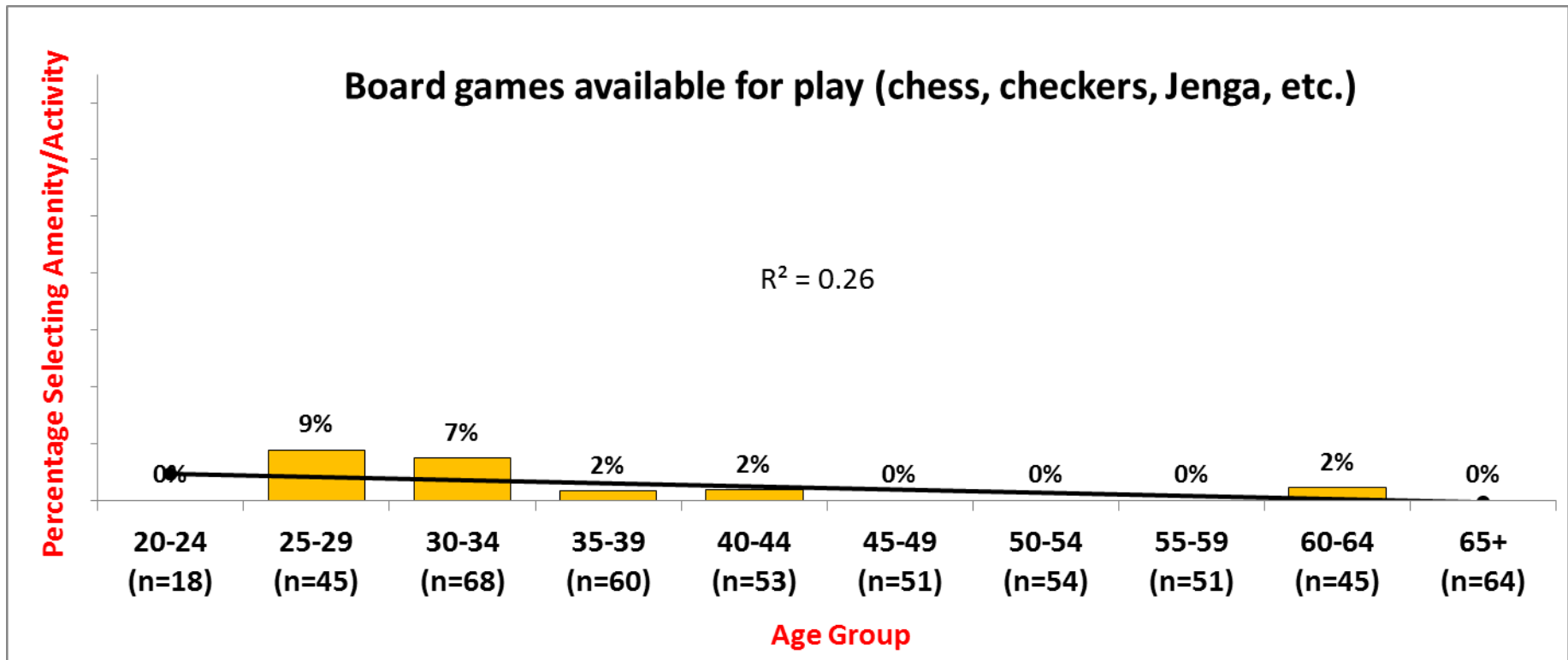


Which of the following activities or amenities do you look for MOST when visiting an Iowa winery?

Winery Activities and Amenities

by Age [5/6]

There was a somewhat strong and significant correlation between increasing age and decreasing likelihood to select the amenity/activity **board games available for play**.

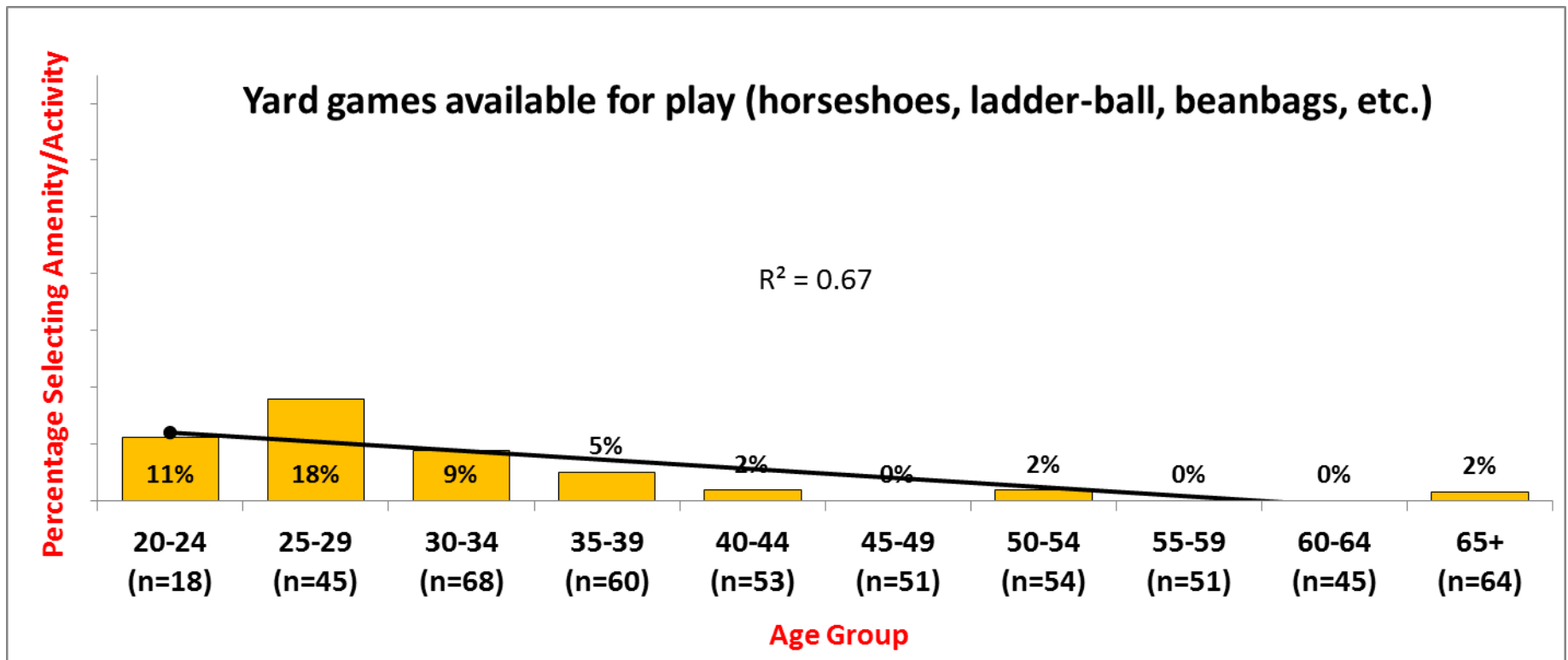


Which of the following activities or amenities do you look for MOST when visiting an Iowa winery?

Winery Activities and Amenities

by Age [6/6]

There was a strong and significant correlation between increasing age and decreasing likelihood to select the amenity/activity **yard games available for play**.

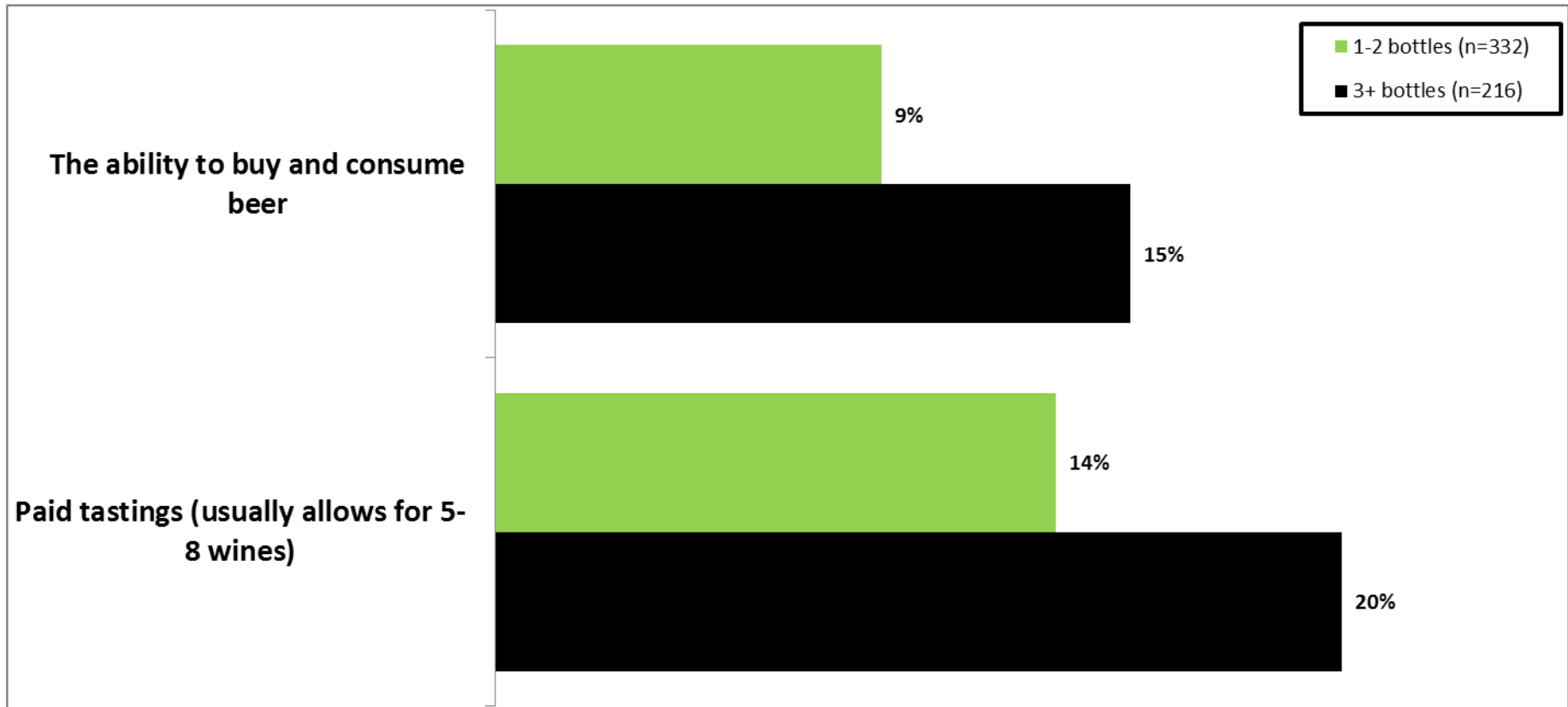


Which of the following activities or amenities do you look for MOST when visiting an Iowa winery?

Winery Activities and Amenities

by Monthly Wine Consumption Habits

Participants who consume more wine were significantly more attracted than participants who consume less wine to **paid tastings** and **the ability to buy and consume beer** at wineries.

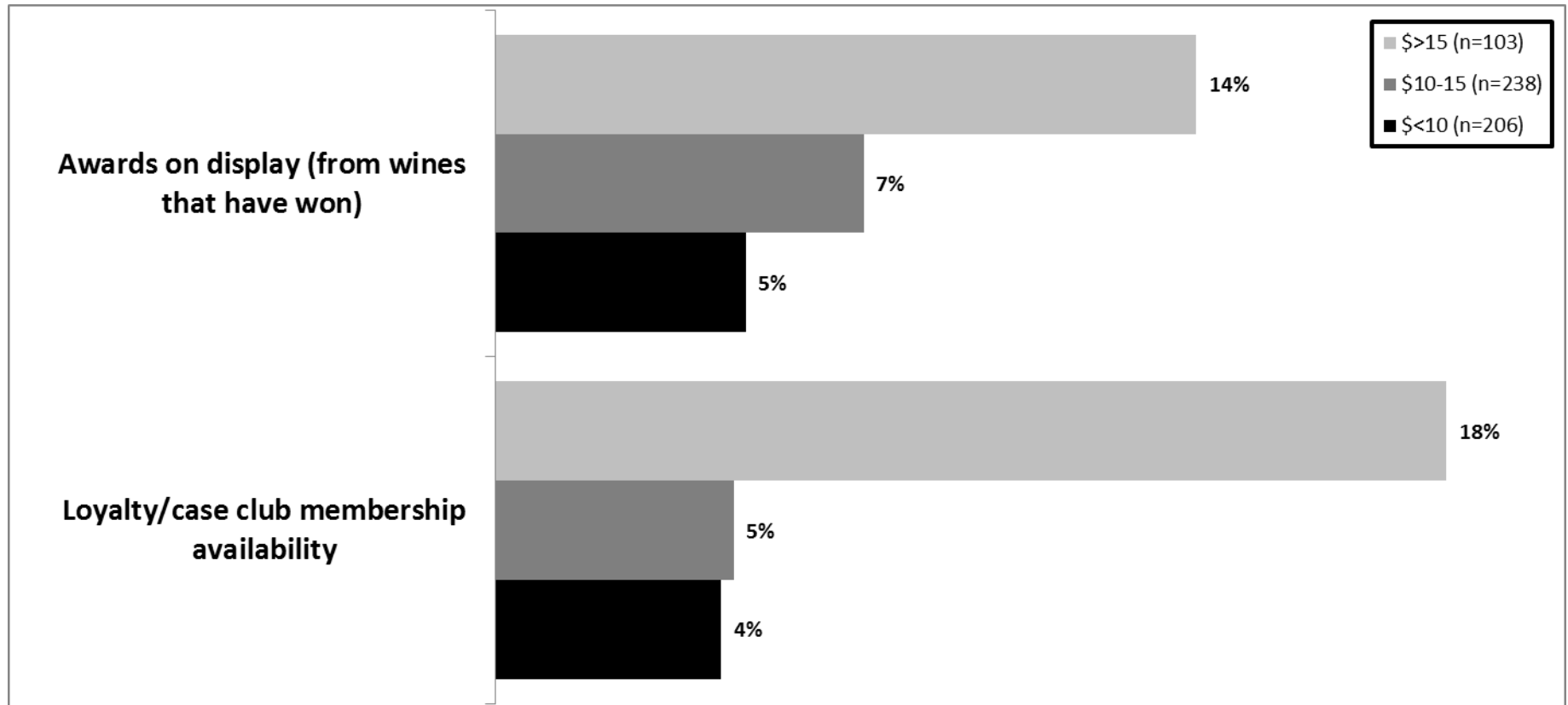


Which of the following activities or amenities do you look for MOST when visiting an Iowa winery?

Winery Activities and Amenities

by Wine Spending Habits

Those spending the most per bottle of wine are significantly more likely to look for **awards on display** and **loyalty/case club membership availability**.

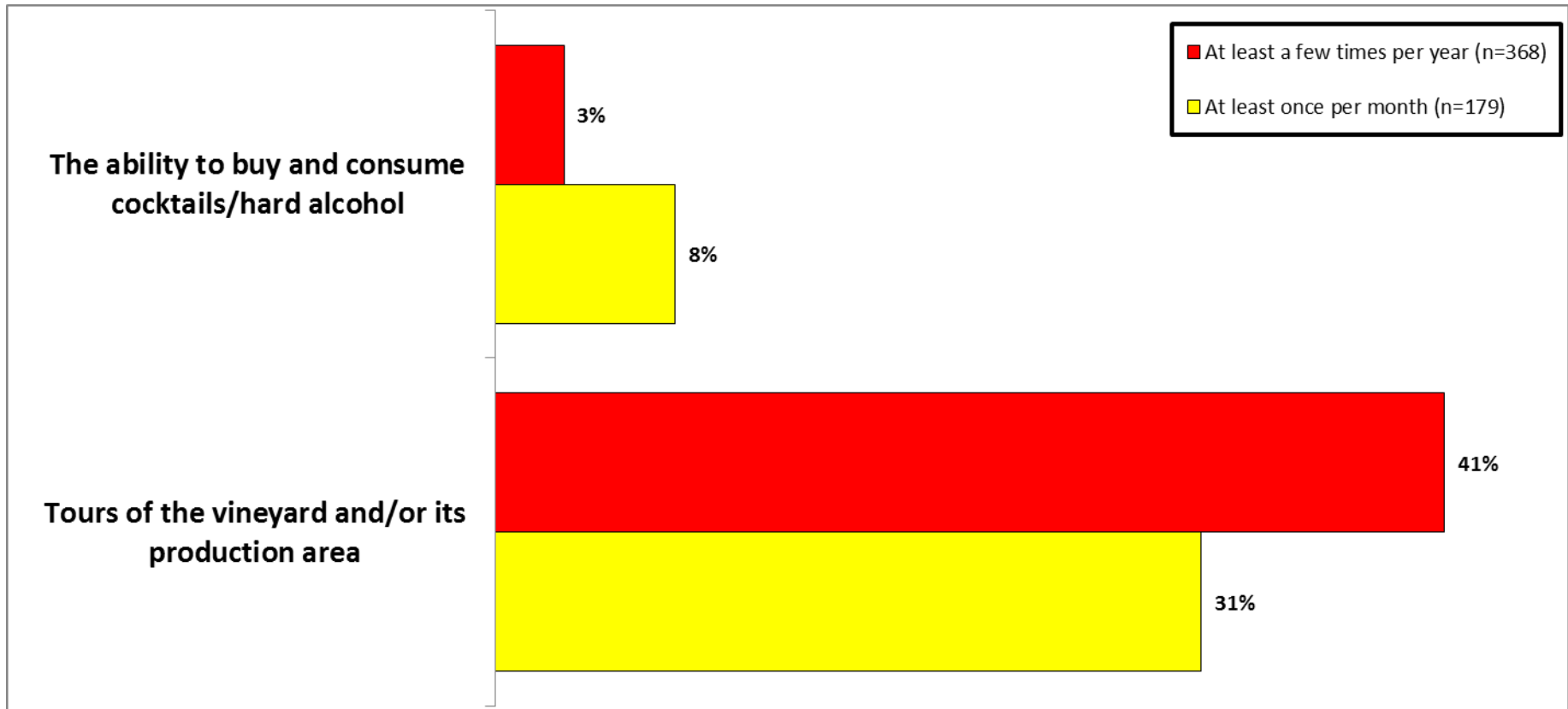


Which of the following activities or amenities do you look for MOST when visiting an Iowa winery?

Winery Activities and Amenities

by Iowa-Made Wine Consumption Habits

Those consuming Iowa wines more frequently were significantly more likely to select the feature **tours of the vineyard**. Those consuming Iowa wines less frequently were significantly more likely to select **the ability to buy and consume cocktails/hard alcohol**.



Which of the following activities or amenities do you look for MOST when visiting an Iowa winery?

Key Findings and Recommendations

- ▼ As heard in the focus groups, wine consumers perceive Iowa-produced wines as sweet versus dry. This should not be an obstacle, however, since national research shows that most wine consumers prefer semi-sweet and even sweet wines over dry. It would, however, be prudent to promote Iowa wines as having a range of varietals that can suit any taste preference.
- ▼ Overall, wine consumers had positive perceptions of Iowa-produced wines, with the most popular descriptors being delicious, affordable, refreshing, good bouquet and up-and-coming (along with sweet).
- ▼ More frequent Iowa wine consumers had even more positive perceptions than those who had purchased Iowa wines only a few times in the past year. Perhaps they buy more because they enjoy Iowa wines more or perhaps they are more sophisticated wine consumers and, in general, can better discern different qualities of wine.

Key Findings and Recommendations

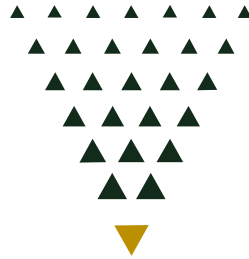
- ▼ What might motivate wine drinkers to increase their purchase of Iowa wines? The research provides several insights for marketing messaging:
 - ▼ Tap into the locally-sourced trend
 - ▼ Promote that these wines are locally-produced “Made by your neighbors”
 - ▼ Buying Iowa wines supports small businesses in our state
 - ▼ Try something new this week (or month)
 - ▼ Perfect for everyday drinking
- ▼ Those with higher incomes and who spend more on wine are more likely to view Iowa wines as amateurly-made. Counter this with information on the science of Iowa wines and awards or ratings won by Iowa vineyards.

Key Findings and Recommendations

- ▼ What might motivate wine drinkers to increase their purchase of Iowa wines? The research provides several findings relevant to promotional ideas:
 - ▼ Coupon discount to “try something new”
 - ▼ Tours of the vineyard and wine production areas
 - ▼ Producers should consider loyalty or case club programs – targeting younger, lower-income consumers and the very high-income consumers
 - ▼ Wineries wanting to attract younger customers should consider adding/expanding food service options, especially full meals

Key Findings and Recommendations

- ▼ Wineries looking to attract more customers should focus on:
 - ▼ Free tastings
 - ▼ Live music
 - ▼ Outdoor seating
 - ▼ Light snacks
- ▼ More frequent wine consumers are also interested in paid tastings and the availability of beer at wineries



V E R N O N
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