

# Consumer attitudes to low alcohol wine: an Australian sample

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**Charles Sturt University and National Wine and Grape Industry Centre researchers have recently investigated the potential domestic market size for low alcohol wine, and hereby present their findings.**

Presently, low alcohol wines are defined as de-alcoholised (< 0.5%v/v), low alcohol (0.5-1.2%v/v), reduced alcohol (1.2-6.5%v/v) and lower alcohol wine (5.5-10.5%v/v). However, this definition varies between countries (Pickering 2000). Previously in Australia, only wine with 8%v/v or more could be classified as a 'wine'. However, a recent approval of an application from the Winemakers' Federation of Australia (WFA) to Food Standards Australia New Zealand (FSANZ 2011) means that a wine product with as little as 4.5%v/v can now be included in the definition of 'wine'. This approval allows for a greater consistency with food standards in the European Union and gives Australian wine consumers more variety to choose from. What is not understood is if the wine consumer has the same definition as the one set by the wine industry. Furthermore, while lower alcohol wine is now possible for the consumer, can the wine industry be sure they are ready to adopt these products?

In this paper we report on a potential market size for low alcohol wine in an Australian population through perceptions and attitudes toward low alcohol wine, as well as self-reported reasons for desiring to purchase these products. Our findings suggest that only if low alcohol wine were to taste similar to standard wines, consumers would be prepared to purchase these products in situations where they need to drive after drinking, for health reasons and to consume more without the effects of alcohol. In particular, women and those who enjoy wine with food are the most likely to purchase low alcohol wine. Currently, this presents an enormous challenge to the wine

industry. However, the current findings support the justification for a substantial focus on the engineering and/or viticulture challenges associated with making lower alcohol wine to taste similar.

## TRENDS IN ALCOHOL CONSUMPTION IN AUSTRALIA

Alcohol consumption in Australia rose markedly in the early 1970s, followed by a gradual decline in the late 1980s. On closer examination, this pattern was due largely to the changing consumption of beer, as wine consumption has steadily risen since this time, with spirits and ready-to-drinks (RTDs) remaining the same (Australian Bureau of Statistics 2011). Undoubtedly, the quality of wine produced in Australia has been a primary driver for the shift from beer to wine consumption. As a result, the sale of Australian wine has grown rapidly not only in Australia, but on the international market. Along with quality wines other unique innovations, including cask wine and screw-top lids, have made Australian wines one of the most sought-after globally. Overall, Australian wine producers have proved they do not shy away from a challenge, with both consumers and Australian winemakers receiving the benefits of these innovative ideas.

There are a number of substantial challenges ahead for the wine industry. There is an increasing push from government and other agencies to implement policy aimed at reducing alcohol consumption, whether through tax reforms or advertisements. Major retailers have given this further momentum by declaring their intention to increase the extent of their lower alcohol wine category,

thus following in the footsteps of their UK counterparts, that is, Tesco, Sainsbury's and the like (Wine Intelligence 2012). One way to reduce alcohol consumption in the Australian population, without selling fewer products, is to offer lower alcohol wines.

## THE CURRENT STUDY

The current study was conducted online, recruiting participants through a market research company. The final sample consisted of 851 wine consumers geographically balanced across Australia, with an equal number of males and females. The survey consisted of questions regarding purchasing price per bottle/cask and amount of wine consumed per month, as well as the percentage of alcohol contained in the wine. A general question regarding interest in low alcohol wine was followed up by the question, 'What if low alcohol wine tasted the same as standard wine?' An open ended question, 'I am interested in low alcohol wine because...' allowed participants to give reasons for why they would purchase low alcohol wine in their own words. Interestingly, 21% of the sample did not know what alcohol percentage was contained in the wine they drank (see Figure 1), which is insightful. As such, the corresponding figure for a similar study done in the UK market was even higher at 40% (Wine Intelligence 2012).

## ATTITUDES TO LOW ALCOHOL WINE

Previous studies have reported only a modest interest in low alcohol wine. For example, a study predicting a market size for low and very low alcohol cask wine under different tax regimes found only 6-8% of the sample

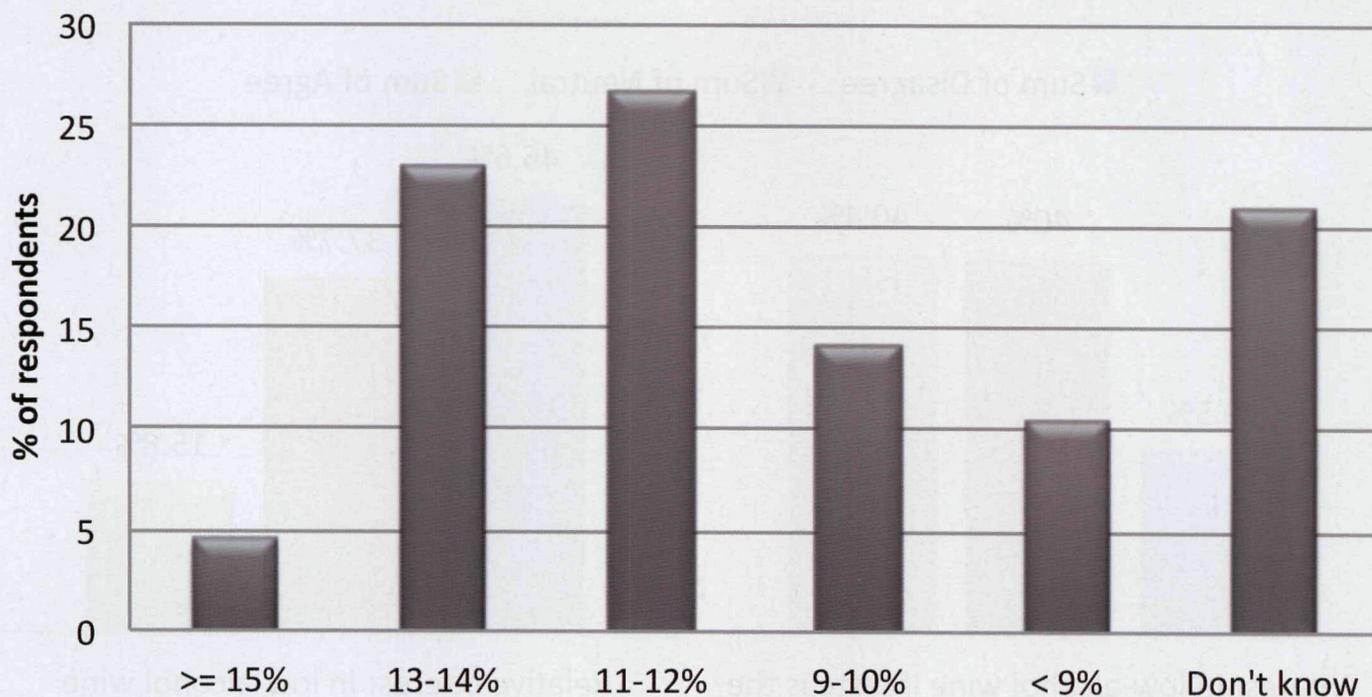


Figure 1. Percentage of alcohol in wine currently purchased (N = 851).

are ready to purchase these products (Mueller, Lockshin and Louviere 2011). In the current study, 16% of the sample reported an interest in low alcohol wine without setting any precedent as to what percentage of alcohol this would contain or packaging type. Although 16% is still rather modest, opinions changed markedly when asked, 'What if low-alcohol wine tasted the same as standard wine?' Over 40% agreed they would consider low alcohol wine as an option to purchase and 40% were neutral to the idea (see Figure 2). This suggests that negative attitudes to low-alcohol wine are linked to the undesirable alterations in taste, but if these alterations could be made while preserving the taste, consumers are much more willing to purchase them, providing that the price of the wines are not increased due to this intervention process.

#### WHAT DO PEOPLE CONSIDER LOW ALCOHOL WINE TO BE?

Researchers assessing a potential market for low alcohol wine appear to presuppose that the consumer understands what 'low alcohol' means. The present study was designed to investigate consumer perceptions of what alcohol content a low alcohol wine would contain and whether this matches the level set by the wine industry. Seventy

percent of our sample perceived a low alcohol wine to contain around 3-8% alcohol, while 17.2% perceived low alcohol wine to contain approximately 1-2% alcohol. The good news for consumers is that a wine with as little as 4.5%v/v can now be purchased and consumed as a 'wine' (Food Standards Australia New Zealand 2011). The test now is whether wine producers are able to engineer a low alcohol product that tastes similar to the wines consumers are used to. We do not underestimate this challenge, and feel that such a product is a fair way off. However, the importance of the finding is that it argues that the engineering, viticulture and sensory research should be undertaken to develop very low alcohol wines. Commercially, the large Australian wine producers have seemingly already embraced the challenge through brands such as 5.5% Banrock Station Bright Idea (Accolade), 7.5-9% Lindemans Early Harvest (Treasury), and 9.5-11% Jacob's Creek Cool Harvest (Pernod Ricard).

#### WHO WOULD BUY LOW ALCOHOL WINE AND WHY?

Multiple regression analysis was used to predict those more interested in low alcohol wine; predictors used in the analysis included age, gender and lifestyle variables. Previous exploratory studies on potential consumers of low alcohol wine have found

women are the more likely purchasers, with the current study supporting these findings. However, the effect size was found to be quite small ( $\eta^2 = .039$ ), which may indicate that either the difference has always been minimal or male attitudes to low alcohol wine is changing. Of the lifestyle variables, only those who enjoy wine with food were found to be significant.

The present study explored interest in low alcohol wine further by presenting the question, 'I am interested in low alcohol wine products because...' This allowed individuals to report in their own words why they would purchase low alcohol wine and has the advantage of reducing any bias in the result. The main reason offered was the desire to be able to stay within the blood alcohol limit to drive after drinking alcohol. Many reported concerns over the negative health effects of alcohol and felt that enjoying a few wines while reducing health risks was a potential reason to purchase low alcohol wine. Another common reason to purchase low alcohol wine, which may come as good news to low alcohol wine producers, is being able to drink more wine without the effect that higher alcohol wines produce. Many individuals reported that one or two wines 'go straight to their head', implying they cannot have anymore than this (see Figures 3 and 4).

#### OUR ADVICE TO WINE BUSINESS

Based on attitudes and self-

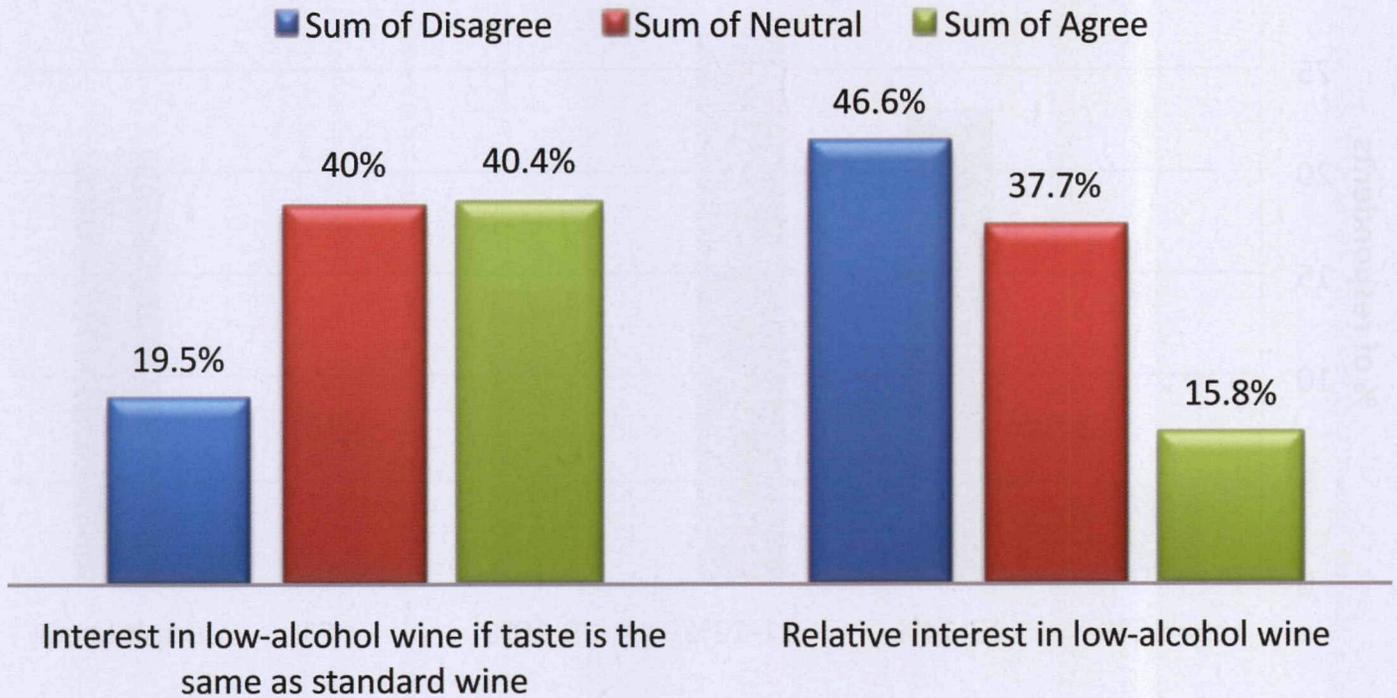


Figure 2. Relative interest in low alcohol wine compared with interest if taste were the same as standard wine.

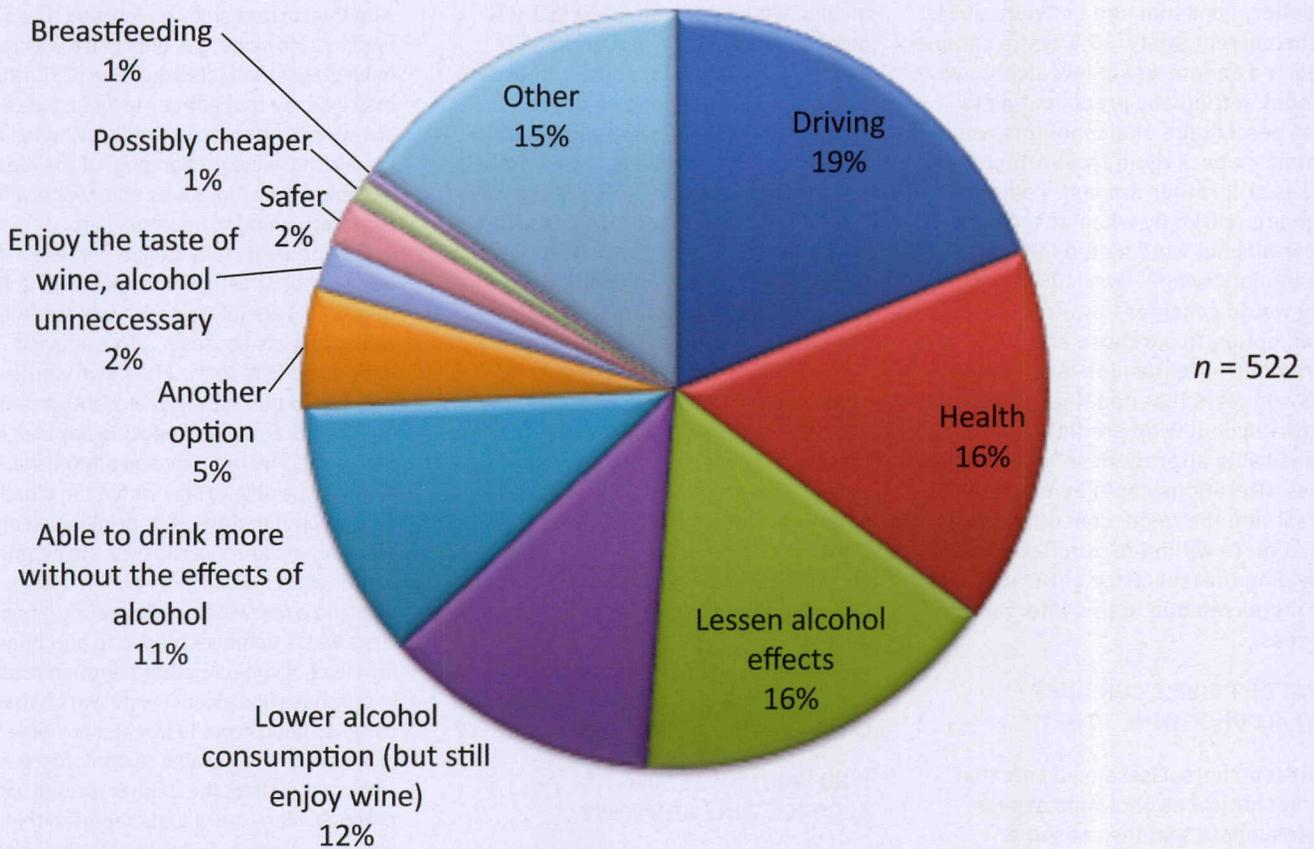


Figure 3. Reasons for purchasing low alcohol wine.

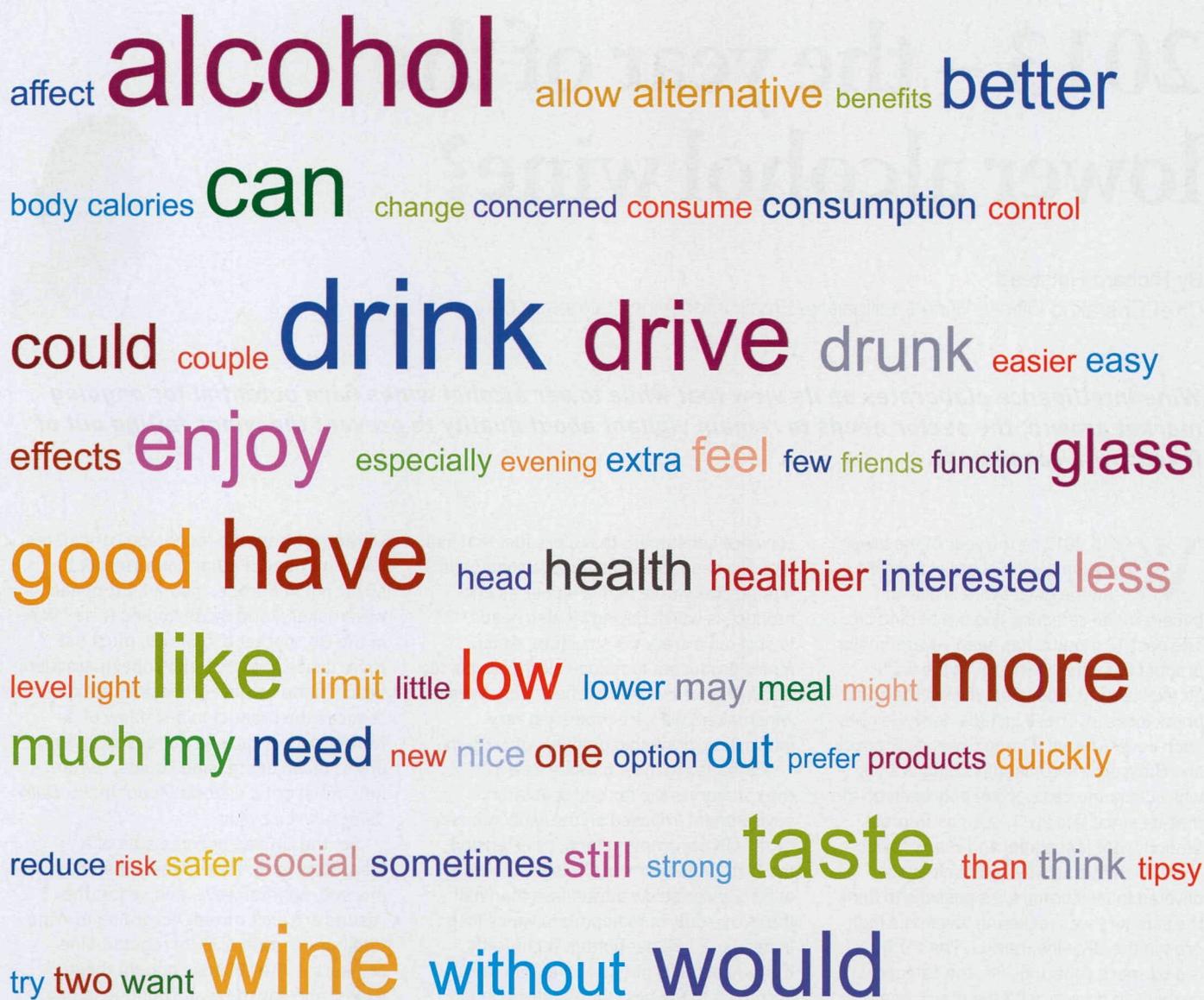


Figure 4. Tag cloud for interest in low alcohol wine.

reported interest, lower alcohol wine seems to have a potentially substantial market size. Further studies on predicting behaviour, however, need to be conducted in order to determine the exact size of the market, but our work strongly suggests that the potential market size is large enough for wine businesses to start offering lower alcohol wines, and certainly for further research to be conducted to deliver very low alcohol wines.

Just what this research would encompass is debatable, but certainly there are viticultural practices that can be followed that facilitate lower alcohol wines, and there are winemaking practices (based on microbiology and sensory studies) that can deliver the same. Further, there are marketing opportunities to explain the low alcohol wines that will influence acceptance. For instance,

we know that a wine described as 'low alcohol' currently will be perceived as inferior, whereas a wine that is described as 'leaner' or 'early-picked' will not elicit the same negativity.

#### CONCLUSION

While previous studies have reported negative attitudes to low alcohol wine products, it is clear from the results of the current study that these attitudes stem predominately from the alteration in taste, rather than from the reduction in alcohol per se. Undoubtedly many consumers will still prefer a higher alcohol wine, but the option of a similar tasting, lower alcohol wine to consume if driving or for health benefits and physical reasons is a market waiting to be tapped. Further studies are required to investigate actual uptake

of low alcohol wine, though this study has demonstrated that the potential market is large enough to begin the important challenge of delivering low alcohol wine.

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