

**GWRDC Project: USA-1204**

# **AUSTRALIAN WINE INDUSTRY CELLAR DOOR RESEARCH STUDY 2013 (Part 2: Follow-Up Surveys - Interim Report)**

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## Disclaimer, Confidentiality and Acknowledgement

This report has been compiled from the research study conducted under the direction of the Chief Investigator, Professor Johan Bruwer. The study took the form of follow-up surveys during the period August to December 2013 and was executed on the cellar door visitors who were originally surveyed earlier in 2013 at 79 wineries in 15 wine regions across Australia.

The report represents information obtained from authentic and highly regarded sources. Every reasonable effort has been made to give reliable data and information but the authors and publisher cannot assume responsibility for the validity of all material or for the consequences of their use (see the Appendix for details on sample recruitment and validity).

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## Research Objectives

The overall purpose of this research project is to develop a better understanding of wine consumers' purchase and consumption patterns before, during, and as a direct consequence of their visits to wineries, with the cellar door being the hub of their experience. This research report is the second of two interim reports in a longitudinal research project.

More specifically the project's objectives are to determine:

- Who the cellar door visitors are (socio-demographics), their wine consumption metrics, and relationship with the winery and region.
- The nature and extent of the cellar door visitors' buying behaviour at the cellar door and the likelihood of their buying the brand in future.
- The relationship that cellar door visitors have had with the winery's brand prior to visiting the cellar door.
- The characteristics of the wine region as perceived by the cellar door visitors.

Please note that the results of the cellar door surveys were reported in the first interim research report in 2013. This can be downloaded directly from the GWRDC's website by clicking on:

<http://www.gwrdc.com.au/wp-content/uploads/2014/03/Interim-Research-Report-GWRDC-USA-1204-Stage-1-Cellar-Door-20131.pdf>

In the two follow-up surveys executed at two three-monthly intervals after the cellar door visit, the project's objectives are to:

- Determine the effect of the cellar door visit on wine consumption in terms of regionality, type/style and price/quality.
- Track the incidence and extent of purchase (and repurchase) of the wineries' wines at off-premise, on-premise and direct mode channels among a cohort of winery cellar door visitors.
- Establish the nature of communication resulting from a cellar door visit, for example word-of-mouth (WOM).

This document reports on the findings of the two follow-up research surveys.

## Key Findings

### Profile of the Wine Buyer and His/Her Behaviour After Cellar Door Visit

Female-weighted overall; 40 years and older age group is the most significant single segment; 81% are the main consumer and 70% the main buyer of wine for their household. Most live in Adelaide (SA), Melbourne (VIC), Sydney (NSW) and Perth (WA).

They drink 5.6 bottles per month in a household that spends \$16.05 per bottle of wine purchased. Wine club membership incidence is 15% of those who visited the winery and 23% overall across all other wine clubs with an average wine club membership lifespan of 26 months. The wine club members bought nearly 2.5 times more wine than others and are the winery's premier wine buyer group.

During the six month period after the cellar door visit the buyer group (54% of all visitors) bought an average of 9.1 bottles of the winery's wine and the likelihood of future purchase is 47% on average.

The wines were mainly bought from large national liquor chain stores (33%), but the cellar door during a revisit (23%) also featured strongly. The cellar door channel, together with the other direct-to-consumer (DTC) channels, namely mailorder/wine club/online, collectively accounted for 31% of the purchases, thus sharply underlining their importance for wineries.

### Consumption of Wines Bought at Cellar door

By the time 6 months had elapsed post-visit, 47% of the visitors had consumed all the wine they bought at the cellar door, most of it in their homes (68%). This also means that the brand remained in the immediate proximity of 53% of buyers, regardless of whether they bought it in the retail sector post-visit, or will be buying it in future.

### Changes in Personal Wine Consumption

The cellar door visit was instrumental in provoking various changes in the consumers' wine consumption (higher quality, higher quantity, grape variety/wine type and higher prices were the most important). The strongest impact was in their consumption of the visited region's wines (42%), while their overall wine consumption (21%) also changed.

### Recommending the Wines to Others

In total, 83% of consumers had recommended a wine of the winery visited to other people within 3 months post-visit, mostly to friends, family and work colleagues. They recommended the wines on 3.4 separate occasions to these people. This clearly underlines the power of word-of-mouth (WOM) communication and its ability to create a feeling of positive awareness towards the wine brand. Face-to-face conversation accounted for the majority (65%) of all recommendations, while social media represented 7%, with Facebook dominant (80%) among social media recommendations.

**Reasons for NOT  
Buying the Wines  
After the Cellar  
Door Visit**

Sufficient wine stocks at home (25%) is the main reason for not purchasing the wines, followed by a preference for other wine brands/wine styles (20%) and the non-availability of the wines at their usual retail outlet (15%). Despite having visited the cellar door, a further 14% claimed that they were unaware of the wines. There was also some sensitivity to high wine prices (9%).

**Previous Awareness/  
Actual Experience  
Penetration Metrics  
Framework of Wines**

The framework of baseline indicators in terms of awareness, actual experience and recency of the experience with the wine brand form the basis for determining the multiplier effect that the cellar door had on future sales of the wine to the visitors. This approach revealed that starting from a 79% level of awareness of the brand and selling wine to 70% of the visitors at cellar door, an after-visit buying incidence of 54% was achieved. This does not however, reflect the net gain in the visitor sales figure (see below).

**Multiplier Effect Metrics  
of the Cellar Door  
on the Wineries'  
Wine Brand**

Consumers who had not bought the wine(s) before their purchase at the cellar door provide the clearest indication of conversion and of the level of penetration achieved post-visit in the retail sector. **Some 54% of visitors bought wine from the winery after their cellar door visit, purchasing 4.9 bottles on average.** When focusing specifically on consumers who had not bought the wine before, during or post-visit, the brand penetration metrics range between **41–70%**. The net gain in terms of the visitors who had never bought the brand until the post-visit period is a solid **16%** and can thus be directly ascribed to the cellar door visit and experience. For individual wine regions, the corresponding **net gain** figure varied between **9% (lowest) and 22% (highest)**. This result underlines how important the cellar door can be in the sales strategy formulation process for a wine brand.

## Demographics of the Consumers (Visitors)

**Table 1** shows the demographic characteristics of all the cellar door visitors who participated in the follow-up surveys (the profile of visitors who purchased the wine brand after the cellar door visit is shown in **Table 29**).

The majority of the visitors who responded to the post-visit follow-up surveys (**Table 1**), are females (56%). From an age viewpoint, the distribution is skewed towards younger visitors with 35% in the Millennial Generation segment (18-34 years), while 38% belong to the Generation-X segment, 21% to the Baby Boomer and 6% to the Traditionalist age segments. The annual income of the consumer's household is \$132,897.

Among visitors who maintained a connection with the brand following the cellar door visit, the main state of residence is South Australia (37%), and visitors were mainly from Adelaide. New South Wales is next (21%) (mainly from Sydney), with Victoria third (20%) (mainly from Melbourne). The remaining states collectively account for 'only' 22% of all the visitors. Typically, a wine region's main feeder source is thus a main city within the state where the region is located. (Overseas visitors were excluded from the follow-up surveys due to the non-availability of wine aspect).

# Please note that due to logistical issues, the number of respondents surveyed at cellar doors in South Australia is disproportionately high and could have skewed the results (see **Cautionary Note** on page 51).

**Table 1: Gender, Age, Income and Permanent Residence of the Respondents Overall\***

Gender	n	%
Female	1,061	55.8
Male	841	44.2
Total	1,902	100.0
Age Group	%	Cumulative %
18-24 years	7.4	7.4
25-29 years	13.1	20.5
30-34 years	14.3	34.8
35-39 years	9.1	43.9
40-44 years	9.9	53.8
45-54 years	18.9	72.7
55-59 years	10.9	83.6
60-64 years	9.8	93.4
65 -70 years	4.9	98.3
70 + years	1.7	100.0
Household's Annual Income (mean)	\$132,897	-
Place of Permanent Residence	%	Cumulative %
South Australia (SA) <sup>#</sup>	37.5	37.5
New South Wales (NSW)	20.9	58.4
Victoria (VIC)	19.7	78.1
Queensland (QLD)	10.3	88.4
Western Australia (WA)	7.7	96.1
Tasmania (TAS)	2.0	98.1
Australian Capital Territory (ACT)	1.5	99.6
Northern Territory (NT)	0.4	100.0

\* Includes only all of the consumers who responded to the follow-up surveys (wave-1 and wave-2)

**Key Insight:** The cellar door's brand ambassador profile is female-weighted with the majority in the Millennial (18-34 year) and in the Generation-X (35-54 year) age groups. The main states of residence of visitors who continued their relationship with the brand are South Australia, New South Wales and Victoria. These are also the key target markets for promotional efforts and the locations where the multiplier effect of the wine tourism experience into the retail off-and on-trade is the greatest.

## Demographics of the Consumers (Cont.)

**Table 2** shows the results for all the cellar door visitors who participated in the follow-up surveys. The vast majority are either the main buyer (78%) and/or the main consumer of wine (69%) in their households. The 2013 cellar door survey found that the majority of visitors (78%) live in multi-person households and the findings reflected in this report are largely based on people who have the wine buying decision-making power in their households.

Their individual consumption level is 5.2 bottles per month, which is considerably higher than the average for Australia of 26 litres ( $\approx 34$  bottles per annum  $\approx 2.9$  bottles per month) (source: *ABS Cat No. 8504.0*, 2014). This underlines the fact that wine tourists are higher volume wine consumers and likely to be opinion leaders too (see **Table 20**). The average amount spent on wine per month by the household is \$158.23, averaging  $\pm$ \$16.05 per bottle.

All other things being equal, 12% already have a very strong relationship with the brand through their wine club membership, but this association has typically been brief, with an average duration of only 26 months. Wine club members tend to hold multiple memberships as evidenced by the fact that the overall incidence of club membership is 22%.

**Table 2: Status of Respondent in Household in Terms of Buying/Consuming of Wine and Wine Club Membership**

Role in Household	
Main buyer of wine	78.0%
Main consumer of wine	68.6%
Neither main consumer nor main buyer of wine in household	8.1%
Wine Consumption Level	
Personal consumption per month (750 ml equivalent)	5.23 bottles
Household's consumption per month (750 ml equivalent)	9.86 bottles
Household's monthly expenditure on wine	\$158.23
Wine Club Membership	
Yes - I am a wine club member of the winery I visited	12.0%
Period of membership of the visited winery's wine club (mean)	25.8 months
Yes - I am also a member of another winery's wine club	12.9%
Wine club membership incidence (overall - all wine clubs)	22.3%

\* Includes only consumers who responded to the follow-up surveys (wave-1 and wave-2)

**Key Insight:** The key to successful brand building is to reach and effectively communicate with the main decision-maker as far as wine purchase and consumption in the household are concerned. These people are often also opinion leaders for the wine product category and/or wine club members and can thus logically have a significant influence on the decisions and wine consumption of others.

## Cellar Door Visitation Dynamic

The first-time versus repeat visitor dynamic is clearly illustrated in **Table 3**. It is not uncommon for wineries, even those situated a relatively short distance from their main source(s) of visitors, to have a first-time visitor incidence as high as this (60%). Regarding the tracking of their relationship with the brand all respondents have obviously now been to the winery's cellar door at least once (average = 2.7 times).

Most repeat visitors went to the cellar door to engage in wine tourism activities (see 2013 cellar door survey report) and their average number of visits made to the winery is 4.2 times. Both the 'original' repeat visitors and those visiting for the first time are now familiar with the brand and it is vitally important that an ongoing relationship, for example through wine club membership, newsletters etc. be built with them.

**Table 3: Number of Previous Visits to the Winery Cellar Door**

Number of Visits	%	Cumulative %
1 (first-time ever visited during survey)	60.1	60.1
2	11.2	71.3
3	8.4	79.7
4	6.4	86.1
5	2.9	89.0
6	3.8	92.8
7	1.2	94.0
8	0.4	94.4
9	0.5	94.9
10	0.2	95.1
11-20	3.4	98.5
20+	1.5	100.0
<b>Average Number of Visits</b>		<b>Mean</b>
Overall (including first-time visitors)		2.68
Repeat visitors only		4.21

\* Includes only consumers who responded to the follow-up surveys (wave-1 and wave-2)

**Key Insight:** The first-time versus repeat visitor dynamic is one of the most important in wine tourism. Converting those who were first-time visitors at the time of conducting the cellar door survey to repeat visitors who are highly involved with the brand should therefore be one of the most important objectives of a winery's wine tourism and thus of its direct-to-consumer (DTC) strategy.

## Changes in Wine Consumption Behaviour

Overall, 21% of people reported that the cellar door visit was instrumental in changing their overall wine consumption (**Table 4**). Of these, an increase in the quality (volume) of wine consumed (36%) was the most common change that had occurred. There were also indications of changes in consumption in terms of the grape variety (26%), higher quantity (19%), and higher price level (16%) (price aspect of quality). These results should be considered in conjunction with those reflected in **Table 5**.

Although these individual levels of change may perhaps not appear particularly high at first, an increase among 21% of the people in overall wine consumption is significant and could have a profoundly positive impact on the wine market at large, should cellar doors be used to the maximum of their potential as marketing vehicles.

**Table 4: Change(s) in Overall Wine Consumption After the Visit to the Winery's Cellar Door**

Change in Overall Wine Consumption Incidence	%
Yes - overall wine consumption changed	20.6
No - overall wine consumption did not change	79.4
Nature of the Change in Overall Wine Consumption	%
Increase in quality of wine consumed	35.6
Change in wine type (grape variety) consumed	26.0
Increase in quantity of wine consumed	18.5
Higher value (price) of wine consumed	15.8
Decrease in quantity of wine consumed	3.9
Decrease in quality of wine consumed	0.2
Decrease in value of wine consumed	-

**Key Insight:** The winery cellar door is a powerful catalyst to invoke various change(s) in the overall wine consumption of consumers. The challenge lies in how to use the cellar door to the maximum of its potential as a 'change agent' to cause these changes to occur. However, the first priority should always be the building of a strong relationship between consumer (cellar door visitor) and the wine brand.

## Changes in Wine Consumption Behaviour (Cont.)

Nearly 42% of people reported that their consumption of the region's wines changed after their cellar door visit (**Table 5**). Increases in the quantity (volume) (47%), and in the quality (25%) of wine consumed were the most common changes that occurred. There were also indications of changes in value (15%) (price aspect of quality), and grape variety (12%).

These levels of change are relatively high and an incidence in change to the order of 42% in the consumption of wine from a specific wine region is certainly significant. It not only underlines the relationship between education through a first-hand experience in the region, but also the opportunity for other wineries in the region to leverage their own wine sales through the kinship effect.

**Table 5: Changes in Consumption of the Visited Region's Wines of Origin After the Visit to the Winery's Cellar Door**

<b>Change in Consumption Incidence of Region's Wines</b>	<b>%</b>
Yes - consumption of the region's wines changed	41.5
No - consumption of the region's wines did not change	58.5
<b>Nature of Change in Consumption of Region's Wines</b>	<b>%</b>
Increase in quantity of wine consumed	47.3
Increase in quality of wine consumed	24.6
Higher value (price) of wine consumed	14.8
Change in wine type (grape variety) consumed	12.4
Decrease in quantity of wine consumed	0.9
Decrease in quality of wine consumed	-
Decrease in value of wine consumed	-

**Key Insight:** The two main insights gained are that people visiting a cellar door and becoming more educated about the wine region, its wineries, wines and people increases the consumption of wines from that region. The authenticity aspect of a first-hand visitor experience is unparalleled as a 'change agent' for people's wine consumption. It creates various opportunities, including the increased awareness of all wines with the same origin as the visited winery.

## Change in Attitude About the Wine Region

Most of the cellar door visitors would have formed a perception of the wine region prior to visiting the cellar door. This would have occurred either through previous visits and/or awareness created by a host of other factors (word-of-mouth, information search etc). It makes sense to expect that a positive first-time or repeat visit experience could influence their attitude positively, provided that the cellar door experience was positive.

By the time 6 months had elapsed since the visit, the attitudinal score of visitors has shifted upwards from 5.35 to 6.31 on a 7-point scale, which means that it has increased by 18% (**Table 6**). This is evidence of a positive visit experience and the positive long-term effect of selective memory is evident.

**Table 6: Change in Attitude About the Visited Wine Region: Before versus After Visit Metric**

Attitude toward the Wine Region*	Before Visit	After Visit
1 Very negative	-	0.1%
2	0.4%	0.1%
3	1.9%	1.7%
4 Neutral	28.9%	2.0%
5	21.8%	7.6%
6	24.9%	40.2%
7 Very Positive	22.0%	48.3%
<b>Mean</b>	<b>5.35</b>	<b>6.31</b>

\* 7-point Likert Scale

**Key Insight:** Visiting a cellar door within a wine region (in the process becoming more educated about the region, its wineries, wines and people) can positively influence someone's attitude towards that region. The challenge lies in determining the trigger factors that cause the shift in attitude to occur by using the cellar door to its maximum potential as a 'change agent'.

## Consumption of the Wines After Cellar Door Visit

The wines bought at the cellar door during the visit represent a tangible entity with a sometimes ongoing presence in the homes of the visitors (**Table 7**).

By the time 6 months have elapsed since the visit, 47% of the visitors had consumed all the wine purchased, most of it at home. Only 9% of the visitors had not consumed any of the wine after 6 months, meaning the vast majority (91% at least) had their awareness of the brand reinforced in the process. Furthermore, the 'circle of influence' of these brand ambassadors has spread to others, for example 9% (1 in 11 bottles) of wine consumed went to other people as a gift (**Table 8**). It is also quite likely that the same happened in the case when the consumption occasion was a celebration and/or occurred away from home.

**Table 7: Whether Visitor Had Consumed Any of the Wine Bought at the Winery's Cellar Door AFTER the Visit**

Consumption Incidence	Wave 1 (@3 months)	Wave 2 (@6 months)
Yes - I have consumed all of the wine after the visit	36.4%	47.0%
Yes - I have consumed some of the wine after the visit	50.5%	44.2%
No - I have not consumed any of the wine after the visit	13.1%	8.8%

**Table 8: Occasion When Wine Bought at Cellar Door was Consumed**

Consumption Occasion	Waves 1 & 2
By yourself/with your family at your home	31.1%
With guests at your home	25.6%
With others (friends, relatives, colleagues) at their home	11.9%
Celebration/special occasion at your home	10.9%
Gift given to someone else outside your household	9.0%
Celebration/special occasion away from your home	6.5%
BYO it to a restaurant/pub/hotel away from your home	5.0%

**Key Insight:** Wine taken to the visitor (consumer's) home often remains within eyesight for a period that can stretch into several weeks, months, or even years. This proximity of wine extends the period of awareness of the brand way beyond the actual visit and is a positive factor in strengthening the winery's brand image. These visitors are also likely to act as opinion leaders for other people who they bring in contact with the brand.

## Consumption of Wines After Cellar Door Visit (Cont.)

Respondents who had not yet consumed the wine after 6 months were asked the purpose for which the wine was being kept, shown in **Table 9**.

Although the majority (30%) intended to consume it at home at any time, 29% were intentionally cellaring it, most probably to improve its quality. A further 21% were keeping it for consumption on a celebration occasion that will occur away from home. It is also insightful that 8% even at this stage still intend to give it as a gift to someone else eventually, which will further extend the diffusion of brand awareness to others as outlined in **Table 8**.

**Table 9: Purposes for which Wine Bought at the Winery's Cellar Door and Not Yet Consumed, Have been Kept**

Purpose for which the Wine Has Been Kept	%
Consumption at home	30.1
Cellaring (ageing) the wine at home	29.3
Celebration occasion somewhere	20.8
Consumption away from home	9.4
Gift for someone	8.1
Don't know	2.3

**Key Insight:** The brand's lifecycle is extended when the wine remains in the homes of the cellar door visitors for any length of time, in particular when this period exceeds the average period (2.2 months per bottle, or 9.7 months for all the wine purchased as per the cellar door survey) by a considerable margin.

## Rating of the Wines Bought at Cellar Door After Their Consumption

Visitors rated the wines after consumption as overwhelmingly positive (**Table 10**), indicating that their satisfaction levels with the wines were high.

This positive perception of the wine quality (and taste) is arguably the strongest catalyst for them recommending the wines to other people (**Tables 11 and 12**).

**Table 10: Rating of the Wines Bought at Cellar Door After Consumption**

Rating of Wines After They Were Consumed (i.e. at home)	%
Disliked extremely <sup>(1)*</sup>	-
Disliked quite a lot <sup>(2)</sup>	0.3
Disliked somewhat <sup>(3)</sup>	0.5
Neither liked nor disliked <sup>(4)</sup>	0.5
Liked somewhat <sup>(5)</sup>	4.6
Liked quite a lot <sup>(6)</sup>	54.9
Liked extremely <sup>(7)</sup>	39.2
Mean rating (7-point scale)	<b>6.29</b>

\* (1) disliked extremely....to.....(7) liked extremely: 7-point Likert scale

**Key Insight:** Taste is arguably the most important single factor in the process of forming an attitude about the wine brand and is therefore likely to be the most important driver of positive word-of-mouth recommendations to other wine consumers and potential wine consumers.

## Recommendation of Wines After Visit

**Table 11** shows that 83% of the visitors have recommended a wine from the winery they visited to someone else in the 6 month period after their visit to the cellar door. Moreover, they have recommended the wine(s) on 3.4 separate occasions on average. This is an important result and underlines just how vitally important it is that their visit experience was a positive and memorable one.

Friends are the recipients of most of the recommendations (43%) as shown in **Table 12**. Family (29%) and work colleagues (23%) also received a significant number of recommendations. It is also important to note that they recommended the wines across different reference groups, on average to 2.4 groups.

**Table 11: Whether Visitor Recommended Any of the Winery's Wines AFTER the Cellar Door Visit to Someone Else**

Recommendation Incidence	%
Yes, I have recommended a wine to someone	82.6
No, I have not recommended a wine to anyone	17.4
<b>Number of times recommendation given (mean)</b>	<b>3.41 times</b>

**Table 12: Relationship With Person(s) the Wine(s) was/were Recommended to**

Relationship Status with Person (Reference Group)	% Incidence	% Share
Friends	88.4	43.1
Family	59.4	28.9
Work colleagues	47.9	23.4
Other person(s)	9.4	4.6
<b>Number of reference groups recommended to (mean)</b>	<b>2.39 groups</b>	

**Key Insight:** Relationship marketing is of paramount importance in the quest to pass on information about the winery and the brand through cellar door visitors who either are already, or might become, regular customers. The effectiveness of the 'informal' sources in reaching their family and friends is highly evident and again underlines the cost-benefit of using this 'informal' source (WOM) to the maximum extent possible.

## Recommendation of Wines After Visit (Cont)

Notwithstanding the fact that we are living in what is known as the 'electronic era', the cellar door visitors overwhelmingly used 'conventional' (face-to-face) word-of-mouth (WOM) (65%) as their main source of communication (**Table 13**). The true value of WOM is widely acknowledged since it represents an impartial person-to-person communication conveying trusted opinions and advice.

Excluding the second highest medium of telephone conversation (16%) from electronic media, the conclusion is that the electronic media did not play a big role in the process of recommending the wines to someone else - they collectively only account for 19%. The much-hyped social media account for only 7% (**Table 14**). These findings have important managerial implications and further research is recommended.

**Table 13: Communication Sources(s) (Media) Used to Recommend Wine to Others**

Communication Type (Source/Media)	% Incidence	% Share
Face-to-face conversation	81.4	64.6
Telephone conversation	20.2	16.1
Email	10.4	8.3
Social media (Facebook, Twitter, LinkedIn, Blog, etc)	9.1	7.3
Skype conversation	2.4	1.9
Website (travel or wine-related)	1.7	1.3
Writing a paper copy document and mailing it	0.4	0.3
Text (SMS) message via mobile phone or iPad	0.3	0.2

**Key Insight:** 'Conventional' sources/modes of communication are by far the most prominent in the process of transferring wine brand recommendations. The effectiveness of the 'informal' sources in reaching their network of significant others is highly evident and again underlines the cost-benefit of using this 'informal' source (especially WOM) to the maximum extent possible. Social media still have to evolve in terms of fulfilling this, given the investment already made in them by wineries.

## Recommendation of Wines After Visit (Cont)

**Table 14** shows that Facebook was by far the most used social medium in recommending the wine to others (80%). Twitter was used in only 9% of the cases, while all the other social media collectively accounted for only 11%.

For wineries, the role of social media in communicating with their consumers and the general public is probably wider ranging than this research study found (also see **Table 13**). Before large investments are made by wineries in their social media capability, this issue should be further investigated.

**Table 14: Social Media Sources Used to Recommend Wine to Others**

Social Media Source	% Share
Facebook	79.8
Twitter	9.4
Instagram	3.4
Google+	2.0
Blog	2.0
Pinterest	1.3
LinkedIn	0.7
Flickr	0.7
Tumblr	0.7
FourSquare	-
MySpace	-

**Key Insight:** The availability of social media has enhanced the ability of wineries to communicate directly with customers and potential customers. Within a winery's communication strategy, social media can and should work in tandem with the conventional media such as face-to-face WOM. Although social media still have to evolve in order to fulfil this role, the opportunity should be embraced by winery operators.

## Buying Behaviour During and After Visit

**Table 15** shows that there is a fair degree of consistency, at least at a cursory level, between the buying behaviour metrics of all other cellar door visitors and the 3- and 6-month post-visit consumer cohorts that maintained a relationship with the brand.

Where 63% of all other visitors bought wine at the cellar door during the visit, the buying incidence among the Wave 1 and Wave 2 consumer cohorts were 69% and 70% respectively. Statistical testing also confirmed that the type of visitor who maintained a relationship with the brand post-visit did differ significantly in terms of the number of bottles bought, amount spent, and buying incidence (all of which were higher). This implies that the person who the winery can build an enduring relationship with, can be identified at cellar door.

**Table 15: Incidence of Buying and the Amount Spent on Wine at the Winery's Cellar Door by All Other Visitors Versus the Three- and Six-Month Time Interval Cohorts Respectively**

Buying Metrics	All Other Visitors	Wave 1 (3-Month Interval)	Wave 2 (6-Month Interval)
Bought bottled wine to take away	63.0%	69.0%	69.8%
Number of bottles bought <sup>#</sup>	2.76 bottles	3.16 bottles	3.22 bottles
Amount spent on wine <sup>#</sup>	\$68.57	\$73.43	\$77.11
Average amount spent per bottle bought <sup>#</sup>	\$24.84	\$23.24	\$23.95

<sup>#</sup> Average expenditure of only the visitors who actually bought wine at cellar door

**Key Insight:** The profile of visitors to a cellar door differs between the profile(s) of those that maintain a relationship post-visit with the brand and those who don't, specifically one that is based on buying the winery's wines in the retail off- and/or on-trade sectors within a defined period of time. This implies that a person with whom the winery can build an enduring relationship can be identified at the cellar door during a visit.

## Buying Behaviour of Wines After Visit

Table 16 shows that the percentage of visitors who bought any of the winery's wine after the visit in retail (off- and/or on-trade) reached 54% during the 6-month period after the cellar door visit. This is an encouraging sign that their relationship with the brand has been fairly well cemented.

It is insightful that the average of 9.1 bottles bought (buyers only) during the 6-month period post-visit in total is more than twice as high as the overall average of 4.4 bottles bought by all wine buyers during their visit 6 months earlier at the cellar door.

As for why they did not buy the winery's wines after the cellar door visit, having an adequate wine supply at home was the key reason (25%). This was followed by their preference for other brands and/or styles (20%). The non-availability of the wines for purchase at their normal purchase location (15%) was the 3<sup>rd</sup> most important reason overall, underlining the direct-to-consumer) DTC marketing opportunity that clearly exists. This was compounded by lack of awareness about the wines (14%) which is a concern since raising awareness is one of cellar door's main roles. Some sensitivity to high prices (9%) also exists.

**Table 16: Incidence of Buying Any of the Winery's Wines During the Six-Month Period AFTER the Visit to the Winery's Cellar Door and Reasons for Not Buying Them**

Incidence of Buying the Wine AFTER the Cellar Door Visit		Metric
Yes - visitor did buy wine from the winery's ranges		53.7%
No - visitor did not buy wine from the winery's ranges		46.3%
Number of bottles bought (buyers and non-buyers)		4.89 bottles
Number of bottles bought (buyers only*)		9.11 bottles
Reason for Not Buying the Wine AFTER the Cellar Door Visit	% Incidence	% Share
Wine stocks at home sufficient and did not need any more wine	58.4	24.7
Prefer other wine brands and/or wine styles	47.1	20.0
Wines not available for purchase at my wine store/retail outlet	35.8	15.2
Not aware of the individual wines of the winery	34.1	14.4
High price of the winery's wines	21.7	9.2
Disliked the taste and/or style of the winery's wines	21.0	8.9
Low price of the winery's wines	2.9	1.2
Medical reasons(s), i.e. allergic, pregnant, etc.	2.2	0.9
Disliked the packaging of the winery's wines	1.6	0.7
Prefer to buy the wines at cellar door and have not been back	1.4	0.6
Financial reasons/budget constraints	1.1	0.5
Other reason(s) or for no reason at all	8.8	3.7

\* Average no. of bottles and expenditure of only the visitors who actually bought wine

**Key Insight:** There are a multitude of reasons (controllable and uncontrollable) why a visitor may or may not buy a specific wine during a defined period AFTER a visit to the wine brand's cellar door. The key criteria in evaluating the incidence and magnitude of post-visit buying of the brand are nevertheless whether new customers were converted, previous (old) customers were retained and what the degree of penetration has been.

## Buying Behaviour of Wines After Visit (Cont.)

There is a fair degree of consistency in the purchasing habits of the consumers when measured over time, in this case 6 months after their cellar door visit (**Table 17**) and their buying behaviour before visiting the cellar door (see GWRDC 2013 cellar door report). The most notable exceptions are the increases in the incidence of buying the wines at cellar door during a revisit, at specialist wine shops and in the HoReCa (hotels, restaurants and catering) sector and the decrease in buying it from large national supermarket retail chains.

The main channel of purchase was large national liquor chain stores, which together with supermarkets and grocery stores, represented 40%. There is evidence that some consumers use the cellar door as their retail purchase outlet in that they revisit to buy the wine they really want (23%). The other part of the DTC channel, namely mailorder/wine clubs/online (7%) was quite low in relative terms.

**Table 17: Outlet Types Where the Wine Was Bought From During the Six-Month Post Cellar Door Visit Period**

Wine Outlet Category	*Incidence %	Share %
Large national liquor chain store	48.0	32.5
Winery's cellar door during a revisit	34.4	23.4
Independently-owned specialist wine shop	23.2	15.8
Restaurant, bar or pub (HoReCa sector)	19.2	13.0
Mailorder, wine club or direct online medium(s)	10.7	7.3
Supermarket or grocery store	10.6	7.2
Wine festival or wine tasting event	0.5	0.3
Other or cannot remember	0.7	0.5

\* Wine bought from multiple outlets (total incidence >100%)

**Key Insight:** The outlet types from which a consumer buys a wine brand will vary in accordance with the convenience/location factor, consumption occasion, shopping habit, quantity of wine sought, and the specific needs of the person at the time of purchase. Most consumers are strongly habitual in where they buy.

## Buying Behaviour of Wines After Visit (Cont.)

From **Table 18** it is clear that, over time, the likelihood of buying the wine brand (purchase or repurchase) in the future stayed consistently around the 'fairly good chance' (in the 40% territory). There is also little decline of the future buying likelihood between Wave 1 and Wave 2, which is probably a good sign in terms of future purchase prospects of the wine. To find a really substantive reason for this will, however, involve some speculation.

**Table 18: Likelihood of Buying Any of the Winery's Wines in the Next Three Months Following Each Follow-up Survey**

Likelihood of Buying Any of the Wines	Wave 1	Wave 2
Almost no chance (1%)	4.0%	2.2%
10% chance	7.9%	7.5%
20% chance	10.5%	10.9%
30% chance	16.9%	16.5%
40% chance	14.1%	16.6%
Fairly good chance (50%)	14.4%	16.6%
60% chance	12.5%	12.5%
70% chance	8.7%	7.9%
80% chance	5.4%	5.1%
90% chance	3.3%	2.1%
Practically certain (99%)	2.3%	2.6%
<b>Buying likelihood (mean)</b>	<b>40.8%</b>	<b>39.7%</b>

**Key Insight:** The medium- to long-term success of a brand will be determined by its future sales. In 'normal' circumstances the indication of the likelihood of future purchase is at best a fairly holistic metric. In this case however, where it is guaranteed (through the research project's various stages) that consumers are aware of the brand and have purchased it post-visit, this indicator is more reliable.

## Baseline Metrics Framework of Wine Brands

The main purpose of this project is to track the effect of the cellar door experience on future sales of the wine brand. In order to achieve this, baseline metrics relating to the past, present and future situations had to be established (**Table 19**).

It is useful to note that on a comparative basis, the nearly 70% conversion rate obtained at the cellar door is higher than the brand's penetration levels. Further, the penetration rate increased over time, peaking at 6 months. This could be a function of stock levels at home, plus various other factors.

The metric at the end of the chain of interactions with the brand, namely the penetration level 6 months post-visit is 54%, providing core evidence that a multiplier effect from cellar door to retail sales indeed exists - see **Table 30 and Figures 1-3** for specific detail.

**Table 19: The Wine Brands - Previous Awareness/Actual Experience and Baseline Buying Penetration Metrics Framework**

Awareness/Actual Experience/Purchase of the Brand	%
HEARD of the BRAND prior to the visit - <b>Awareness</b>	<b>78.5%</b>
	
BOUGHT any wine of the Brand within 12 months of visit - <b>Experience</b>	<b>61.0%</b>
	
BOUGHT any wine of the Brand at the <u>Cellar Door</u> - <b>Conversion</b>	<b>69.5%</b>
	
BOUGHT any wine of the Brand in <u>Retail</u> - <b>Penetration @ 3 months</b>	<b>48.7%</b>
	
BOUGHT any wine of the Brand in <u>Retail</u> - <b>Penetration @ 6 months</b>	<b>53.7%</b>

**Key Insight:** Baseline indicators of awareness, actual experience and recency of the experience with the wine brand form the basis for determining the multiplier effect that the cellar door visit has on future wine sales to the visitors.

## Influencing Factors - Opinion Leadership

Evidence has already been provided (see **Table 11**) that the cellar door visitors widely communicate their opinions about their experience and the wines, etc. to significant people in their lives. Just how influential their opinions are is the topic of further research into this phenomenon. Nevertheless and as a starting point, their self-assessed level of opinion leadership was measured using an existing and widely accepted scale (Flynn *et al.*, 1996). **Table 20** shows the results.

People were asked 11 questions to which they had to respond in terms of their level of agreement or disagreement on a 7-point Likert scale. The overall score of 50.4 out of a possible maximum of 77.0 indicates that people regard themselves as average to high in terms of their level of opinion leadership when it comes to wine. It would be possible to segment them into low and high, or low, moderate and high opinion leadership segments, but the fact remains that cellar door visitors offer an opportunity to directly reach opinion leaders in the wine product category.

**Table 20: Opinion Leadership Level of the Cellar Door Visitors Regarding Wine: Post-Visit Cohorts**

Opinion Leadership Measurement Item	Mean	SD	VAR	Alpha*
Other people rarely ask me about wines before choosing one themselves	4.37	1.513	2.288	.893
My opinion on wine seems not to count with other people	4.89	1.433	2.054	.895
My opinions influence what types of wine other people buy	4.48	1.329	1.767	.891
Other people think I am a poor source of information on wine	5.37	1.336	1.785	.893
When they choose a wine, other people do not turn to me for advice	4.55	1.497	2.242	.890
Other people [rarely] come to me for advice about choosing wines	4.37	1.542	2.377	.886
People that I know pick wines based on what I have told them	4.54	1.346	1.813	.889
People rarely repeat things I told them about wine to other people	4.27	1.169	1.366	.896
What I say about wine rarely changes other people's minds	4.52	1.270	1.613	.891
I often persuade other people to buy the wine that I like	4.66	1.319	1.741	.896
I often influence people's opinions about wine	4.46	1.294	1.674	.885
<b>Total mean summated score</b>	<b>50.41</b>			

7-Point Likert scale used: 1= strongly disagree.....7 = strongly agree

\* Cronbach alpha value if item is deleted. Cronbach alpha coefficient overall = .901

(Scale adapted from Flynn *et al.*, 1996)

**Key Insight:** The cellar door presents an excellent opportunity for a winery to interact direct with people who are the opinion leaders regarding wine as a product and wine tourism. Their influence goes beyond the confines of normal advertising and promotion activities. Opinion leaders should be identified and harnessed by the wine industry as much and as often as possible.

## Special Interest Groups (Market Segment) Focus

### ➤ Gender

**Table 21** indicates that the visit to the cellar door's influence on changing visitors' consumption behaviour differed little between men and women. Women reported a higher incidence of change in their overall wine consumption (22%), but the change in consumption of the region's wines of origin was at a similar level ( $\pm 41\%$ ) for the genders. Although the reasons were not probed, this result shows that the consumption behaviour of both genders can be influenced by cellar door visits.

The results also show that the rate at which wine bought at the cellar door is consumed, correlates with how much was bought in the first place. All the wine bought had been consumed 6 months post-visit in the case of 49% of males and 45% of females. The genders are also somewhat similar in terms of their position in the household role structure, though markedly more men held the role of main buyer of wine.

The all-important incidence of recommending the wine to someone else shows barely any difference between the genders, although more men did so to family members and friends.

**Table 21: Post-Visit Behavioural Characteristics of Wine Consumers by Gender**

<b>Changes in Wine Consumption</b>	<b>Male</b>	<b>Female</b>
Overall wine consumption changed	19.3%	21.6%
Wine region of origin consumption changed	41.7%	41.4%
<b>Consumed Wines Bought at Cellar door</b>	<b>Male</b>	<b>Female</b>
All the wine has been consumed	44.5%	48.9%
Some of the wine has been consumed	46.2%	42.5%
None of the wine has been consumed	9.3%	8.6%
<b>Recommended a Wine to Someone</b>	<b>Male</b>	<b>Female</b>
Yes - have recommended a wine to someone	81.5%	83.6%
Friends	62.9%	59.9%
Family	58.4%	57.9%
Work colleagues	31.2%	31.1%
Other person(s)	6.5%	6.1%
<b>Household Role Structure in Relation to Wine</b>	<b>Male</b>	<b>Female</b>
Main buyer	88.6%	74.8%
Main consumer	74.5%	70.4%

**Key Insight:** The consumption behaviour of both genders can be influenced by cellar door visits. The winery cellar door is a powerful change agent of people's consumption behaviour, both in the overall sense and more specifically of regionally-branded wines of origin. This has profound implications for wineries and should be leveraged to the fullest extent possible to maximise profits. Cellar door visitors are also ambassadors, since they carry the brand message to many others.

## Special Interest Groups (Market Segment) Focus

### ➤ Gender (Cont.)

**Table 22** confirms that slightly more men (55%) bought the wines of the winery during the 6-month period post-visit. Men were the main buyers post-visit in terms of volume at 5.6 bottles versus the 4.4 bottles by women. On the other hand, women indicated a slightly higher likelihood of buying the wines in the near future.

There was little difference between the retail channel patronage of the genders in term of where they obtained the wines from post-visit. A standout aspect is the fact that so many (23%) returned to the cellar door to buy the wine during a revisit. The only differences of note were that women bought more from the HoReCa sector and men more through mailorder/wine club/online modes.

**Table 22: Buying Patterns, Retail Channels Used and Future Likelihood of Buying the Wines of the Winery by Gender**

<b>Buying Pattern Incidence of the Wines<sup>#</sup></b>	<b>Males</b>	<b>Females</b>
Bought at any time prior to visit	62.4%	59.8%
Bought 3 months prior to visit	33.4%	36.1%
Bought during visit at the cellar door	69.3%	69.6%
Bought during 3-month period after visit	51.7%	46.3%
Bought during 6-month period after visit	54.8%	52.8%
Number of bottles bought (6-month period after visit)	5.55	4.36
<b>Retail Channels Where Wines Were Bought</b>		
	<b>Males</b>	<b>Females</b>
Large national liquor chain store	33.4%	31.9%
Winery's cellar door during a revisit	23.3%	23.4%
Independently-owned specialist wine shop	16.8%	15.0%
Restaurant, bar or pub (HoReCa sector)	11.8%	14.0%
Mailorder, wine club or direct online medium(s)	7.8%	6.8%
Supermarket or grocery store	6.4%	7.8%
Wine festival or wine tasting event	0.2%	0.5%
Other or cannot remember	0.3%	0.6%
<b>Future Buying Likelihood of the Wines</b>		
	<b>Males</b>	<b>Females</b>
Buying likelihood in the next 3 months	39.4%	40.0%

<sup>#</sup> Analysis performed only on visitors buying a wine - not buying any wine excluded

**Key Insight:** The relationship between buying the wine brand pre-visit to the winery's cellar door, during the visit at the cellar door and during a defined time period post-visit, is the most powerful indicator of the multiplier effect of the cellar door on future retail sales and of the strength of the brand. Men are the majority buyers and buy the highest volume of the wine brand among cellar door visitors post-visit.

## Special Interest Groups (Market Segment) Focus

### ➤ Age Generations

**Table 23** indicates that the cellar door visit's influence on changing visitors' consumption behaviour differs considerably between Millennials and Older age groups. Millennials reported a significantly higher incidence of change in their overall wine consumption (27%) and a higher change in consumption of the region's wines of origin (44%). Although the reasons were not probed, this result proves that the consumption behaviour of both age generation groups, old and young, can be influenced by cellar door visits.

All the wine bought had been consumed 6 months post-visit in the case of 47% of the Older age groups, similar to Millennials at 48%. Their respective positions also barely differed in terms of their household's role structure - slightly more Millennials identified as the main consumers.

The incidence of recommending the wine to someone else shows that only slightly more Older visitors recommended the wine to someone else.

**Table 23: Post-Visit Behavioural Characteristics of Wine Consumers by Age Generation**

Changes in Wine Consumption	Millennial	Older
Overall consumption changed	26.7%	17.5%
Wine region of origin consumption changed	44.3%	40.1%
Consumed Wines Bought at Cellar door	Millennial	Older
All the wine has been consumed	48.0%	46.5%
Some of the wine has been consumed	39.8%	46.3%
None of the wine has been consumed	12.2%	7.2%
Recommended a Winery's Wine to Someone	Millennial	Older
Yes - have recommended a wine to someone	81.1%	83.5%
Friends	60.9%	56.6%
Family	43.6%	36.2%
Work colleagues	34.7%	29.2%
Other person(s)	5.9%	6.5%
Household Role Structure in Relation to Wine	Millennial	Older
Main buyer	80.9%	80.8%
Main consumer	73.5%	71.5%

**Key Insight:** The consumption behaviour of age generation groups, old and young, can be influenced by cellar door visits. The cellar door is a powerful change agent of people's consumption behaviour, both younger and older. This has profound implications for wineries and should be leveraged to the fullest extent possible to maximise profits, but more so in the case of younger consumers since age wise they can potentially have a longer period of involvement with the wine brand.

## Special Interest Groups (Market Segment) Focus

### ➤ Age Generations (Cont.)

**Table 24** confirms that more Gen-X and Older consumers bought the wines during the 6-month period post-visit, they bought noticeably more in bottle terms, and they also exhibit a higher likelihood of buying them in the near future. This confirms the heavier user status of Older age group consumers and their stronger attachment to the brand.

Millennial consumers exhibit a higher patronage in terms of purchasing from the HoReCa sector, supermarkets and winery cellar doors during revisiting. The latter is a positive indicator, since Millennials are the heavy wine users of the future. The Older consumers had a higher incidence of purchasing from large national liquor chains and through mailorder/wine club/online modes.

**Table 24: Buying Patterns, Retail Channels Used and Future Likelihood of Buying the Wines of the Winery by Age Generation**

<b>Buying Pattern Incidence of the Wines<sup>#</sup></b>	<b>Millennial</b>	<b>Older</b>
Bought at any time prior to visit	49.8%	66.9%
Bought 3 months prior to visit	29.8%	37.6%
Bought during visit at the cellar door	65.9%	71.3%
Bought during 3-month period after visit	47.4%	49.4%
Bought during 6-month period after visit	51.8%	54.7
Number of bottles bought (6-month period after visit)	3.00	5.89
<b>Retail Channels Where Wines Were Bought</b>		
	<b>Millennial</b>	<b>Older</b>
Large national liquor chain store	30.7%	33.6%
Winery's cellar door during a revisit	24.6%	22.7%
Independently-owned specialist wine shop	15.5%	15.9%
Restaurant, bar or pub (HoReCa sector)	14.5%	12.3%
Supermarket or grocery store	8.6%	6.4%
Mailorder, wine club or direct online medium(s)	5.1%	8.4%
Wine festival or wine tasting event	0.4%	0.3%
Other or cannot remember	0.6%	0.4%
<b>Future Buying Likelihood of the Wines</b>		
	<b>Millennial</b>	<b>Older</b>
Buying likelihood in the next 3 months	36.4%	41.4%

<sup>#</sup> Analysis performed only on visitors buying a wine - not buying any wine excluded

**Key Insight:** The relationship between buying the wine brand pre-cellar door visit, during the visit at the cellar door and during a defined time period post-visit is the most powerful indicator of the multiplier effect of the cellar door on future retail sales and of the strength of the brand. Visitors who are 40 years and older are the majority buyers and buy the highest volume of the wine brand among cellar door visitors post-visit.

## Special Interest Groups (Market Segment) Focus

### ➤ First-time versus Repeat Visitors

**Table 25** indicates that cellar door visit's influence on visitors' consumption behaviour differed sharply between first-time and repeat visitors. First-time visitors reported a significantly higher incidence of change in their overall wine consumption (23%) and in the consumption of the region's wines of origin (49%). While the reasons were not probed, this result suggests that the consumption behaviour of both of the visitor groups, first-time and repeat, but first-timers in particular, can be influenced by cellar door visits.

The results also show that the rate at which wine bought at the cellar door is depleted, did not correlate with how much was bought in the first place. All the wine bought had been consumed 6 months post-visit in the case of 92% of the repeat visitors, and the corresponding figure for first-time visitors is 90%. This is not surprising, since first-time visitors bought less in the first place. Their respective positions were very similar in terms of their household's role structure.

The all-important incidence of recommending the wine to someone else shows that repeat visitors were significantly more active in recommending the wine to someone else.

**Table 25: Post-Visit Behavioural Characteristics of Consumers - First-time vs. Repeat Visitors**

<b>Changes in Wine Consumption</b>	<b>First-time</b>	<b>Repeat</b>
Overall consumption changed	23.0%	17.2%
Wine region of origin consumption changed	48.9%	31.0%
<b>Consumed Wines Bought at Cellar door</b>	<b>First-time</b>	<b>Repeat</b>
All the wine has been consumed	49.6%	43.6%
Some of the wine has been consumed	40.4%	48.9%
None of the wine has been consumed	10.0%	7.5%
<b>Recommended a Wine to Someone</b>	<b>First-time</b>	<b>Repeat</b>
Yes - have recommended a wine to someone	79.2%	87.4%
Friends	57.5%	58.9%
Family	40.1%	37.0%
Work colleagues	29.0%	34.1%
Other person(s)	4.8%	8.4%
<b>Household Role Structure in Relation to Wine</b>	<b>First-time</b>	<b>Repeat</b>
Main buyer	77.9%	78.0%
Main consumer	68.5%	68.7%

**Key Insight:** The consumption behaviour of visitor type groups, first-time and repeat, can be influenced by cellar door visits, but first-time more than repeat visitors. The cellar door is a powerful change agent of people's consumption behaviour. This has profound implications for wineries and should be leveraged to the fullest extent possible to maximise profits. Cellar door visitors are also ambassadors since they carry the brand message to many others.

## Special Interest Groups (Market Segment) Focus

### ➤ First-time vs. Repeat Visitors (Cont.)

**Table 26** confirms that more repeat visitors (60%) bought the winery's wines during the 6-month period post-visit and exhibit a higher likelihood of buying them in the near future.

Although 67% of first-time visitors bought the wines during the cellar door visit as opposed to 73% of repeat visitors, the 'drawback' first-timers had in the sense that they were far more unfamiliar with the brand (more than 50% less prior buying experience) could be largely responsible for the differences in their post-visit buying behaviour.

Both first-time and repeat visitors purchased the wines mainly in large national liquor chain stores, but first-timers to a much larger extent. They also bought more than repeat visitors from specialist wine shops. Repeat visitors heavily used cellar doors during revisits (32%) and were also higher in their use of the mailorder/wine club/online DTC modes.

**Table 26: Buying Patterns, Retail Channels Used and Future Likelihood of Buying the Wines of the Winery by First-time versus Repeat Visitor**

<b>Buying Pattern Incidence of the Wines<sup>#</sup></b>	<b>First-time</b>	<b>Repeat</b>
Bought at any time prior to visit	41.7%	87.5%
Bought 3 months prior to visit	23.3%	50.9%
Bought during visit at the cellar door	67.1%	72.7%
Bought during 3-month period after visit	45.0%	53.9%
Bought during 6-month period after visit	49.1%	59.9%
Number of bottles bought (6-month period after visit)	3.45	6.86
<b>Retail Channels Where Wines Were Bought</b>		
	<b>First-time</b>	<b>Repeat</b>
Large national liquor chain store	39.2%	25.3%
Independently-owned specialist wine shop	17.6%	13.8%
Winery's cellar door during a revisit	15.4%	32.1%
Restaurant, bar or pub (HoReCa sector)	12.4%	13.8%
Mailorder, wine club or direct online medium(s)	6.0%	8.6%
Supermarket or grocery store	8.9%	5.3%
Wine festival or wine tasting event	-	0.7%
Other or cannot remember	0.5%	0.4%
<b>Future Buying Likelihood of the Wines</b>		
	<b>First-time</b>	<b>Repeat</b>
Buying likelihood in the next 3 months	36.8%	43.3%

<sup>#</sup> Analysis performed only on visitors buying a wine - not buying any wine excluded

**Key Insight:** The relationship between buying the wine brand pre-visit to the winery's cellar door, during the visit at the cellar door and during a defined time period post-visit, is the most powerful indicator of the multiplier effect of the cellar door on future retail sales and of the strength of the brand. Repeat cellar door visitors are the majority buyers and buy the highest volume of the wine brand among cellar door visitors post-visit.

## Special Interest Groups (Market Segment) Focus

### ➤ Wine Club Members versus Non-Members

Evidence was provided by the 2013 cellar door survey that wine club members are the premier buyers of wine at the cellar door. It thus seemed reasonable to expect that this would also translate to post-visit buying behaviour. **Table 27** indicates that the visit to the cellar door's influence on changing visitors' wine consumption behaviour had more impact on non-club members. Non-club members reported a higher incidence of change in their overall wine consumption (42%) and in the consumption of the region's wines of origin (21%). While the reasons were not probed, this suggests that the consumption behaviour of both wine club members and others can be influenced by cellar door visits.

The results also show that the rate at which wine bought at the cellar door is consumed correlates with how much was bought in the first place. All the wine bought had been consumed 6 months post-visit in the case of 50% of the non-club members, whereas the corresponding figure for wine club members is only 30%. This is not surprising since club members bought far more in the first place. Their respective positions were, however, quite similar in terms of household role structure.

The all-important incidence of recommending the wine to someone else shows that club members did so significantly more than the other visitors.

**Table 27: Post-Visit Behavioural Characteristics of Consumers - Wine Club vs. Non-Members**

<b>Changes in Wine Consumption</b>	<b>Non-Members</b>	<b>Club Members</b>
Overall consumption changed	21.0%	17.7%
Wine region of origin consumption changed	42.3%	35.4%
<b>Consumed Wines Bought at Cellar door</b>	<b>Non-Members</b>	<b>Club Members</b>
All the wine has been consumed	49.7%	30.1%
Some of the wine has been consumed	41.1%	63.0%
None of the wine has been consumed	9.2%	6.9%
<b>Recommended a Wine to Someone</b>	<b>Non-Members</b>	<b>Club Members</b>
Yes - have recommended a wine to someone	81.3%	92.5%
Friends	42.5%	37.7%
Family	38.0%	44.3%
Work colleagues	30.3%	37.3%
Other person(s)	6.3%	6.1%
<b>Household Role Structure in Relation to Wine</b>	<b>Non-Members</b>	<b>Club Members</b>
Main buyer	77.8%	79.4%
Main consumer	68.5%	68.9%

**Key Insight:** Consumption behaviour of visitors can be influenced by cellar door visits, particularly those who are not (yet) members of the winery's wine club. The cellar door is a powerful change agent of people's wine consumption behaviour. This has profound implications for wineries and should be leveraged to the fullest extent to maximise profits. Cellar door visitors are also ambassadors in that they carry the brand message to many others.

## Special Interest Groups (Market Segment) Focus

### ➤ Wine Club Members vs. Non-Members (Cont.)

**Table 28** confirms that more visitors who are wine club members (67%) bought the winery's wines during the 6-month period post-visit and that they also exhibit a higher likelihood (50%) of buying them in the near future. More importantly, they bought nearly 2.5 times the bottle volume than non-members.

The 'advantage' club members had in the sense that they were far more familiar with the brand (nearly 50% more prior buying experience) could be largely responsible for the differences in the post-visit buying behaviour between the groups.

Wine club members purchased more of the wines from cellar doors during a revisit (29%) than from anywhere else. They were also much higher in their use of the mailorder/wine club/online DTC modes (16%). Non-members buy mainly from large national liquor chain stores (35%), specialist shops (16%) and the HoReCa sector (14%). This suggests that wine club members are a winery's premier customers.

**Table 28: Buying Patterns, Retail Channels Used and Future Likelihood of Buying the Wines of the Winery by Wine Club versus Non-Club Member Visitor**

Buying Pattern Incidence of the Wines <sup>#</sup>	Non-Members	Club Members
Bought at any time prior to visit	57.6%	86.0%
Bought 3 months prior to visit	31.6%	59.2%
Bought during visit at the cellar door	67.4%	84.2%
Bought during 3-month period after visit	47.3%	59.1%
Bought during 6-month period after visit	51.9%	66.7%
Number of bottles bought (6-month period after visit)	4.16	10.24
Retail Channels Where Wines Were Bought	Non-Members	Club Members
Large national liquor chain store	34.5%	22.0%
Winery's cellar door during a revisit	22.2%	29.4%
Independently-owned specialist wine shop	16.3%	12.9%
Restaurant, bar or pub (HoReCa sector)	13.5%	10.8%
Supermarket or grocery store	7.2%	7.3%
Mailorder, wine club or direct online medium(s)	5.6%	16.4%
Wine festival or wine tasting event	0.3%	0.4%
Other or cannot remember	0.4%	0.8%
Future Buying Likelihood of the Wines	Non-Members	Club Members
Buying likelihood in the next 3 months	38.1%	50.3%

<sup>#</sup> Analysis performed only on visitors buying a wine - not buying any wine excluded

**Key Insight:** The relationship between buying the wine brand pre-visit to the winery's cellar door, during the visit and during a defined time period post-visit is the most powerful indicator of the multiplier effect of the cellar door on future retail sales and of the strength of the brand. Wine club member cellar door visitors are far and away the majority buyers and buy the highest volume of the wine brand among cellar door visitors post-visit.

## Special Interest Groups (Market Segment) Focus

### Wine Buyer Profile: All Regions

Table 29 shows that the post-visit buyer of the winery’s wines is female (55%) and 40+ years old (57%). The post-visit buyer also exhibits a higher likelihood of buying the wine in future than non-buyers. In terms of their normal consumption, they are mainly red (47%) and white wine drinkers (35%).

Most of their buying is from large national liquor chains (32%), but also from the cellar door during revisits (24%). The DTC channels collectively account for 31% of the purchases, again underlining the importance of this channel.

Other important metrics are their high extent of recommendation (93%), the fact that they are the main buyer and consumer of wine in their households and that both their overall consumption and consumption of the wine region’s wines of origin have increased post-visit.

**Table 29: Profile of Post-Visit Wine Buyer: Core Demographics, Consumption, Purchase and Visitation Metrics**

Factor		Factor	
Male	45.2%		
Female	54.8%	Overall wine consumption changed	25.4%
18-39 years old	42.9%	Consumption of region’s wine changed	48.1%
40 years and older	57.1%		
		Red	47.3%
Bottle consumption per month (buyer only)	5.59	White	35.3%
Main wine consumer of the household	80.9%	Sparkling	10.5%
Main wine buyer of the household	70.2%	Rosé	3.5%
		Sparkling	3.4%
Number of cellar door visits	2.20	Large national liquor chain store	31.6%
Wine club member of the winery visited	14.9%	Winery’s cellar door during a revisit	23.7%
		Independently-owned specialist wine shop	16.0%
Recommended the wine(s) to someone else	92.8%	Restaurant, bar or pub (HoReCa sector)	13.2%
Consumed all/most of wine bought at winery	94.8%	Mailorder, wine club or direct online	7.4%
		Supermarket or grocery store	7.3%
Bottles bought (in 6-month period after visit)	9.11	Wine festival or wine tasting event	0.3%
		Other or cannot remember	0.5%
Buying likelihood in the next 3 months	47.1%		

# Analysis performed only on visitors buying a wine - not buying any wine excluded

**Key Insight:** The profile of the post-visit wine buyer is the clearest indication of the impact that a winery’s cellar door has had on people post-visit. This profile consists of core demographics (gender, age and location), consumption metrics (bottles per month, retail channels sourced from), visitation metrics (number of previous visits) and likelihood of buying within a defined time period post-visit.

## Multiplier Effect Metrics - Winery's Wine Brand

Table 30 shows that regardless of the metric used, the cellar door visit has had a definite multiplier effect on visitors in terms of post-visit buying of the brand.

It follows that 54% of respondents bought the wine collectively during the 6-month post-visit period, on average a total of 4.9 bottles. This is a great result and underlines how vitally important the cellar door is in the brand building process.

The multiplier effect has two distinct dimensions - those consumers who bought the wine (sometime in the past, including during the 6-month post-visit period) and/or those who did not buy it (in the past, during the visit and post-visit). It is the latter group that has been converted to the brand and provides the clearest indicator of net gain.

Table 30: Buying Patterns Overall\* of the Wineries' Wine Brands Before, During and Post-Visit to the Cellar Door: All Australian Wine Regions

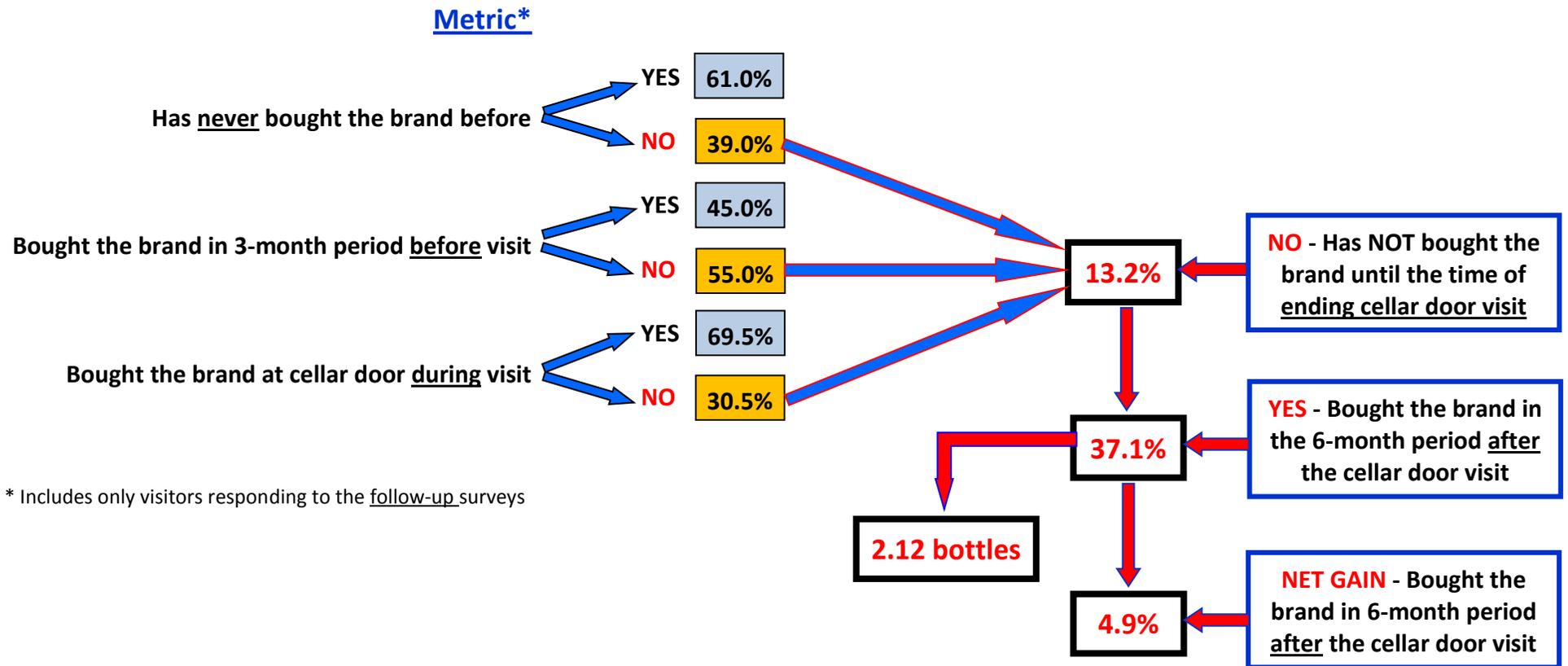
Buying Pattern Incidence of the Wines <sup>#</sup>	6-Months Post-Visit Buying Behaviour	
	Bought	Not Bought
Bought in the past on any occasion ever	70.2%	50.3%
Bought 3 months prior to visit	47.3%	20.5%
Bought during visit at the cellar door	71.7%	66.9%
Bought during 6-month period after visit	53.7%	
Bought during 6-month period after visit	4.89 bottles	

<sup>#</sup> Analysis performed only on cellar door visitors who participated in the follow-up surveys

**Key Insight:** The relationship between buying the wine brand pre-visit to the winery's cellar door, during the visit at the cellar door and during a defined time period post-visit is the most powerful indicator of the multiplier effect of the cellar door on future retail sales and of the strength of the brand. This effect is most pronounced among visitors who have never bought the wine brand prior to the cellar door visit.

**Multiplier Effect Metrics: Never Before Bought Wineries' Wine Brands - All Wine Regions**

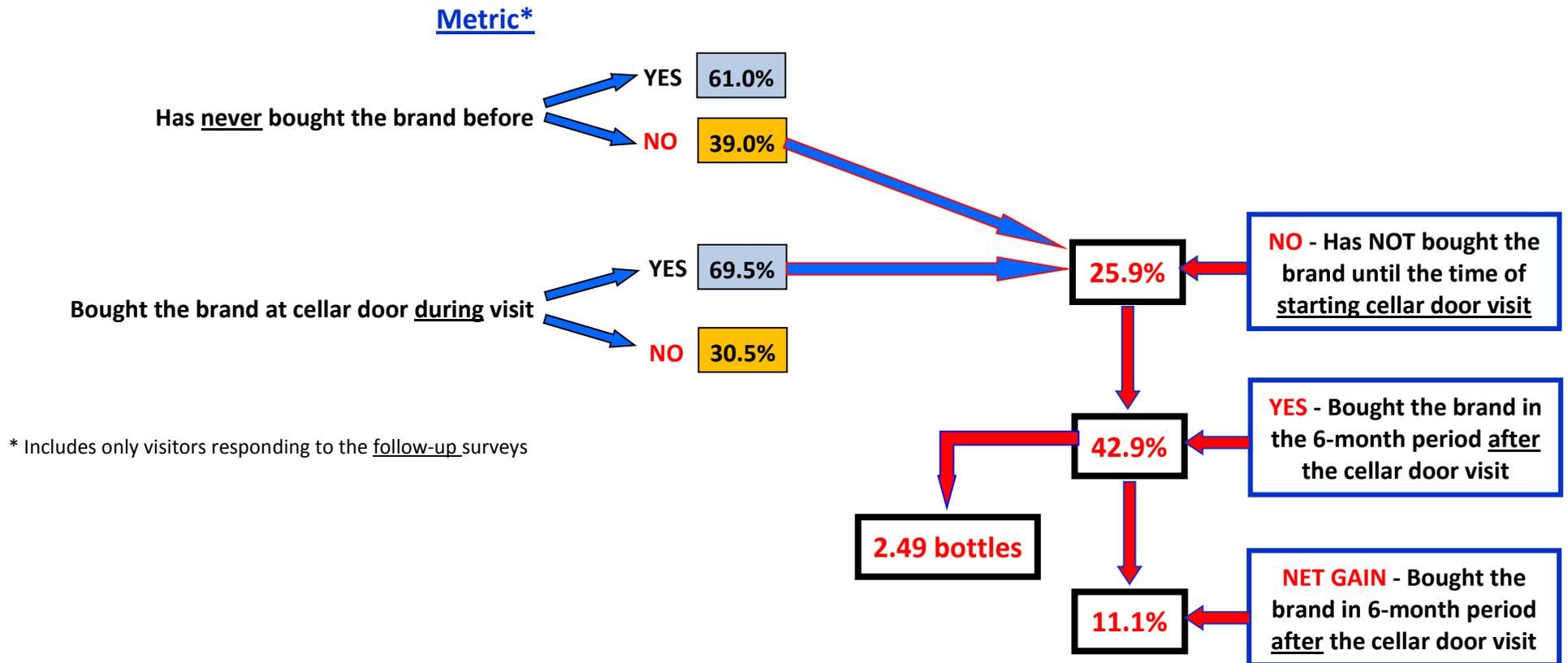
Figure 1



\* Includes only visitors responding to the follow-up surveys

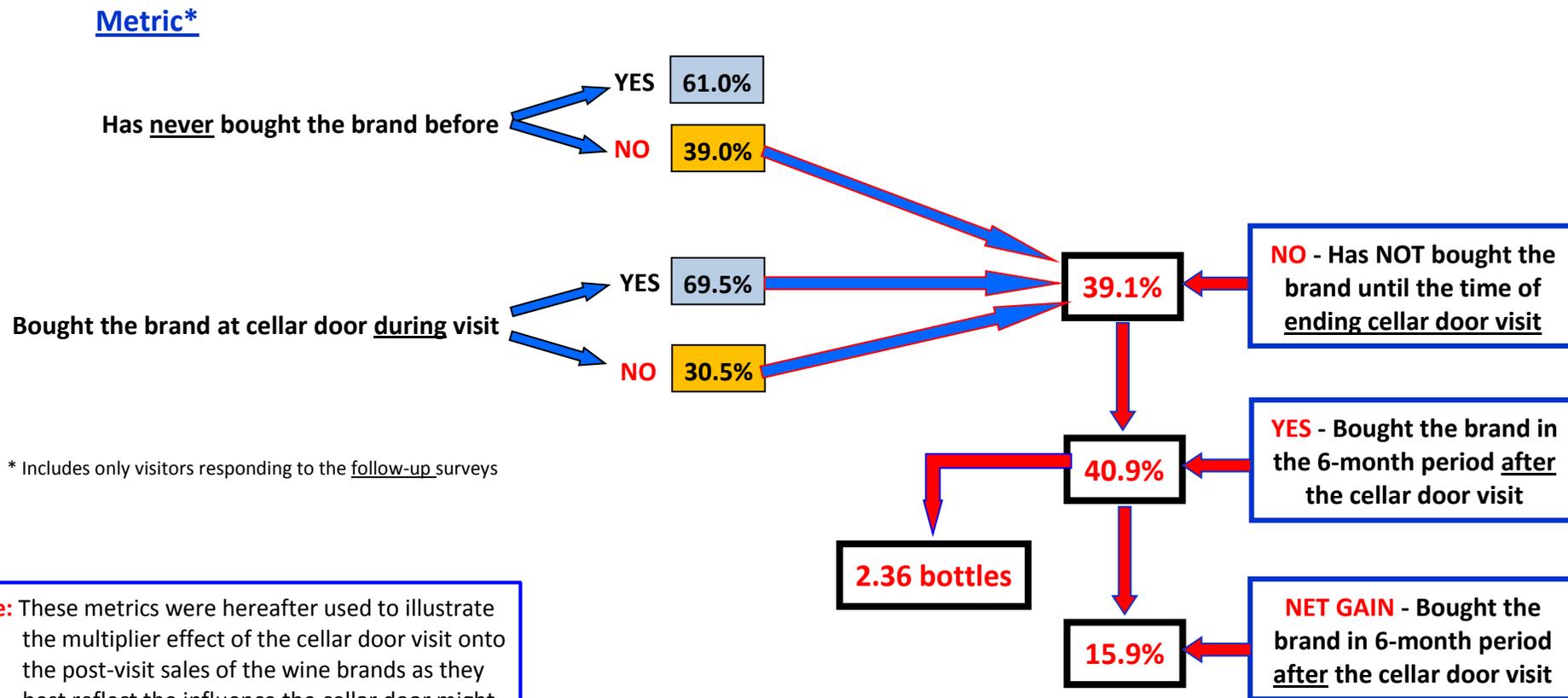
**Multiplier Effect Metrics: First-Time Bought Wineries' Wines During the Cellar Door Visit - All Wine Regions**

Figure 2



**Multiplier Effect Metrics: Never Before Bought Wineries' Wines Until Cellar Door Visit - All Wine Regions**

Figure 3



**Note:** These metrics were hereafter used to illustrate the multiplier effect of the cellar door visit onto the post-visit sales of the wine brands as they best reflect the influence the cellar door might have in each wine region (see **Figures 4-18**).

➤ Profile of the Wine Buyer Post-Cellar Door Visit for Individual Wine Regions

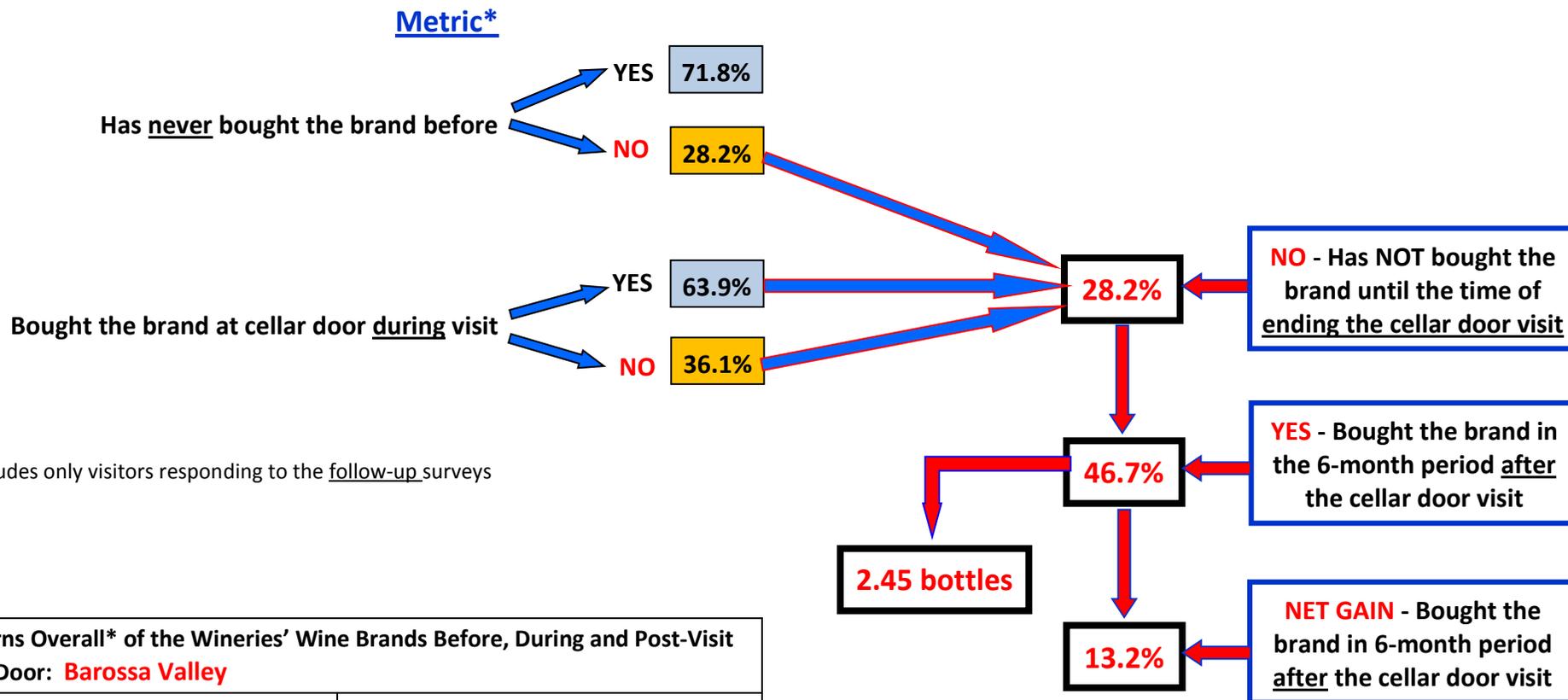
Table 31: Regional Comparisons - Profiles of the Wine Buyer Post-Cellar Door Visit as Consumers and/or Buyers

	Australia Total	Barossa Valley	McLaren Vale	Clare Valley	Adelaide Hills	Coonawarra	Yarra Valley	M'nington Peninsula	Rutherglen	Hunter Valley#	Mudgee	Riverina#	Margaret River	Swan Valley#	Tasmania	Granite Belt#
<b>Key Demographics</b>	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Female	54.8	62.1	54.4	50.0	56.7	40.0	56.3	37.5	45.5	58.3	52.5	50.0	38.8	63.6	44.2	64.5
Male	45.2	37.9	45.6	50.0	43.3	60.0	43.7	62.5	54.5	41.7	47.5	50.0	61.2	36.4	55.8	35.5
18-39 years old	42.9	46.4	42.6	29.7	53.7	32.0	53.1	45.8	27.3	41.7	54.2	23.1	42.9	27.3	42.3	41.9
40 years and older	57.1	53.6	57.4	70.3	46.3	68.0	46.9	54.2	72.7	58.3	45.8	76.9	57.1	72.7	57.7	58.1
<b>Wine Consumption Metrics</b>																
Personal (750 ml. bottle pm)*	5.59	5.48	5.67	6.44	5.15	5.27	3.80	6.28	5.80	7.17	5.66	4.78	5.38	5.16	6.83	6.34
Main household wine buyer	80.9%	81.2%	84.6%	78.4%	80.6%	72.0%	81.3%	75.0%	81.8%	91.7%	81.4%	76.9%	73.5%	84.8%	76.9%	90.3%
Main household consumer	70.2%	72.7%	76.4%	58.1%	68.7%	56.0%	75.0%	62.5%	54.5%	75.0%	74.6%	65.3%	67.3%	72.7%	69.2%	71.0%
<b>Cellar Door Relationship</b>																
Number of visits completed	2.20	2.04	2.35	0.73	1.97	1.92	2.25	3.75	2.18	4.25	2.27	4.27	1.02	3.82	1.35	4.65
Wine club Member	14.9%	11.6%	17.9%	8.1%	17.9%	8.0%	9.4%	4.2%	18.2%	8.3%	8.5%	7.7%	8.2%	15.2%	13.5%	38.7%
<b>Changes/Actions Resulting</b>	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Recommended it to someone	92.8	92.8	93.8	89.2	91.0	100.0	90.6	91.7	90.9	91.7	88.1	96.2	93.9	84.8	94.2	100.0
Overall consumption changed	25.4	27.1	22.7	22.4	17.5	8.3	28.6	31.8	16.7	9.1	30.6	23.8	38.3	17.2	20.5	46.4
Region consumption changed	48.1	47.3	42.6	53.7	52.4	41.7	39.3	63.6	44.4	9.1	53.1	38.1	68.1	48.3	47.7	53.6
<b>Wine Bought After Visit</b>																
Bottles bought after visit	9.11	8.73	8.52	10.53	7.03	9.08	6.38	11.79	11.50	17.75#	9.98	15.69#	6.96	8.61#	6.52	13.87#
Buy likelihood next 3 months	47.1%	46.3%	47.9%	46.4%	60.3%	36.4%	30.9%	49.2%	50.5%	49.5%	43.9%	53.2%	49.1%	54.4%	41.1%	61.2%
<b>Retail Channel Type Used**</b>	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
National retail liquor chains	31.6														32.0	7.0
Cellar doors at wineries	23.7														13.0	46.5
Specialist wine shops	16.0														26.1	9.3
Restaurant, bar or pub	13.2														20.3	7.0
Mailorder, wine club/online	7.4	5.9	9.3	9.6	4.0	5.9	6.8	-	21.9	-	13.2	7.9	4.1	7.8	1.4	20.9
Supermarket/grocery store	7.3	8.7	4.8	6.1	5.9	-	2.3	8.3	3.1	-	9.2	18.4	6.8	5.9	4.3	2.3
Other or cannot remember	0.8	0.5	0.7	1.9	-	2.9	-	2.9	-	-	3.9	2.6	2.7	-	2.9	7.0

**Key Insight:** The socio-demographic profile of wine tourists to each wine region reflects the region's positioning regarding the Australian wine tourism market as a whole, the socio-demographics of nearby visitors and is a baseline market segmentation.

### Multiplier Effect Metrics: Never Before Bought Wineries' Wines Until Cellar Door Visit - Barossa Valley

Figure 4



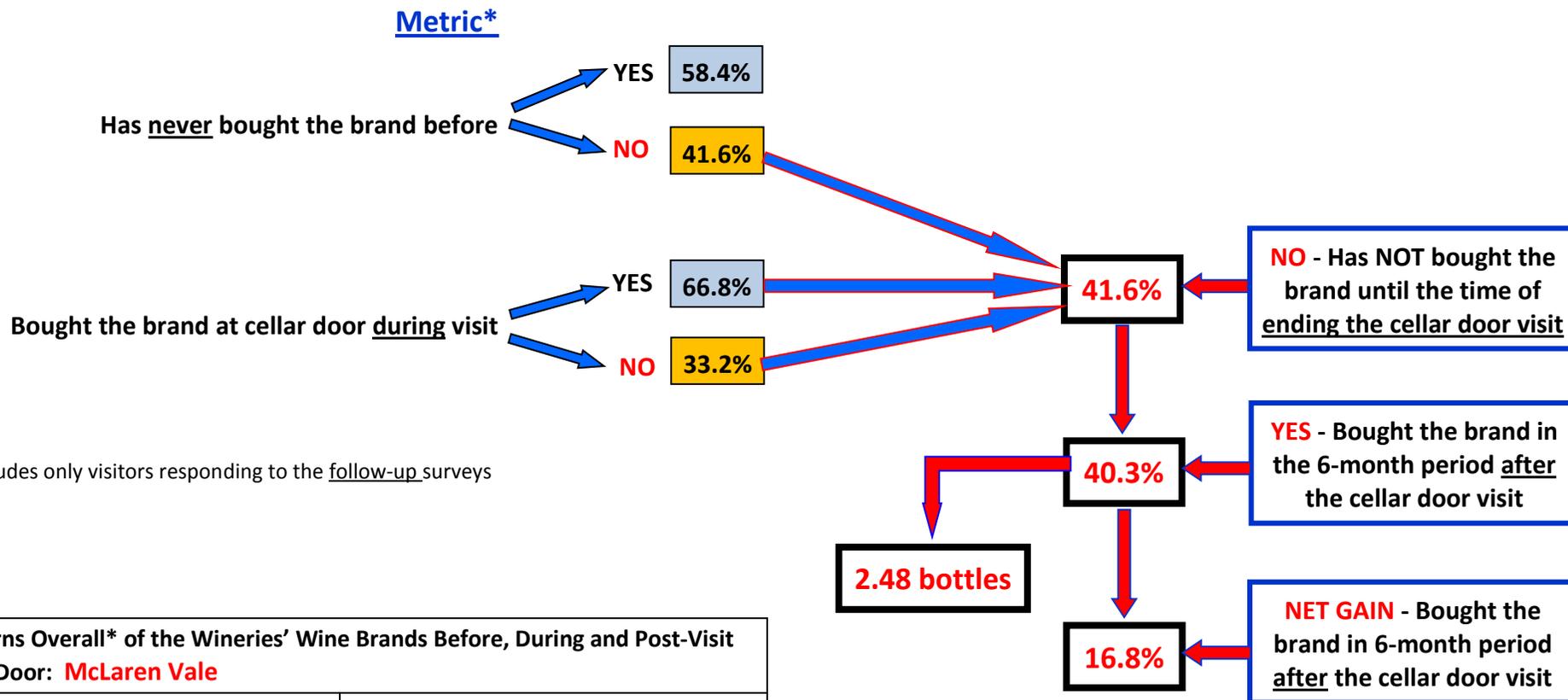
\* Includes only visitors responding to the follow-up surveys

Buying Patterns Overall* of the Wineries' Wine Brands Before, During and Post-Visit to the Cellar Door: <b>Barossa Valley</b>		
Buying Pattern Incidence of the Wines <sup>#</sup>	6-Months Post-Visit Buying Behaviour	
	Bought	Not Bought
Bought in the past on any occasion ever	78.2%	62.0%
Bought 3 months prior to visit	54.3%	29.2%
Bought during visit at the cellar door	66.6%	59.9%
Bought during 6-month period after visit	60.4%	
Bought during 6-month period after visit	5.27 bottles	

<sup>#</sup> Analysis performed only on cellar door visitors who participated in the follow-up surveys

### Multiplier Effect Metrics: Never Before Bought Wineries' Wines Until Cellar Door Visit - McLaren Vale

Figure 5

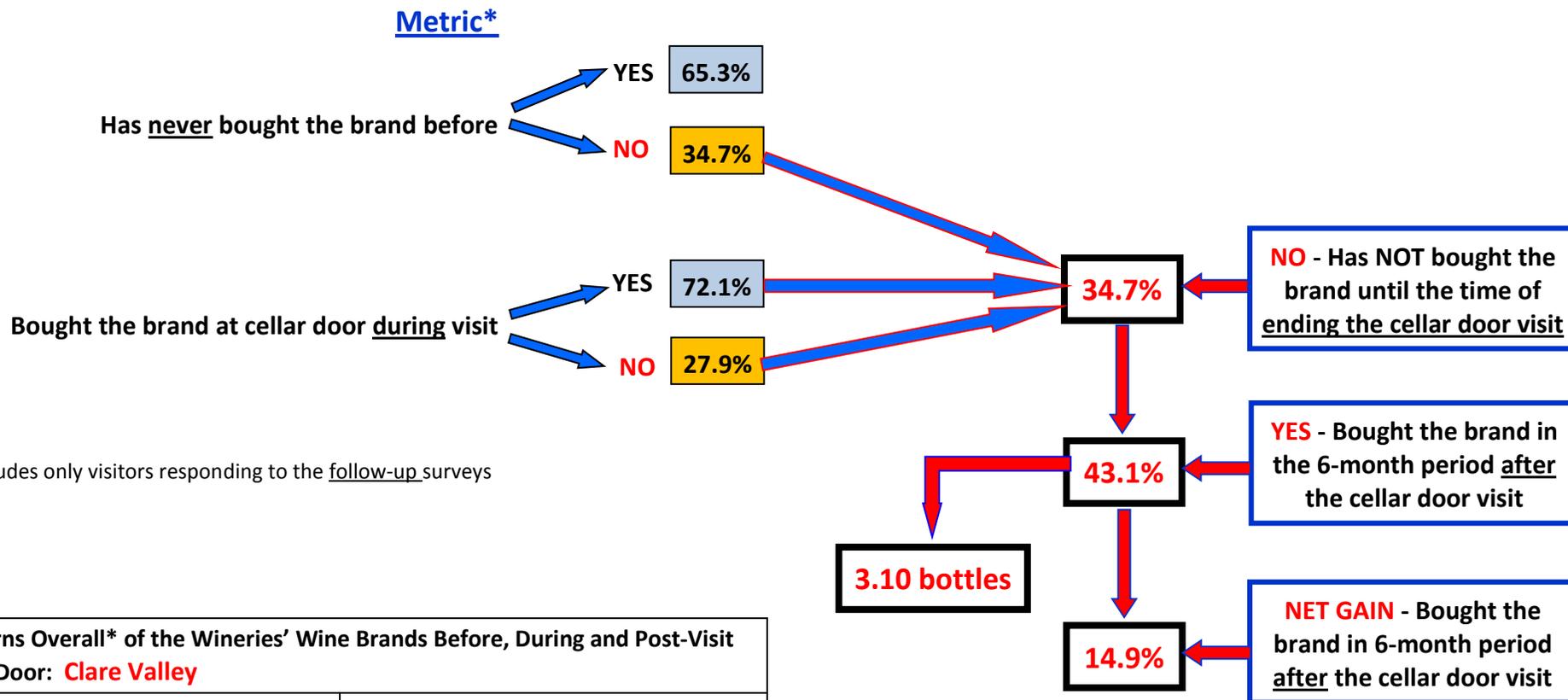


Buying Patterns Overall* of the Wineries' Wine Brands Before, During and Post-Visit to the Cellar Door: McLaren Vale		
Buying Pattern Incidence of the Wines <sup>#</sup>	6-Months Post-Visit Buying Behaviour	
	Bought	Not Bought
Bought in the past on any occasion ever	68.2%	47.4%
Bought 3 months prior to visit	42.1%	16.0%
Bought during visit at the cellar door	69.2%	64.0%
Bought during 6-month period after visit	52.7%	
Bought during 6-month period after visit	4.49 bottles	

<sup>#</sup> Analysis performed only on cellar door visitors who participated in the follow-up surveys

### Multiplier Effect Metrics: Never Before Bought Wineries' Wines Until Cellar Door Visit - Clare Valley

Figure 6

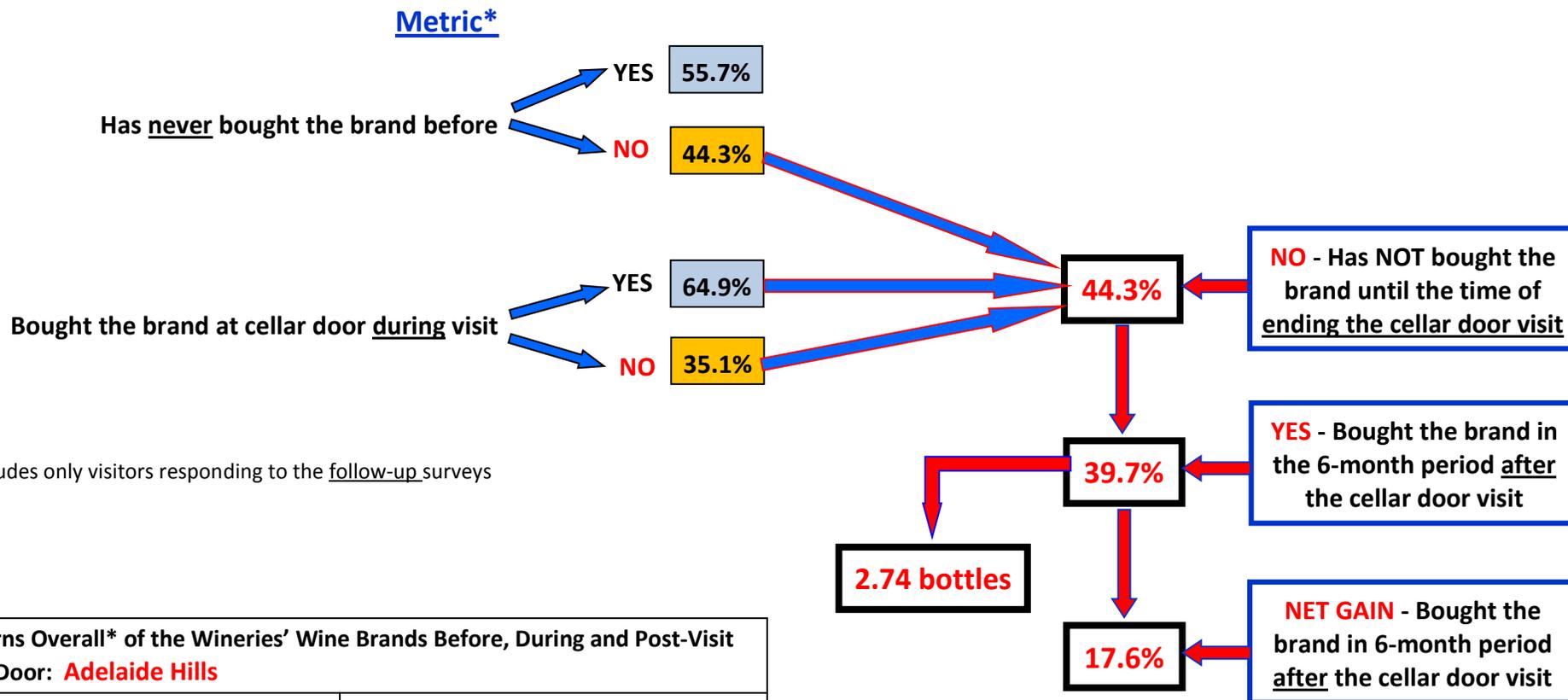


Buying Patterns Overall* of the Wineries' Wine Brands Before, During and Post-Visit to the Cellar Door: Clare Valley		
Buying Pattern Incidence of the Wines <sup>#</sup>	6-Months Post-Visit Buying Behaviour	
	Bought	Not Bought
Bought in the past on any occasion ever	70.3%	60.3%
Bought 3 months prior to visit	48.6%	21.9%
Bought during visit at the cellar door	73.0%	71.2%
Bought during 6-month period after visit	50.3%	
Bought during 6-month period after visit	5.30 bottles	

<sup>#</sup> Analysis performed only on cellar door visitors who participated in the follow-up surveys

### Multiplier Effect Metrics: Never Before Bought Wineries' Wines Until Cellar Door Visit - Adelaide Hills

Figure 7



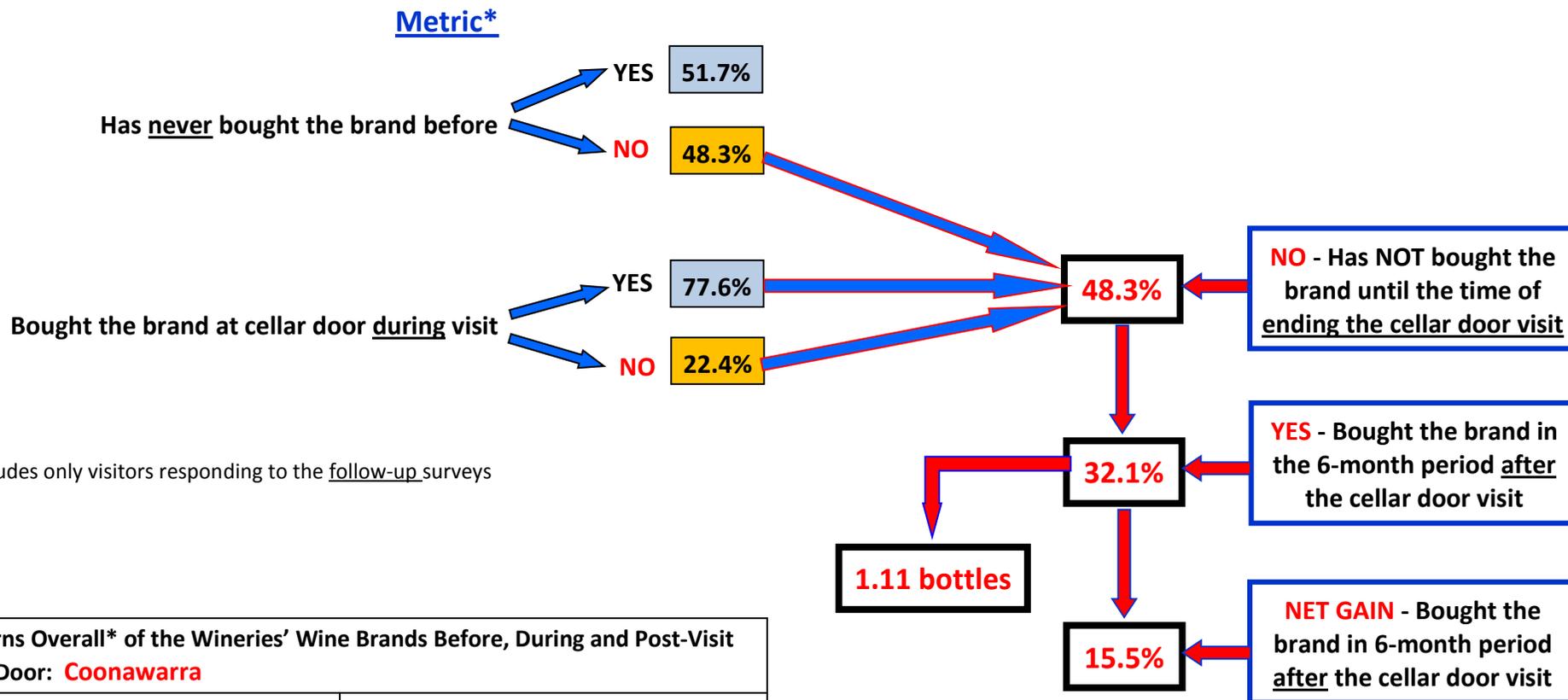
\* Includes only visitors responding to the follow-up surveys

Buying Patterns Overall* of the Wineries' Wine Brands Before, During and Post-Visit to the Cellar Door: Adelaide Hills		
Buying Pattern Incidence of the Wines <sup>#</sup>	6-Months Post-Visit Buying Behaviour	
	Bought	Not Bought
Bought in the past on any occasion ever	65.7%	45.3%
Bought 3 months prior to visit	34.3%	15.6%
Bought during visit at the cellar door	71.6%	57.8%
Bought during 6-month period after visit	51.1%	
Bought during 6-month period after visit	3.60 bottles	

<sup>#</sup> Analysis performed only on cellar door visitors who participated in the follow-up surveys

**Multiplier Effect Metrics: Never Before Bought Wineries' Wines Until Cellar Door Visit - Coonawarra**

Figure 8



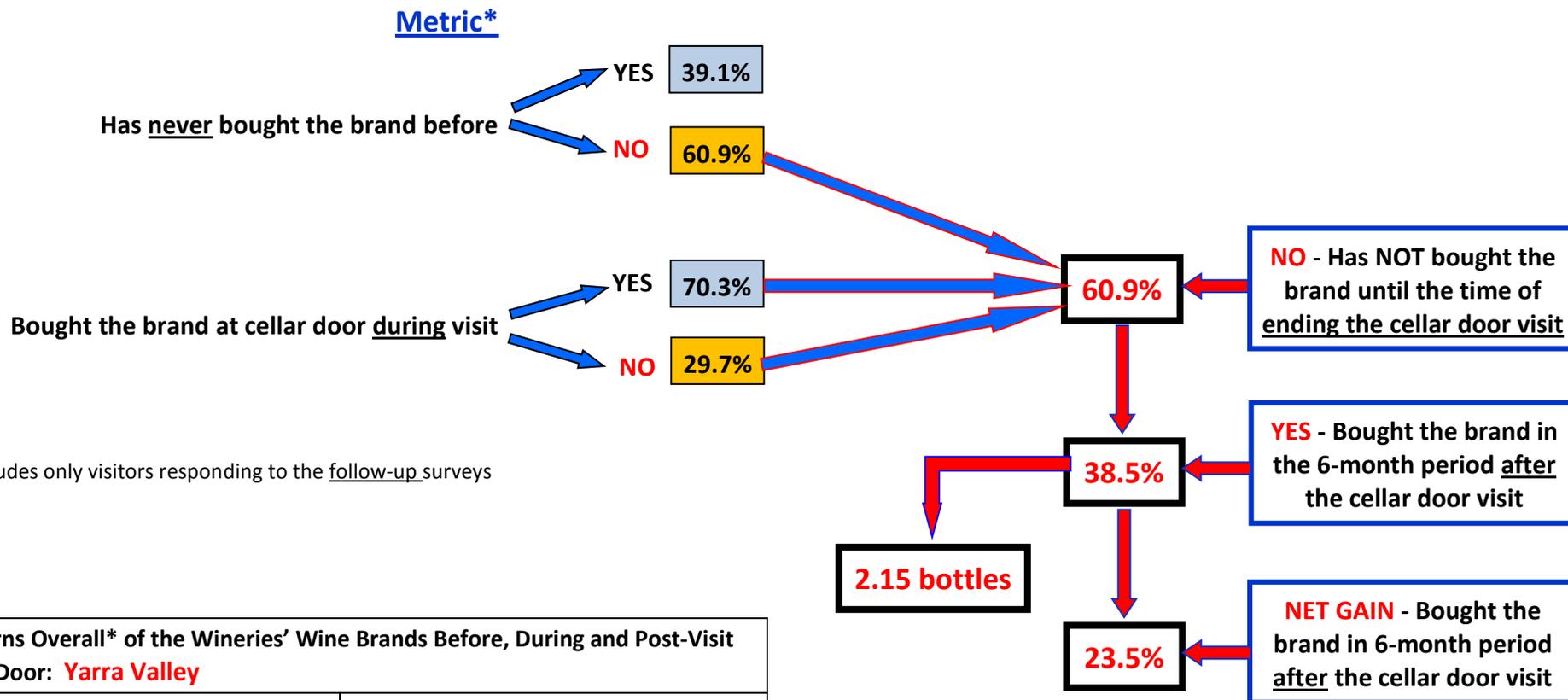
\* Includes only visitors responding to the follow-up surveys

Buying Patterns Overall* of the Wineries' Wine Brands Before, During and Post-Visit to the Cellar Door: <b>Coonawarra</b>		
Buying Pattern Incidence of the Wines <sup>#</sup>	6-Months Post-Visit Buying Behaviour	
	Bought	Not Bought
Bought in the past on any occasion ever	64.0%	42.4%
Bought 3 months prior to visit	32.0%	15.2%
Bought during visit at the cellar door	80.0%	75.8%
Bought during 6-month period after visit	43.1%	
Bought during 6-month period after visit	3.91 bottles	

<sup>#</sup> Analysis performed only on cellar door visitors who participated in the follow-up surveys

### Multiplier Effect Metrics: Never Before Bought Wineries' Wines Until Cellar Door Visit - Yarra Valley

Figure 9

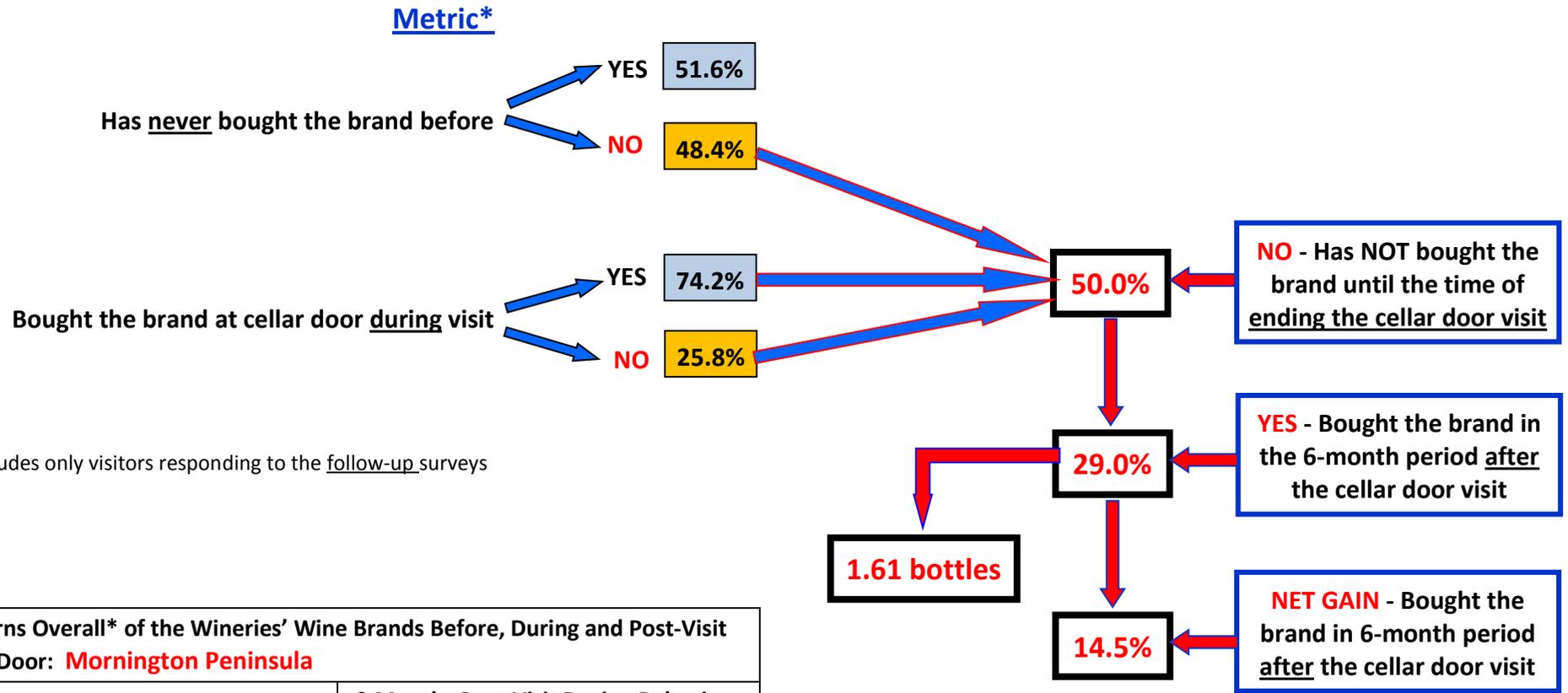


Buying Patterns Overall* of the Wineries' Wine Brands Before, During and Post-Visit to the Cellar Door: <b>Yarra Valley</b>		
Buying Pattern Incidence of the Wines <sup>#</sup>	6-Months Post-Visit Buying Behaviour	
	Bought	Not Bought
Bought in the past on any occasion ever	53.1%	25.0%
Bought 3 months prior to visit	31.3%	21.9%
Bought during visit at the cellar door	65.6%	75.0%
Bought during 6-month period after visit	50.0%	
Bought during 6-month period after visit	3.19 bottles	

<sup>#</sup> Analysis performed only on cellar door visitors who participated in the follow-up surveys

**Multiplier Effect Metrics: Never Before Bought Wineries' Wines Until Cellar Door Visit - Mornington Peninsula**

Figure 10



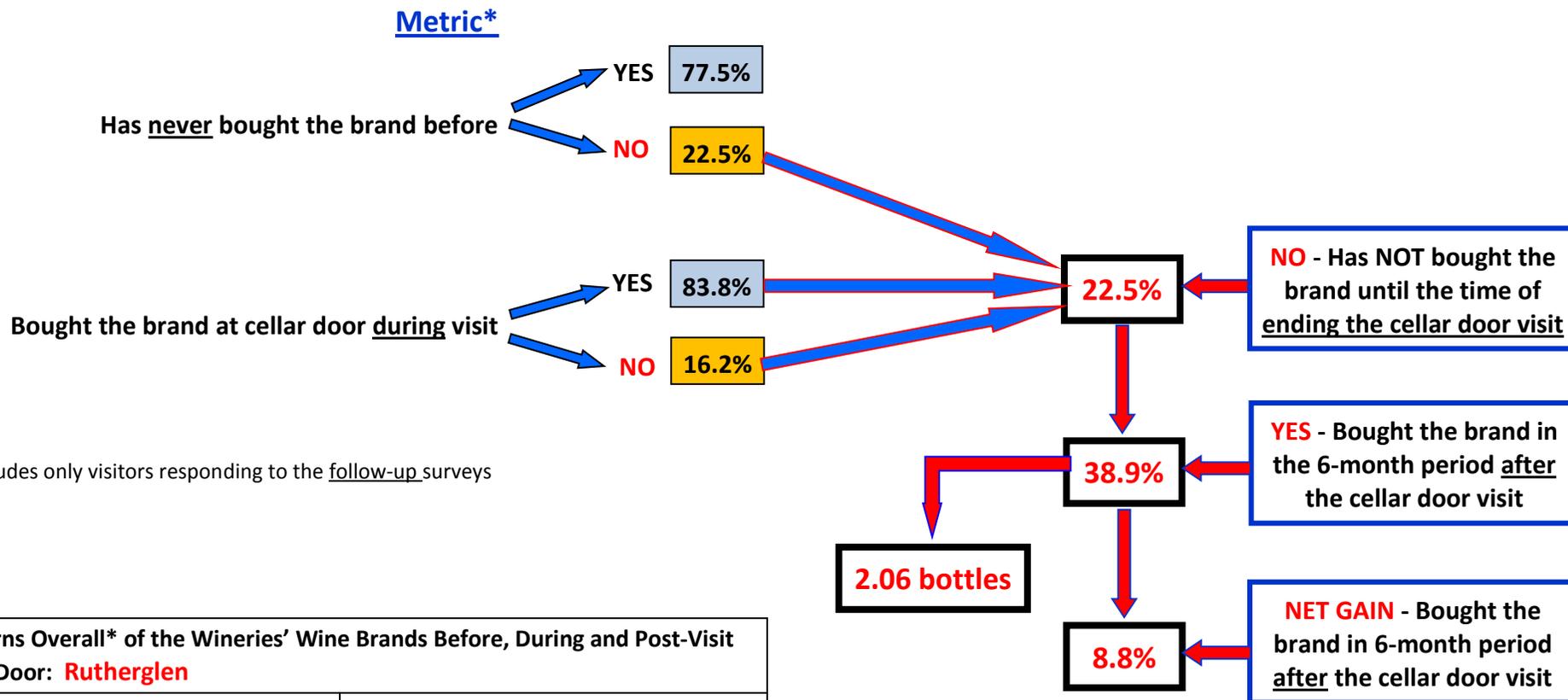
\* Includes only visitors responding to the follow-up surveys

Buying Patterns Overall* of the Wineries' Wine Brands Before, During and Post-Visit to the Cellar Door: <b>Mornington Peninsula</b>		
Buying Pattern Incidence of the Wines <sup>#</sup>	6-Months Post-Visit Buying Behaviour	
	Bought	Not Bought
Bought in the past on any occasion ever	62.5%	44.7%
Bought 3 months prior to visit	60.9%	23.7%
Bought during visit at the cellar door	70.8%	76.3%
Bought during 6-month period after visit	38.7%	
Bought during 6-month period after visit	4.56 bottles	

<sup>#</sup> Analysis performed only on cellar door visitors who participated in the follow-up surveys

## Multiplier Effect Metrics: Never Before Bought Wineries' Wines Until Cellar Door Visit - Rutherglen

Figure 11



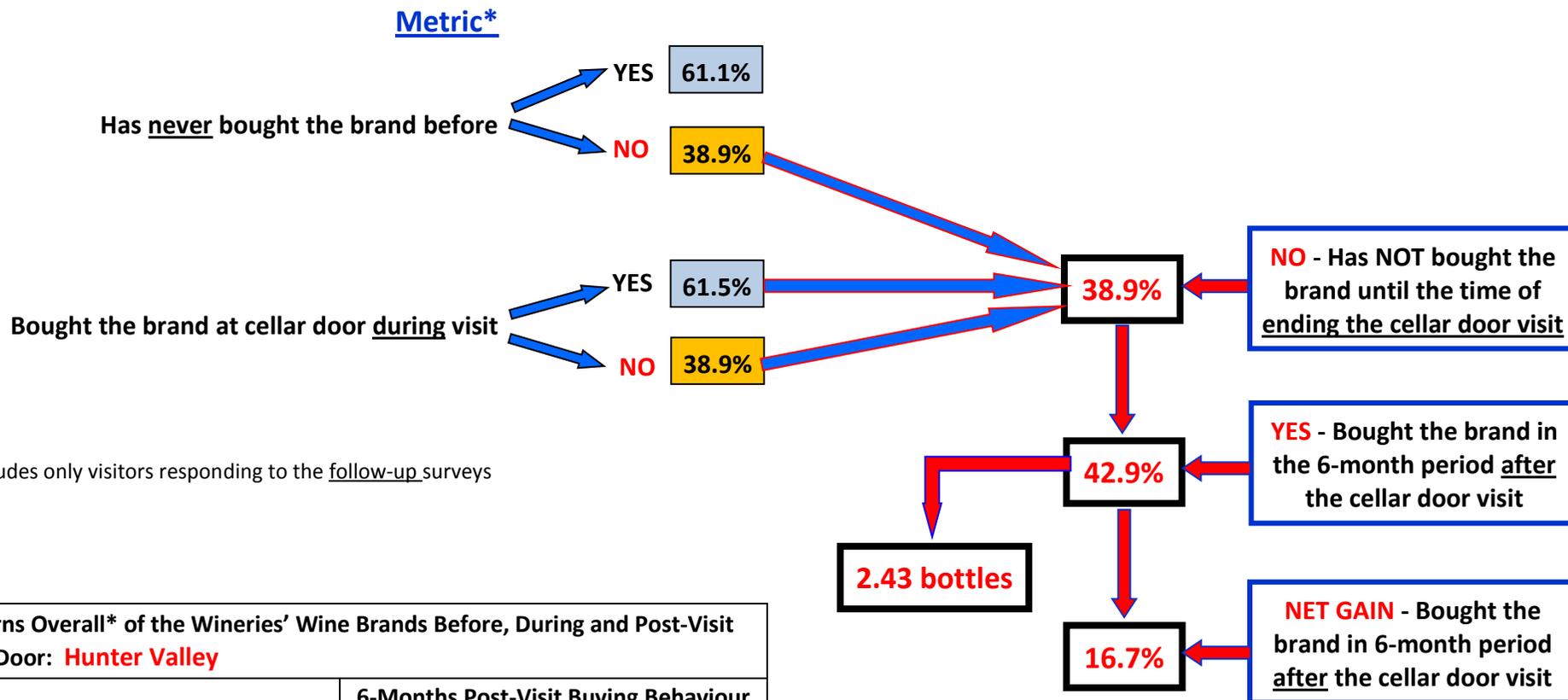
\* Includes only visitors responding to the follow-up surveys

Buying Patterns Overall* of the Wineries' Wine Brands Before, During and Post-Visit to the Cellar Door: <b>Rutherglen</b>		
Buying Pattern Incidence of the Wines <sup>#</sup>	6-Months Post-Visit Buying Behaviour	
	Bought	Not Bought
Bought in the past on any occasion ever	85.7%	64.5%
Bought 3 months prior to visit	67.3%	22.6%
Bought during visit at the cellar door	87.8%	77.4%
Bought during 6-month period after visit	51.2%	
Bought during 6-month period after visit	5.88 bottles	

<sup>#</sup> Analysis performed only on cellar door visitors who participated in the follow-up surveys

### Multiplier Effect Metrics: Never Before Bought Wineries' Wines Until Cellar Door Visit - Hunter Valley

Figure 12



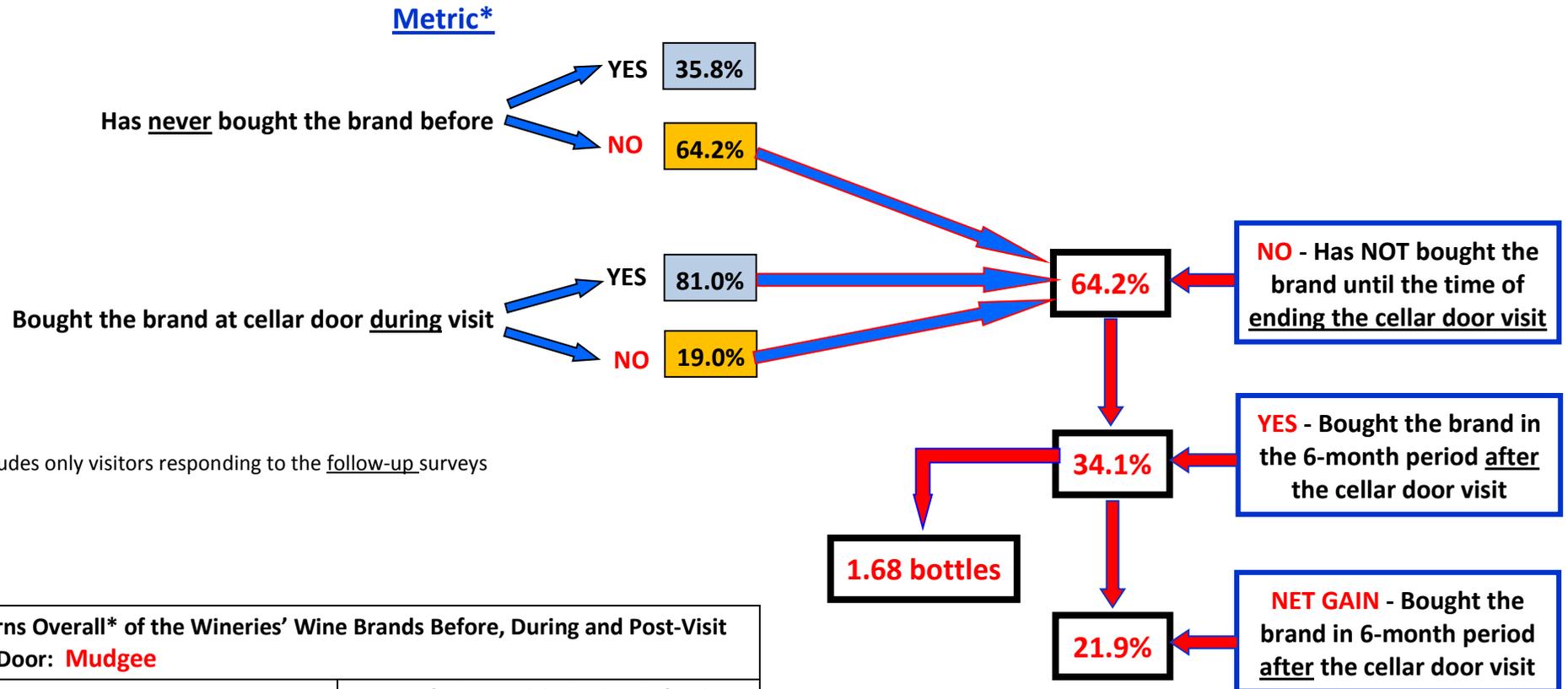
Buying Patterns Overall* of the Wineries' Wine Brands Before, During and Post-Visit to the Cellar Door: <b>Hunter Valley</b>		
Buying Pattern Incidence of the Wines <sup>#</sup>	6-Months Post-Visit Buying Behaviour	
	Bought	Not Bought
Bought in the past on any occasion ever	75.0%	33.3%
Bought 3 months prior to visit	50.0%	16.7%
Bought during visit at the cellar door	75.0%	33.3%
Bought during 6-month period after visit	66.7%	
Bought during 6-month period after visit	11.83 bottles <sup>#</sup>	

<sup>#</sup> Analysis performed only on cellar door visitors who participated in the follow-up surveys

<sup>#</sup> Caution should be exercised when interpreting due to small sample size of Hunter Valley

### Multiplier Effect Metrics: Never Before Bought Wineries' Wines Until Cellar Door Visit - Mudgee

Figure 13

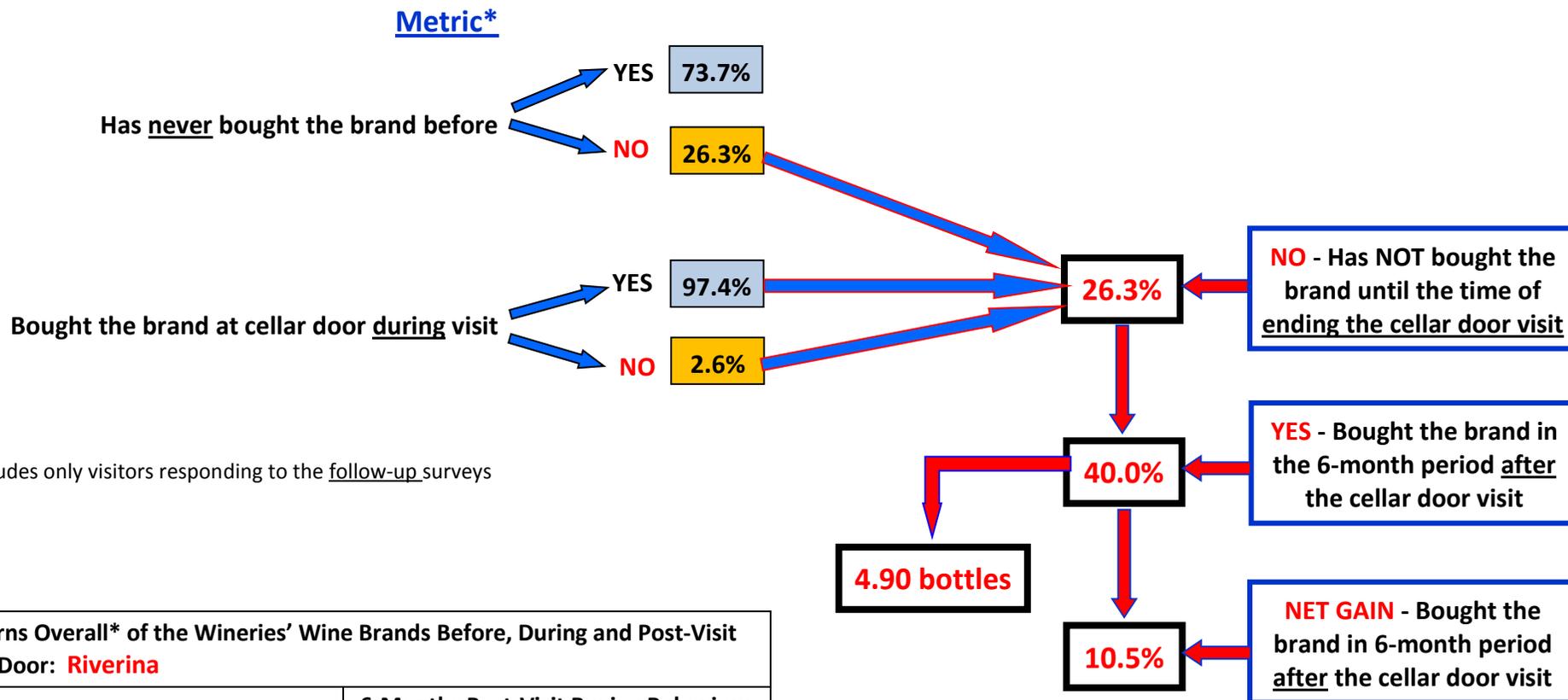


Buying Patterns Overall* of the Wineries' Wine Brands Before, During and Post-Visit to the Cellar Door: <b>Mudgee</b>		
Buying Pattern Incidence of the Wines <sup>#</sup>	6-Months Post-Visit Buying Behaviour	
	Bought	Not Bought
Bought in the past on any occasion ever	49.2%	25.6%
Bought 3 months prior to visit	35.6%	11.5%
Bought during visit at the cellar door	84.7%	78.2%
Bought during 6-month period after visit	43.1%	
Bought during 6-month period after visit	4.30 bottles	

<sup>#</sup> Analysis performed only on cellar door visitors who participated in the follow-up surveys

**Multiplier Effect Metrics: Never Before Bought Wineries' Wines Until Cellar Door Visit - Riverina**

Figure 14



\* Includes only visitors responding to the follow-up surveys

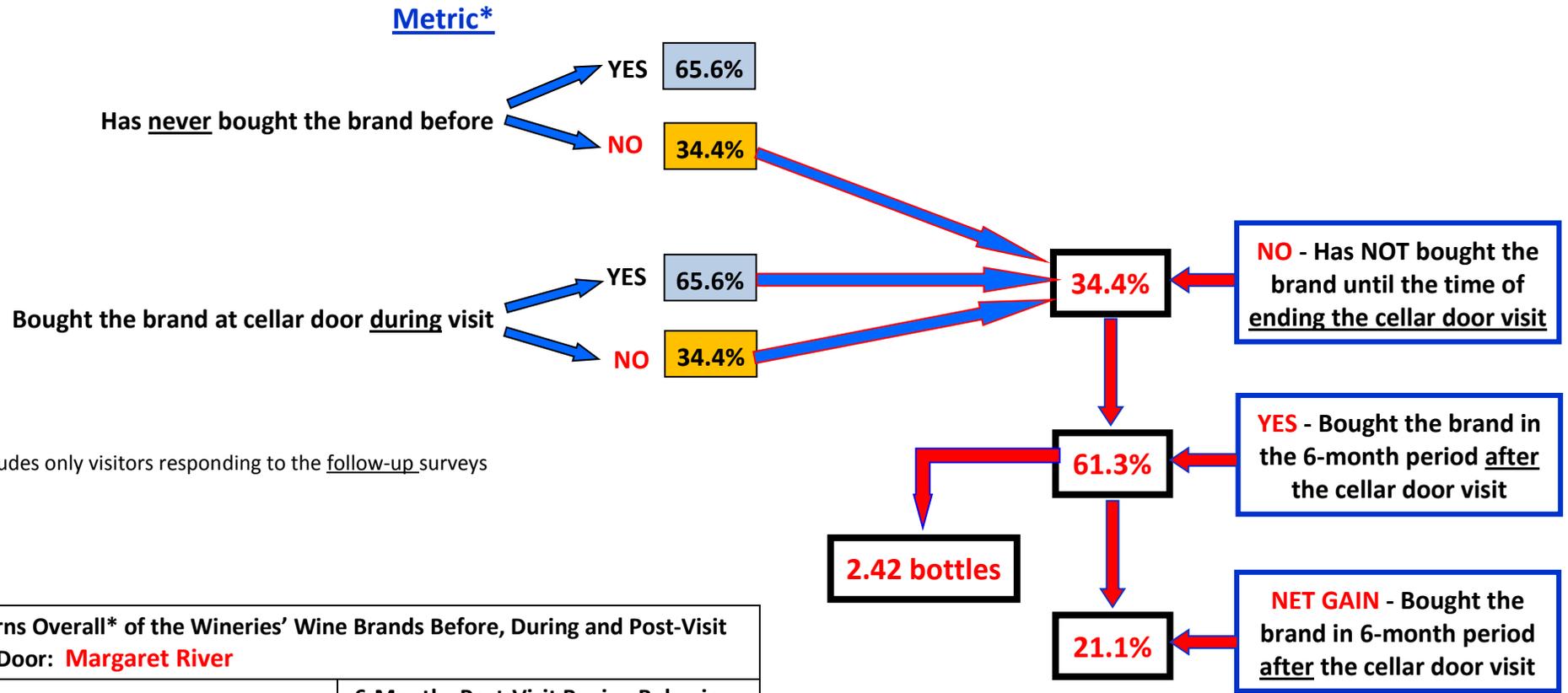
Buying Patterns Overall* of the Wineries' Wine Brands Before, During and Post-Visit to the Cellar Door: Riverina		
Buying Pattern Incidence of the Wines#	6-Months Post-Visit Buying Behaviour	
	Bought	Not Bought
Bought in the past on any occasion ever	84.6%	50.0%
Bought 3 months prior to visit	61.5%	8.3%
Bought during visit at the cellar door	100.0%	91.7%
Bought during 6-month period after visit	68.4%	
Bought during 6-month period after visit	10.74 bottles#	

# Analysis performed only on cellar door visitors who participated in the follow-up surveys

# Caution to be exercised when interpreting due to small sample size of Riverina and bulk wine

**Multiplier Effect Metrics: Never Before Bought Wineries' Wines Until Cellar Door Visit - Margaret River**

Figure 15



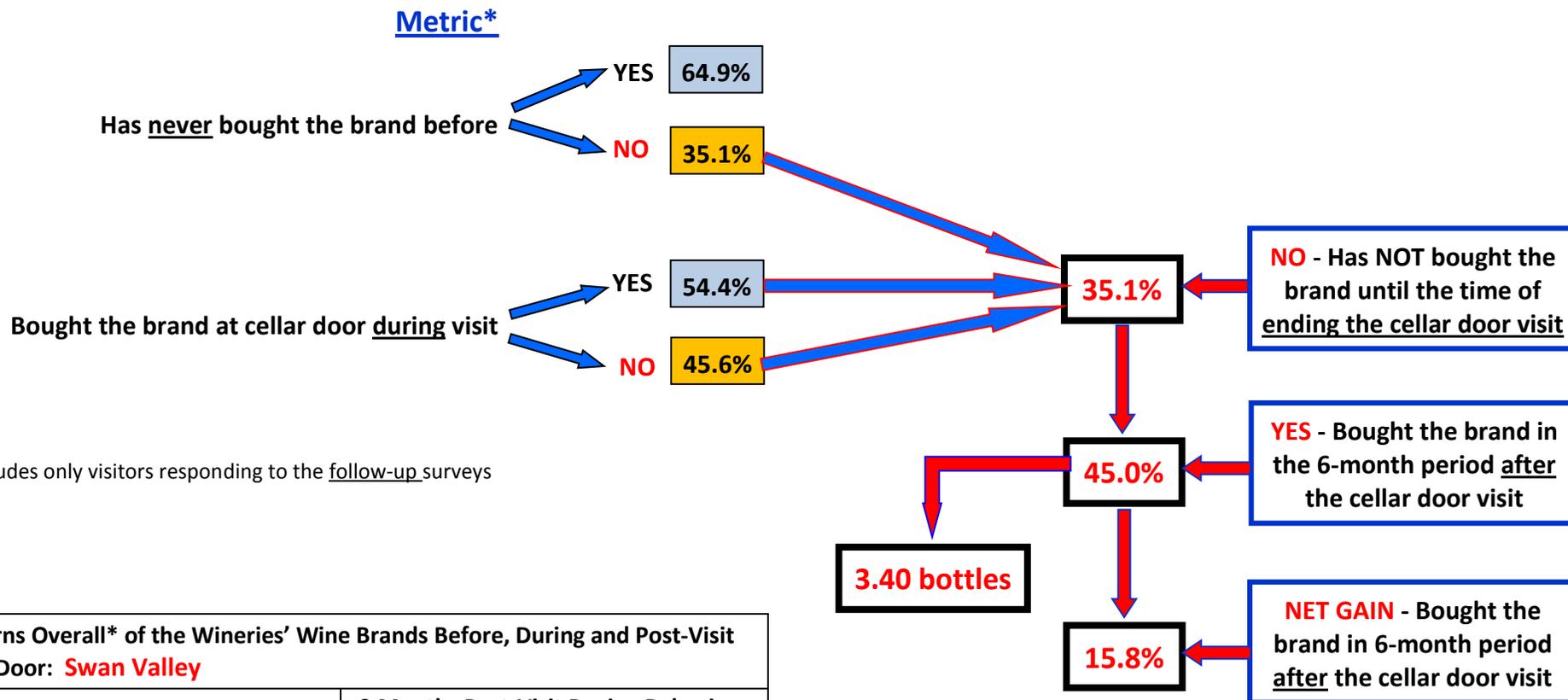
\* Includes only visitors responding to the follow-up surveys

Buying Patterns Overall* of the Wineries' Wine Brands Before, During and Post-Visit to the Cellar Door: Margaret River		
Buying Pattern Incidence of the Wines <sup>#</sup>	6-Months Post-Visit Buying Behaviour	
	Bought	Not Bought
Bought in the past on any occasion ever	61.2%	70.7%
Bought 3 months prior to visit	38.8%	29.3%
Bought during visit at the cellar door	73.5%	56.1%
Bought during 6-month period after visit	54.4%	
Bought during 6-month period after visit	3.79 bottles	

<sup>#</sup> Analysis performed only on cellar door visitors who participated in the follow-up surveys

### Multiplier Effect Metrics: Never Before Bought Wineries' Wines Until Cellar Door Visit - Swan Valley

Figure 16



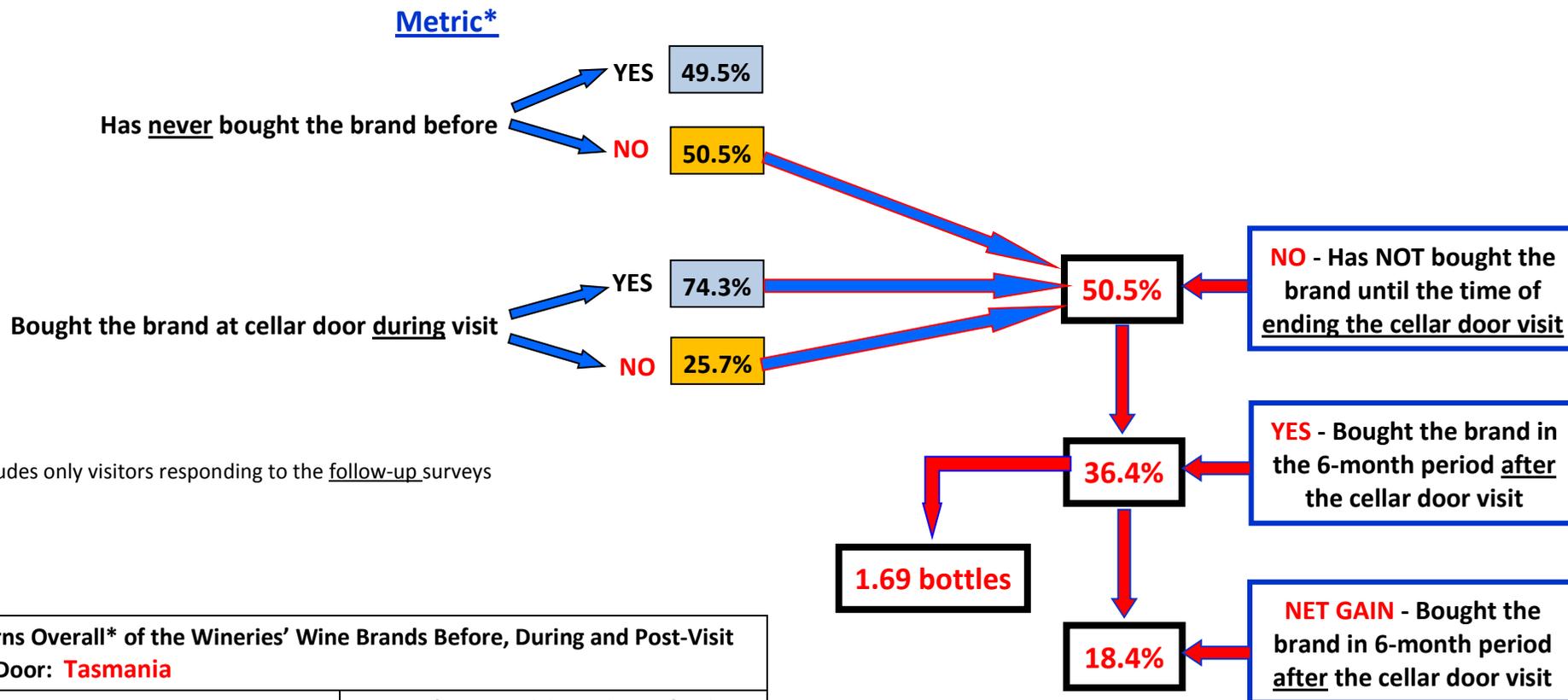
Buying Patterns Overall* of the Wineries' Wine Brands Before, During and Post-Visit to the Cellar Door: Swan Valley		
Buying Pattern Incidence of the Wines#	6-Months Post-Visit Buying Behaviour	
	Bought	Not Bought
Bought in the past on any occasion ever	72.7%	54.2%
Bought 3 months prior to visit	57.6%	20.8%
Bought during visit at the cellar door	63.6%	41.7%
Bought during 6-month period after visit	57.9%	
Bought during 6-month period after visit	4.98 bottles	

# Analysis performed only on cellar door visitors who participated in the follow-up surveys

# Caution should be exercised when interpreting due to small sample size of Swan Valley

### Multiplier Effect Metrics: Never Before Bought Wineries' Wines Until Cellar Door Visit - Tasmania

Figure 17

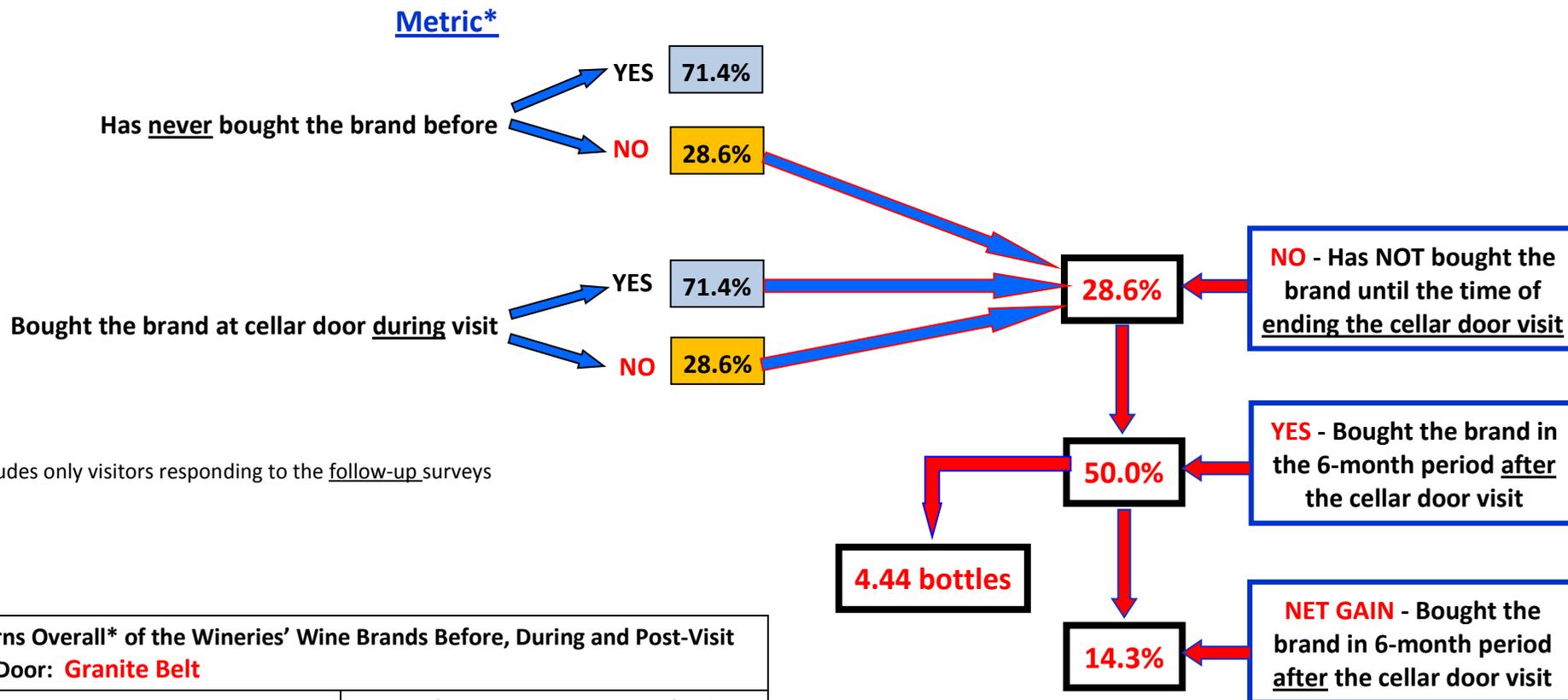


Buying Patterns Overall* of the Wineries' Wine Brands Before, During and Post-Visit to the Cellar Door: <b>Tasmania</b>		
Buying Pattern Incidence of the Wines <sup>#</sup>	6-Months Post-Visit Buying Behaviour	
	Bought	Not Bought
Bought in the past on any occasion ever	61.5%	38.6%
Bought 3 months prior to visit	36.5%	14.0%
Bought during visit at the cellar door	69.2%	78.9%
Bought during 6-month period after visit	36.4%	
Bought during 6-month period after visit	1.45 bottles	

<sup>#</sup> Analysis performed only on cellar door visitors who participated in the follow-up surveys

### Multiplier Effect Metrics: Never Before Bought Wineries' Wines Until Cellar Door Visit - Granite Belt

Figure 18



\* Includes only visitors responding to the follow-up surveys

Buying Patterns Overall* of the Wineries' Wine Brands Before, During and Post-Visit to the Cellar Door: Granite Belt		
Buying Pattern Incidence of the Wines <sup>#</sup>	6-Months Post-Visit Buying Behaviour	
	Bought	Not Bought
Bought in the past on any occasion ever	74.2%	68.0%
Bought 3 months prior to visit	54.8%	28.0%
Bought during visit at the cellar door	67.7%	76.0%
Bought during 6-month period after visit	55.4%	
Bought during 6-month period after visit	7.68 bottles	

<sup>#</sup> Analysis performed only on cellar door visitors who participated in the follow-up surveys

<sup>#</sup> Caution should be exercised when interpreting due to small sample size of Granite Belt

## Appendix

### Research Method

This study forms part of a three-stage *Cellar Door Visit Impact Tracking Research Project*, with the overall aim to determine the impact of the visitor experience at the winery cellar door on current and future sales of the corporate wine brand.

Stage one consisted of a study executed at the brand home's cellar door on visitors during an 8-10 week period starting mid-April and finishing in the first week of July 2013. Stages two and three (herein referred to as 'Wave 1' and Wave 2' or the Follow-Up Surveys) were executed at 3-month intervals on these visitors to determine the nature and extent of their continuing relationship with the brand.

**Table 32: Consistency Check of Samples: Cellar Door versus Follow-Up Surveys**

Gender	Cellar Door	Follow-Ups
Female	55.0%	55.8%
Male	45.0%	44.2%
Total number of respondents	3,368	1,902
Age Group	Cellar Door	Follow-Ups
18-39 years old	39.0%	43.9%
40 years and older	61.0%	56.1%
Annual Household Income (Before Taxes)	Cellar Door	Follow-Ups
Household income (mean)	\$134,164	\$132,897
Educational Status	Cellar Door	Follow-Ups
High School completed/some high school	18.6%	17.6%
Post-secondary undergraduate qualification	47.7%	47.6%
Post-secondary postgraduate qualification	33.7%	34.8%
Place of Permanent Residence	Cellar Door	Follow-Ups
South Australia (SA)	38.7%	37.5%
New South Wales (NSW)	20.8%	20.9%
Victoria (VIC)	19.0%	19.7%
Queensland (QLD)	9.9%	10.3%
Western Australia (WA)	8.2%	7.7%
Tasmania (TAS)	1.9%	2.0%
Australian Capital Territory (ACT)	1.3%	1.5%
Northern Territory (NT)	0.2%	0.4%

Wave 1 of the BrandTrack study was administered to the cellar door visitor cohort 3 months after their visit during a period starting 13 August and finishing on 20 September 2013, and Wave 2 administered 3 months later, during a period from 12 November to 20 December 2013. The response rates were higher than expected: 49% for Wave 1 and 45% for Wave 2 (91% of Wave 1), resulting in a final retention rate of 57% and yielding a sufficient number of responses (n = 1,902) to achieve the study's objectives.

A total of 3 surveys were conducted during this project several months apart, and this therefore necessitated that a check for consistency between the original sample collected at cellar doors and the final sample remaining after the 2 follow-up surveys be done. This 'check' revealed very high degrees of consistency (**Table 32**). The results upon which this (final) report is based were therefore derived from a follow-up sample of cellar door visitors very similar to the original sample of cellar door visitors.

All visitors who completed the survey at a cellar door were contacted by email; the purpose of the follow-up surveys was explained to them, and a request made for them to participate in the surveys. An incentive was offered to encourage participation. Follow-up requests were sent on two occasions to encourage participation. Only Australian permanent residents were included in the study, since it would have been difficult - if not impractical - to track brand purchases in a longitudinal study in several countries. Respondents were required to complete the questionnaire through a seamless process by clicking on a direct link provided in the email to a web platform resulting in an online survey. The primary data collection instrument was a purpose-designed, highly structured questionnaire. The final questionnaire had a total of 33 questions which were mostly close-ended. Following the completion of each survey period, the contact email addresses of all respondents were checked to ensure they were valid. Any duplications (respondents who completed the survey more than once) were also removed.

Finally, the data was captured analysed and manipulated using a statistical software package and the report on the findings prepared, which should be read in conjunction with the cellar door interim report (stage 1 of the project).

### Cautionary Note

Due to logistical issues encountered with the execution of the survey in some wine regions, some of the South Australian wine regions (namely Barossa Valley, McLaren Vale and Adelaide Hills) - and thus South Australia as a whole - have disproportionately high representation in the study, because it was only within these regions that the researchers were able to boost the sample size on relatively short notice.

This could have resulted in the distortion of some of the results and **due caution has to be exercised** when using (i.e. benchmarking against) some of the data representing Australian (national) metrics.