

# WINE BUSINESS MONTHLY

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Tasting Room Insights from San Luis Obispo County

[Survey suggests how to generate sales.](#)

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**We were asked** by a friend who had moved up the marketing chain from grape grower to winemaker if adding a tasting room would make sense and, if so, what should he keep in mind when developing it. We asked questions that are important for both new and existing tasting rooms. In particular: Is location important? What do people look for in tasting rooms? Do they buy wine in tasting rooms?

## What Was Done

We surveyed tasting room visitors at eight different sites: four on-site tasting rooms (located at the wineries) and four off-site tasting rooms (away from the wineries). We asked how important information and entertainment were to their experience, what they bought, if they joined the wine club and a few questions about their wine consumption, age and income. In all, 240 people were surveyed.

## What Was Found

Our respondents were about 40 years old and two-thirds female; about 60 percent reported family incomes of over \$100,000 per year, and two-thirds consumed wine one to five times a week. A few (15 percent) consumed wine three times a month while 10 percent consumed wine almost daily.

While not part of our study, we wondered why more women than men visited our tasting rooms. It appears that women visit tasting rooms with other women and men visit with women, but men rarely visit tasting rooms with other men.

Somewhat surprisingly, we found no difference between on-site and off-site tasting rooms in terms of satisfaction with entertainment or information, amount purchased or membership in the wine club. What was significant was that consumers who were entertained and who perceived that they were given information about how wine was made purchased more during their visit, were more likely to join the wine club and stated an increased likelihood to return.

We also found that 69 percent of a tasting room's visitors bought wine; on average, they spent about \$80. A little more than 10 percent spent over \$200.

Lastly, about 20 percent of the visitors joined the winery's wine club. One of our winery sites had a wine tour while we were there. Everyone on the tour joined the wine club. We don't have enough observations for statistical analysis, but anecdotally, tours appear to increase wine club membership.

### **How to Use This Information**

Location is, of course, important, but a tasting room does not have to be located at its production facility to be successful. A high-traffic, off-site location could be better than an out-of-the-way, on-site location.

Entertaining, knowledgeable tasting room attendants who can tell visitors how the grapes were grown, how the wine was made and other interesting information about the winery are far more important in generating sales than being an on-site tasting room. Moreover, about half the visitors will spend about \$80 while only 10 percent spend over \$200. Spending time inducing the one- to two-bottle buyer to buy one more bottle will increase total revenue more than persuading the case buyer to buy more.

Lastly, getting visitors in the door is the most important thing a winery can do. Once in the tasting room, 69 percent will buy your wine, and 19 percent will join your wine club. Of those who bought and/or joined, the great majority said that an entertaining, informative attendant was an important factor in their decision. **wbm**