

FACTORS THAT CREATE A POSITIVE TASTING ROOM EXPERIENCE FOR THE
CURRENT MILLENNIAL GENERATION

Presented to the
Faculty of the Agribusiness Department
California Polytechnic State University

In Partial Fulfillment
Of the Requirements for the Degree
Bachelor of Science

by
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June 2012

APPROVAL PAGE

TITLE: Factors That Create a Positive Tasting Room Experience for the
Current Millennial Generation

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DATE SUBMITTED: June 2012

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ABSTRACT

This study was performed to determine what factors create a positive tasting room experience for the current Millennial generation. Other aims of this study was to determine Millennials' purchase behavior in the future after they have had a positive tasting room experience, how older generations compare to Millennials, and if tasting room managers understand what factors Millennials consider important.

Web-based surveys were distributed and collected from 300 respondents, 277 useable, throughout April and May of 2012 in undisclosed locations. The entire sample was comprised of 192 women and 85 men. Of those 277 respondents, 120 were Millennials, 53 were Generation Xers, and 104 were Baby Boomers. Statistical analysis was run to analyze the results from the respondents through SPSS. Statistical tests applied to the data included frequencies, descriptives, cross-tabulations, chi-square, comparing means, one-sample t-tests, one-way ANOVA and f-tests.

The analysis suggested that Millennials rated knowledgeable staff, the varieties of wine available to taste and the appearance of the tasting room as most important. This was also the same for the respondents as a whole. As time went on, Millennials as well as older generations were less willing to purchase wine despite the positive tasting room experience they had. Tasting room managers also held a similar opinion about what factors Millennials perceive as important in creating a positive tasting room experience. Tasting room managers rated knowledgeable staff,

appearance of the tasting room and a large amount of time interacting with the pourer as most important.

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Chapter I

INTRODUCTION

For centuries, cultures have regarded wine as a fundamental and indispensable product incorporated into everyday activities including religious and medicinal practices. Wine totals 180 billion dollars in annual sales worldwide (First Research, 2011). In 2011, consumers in the United States consumed 311.1 million 9-liter cases exceeding both Italy and France for the first time, and positioned the United States as the world's largest wine consuming nation by volume (Western Farm Press, 2012). Historically, France and Italy dominated in world wine consumption by volume, but this has changed due to a decline in consumption in those countries since 2005 (Wine Handbook, 2011). Furthermore, predictions position the United States wine industry to increase consumption another 10% by the year 2015 (Western Farm Press, 2012).

Not only has United States wine consumption increased, but United States wineries have also increased. As of November 2011, United States wineries totaled 7,116, a 50% growth since 2004 (Fisher, 2012). In addition to winery growth, wineries have also seen an increase in visitors from 2010 to 2011. Wineries throughout the United States experienced on average a 6.4% growth in visitors to the tasting rooms, which had a positive impact on winery tasting room sales by increasing on average 7% from 2010 to 2011 (Tinney, 2012).

Two generations in particular can be accredited to the increase of wine consumption and wine sales in the United States: the Baby Boomer generation and the Millennial generation

(Thach, Mason and Amspacher, 2007). The Baby Boomer generation includes those born from 1946 to 1964 and comprises a population of 80 million nationwide. The Millennial generation is defined as those born from 1977 to 2000 and totals 78 million (Thach and Olsen, 2006; Thach, 2011). The Millennial generation has already shown a great interest in wine and consumes more wine than the preceding Generation X, those born from 1965-1976 (Nowak, Thach, and Olsen, 2006). The Millennial generation is not only much larger than Generation X, but they will at some point replace preceding generations in purchasing power (Nowak, Thach and Olsen, 2006). In addition, Millennials will become the largest wine consuming market segment as more Millennials turn the legal drinking age (Nowak, Thach and Olsen, 2006).

The tasting room provides wineries with the ability to create an emotional bond between the customer and the winery by providing positive emotions during the tasting experience (Nowak, Thach and Olsen, 2006). Utilizing the tasting room experience to build relationships and increase purchase confidence provides wineries with the opportunity to connect with future consumers. This can lead to increased sales and secure brand loyalty for all generations, especially Millennials as they increase in population and purchasing power. Limited research has been done on what type of experience creates positive emotions for the unique and growing Millennial generation. However, researchers have found certain factors that shape the Millennial generation as a unique market segment. Millennials are more likely than any other age group to prefer shopping with their friends, they are attracted to coupons and discounts just as much as Generation X, and are more likely to attend live entertainment events more than any other age group (Brown and Washton, 2010). Incorporating these characteristics of the Millennial generation into the tasting room can provide a more positive tasting room experience. Determining the experience required to appeal to the current Millennial wine consumers would allow wineries to adapt to consumers' preferences and behaviors.

Statement of Problem

How can winery tasting rooms create a better experience for the Millennial generation?

Hypothesis

When visiting a winery tasting room, Millennials consider interaction with other visitors in the tasting room, availability of discounts when purchasing wine and waivers of tasting fees, and a wide variety of events held at the winery as factors that create a positive experience in the tasting room.

Objectives

- 1) To evaluate the factors that create a positive experience in the tasting room for the Millennial generation.
- 2) To determine if Millennial wine consumers are more likely to purchase wine in the tasting room after they had a positive experience.
- 3) To determine if there is a significant difference in the factors that go into creating a positive tasting room experience for Millennials relative to older generations.
- 4) To determine if wineries' understanding of what makes a positive tasting room experience match up with consumer's preferences for a positive tasting room experience.

Significance of the Study

As of 2010, Millennials from ages 18 to 29 approximately totaled 51 million young adults and were found to be less likely than any other age group, other than those 65 and older, to reduce their spending due to the recession (Brown and Washton, 2010). Even though they currently comprise just 14% of the legal drinking age population, they are projected to make up 40% of that population over the next 10 years (First Research, 2011). Also, the Millennial generation accounted for a growth of 35% in wine consumption in the United States (Thach, 2011). Considering this large contribution, Millennials already currently impact wine consumption and sales and they are projected to gain an even bigger influence in the coming years.

Providing tasting room visitors with a personalized and positive experience can increase sales and create loyal customers. In order to accomplish this, it is necessary to understand what experience customers expect. One specific market segment, the Millennial generation, has limited research completed on what type of experience they expect and what they hope to receive when visiting the tasting room. Determining what current Millennial wine consumers expect when visiting a tasting room will allow wineries to engage this market segment better, which can increase wine sales and create loyal customers of all legal drinking ages.

Chapter II

REVIEW OF THE LITERATURE

A review of the literature regarding the primary topics of focus will create a basis for this study and a better understanding of the subject matter involved. The following studies discuss important findings done on the Millennial generation, their wine consumption and purchase behaviors, the importance of the tasting room and Millennials' attitudes towards the tasting room. Through the use of surveys, interviews and focus groups, these studies provide important insight into the central issues upon which this study focuses.

The Millennial Generation

The Millennial generation's unique traits and attributes result from the exceptional environment they grew up in. In one study conducted by Thach and Olsen in 2006, researchers found five major characteristics that molded and influenced the Millennial generation: adept internet skills, diversity awareness, practicality, fun, and social awareness. The good portion of the Millennial generation were raised using the Internet and currently relies on it as a source for information. Researchers suggest utilizing this characteristic as a way to reach out to Millennials since they spend a lot of their time using this technology. Millennials place importance on diversity and question advertising that does not incorporate racial and gender diversity. In order

to use diversity in a way that satisfies Millennials, researchers recommend integrating diversity and universal values in advertising and marketing. Researchers have found Millennials desire to make a positive impact on the world and are more attracted to companies who strive to do this. Millennials' practical nature also causes them to favor brands that supply quality products at a reasonable price. Millennials also respond positively to honest advertising. Millennials desire to have fun and enjoy life, yet they still enjoy professions that provide challenges and responsibilities. They seek a life that balances fun and responsibility, which differs from previous generations that place more importance on their careers. This can relate back to their respect for diversity. Many Millennials take part in protests and activities that fight for the issues important to them. Researchers encourage considering these five characteristics when marketing to the Millennial generation since some of these traits did not influence older generations as much as they did for Millennials (Thach and Olsen, 2006).

Another study conducted by the consumer market research company Packaged Facts, published in 2010, found that adult Millennials' (ages 25-29) aggregate income is approaching one trillion dollars, but that only accounts for 12% of the total aggregate income for the United States. Millennials' aggregate income is projected to increase to 1.2 trillion dollars by 2015. Millennials also comprise 22% of the population 18 years and older. The study also found that adult Millennials have more buying power than the younger Millennials (ages 18-24). Older Millennials have an average income of almost 33 thousand dollars compared to the younger Millennials who have an average income of around 16 thousand dollars (Brown and Washton, 2010). Even though Millennials make up a small portion of the total aggregate income for the United States, they represent a significant portion of the population already and will continue to increase in size and buying power.

Millennials and Wine

Preferences for wine among the Millennial generation constantly change since not all Millennials can currently legally consume alcohol. There is still quite some time until all Millennials can legally consume wine, approximately 9 more years. A study conducted in 2005 by Wolf, Carpenter, and Qenani-Petrela asked wine consumers of the Baby Boomer generation, Generation X and Millennials what wine characteristics they considered desirable. The study found that both Millennials and Baby Boomers regard good value as the most important wine characteristic. Generation X said premium quality was most important. All generations reported pairing well with food, fair pricing, prestigious brand as desirable characteristics, however Baby Boomers and Generation X judged the status of the brand more desirable than Millennials. The results from this study imply that Millennials appreciate a fair price and good value more than older generations. Older generations considered quality and the brand's name more important (Wolf, Carpenter, and Qenani-Petrela, 2005). This study was able to distinguish generational differences among wine consumers' preferences and determined Millennials are definitely different than older generations. However, this research was completed seven years ago and preferences may have changed as more Millennials have reached the legal drinking age.

In 2006, researchers Thach and Olsen distributed a survey to a small group of Millennials and analyzed their preferences for wine. The study found that 66% of those surveyed drank wine, which is higher than the national average of 26%. Of the 66% that drank wine, 48% preferred red, 18% preferred white, and 34% liked both. Those who preferred red wine explained their preference for fruity, smooth and how reds pair well with food, and disliked highly tannic red wines. Students preferred Merlot first and Zinfandel second for red wines. Those who preferred white wine indicated that it was because of the fruity and sweetness of wine

wines. The top three preferred white wines included Chardonnay, then Pinot Grigio and third, Gewürztraminer (Thach and Olsen, 2006).

Researchers Thach and Olsen then asked the 66% of respondents who drank wine what their reasons were for consuming wine. The most common reason was 31% responded they enjoy the taste of wine, 18% enjoy the pairing of wine and food, 15% said wine helps them to relax, and the fourth most common reason was it gives a “happy buzz.” Researchers took particular interest in this last response. When asked to elaborate, respondents who cited this as their reason for drinking wine further explained they do not consider wine as a means to become intoxicated. Researchers found 57% of the non-wine consumers reasoned they do not drink wine because they do not like the taste of wine (Thach and Olsen, 2006).

Researchers were also curious to see if Millennials consider wine as a trendy alcoholic beverage. Of all surveyed respondents, 61% do not see wine as “hip” or “cool” and 18% replied they do consider wine to be cool. Researchers took the respondents’ responses one step further and asked them to provide examples of how to make wine more attractive or cool. The most common response at 20% explained that wine is too elite to be “hip” or “cool” followed by 19% of those who suggested wine should be marketed to the younger generation. The responses in this research by Thach and Olsen (2006) imply that Millennials believe wine is not targeted towards their market segment.

Researchers reported another important finding from the study conducted by Thach and Olsen (2006). When asked what suggestions the Millennial respondents can provide to improve marketing towards their age group, they supplied two key ideas: advertise wine in a fun atmosphere and advertise wine specifically to the Millennial age group (Thach and Olsen, 2006). This study presented great insight into how the Millennial generation perceived wine at the time this study was done, however since it was completed, their perceptions may have changed.

In a more recent study Thach surveyed Millennial wine consumers and their wine preferences. Thach noted that several changes have, in fact, occurred. The study found that Millennials are most likely to consume wine at a fancy restaurant followed by drinking wine with meals at a friend's house. Millennials' reasons for consuming wine slightly differ in this study. Millennials may still enjoy the taste of wine, but it is not the most significant reason. In the previously mentioned study, Millennials still mentioned they enjoy wine with food as a popular reason they drink wine, but it seems to be more important now. In this more recent study, Millennials reported that the most popular reason for consuming wine, unrelated to food, was for special events. In this survey, Millennials brought up new occasions for drinking that were not addressed in prior surveys, the most popular new occasion being wine tasting. The most preferred varietal among Millennial wine consumers is Cabernet followed by Pinot Noir, Merlot, and Chardonnay. Merlot and Chardonnay are still popular varietals among Millennial wine consumers today, but their preferences for varietals are also changing. In this study, Millennials are most likely to purchase wine at grocery stores, followed by liquor stores and thirdly, winery tasting rooms. The results of this study concluded that Millennial women are more likely to drink wine than Millennial men. This is also the same for United States wine consumers of all legal drinking ages (Thach, 2011). Since it is clear that Millennials' wine preferences are changing even after several years, their preferences for positive tasting room experiences may also be changing as well.

In a study aimed at determining differences in wine preferences between generations abroad, researchers surveyed Australian wine consumers (Teagle, Mueller, and Lockshin, 2010). Conducted in 2008, this study defined the Millennial generation as those born from 1974 through 1990 and further divided them by younger Millennials and older Millennials (18-24 and 25-34). Researchers found both similarities and differences among Millennials in Australia and the

United States. One similarity included both Australian and American Millennials have been found to consume wine most frequently when paired with food. This differed for both countries' older generations who tend to dine out less and have fewer financial responsibilities. One particular difference this study concluded between Australian and American Millennials was that Australian Millennials consume less wine than older generations and American Millennials consume more than their preceding generation. Even though Australian and American Millennials' wine consumption differ from each other, both countries' younger generations share the similarity that they differ in consumption frequency than their older generations. Another difference in United States Millennials was that they tend to prefer cheaper wines, while Australian Millennials were more likely to purchase higher priced wines than any other generations in Australia. Again, despite Millennials' country of residence, behaviors between generations differ (Teagle, Mueller, and Lockshin, 2010). This study shows wine preferences and habits such as consumption frequency, occasions and purchase behavior between generations can differ regardless of where wine consumers reside.

Barber, Dodd, and Ghiselli (2008) attempted to determine significant differences between Millennials and other generation's purchase confidence and product knowledge when purchasing wine. The study found that generation X had higher subjective wine knowledge, had been consuming wine for a longer period of time before Millennials and had higher purchase and subject confidence than the Millennial generation. This is understandable since generation X has been able to drink and buy wine legally for a longer period of time than Millennials. The study concluded that building confidence in purchase decisions and wine knowledge derives from increasing wine consumption and experiences with wine (Barber, Dodd, and Ghiselli, 2008). Millennials seemed to have little product awareness. However, as more Millennials turn the legal drinking age and as current Millennials continue to consume wine, providing positive wine

experiences can increase their purchase and subject confidence, which researchers in this study concluded has been seen in the older generations.

The Tasting Room Experience

As a commonly used channel for wine selling, tasting rooms provide wineries with the chance to personally connect with their customers, create brand loyalty and increase sales. Utilizing the tasting room is especially important for small wineries who may have difficulty reaching out to a large customer base or wineries whose wines may be available in limited locations. Determining what type of experience in the tasting room appeals to customers will allow wineries to fully utilize this sales channel. In a study conducted in 2006 by Newton and Nowak, researchers used surveys to determine what factors involved in tasting room visits affected repurchase intentions. These factors included customer satisfaction, positive emotion, the level of perceived quality of the wine and finally fair pricing. The study found that a high level of customer satisfaction led to high levels of repurchase intentions. They also found that a high level of positive emotion experienced by the visitor during their visit to the winery led to high levels of commitment to the brand, repurchase intentions, and customer satisfaction. Also, high levels of perceived wine quality led to high levels of repurchase intentions. Finally, high levels of perceived fair pricing led to high levels of repurchase intention. Newton and Nowak (2006) concluded that wineries that provide positive tasting room experiences to their customers through high customer satisfaction, positive emotions, and fair pricing will lead to high levels of commitment to the winery, wines and will lead to purchasing the wine again in the future. Though these experiences may lead to brand loyalty and repurchase intentions, the factors and circumstances that make these experiences positive ones is still largely unknown.

In this next study, slightly more specific factors that create positive experiences were addressed. Researchers conducted a study in Australia and New Zealand to determine what experience in a tasting room creates customer satisfaction. Charters and O'Neill (2001) interviewed ten tasting room managers and surveyed winery visitors and found that three qualities were important to customers when visiting a tasting room: responsiveness, tangibles, and contact. Responsiveness referred to how well the staff responded to visitors' requirements. Tangibles were defined as the physical situation including the quality of the wine. Finally, researchers defined contact as competency and credibility of the staff and empathy to the customer. Researchers found that responsiveness rated the most important quality when visiting a tasting room, followed by tangibles and then finally, contact (Charters and O'Neill, 2001). The definitions of these qualities provide more insight to what specific type of experience tasting room visitors look for. However, this study was done over ten years ago outside of the United States without a specific market segment in mind.

Millennials In The Tasting Room

Due to the constantly growing and maturing Millennial generation, limited amount of information is available about Millennials' preferences and purchasing habits in the tasting room. In a study conducted in California by Nowak, Thach and Olsen, researchers set out to evaluate how Millennials form brand equity. Researchers asked young adults aged 21-28 to visit a winery and assess their experience keeping in mind product quality, fair pricing, positive emotions they experienced, commitment to the brand, and customer service. The study found that the strongest indicator of brand equity is a feeling of commitment to the brand, which is defined as feeling the relationship with the brand is worth investing the consumer's time, energy and money. The next highest indicator was positive emotions, followed by product quality, service quality and finally

fair pricing was the weakest indicator of brand equity. Wineries can provide a sense of commitment by creating experiences that encourage visitors to feel a sense of belonging and attachment to the winery and the staff (Nowak, Thach and Olsen, 2006). However, it is still unclear what factors involved in tasting room visits create these positive emotions.

Another study conducted in New Zealand and Australia aimed to gain a better understanding of the different generations' perceptions and expectations while visiting tasting rooms. Researchers used secret shoppers and focus group discussions to visit tasting rooms and then explain their observations and experiences. Pairs of Baby Boomers, Generation Xers and Millennials were sent to wineries to participate in the tasting room experience. The study found smaller wineries made more of an effort to make visitors feel welcome. Participants mentioned they appreciated the wineries that went out of their way to personalize service, understand their needs and create a special experience, which happened more often at smaller wineries. Participants also expressed their enjoyment of hearing the brand story, enthusiasm the staff had for that winery and the wines, and being included in genuine conversation with the staff. All generations generally agreed on the importance of these factors in their tasting room experiences (Fountain, Fish, and Charters, 2008).

In 2007, researchers Thach, Mason, and Amspacher surveyed a group of Millennials in California and recorded their observations and impressions after visiting tasting rooms. The tasting rooms were located in Edna Valley, San Luis Obispo, Paso Robles, Lodi, central San Joaquin Valley, Monterey, San Francisco Bay Area, and Napa and Sonoma counties. Some of the observations they were asked to keep in mind included how quickly staff greeted them, customer service, what types of wine they prefer, selling the wine club, up-selling, and offers for discounts. The study found it took winery staff an average of 24 seconds to greet the participants. According to researchers in this study, 30 seconds is the most amount of time it

should take to be greeted. Even though they were greeted within this time frame on average, researchers stated that the participants in this study should have been acknowledged much quicker considering how well staffed the tasting rooms were at the time they visited. Tasting room staff made a poor effort to create a positive tasting room experience for the participants by failing to ask what types of wine they preferred in less than half of the visits, not discussing the wine club 67% of the visits, no attempt at encouraging a purchase 35% of the time, and only successfully signing up the participants for the mailing or e-mail list in 16% of the visits. Another important finding from this study was the significance of discounts to Millennials when deciding on whether or not they would make a purchase. Discounts were offered 87% of the time. Of that 87%, almost 50% made a purchase. Researchers concluded the discount influenced their decision to make the purchase. The study concluded that Millennials considered friendly staff the highest indicator of a positive experience (Thach, Mason and Amspacher, 2007). This study gives great insight into what California Millennials in 2007 thought about their experiences in winery tasting rooms.

After reviewing these studies, Millennials were found to be a unique market segment characterized by their Internet proficiency, concern for diversity, practical nature, desire for fun, and awareness of social issues. In regards to wine purchasing behavior, Millennials appreciate a fair price and good value more than older generations. However, Millennials feel that wine is not marketed to their generation and suggest advertising wine in a fun atmosphere and specifically to their age group. When visiting a tasting room, Millennials highly value personalized service, attentive staff, and a connection with the staff to feel a sense of belonging. Millennials also respond positively to discounts or tasting fee waivers. Still, more detailed factors that create positive tasting room experiences for current Millennials have yet to be determined. Therefore, this study aims to establish those more specific factors for the Millennial generation.

Chapter III

METHODOLOGY

Procedures For Data Collection

To answer the question how can winery tasting rooms create a better experience for the Millennial generation, it was necessary to conduct descriptive research about their preferences. Descriptive research is most appropriately achieved by quantitative methods such as surveys and in-depth interviews (Nardi, 2006). Surveys allow researchers to ask standardized questions, to ask respondents about their opinions, and to gather a large number of responses. Surveys are also easily distributed through the Internet. However, surveys do not always accurately reflect respondents' actual behaviors or opinions. The questions on the survey can also be misunderstood and a low response rate can produce limited and generalized results. Web-based surveys can be distributed very quickly to a large amount of people, which can eliminate the issue of low response rates. Thus, a web-based survey appropriately fit this study, which is presented in Appendix A.

The survey began with basic demographic questions. Basic demographic questions were included to determine the average person completing the survey. The first question determined

if the respondent was of legal drinking age by asking if they were 21 years old or older. The second question divided respondents into age groups. For the purposes of data analysis, if respondents selected ages 21-25, 26-29, or 30-35, they were considered part of the Millennial generation. If they selected age group 36-40, 41-45, or 46-50, they were part of Generation X. Finally, if they chose age groups 51-55, 56-60, or over 61, they were considered Baby Boomers. This division of age groups will later provide the ability to differentiate preferences and behaviors by generations. The third demographic question divided respondents by gender.

The next part of the survey included questions about wine knowledge, wine consumption behavior, and purchase behavior. The fourth question of the survey asked respondents to describe their level of wine knowledge. A survey conducted by Hussain, Castaldi and Cholette in 2006 listed wine knowledge levels on a 1 to 5 scale beginning with clueless, followed by little, somewhat, knowledgeable and expert (Hussain, Castaldi and Cholette, 2006). However the study did not provide definitions for the knowledge levels. For the purpose of this study, definitions were provided for respondents to more accurately choose their level of wine knowledge. The levels of knowledge for this survey question were slightly renamed to ensure the respondent did not feel discouraged or less confident while answering the question. The levels they could choose from began with minimal knowledge, which defined the respondent as one who knew there is white and red wine and there are different varieties of wine. The next level was termed basic knowledge, which was defined as those who knew the names of most styles and varieties of wine, but may not know differences among them. Intermediate knowledge included those who knew different wine styles and varieties and could identify them. The following level was advanced knowledge for respondents who had wine knowledge on an international level, could identify brands and producers and included respondents who completed

several wine courses. The highest level of knowledge was expert for sommeliers, wine makers, vintners, wine merchants, and other expert professions.

The behavioral questions included how often the respondents drink wine, their reasons for drinking wine, when and where they most frequently drink wine, and what price they usually pay for a bottle of wine. Frequency for wine consumption ranged from less than 1 glass per month to more than 6 glasses per month. Reasons for wine consumption included enjoying the taste and culture of wine, wine pairs well with food, because my friends do, wine makes me feel sophisticated, health benefits, alcohol content, wine helps me to relax, heritage, to become more educated about wine, it is a great beverage for social gatherings and situations, and finally if the respondents did not find their reason listed, they were able to select “other” and were asked to specify. These reasons were gathered from a survey distributed by Thach and Olsen (2006). The reasons were slightly modified from the Thach and Olsen (2006) study to elaborate more specifically and several additional reasons were included to provide a wider range of options. Respondents were asked to check all that applied. The next question asked when respondents drank wine most often, either at home for own personal enjoyment, casual get-togethers with friends or family, at important events, going out to drink, with meals, or they could provide another place when asked to specify their other reason. The next question asked where they most frequently drink wine by on or off-premise location, which included either at home or at a friend or relative’s house, at a tasting room, at a restaurant or bar, or they could specify a different location than the previous options. Respondents were then asked what price they usually pay for a bottle of wine, with options ranging from less than 5 dollars per bottle to over 40 dollars per bottle. Results from these questions will provide the ability to compare differences and similarities between generations’ wine knowledge, consumption behavior, and purchase behavior.

The next part of the survey was designed to evaluate the factors that create a positive experience in the tasting room. Respondents were first asked if they had ever been wine tasting before. If they had not, the survey terminated to provide more accurate results from experienced visitors. If they had been wine tasting before, they continued on to the next question. Respondents were asked to rate on a scale of 1 to 5 how important the following factors were in creating a positive tasting room experience: interaction with other visitors in the tasting room, a large crowd in the tasting room, the appearance of the tasting room, the amount of wines available to taste, the varieties of wines available to taste, flexibility in the choice of wines to taste, prices of wines available for purchase, the tasting fees, availability of discounts when purchasing wine and waivers of tasting fees, availability of a wine club, the price of the wine club, a wide variety of events held at the winery, knowledgeable staff, a large amount of time interacting with the pourer and finally they were allowed to specify another reason if they had one. The factors were intended to cover all the different aspects involved in a tasting room experience. The factors provided were designed to be more detail-oriented than previous studies. Results from this question will also answer how the Millennial generation's preferences compare to the other generation's preferences for tasting room experiences.

The next question was designed to determine if wine consumers are more likely to purchase wine in the tasting room after they had a positive experience. Respondents were asked to rate on a scale of 1 to 5 how much a positive tasting room experience affects their willingness to purchase that winery's wine. The periods of time included on the day of the visit, up to 6 months in the future, 6 months to a year in the future and more than a year in the future. Responses to this question will determine if Millennials are more likely to purchase wine after they have had a positive experience in the tasting room on the day of and in the future. Responses will also allow for comparison of purchase behaviors between generations.

The final question in the survey was an open-ended question designed to encourage respondents to go into detail about what factors they consider important in creating a positive tasting room experience. Factors that were not already addressed were accounted for by asking this open-ended question.

Responses to this survey comprised a sample of respondents ages 21 and over from undisclosed locations. The survey was created through the website Survey Monkey, which created a web link that was distributed to collect responses. The survey link was circulated to connections by e-mail and the social media website Facebook throughout April and May of 2012. Surveyors were forced to answer each question in order to proceed to the next.

Distributing the survey by convenience sampling allowed respondents to choose whether or not they want to participate in the study. However, a disadvantage to this type of sampling is that the willing participants could possibly differ in important ways than those who are not interested in providing responses (Kitchenham and Pfleeger, 2002). Respondents were encouraged to pass the survey along to other legal alcohol consumers, also known as snowball sampling (Kitchenham and Pfleeger, 2002). This technique is commonly used for populations difficult to identify and when a required number of responses is vital to complete necessary analysis (Kitchenham and Pfleeger, 2002).

In addition to distributing a survey to wine consumers, tasting room managers were interviewed to determine if wineries' understanding of what makes a positive tasting room experience matches up with consumer's preferences for a positive tasting room experience. In-depth interviews were appropriate for this type of exploratory research because answers in interview questions could vary significantly between establishments and it would be difficult to provide every possible response in a web-based survey question (Nardi, 2006). Tasting room managers were chosen from cities throughout San Luis Obispo County. San Luis Obispo County

offers the best random selection of individuals to conduct market research. Demographics Daily named San Luis Obispo County the best test market in the nation. A mix of agricultural nature, high education level and high level of diversity due to the local university makes this county very average (Jackoway, 2001). Tasting room managers from Talley Vineyards in Arroyo Grande, Still Waters Winery in Paso Robles, Edna Valley Vineyards from San Luis Obispo, and Ancient Peaks Winery from Santa Margarita were interviewed throughout April and May of 2012.

A copy of the questions asked in the interviews is provided in Appendix B. Interview questions were designed to depict the average tasting room visitor in each winery and then questions were narrowed down to Millennial tasting room visitors. This allowed the ability to compare general visitors and Millennial visitors in each winery. Tasting room managers were also asked to rate on a scale of 1 to 5 how important each of the same factors were in creating a positive tasting room experience from question 11 in the survey available in Appendix A. This provided the ability to compare preference ratings between visitors and tasting room managers.

Procedures For Data Analysis

In order to provide informative results, data from the surveys required appropriate statistical analysis. After a sufficient number of surveys were completed, the results were downloaded from Survey Monkey into an Excel spreadsheet. Incomplete surveys and open-ended answers that provided repetitive or inadequate information were disregarded to provide a fair representation of the data. Through the use of the statistical software SPSS version 19, several statistical tests provided constructive analysis to determine if the results fail to reject or reject the hypothesis that Millennial wine consumers consider interaction with other visitors in

the tasting room, availability of discounts when purchasing wine and waivers of tasting fees, and a wide variety of events held at the winery as factors that create a positive experience in the tasting room.

To evaluate the factors that create a positive experience in the tasting room for the Millennial generation, data from question 11 in the survey was analyzed. This was done by first running descriptives on the Millennial generation to determine the mean value for each factor. Calculating the means through descriptives is particularly useful for scale variables to determine the average rating (Nardi, 2006). The variables in the question included the 14 factors provided for the respondents to rate on a scale of 1 to 5 and were coded as 1 being “not important at all,” 2 being “slightly unimportant,” 3 being “neutral,” 4 being “slightly important” and 5 being “very important.” Finding the mean for each factor established how important each one was to Millennials. Next, a one-sample t-test was run to determine if there were any significant differences among factors rated by Millennial respondents. The test variables included all 14 factors from the survey question. The null hypothesis stated there were no differences among Millennials’ ratings of factors. A test value of 3 or “neutral” was used to compare with the average response from Millennials. A 95% confidence interval was used as well. If the significance value was less than 0.05, then the null hypothesis was rejected and there was a significant difference among factors and how Millennials rated their level of importance.

Analyzing the results from question 12 determined if Millennial wine consumers are more likely to purchase wine in the tasting room after they had a positive experience and how far into the future the positive tasting room experience affected them. Descriptives were run to determine the mean score for each range of time. These ranges were coded as 1 for “does not affect me at all,” 2 for “slightly affects me,” 3 for “neutral,” 4 for “somewhat affects me,” and 5 for “greatly affects me.” Time ranges included “on the day of the visit,” “up to 6 months in the

future,” “6 months to a year in the future,” and “more than one year in the future.” Time ranges were indicated as the dependent variables and the Millennial generation as the independent variable. Establishing the mean scores for each time range provided the ability to determine how far into the future a positive tasting room experience affected the Millennial generation. Next, cross-tabulations were run, which compared how multiple variables responded to the questions. Through this, it was determined what percentage of Millennials, as well as older generations, rated on a scale 1 to 5 how greatly a positive tasting room experience affected their willingness to purchase wine during the provided time ranges. The null hypothesis stated there was no relationship between Millennials and how far into the future they were affected by the positive tasting room experience. This null hypothesis was rejected if the chi-square test determined a p-value less than 0.05.

Next, the mean ratings of each time range were compared among generations. The dependent variables included the time ranges and the independent variables included the three generations. The null hypothesis stated there was no difference among generations in how they rated the affect a positive tasting room experience has on them in the time ranges provided. Through analysis of variance (ANOVA), the null hypothesis was rejected if the p-value was less than 0.05. If the null hypothesis was rejected, then the conclusion was made that how greatly the visitors were affected by the positive tasting room experience can be attributed to their generation. Following the analysis of variance, a one-sample t-test was run to determine if there were any significant differences among time ranges in how affected respondents felt by a positive tasting room experience. The null hypothesis stated that there were no differences in how respondents' ratings for each time range. The test variables included the 4 time ranges. The test value was assigned 3 or “neutral.” The test was run at a 95% confidence interval. The null

hypothesis was rejected if the p-value was below 0.05, which concluded there were differences in how respondents were affected by the positive tasting room experience as time went on.

To determine if there is a significant difference in the factors that go into creating a positive tasting room experience for Millennials relative to older generations, cross-tabulations were run. This provided the percentages of how Millennials and older generations rated each individual factor. The dependent variables were the factors and the independent variables were the three generations: Millennials, Generation Xers, and Baby Boomers. The null hypothesis stated there was no relationship between generations and how they rated the level of importance for each individual factor. A chi-square was run to measure if there was a significant difference in how Millennials as well as the other generations rated each factor using a p-value of 0.05. The null hypothesis was rejected if the significance level was below 0.05, meaning there was a relationship among generations in how they rated each factor. Next, an f-test was run to determine if there was a difference among the factors' means. The f-test was provided in the analysis of variance. The null hypothesis stated there was no difference among the mean scores of the factors between the generations. The dependent variables included the 14 factors rated by respondents, which were compared to the means of the generations. A p-value of 0.05 was used to evaluate significant differences. The null hypothesis was rejected if the p-value was less than 0.05. A post-hoc test that included the Tukey HSD test was then run to determine which generations differ from each other. The null hypothesis stated that there was no difference in the mean scores for each factor. A p-value of 0.05 and a 95% confidence interval were used to complete this test. The null hypothesis was rejected if the significance value was below 0.05, which concluded differences existed among generations in how they rated the importance of each factor.

After conducting the interviews with tasting room managers, their responses to question 6 and 13 in the interview questionnaire determined if wineries' understanding of what makes a positive tasting room experience matches up with consumer's preferences for a positive tasting room experience. Their answer to how they rated each factor also determined what they thought were the most important factors in creating a positive tasting room experience and how that related to the respondents of the survey, especially Millennials. Since the number of tasting room managers interviewed was very small, not all statistical tests completed on their responses. Descriptives were run on the responses to question 11 from the survey, which was provided to them in the interview. This provided mean scores for each factor according to the tasting room managers. These means were compared to how the surveyors responded to the survey to determine if they rated the same factors equally important.

Assumptions and Limitations

All responses gathered from the surveys were assumed to be honest and accurate as well as not influenced by outside opinions. If the respondents did not answer honestly and accurately, then the results were skewed. This type of survey methodology completely relies on the answers the respondents provide, which created personal bias issues. All responses were also assumed to not be exaggerated.

Due to the short time frame to conduct this study, a limited amount of responses were gathered, which was not reflective of all wine consumers in general. These responses were limited to the sample and were not meant for the population as a whole. This study was not limited to any location, however locations were not reported in the results, therefore it was not

possible to know where the respondents resided. There was a lack of respondents equally distributed among the survey, which created a slight bias. This survey also prohibited anyone under the age of 21 to participate therefore applying to only current legal wine consumers. The survey also restricted several questions to respondents who have visited winery tasting rooms before.

Chapter 4

RESULTS

A total of 300 surveys were completed and 23 surveys were removed from the data sample due to under age respondents and incomplete surveys, creating a total of 277 useful surveys for data analysis.

Demographics

Of the 277 respondents, 192 (69.3%) were female and 85 (30.7%) were male. The sample size was comprised of 120, (43.3%) Millennials, 104 (37.5%) Baby Boomers and 53 (19.1%) Generation Xers. Millennial respondents consisted of 46 (38.3%) males and 74 (61.7%) females. Generation X included 9 (17%) males and 44 (83%) females. Baby Boomers were made of 30 (28.8%) males and 74 (71.2%) females. The general demographics for the total surveyed respondents can be seen in Figure 1 below.

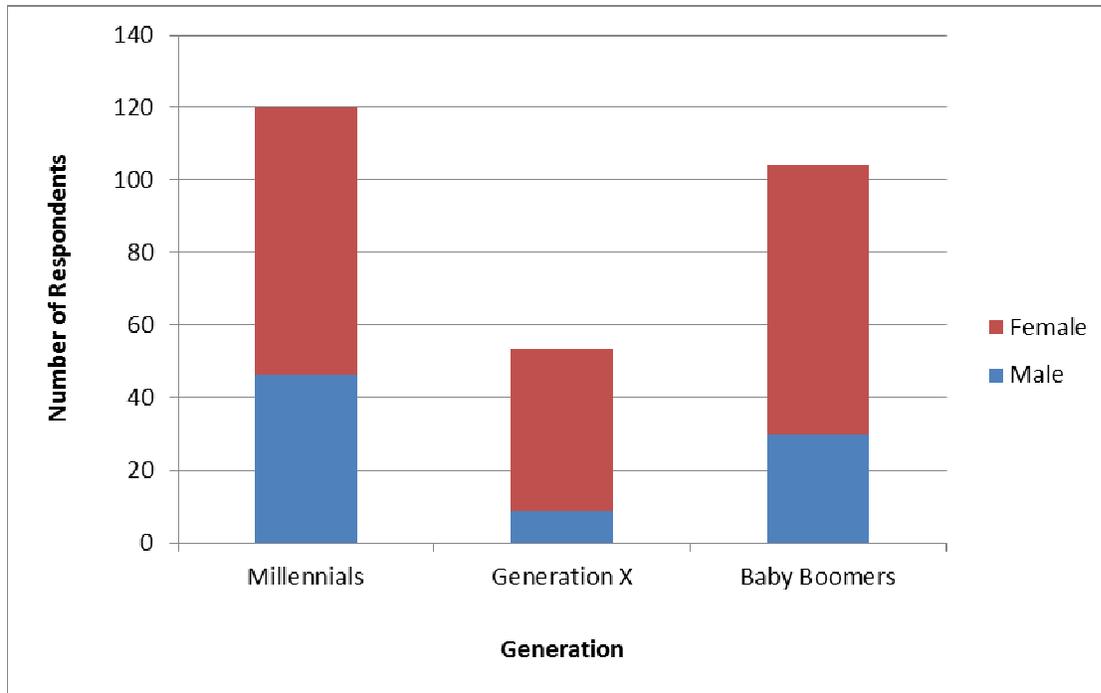


Figure 1. Number of Female and Male Respondents Per Generation

Respondents' wine knowledge level showed a mean score of 2.63, which is just over midway between basic and intermediate wine knowledge (where 1 was equal to minimal knowledge, 2 was equal to basic knowledge, 3 was equal to intermediate knowledge, 4 was equal to advanced knowledge and 5 was equal to expert knowledge). Intermediate wine knowledge was chosen most often among respondents, visible in Table 1 below.

Table 1. Wine Knowledge Levels of Respondents

	Frequency	Percent
Minimal Knowledge	28	10.1
Basic Knowledge	91	32.9
Intermediate Knowledge	120	43.3
Advanced Knowledge	32	11.6
Expert Knowledge	6	2.2
Total	277	100.0

Wine knowledge levels were compared to gender to determine. As seen in the Figure 2 below, both male and female wine consumers most frequently indicated their wine knowledge level was intermediate. After running cross tabulations on the data, results showed 45.9% of men and 42.2% of women answered they had an intermediate level of wine knowledge, which meant that they could know different wine styles and varieties and could identify them as well. Basic knowledge was the second highest wine knowledge level for both men and women as well at 29.4% and 34.4%, which means they know the names of most styles and varieties, but cannot differentiate between them.

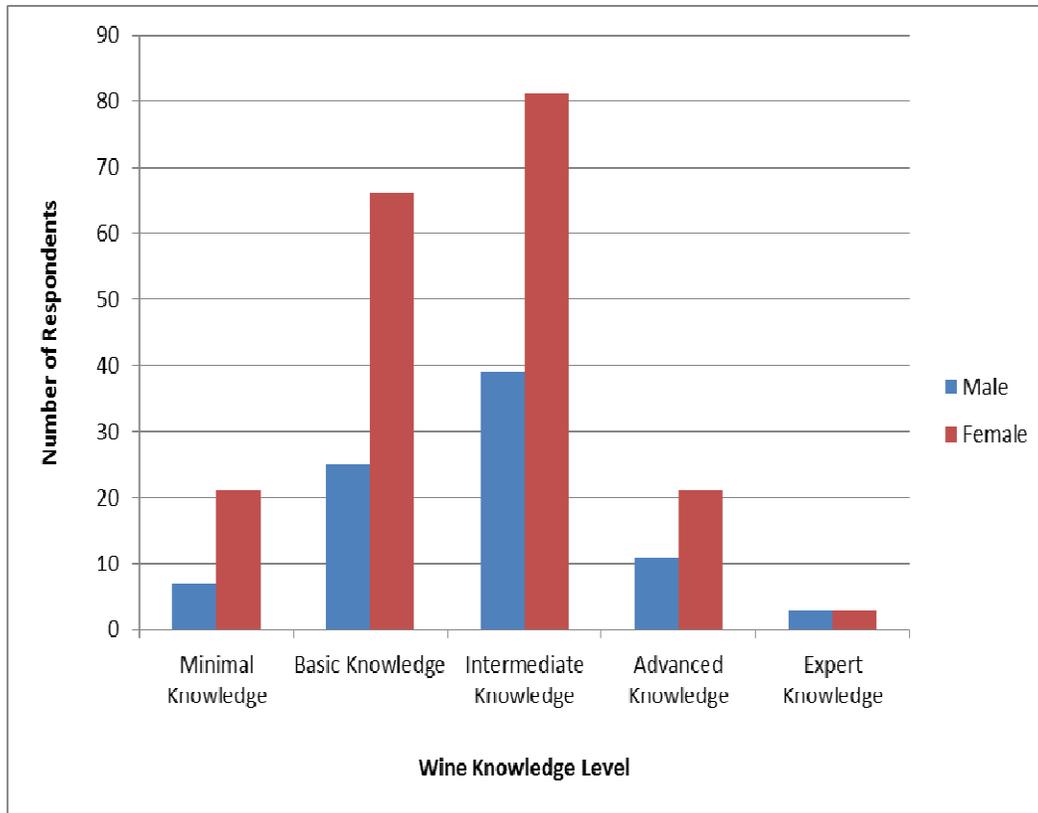


Figure 2. Wine Knowledge Levels Between Men and Women

To analyze levels of wine consumption among respondents, frequencies, descriptives, and crosstabs was run. Most frequently consumed amounts of wine equally measured 22.7% for 2 to 3 glasses per week and 4 to 5 glasses per week totaling 45.4% of all those surveyed. The next most common response was 1 glass per week at 15.9%, closely followed by 14.4% for less than one glass per month, 13% for more than 6 glasses per week, and finally 11.2% for one glass per month. These values were coded as 1 for less than 1 glass of wine per month, 2 for 1 glass of wine per month, 3 for 1 glass of wine per week, 4 for 2-3 glasses of wine per week, 5 for 4-5 glasses of wine per week, and 6 for more than 6 glasses of wine per week. The descriptives test stated a mean score of 3.67, meaning the average respondent consumed wine 1 to 3 glasses per week. After comparing wine consumption frequency to gender through a crosstabs test, women

were found to consume more wine than men. The results showed that 25% of women consumed 4 to 5 glasses of wine per week compared to the 17.6% of men who consumed the same amount. Men selected 2 to 3 glasses per week most frequently at 23.5%. The Figure 3 below demonstrates the distribution of wine consumption frequency among men and women.

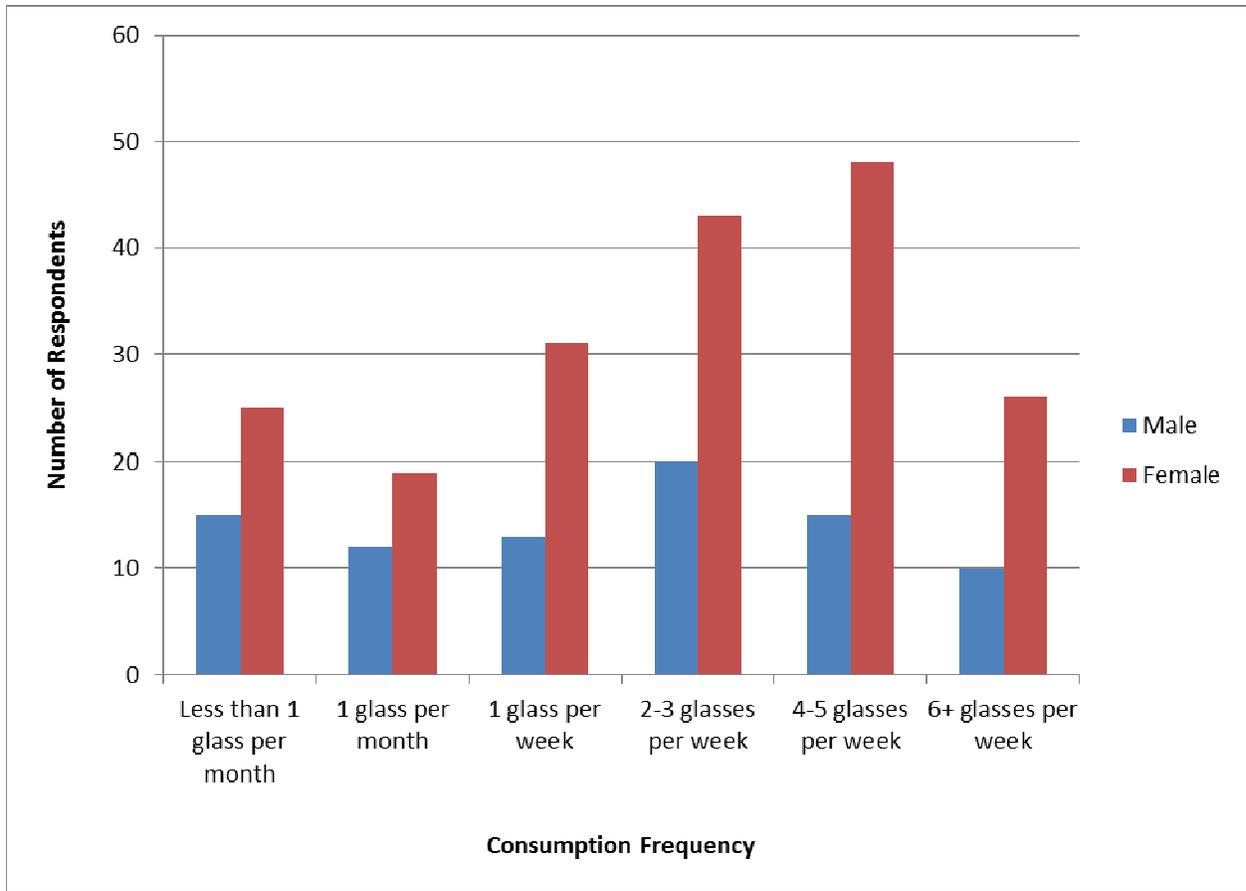


Figure 3. Consumption Frequency Between Men and Women

The next behavioral question asked respondents to state their reason for drinking wine. More than 75% of respondents stated they drink wine because they enjoy the taste and culture of wine for their reason. The most common reason was 63.9% consumed wine because wine is a great beverage for social gatherings and situations, followed by 57.4% consumed wine because it

pairs well with food. The most uncommon reasons for consuming wine included 2.9% for professional reasons, followed by 4% for people who do not drink wine very often. Both of these were specified in the “other” option . When reasons for consuming wine were compared against genders, the most common reasons for women was that wine helps them to relax. The most common reason for men was due to professional reasons, however this data is slightly skewed because this reason was not provided to everyone to answer and only when specified as an alternative answer in the “other” option. If this reason were removed, the next most common reason for men to drink wine was because their friends do.

The most common occasion for wine consumption was at home for own personal enjoyment. A descriptives test was run to find the mean score of 2.22, which falls between at home for own personal enjoyment and casual get togethers with a groups of friends or family. A compare means test was used to compare the dependent variable of frequency of wine consumption and the independent variable of what occasion wine was consumed. The results of this comparison indicated a significant p-value that less than 0.05. The results also showed that respondents who consume wine most frequently are consuming wine at home for own personal enjoyment or with meals. Respondents consuming the least amount of wine were drinking wine at important events only or that they rarely drink at all.

A more generalized location of where respondents consumed wine by on and off-premise sites were at home or at a friend or relative’s house totaling 81.9%. When compared to men and women, the distribution was the same with an overwhelming majority for both genders to consume wine at home or at a friend or relative’s house.

Next, a frequency test was run on how much respondents typically paid for a bottle of wine. The test recorded a mean score of 2.79, which was very close to the price range of 11 dollars to 20 dollars per bottle. This price range was also the majority of what respondents chose

when answering this question. Figure 4 below displays the distribution of the results for price ranges.

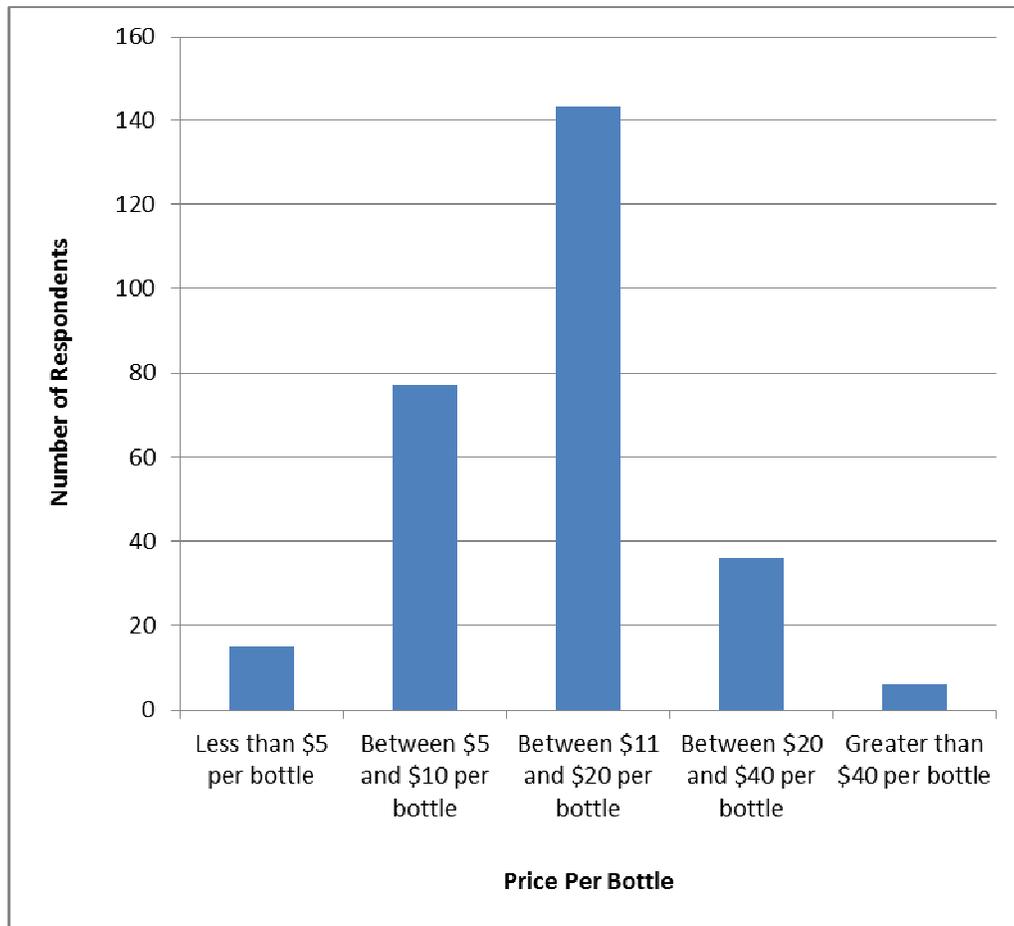


Figure 4. Respondents' Typical Purchase Prices

Gender and price range were compared, however no statistical significance was found. Both women and men typically pay the same amount for a bottle of wine and are equally as likely to purchase in different price ranges. Consumption frequency and typical price ranges of wine purchases was also compared. 25.9% of respondents who stated they usually pay 11 to 20 dollars per bottle of wine consume 2 to 3 glasses per week. A visual of the comparison can be seen in Figure 5 below.

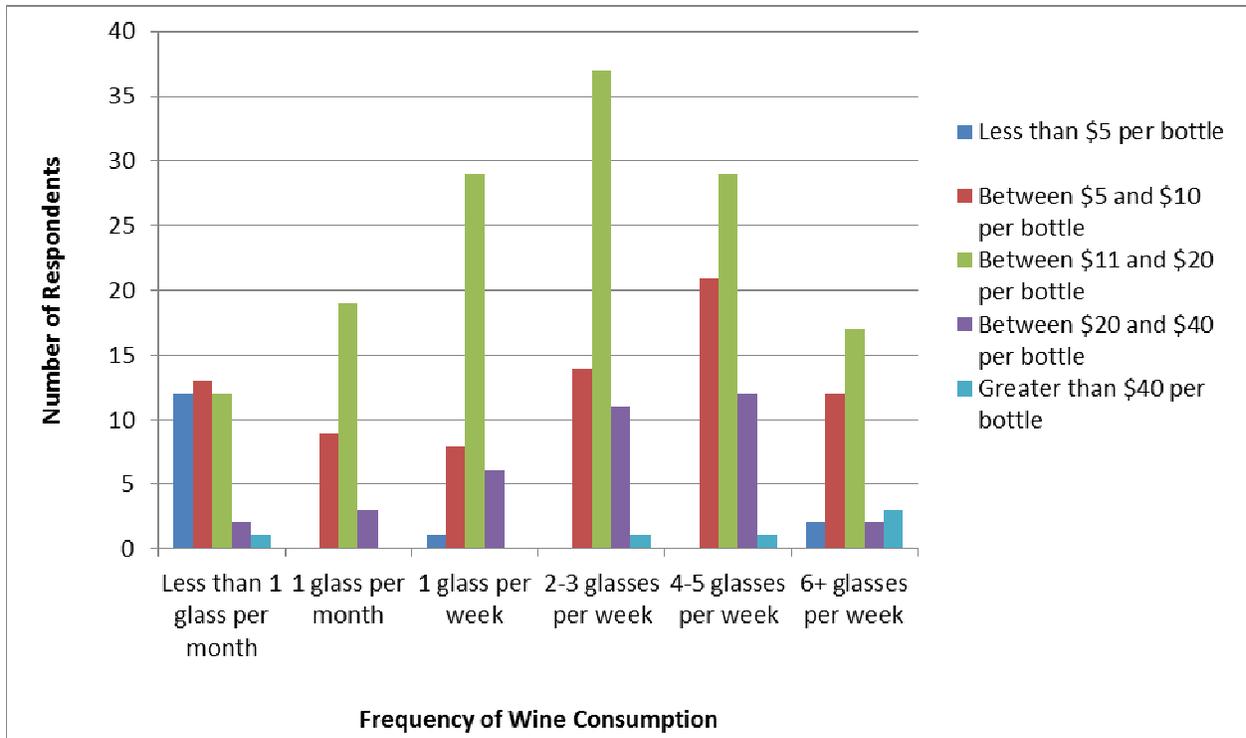


Figure 5. Typical Purchase Prices By Consumption Frequency

To determine which tasting room factor was most important to respondents, mean scores for each factor were calculated. Values were coded as 1 for not important at all, 2 for slightly important, 3 for neutral, 4 for slightly important, and 5 for very important. Table 2 below lists the means for every factor.

Table 2. Respondents' Rated Importance of Each Factor

	Interaction with Other	Large Crowd	Appearance	Amount of Wines	Varieties of Wines	Flexibility In Choice	Price of Wines to
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	Customers	Size		Available	Available	of Wines to Taste	Purchase
Mean	2.94	2.33	4.22	4.20	4.41	4.21	3.96

The calculated means indicated that the respondents rated knowledgeable staff as the most important factor when visiting a tasting room, followed by the varieties of wine available to taste, and the third most important factor was the appearance of the tasting room. The least important factor was if the tasting room had a large crowd size. By comparing the means, the results showed that both men and women rated knowledgeable staff as the most important factor, followed by the varieties of wine available to taste, however men rated appearance of the tasting room as the third most important factor and women rated flexibility in choice of wines available to taste as the third most important factor. Both men and women rated a large crowd size as the least important factor when visiting a tasting room.

Results showed respondents were most willing to purchase after a positive tasting room experience on the day of the visit. As time went on, respondents were steadily decreasing in willingness to purchase and less affected by the tasting room experience. There was no statistical significant difference between men and women when they answered this question.

Millennials Compared to Older Generations

The next step in analyzing the results was differentiating Millennials' responses from the other generations' responses. A crosstabs chi-square test was run that determined of the 120 Millennial respondents, 61.7% were female and 38.3% were male. This was a slightly more even distribution compared to Generation X with 83% female and 17% males and Baby Boomers with 71.2% female and 28.8% male.

More than 37% of Millennials had basic wine knowledge, 34.2% had intermediate wine knowledge and 20% had advanced wine knowledge. Older generations had higher wine knowledge with more respondents indicating they had intermediate wine knowledge. Millennials and Generation X both consumed 2 to 3 glasses of wine per week, but Baby Boomers consumed more at 4 to 5 glasses per week.

Frequency and crosstabs chi-square tests were used to determine Millennials’ most common reasons for consuming wine, what occasions they usually consume wine, and their purchase behaviors in comparison to the other older generations. The top two reasons Millennials consume wine were that they enjoy the taste and culture of wine and because wine pairs well with food. The most common occasions Millennials consume wine was at home for their own personal enjoyment and casual get togethers with a group of friends or family. This held true for the off-premise location at home or at a friend or relative’s house with 90% of Millennials who indicated this choice. In regard to the typical price respondents paid for a bottle of wine, all three generations typically spent 11 to 20 dollars per bottle of wine. However, a higher percentage of Millennials were spending 11 to 20 dollars per bottle of wine than either older generations with a significant difference of 0.002. Table 3 below demonstrates differences between generations in purchase behaviors after they have had a positive tasting room experience.

Table 3. Purchase Behavior of Respondents Divided By Generations

	Price					Total
	Less than 5 dollars per bottle	Between 5 and 10 dollars per bottle	Between 11 and 20 dollars per bottle	Between 20 and 40 dollars per bottle	Greater than 40 dollars per bottle	

Generations	Millennials	Count	7	36	71	6	0	120
		% within Generations	6%	30%	59%	5%	0%	100%
		% within Price	47%	47%	50%	17%	0%	43%
		% of Total	3%	13%	26%	2%	0%	43%
Generation X		Count	0	14	26	12	1	53
		% within Generations	0%	26%	49%	23%	2%	100%
		% within Price	0%	18%	18%	33%	17%	19%
		% of Total	0%	5%	9%	4%	0%	19%
Baby Boomers		Count	8	27	46	18	5	104
		% within Generations	8%	26%	44%	17%	5%	100%
		% within Price	53%	35%	32%	50%	83%	38%
		% of Total	3%	10%	17%	6%	2%	38%
Total		Count	15	77	143	36	6	277
		% within Generations	5%	28%	52%	13%	2%	100%
		% within Price	100%	100%	100%	100%	100%	100%
		% of Total	5%	28%	52%	13%	2%	100%

After basic Millennial demographic, consumption behavior and purchase behavior questions were analyzed, calculating the mean value determined which factors Millennials considered most important for a positive experience in the tasting room. The test found that Millennials considered knowledgeable staff, the varieties of wine available to taste, and the appearance of the tasting room as the three most important factors for creating a positive tasting room experience. This was the same for the respondents as whole. Table 4 below provides the means ranked in descending order.

Table 4. Highest Rated Factors By Millennials

	N	Mean

Knowledgeable Staff	86	4.62
Varieties of Wine Available to Taste	86	4.36
Appearance	86	4.30
Amount of Wines Available to Taste	86	4.24
Discounts	87	4.06
Flexibility in the Wine Available to Taste	87	4.03
Tasting Fees	87	3.95
Pourer Interaction	86	3.88
Price of Wines Available for Purchase	87	3.84
Events at the Winery	87	3.18
Price of the Wine Club	87	3.06
Availability of a Wine Club	87	2.99
Interaction with Other Customers	87	2.97
Large Crowd Size	87	2.33

After determining the means for each factor, a chi-square test was run to find the percentage of Millennials that ranked each factor. All three generations rated knowledgeable staff and the varieties available for tasting as very important with no significant difference. Generation X and Baby Boomers rated appearance of the tasting room as slightly important with no significant difference.

Next, a frequency test was run to determine the purchase behaviors of Millennials after they have had a positive experience in the tasting room. The frequency test provided the mean scores for each range of time in the future and is presented in Table 5 below. Results show that as time goes on, Millennials are less likely to purchase wine in the future. This is identical to how the respondents on a whole answered this question in the survey.

Table 5. Willingness of Millennials to Purchase Wine In the Future After A Positive Tasting Room Experience

	On the Day of the Visit	0-6 Months In the Future	6 Months to a Year In the Future	More Than a Year In the Future
Mean	4.49	3.87	3.55	3.31

In a chi-square test, Millennials were compared to other generations in how they ranked each category. On the day of the tasting room visit, every generation agreed the positive tasting room experience greatly affected them, with no significant difference. However, up to 6 months in the future, only Millennials and Generation X agreed that the positive tasting room experience somewhat affected them and Baby Boomers felt neutral with a reported significant difference indicated by a p-value below 0.05. When they rated how they were affected more than a year in the future, Generation X was still somewhat affected by the positive tasting room experience, but Millennials and Baby Boomers felt neutral, without a significant difference. In the ANOVA post-hoc Tukey test, Baby Boomers were significantly different than Millennials and Generation X on the day of the visit and up to 6 months in the future with a significant difference below the p-value 0.05. However, Baby Boomers were only significantly different than Millennials 6 months to a year in the future and over a year in the future with a p-value below 0.05.

Tasting Room Manager Results

To determine if winery tasting room managers understood what factors create a positive tasting room experience for consumers, a frequency test was run. All tasting room managers

found appearance of the tasting room, knowledgeable staff and a large amount of time interacting with the pourer as most important. This was close to what respondents indicated as most important.

Chapter 5

SUMMARY, CONCLUSIONS, AND RESULTS

Summary

In summary, the hypothesis that Millennials consider the appearance of the tasting room, knowledgeable staff and a large amount of time spent with the pourer as factors that create a positive experience in the tasting room was proven to be partially true. The three factors they rated as most important were knowledgeable staff, the varieties of wine available to taste and the appearance of the tasting room. After they have a positive tasting room experience, their likeliness to be affected by that experience decreases gradually over time.

Conclusions

The factors Millennials considered most important lined up with the general results from the respondents as a whole. However, not all of the factors lined up with what tasting room managers believed. Tasting room managers considered appearance of the tasting room, knowledgeable staff and a large amount of time interacting with the pourer as most important.

These findings mean tasting room managers should place a higher importance on the types of wines they are providing for customers when they visit the tasting room. This would create a more positive tasting room experience and may have a longer effect on the customers after they leave the tasting room.

Recommendations

Based on the findings from this study, it was recommended that future researchers gather a much larger data collection to get a more evenly distributed sample so that results were not skewed. It was also recommended to interview more tasting room managers from various locations to better understand their views and perspectives.

Future researchers were encouraged to include more specific details about the factors when surveying respondents to see if their opinions were the same. As more Millennials become the legal drinking age and current Millennials get older, importance of these factors may change.

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APPENDIX

Appendix A

1. Are you over 21?

- a. Yes b. No

2. What age group do you fall into?

- a. 21-25 b. 26-29 c. 30-35 d. 36-40 e. 41-45 f. 46-50
g. 51-55 h. 56-60 i. 61+

3. What is your gender?

- a. Male b. Female

4. How would you describe your level of wine knowledge?

- a. Minimal knowledge (I know there is white and red wine and there are different varieties of wine)
- b. Basic knowledge (I know the names of most styles and varieties but don't know differences among them)
- c. Intermediate knowledge (I know different wine styles and varieties and can identify them).

d. Advanced knowledge (I have an international knowledge of wines such as brands and producers and completed several wine courses)

e. Expert knowledge (sommeliers, wine makers, vintners, wine merchants, etc.)

5. How often do you drink wine?

a. Less than 1 glass per month

b. 1 glass per month

c. 1 glass per week

d. 2-3 glasses per week

e. 4-5 glasses per week

f. 6+ glasses per week

6. Why do you drink wine? Please check all that apply

a. I enjoy the taste and culture of wine

b. Wine pairs well with food

c. I only drink wine because my friends do

d. Wine makes me feel sophisticated

e. Health benefits

f. Alcohol content (higher than beer, but lower than liquor and spirits)

g. Wine helps me to relax

h. Heritage

i. To become educated about wine

j. Wine is a great beverage for social gatherings and situations

k. Other: Please specify

7. When do you drink wine most often?

- a. At home for own personal enjoyment
- b. Casual get-togethers with a group of friends or family
- c. At important events (weddings, holidays, birthdays, other celebrations)
- d. Going out to drink
- e. With meals
- f. Other: Please specify

8. Where do you most frequently drink wine?

- a. Home or at a friend or relative's house
- c. Tasting Room
- d. Restaurant/bar
- e. Other: Please specify

9. What price do you usually pay for a bottle of wine?

- a. <\$5 per bottle
- b. \$5-\$10 per bottle
- c. \$11-\$20 per bottle
- d. \$20-\$40 per bottle
- e. >\$40 per bottle

10. Have you ever been wine tasting at a winery?

- a. yes
- b. no

11. When thinking about the factors that go into creating a positive tasting room experience, on a scale of 1-5 (1 being not important at all and 5 being very important), how would you rate each of the following factors?

- a. Interaction with other visitors in the tasting room
- b. Large crowd in the tasting room
- c. Appearance of the tasting room
- d. Amount of wines available to taste
- e. Varieties of wine available to taste
- f. Flexibility in the choice of wines to taste
- g. Prices of wines available for purchase
- h. Tasting fees
- i. Availability of discounts when purchasing wine and waivers of tasting fees
- j. Availability of a wine club
- k. Price of the wine club
- l. Wide variety of events held at the winery
- m. Knowledgeable staff
- n. Large amount of time interacting with the pourer
- o. Other (please specify)

12. On a scale of 1-5 (1 being does not affect me at all and 5 being greatly affects me), does a positive tasting room experience affect your willingness to purchase that wine?

- a. On the day of the visit
- b. 0 – 6 months in the future
- c. 6 months – to a year
- d. more than a year

13. For you, what specific factors go into a positive tasting room experience?

Appendix B

Interview Questions for Tasting Room Managers/Staff

1. How often are you involved in the tasting room interacting with customers?
2. Who is the average tasting room visitor in your tasting room?
3. What do you think drives a customer to purchase wine in the tasting room?
4. What are the average price points visitors purchase wine?
5. Do you think customers purchase wine despite the type of experience they have in the tasting room?
6. What do you define as a positive and a negative tasting room experience for tasting room visitors?
7. What age groups are regular visitors and regular purchasers?
8. Do you notice more Millennial visitors to the tasting room?
9. Do they generally come in by themselves, in small groups (2-4) or larger groups (5+)?
10. Do they show interest in the wine, winemaking, viticulture, brand story?
11. Do they make any purchases? This can vary by group size
12. If they do make purchases, what price point do they typically purchase at?

13. What type of experience do you think Millennials expect when visiting a tasting room?