



COLORADO WINE INDUSTRY DEVELOPMENT BOARD

Consumer Telephone Survey

November 1996

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BACKGROUND

This report, prepared for the Colorado Wine Industry Development Board presents the findings of a state-wide Colorado survey of wine drinkers. The purpose of the survey was to provide current information to The Colorado Wine Industry Development Board regarding peoples' awareness and consumption of Colorado wines.

The survey was virtually identical to the one that was conducted in March of 1992. Comparisons are therefore made throughout this report to the 1992 findings.

Specific objectives of both surveys were to:

- Identify and profile current consumers of Colorado wines;
- Assess purchase and consumption patterns of Colorado wines;
- Assess consumers' perceptions of Colorado wines;

The survey consisted of a total of 261 respondents, aged twenty-one or over, who drink wine on a regular basis -- saying they drank six or more glasses of wine in the previous four weeks. The sampling was identical for both surveys and was randomly drawn from a data base of all Colorado homes. Respondents were interviewed by telephone in November of 1996.

A survey of 261 respondents, selected in random fashion, will yield results that are statistically reliable to within $\pm 6.1\%$ at the 95% confidence interval.

EXECUTIVE SUMMARY

Background: This report presents the findings of a state-wide Colorado survey of wine drinkers. The purpose was to provide current information to The Colorado Wine Industry Development Board regarding awareness and consumption of Colorado wines.

Awareness: Awareness of Colorado as a wine producing state remains at about half (55%) of Colorado wine drinkers.

Consumption: Consumption of Colorado wines has increased to more than a third (37%) of the respondents.

Type of Colorado Wine Consumed: People continue to drink both red (55%) and white Colorado wines (51%). They now appear to be less interested in blush and fruit wines.

Motivation for Trying Colorado Wine: People were motivated to try Colorado wines by their friends (24%), from seeing the wines at a liquor store (19%) or a winery (19%) or because they were just curious (11%).

The Vineyard: Unaided recall of Colorado vineyards by people who have tried Colorado wine(s) appears to have decreased. Colorado Cellars (28%) and Plum Creek Cellars (17%) were mentioned most frequently.

Satisfaction: Satisfaction with Colorado wines has increased since 1992. More than half (56%) said they are very satisfied with the wines they consumed.

Likelihood of Repurchase: Likelihood of repurchase of Colorado wines has increased since 1992. Almost three-quarters (73%) said they are very likely to consider repurchase.

Likelihood of Purchase: More than a third (37%) of people who have not previously purchased a Colorado wine said they are very likely to do so.

Domestic vs. Imported Wines: Colorado wine drinkers continue to prefer domestic wines (73%) over imported wines (27%).

Colorado Wine Information: Awareness of information about Colorado wines has almost doubled since 1992 to more than a quarter (28%). The primary source is magazine and newspaper articles.

Colorado Wine Drinker Profile:

- The median age is 47.
- More than half (51%) have at least undergraduate degrees.
- The most common occupation is professionals (30%).
- The median household income is \$53,970.
- The vast majority (94%) are Anglo.

Conclusions and Potential Impact

Quality and Awareness maintained.

The increase in the number of Colorado wine producers has not effected awareness of Colorado Wines positively or consumer satisfaction with Colorado wines negatively. These are positive results.

- Product awareness increases are usually accompanied by a significant event and/or increased advertising, particularly radio and television. Maintenance of this increased level of awareness, is usually a function of supporting flights of advertising. Without this level of investment, significant increases in awareness come slowly.
- Increases in the number of brands within a product category, such as Colorado Wines, often lead to reductions in the quality of the product offered. The result can be a reduction in the perceived quality of the product, i.e. Colorado Wines. This is not the case with Colorado Wines. As a product category the perceived quality has been maintained.

Colorado Wines and the Future

- The combination of increased information about Colorado Wines, a positive tasting experience with the wines and a high re-purchase intent, suggest a favorable outlook for the continued growth of the Colorado Wine Industry.
- The purchase environment for Colorado Wines is favorable given the percentage of Coloradans who prefer domestic wines
- The amount of information about Colorado Wines has increased dramatically enhancing the purchase environment even more.
- Once consumers have tasted Colorado wines, they are highly likely to re-purchase the wines.

FINDINGS

COLORADO WINES

Awareness

People were asked on an aided basis if they were "aware of any wines produced in the state of Colorado." Awareness remained at about half (55%) of the respondents.

More aware were:

- People who live in metropolitan Denver versus those who live in other areas of Colorado.
- Women.
- People aged 50 or older.

Aided Awareness		
	1996	1992
Yes	55	51
No	45	49
Total	100%	100%
N =	261	403

How People Learned About Colorado Wines

People became aware that Colorado is a wine producing state mostly from liquor stores (27%), friends (17%), wineries (17%) and magazines or newspaper articles (14%). Many (8%) remarked that they live in wine country.

Learning About CO Wine	
	1996
Liquor store	27
Friend	17
Winery	17
Magazine/paper	14
Live in Colorado	8
Restaurant	5
Television	3
Radio	1
Other	8
Total	100%
N =	143

Consumption

The percentage of people who have ever consumed a Colorado wine has increased since the 1992 survey to more than a third (37%).

Consumed Colorado Wine?		
	1996	1992
Yes	37	29
No	63	71
Total	100%	100%
N =	261	403

Types of Colorado Wine Consumed

Similar to results from the 1992 survey, people have equal preferences for red (55%) and white Colorado wines (51%). There appears to have been a shift away from consumption of blush and fruit wines.

Colorado Wine Consumed		
	1996	1992
Red	55	50
White	51	56
Blush	14	26
Fruit wines	3	17
Other	1	
Don't know	3	7
Multiple responses		
N =	96	115

Motivation for Trying

When asked why they first tried a Colorado wine, responses closely followed those of how people had learned that Colorado is a wine producing state: friends (24%), that they saw a Colorado wine at a liquor store (19%) or at a winery (19%) or because they were just curious to try the wine (11%).

Motivation for Trying	
1996	
Friend	24
Liquor store	19
Winery	19
Curious	11
Restaurant	7
Live in Colorado	7
Wine tasting	3
Magazine/newspaper	2
Festival	2
Point of sale	1
Other	5
Total	100%
N =	96

Where First Tried a Colorado Wine

When asked where they first tried a Colorado wine, the most common response was their homes (44%). Other common places are at wineries (23%) and with friends (17%).

Where First Tried	
1996	
At home	44
Winery	23
Friend's home	17
Restaurant	9
Festival/event	2
Other	5
Total	100%
N =	96

The Colorado Vineyard

When people were asked on an unaided basis to name the vineyard(s) of the Colorado wines they have consumed, Colorado Cellars (28%) and Plum Creek Cellars (17%) were the most mentioned. While people are aware of more vineyards than they were in 1992, Colorado Cellars, Plum Creek Cellars and Pikes Peak Vineyard were all mentioned less than in 1992.

The Vineyard		
	1996	1992
Colorado Cellars	28	50
Plum Creek Cellars	17	46
Columbine Cellars	8	
Carlson Vineyards	6	12
Grand River Vineyards	3	
Pikes Peak Vineyard	3	21
Terror Creek Winery	2	
Mountain Spirit Winery	1	
Rocky Hill Winery	1	
Stoney Mesa Winery	1	
Grand River		7
Vail Valley		4
Don't know	49	44
Multiple responses		
N =	96	101

Satisfaction With Colorado Wines

Peoples' level of satisfaction with Colorado wines has improved since 1992. More than half (56%) said they are very satisfied with the wines they have consumed.

More satisfied are those who:

- Earn less than \$35,000.
- Reside outside of metropolitan Denver.

Satisfaction With Colorado Wine		
	1996	1992
Very satisfied	56	42
Somewhat satisfied	26	39
Neither	9	6
Somewhat dissatisfied	5	5
Very dissatisfied	3	6
Don't know	1	2
Total	100%	100%
N =	96	117

Recall of Colorado Vineyards

People were read a list of Colorado vineyards and asked if they had purchased any of their wines during the previous six months. The wines most purchased are from Colorado Cellars (22%), Plum Creek Cellars (14%) and Columbine Cellars (9%). Close to two-thirds (61%) had not purchased a Colorado wine during the previous six months.

Purchased? (Aided)	
	1996
Colorado Cellars	22
Plum Creek Cellars	14
Columbine Cellars	9
Carlson Vineyards	4
Pikes Peak Vineyard	3
Grand River Vineyards	2
Minturn Cellars	2
Rocky Mountain Meadery	2
Terror Creek Winery	2
Trail Ridge Winery	2
Mountain Spirit Winery	1
None	61
Multiple responses	
N =	96

Place of Purchase

People typically purchase Colorado wines at liquor stores (70%) and wineries (24%).

Place of Purchase	
	1996
Liquor store	70
Winery	24
Restaurant	3
Other	3
Total	100%
N =	37

Likelihood of Repurchase

The likelihood of repurchase of Colorado wines has increased since 1992. Close to three-quarters (73%) of the people who bought a Colorado wine during the previous six months said they are very likely to consider repurchase of a Colorado wine.

Likelihood of Repurchase		
	1996	1992
Very likely	73	54
Somewhat likely	22	33
Neither	3	1
Somewhat unlikely	0	5
Very unlikely	2	7
Total	100%	100%
N =	37	100

Likelihood of Purchase

Similarly, people who had not purchased a Colorado wine during the previous six months were asked how likely they are to do so. Though purchase intent among these people was not as strong as it was for those who had previously purchased a Colorado wine, more than a third (37%) said they are very likely to do so. Almost half (49%) said they are somewhat likely.

Likelihood of Purchase	
	1996
Very likely	37
Somewhat likely	49
Neither	3
Somewhat unlikely	7
Very unlikely	4
Total	100%
N =	165

WINE CONSUMPTION

Type of Wine People Drink

For all wines, and not just those produced in Colorado, people were asked what types of wine they drink. While the 1992 survey revealed a strong preference for white wines, this preference has shifted to what is now an even popularity for white (41%) and red (38%) wines. Consumption of blush wines has remained relatively unchanged (12%).

- White wines are more popular among women.
- Red wines are more popular among men.

Type of Wine People Drink		
	1996	1992
White	41	50
Red	38	30
Blush	12	17
Wine coolers	3	1
Fruit	1	1
Other	5	1
Total	100%	100%
N =	261	403

Domestic vs. Imported Wines

When asked for the percentage breakdown of the wines they drink, Colorado wine drinkers continue to prefer domestic wines (73%) over imported wines (27%).

Domestic / Imported Wines		
	1996	1992
Domestic	73	78
Imported	27	22
Total	100%	100%
N =	261	403

INFORMATION AWARENESS

At the end of the survey, respondents were asked if they recalled seeing any information about Colorado wines within the previous six months. Awareness has almost doubled since 1992 to more than a quarter (28%).

Recall Colorado Wine Information?		
	1996	1992
Yes	28	16
No	72	84
Total	100%	100%
N =	261	403

Where People saw the Information

Magazine and newspaper articles continue to be the primary sources of information and were cited considerably more than in 1992. About one in ten (13%) said they saw such an article. Other sources are liquor stores, wineries, and other media.

Where Saw Colorado Wine Information		
	1996	1992
Magazine/newspaper	13	4
Liquor store	5	3
Winery	3	
Television	2	
Advertisement	2	2
Other	3	6
N =	261	403

DEMOGRAPHICS

Gender

The 1996 sample was almost evenly split between men (48%) and women (52%).

Age

Colorado wine drinkers tend to be middle aged. The median age for the 1996 survey was 47, slightly older than the 40 year old figure for the 1992 survey.

Household Size

The median household size for 1996 was 2.78. It was 2.73 in 1992.

Education

As was the case in 1992, more than half of Colorado wine drinkers have at least undergraduate degrees (51% 1996; 57% 1992).

Marital Status

Close to three-quarters (72%) of the respondents are married.

Occupation

The most common occupations of Colorado wine drinkers is professionals (30% 1996; 27% 1992).

Household Income

Colorado wine drinkers continue to have high household incomes. The median income for the 1996 survey was \$53,970. It was \$52,604 in 1992.

Ethnicity

The vast majority (94%) of Colorado wine drinkers are Anglo.

APPENDIX

THE COLORADO WINE INDUSTRY
CONSUMER'S
TELEPHONE SURVEY

OCTOBER, 1996 c

Respondent Name _____

Phone Number _____ Date _____

Time Interview Began/Ended _____ / _____

Interviewer _____

Case # _____

HELLO, MY NAME IS _____ FROM _____, A MARKETING
RESEARCH FIRM. WE ARE TALKING WITH PEOPLE WHO DRINK WINE AND OTHER ADULT
BEVERAGES.

THIS IS NOT AN ATTEMPT TO SELL ANYTHING, JUST A PART OF THE RESEARCH.

INTERVIEWER NOTE MALE OR FEMALE.

Male.....1 CHECK QUOTA
Female.....2 CHECK QUOTA

1. Which of the following types of beverages do you consume on a regular
basis? (READ LIST)

- Wine.....1 (___)
Imported Beers.....2 (___)
Domestic Beers.....3 (___)
Gin.....4 (___)
Vodka.....5 (___)
Scotch.....6 (___)
Canadian Whiskey.....7 (___)
Cognac.....8 (___)
Cordials.....9 (___)
Other .._____.10(___)
(please specify)
Don't Know11(___)

WINE
NOT MENTIONED
GO TO 2

WINE
MENTIONED
CONTINUE

2. Do you or anyone in your household consume(drink) wine?

PLEASE NOTE USE 3. ONLY IF SOME ONE OTHER THAN THE FIRST PERSON YOU SPOKE WITH, COMES TO THE PHONE, OTHERWISE SKIP TO Q 4.

Yes1 Go to 4.
No2 THANK & TERMINATE
Not available3 (check call back sheet for quota.)

3. Do you consume(drink) wine?

Yes1 CONTINUE
No2 THANK & TERMINATE

4. Which of the following categories best represents your age?

less than 21.....1 THANK & TERMINATE
21 to 30.....2
31 to 40.....3 CHECK QUOTA
41 to 50.....4
50 & over.....5
If declined.....6 THANK & TERMINATE

5. Which of the following categories best represents the amount of wine you have consumed in the last four weeks?

less than 6 glasses.....1 THANK & TERMINATE
six or more.....2 CONTINUE

6. Within the last year have you purchased non-cooking wine for home use?

Yes1 CONTINUE
No2

7. If 100% represents all of the wines you drink, what percentage of those wines are? **READ LIST**

- White Wines.....1 ()
- Red Wines.....2 ()
- Blush Wines.....3 () **CONTINUE**
- Wine Coolers.....4 ()
- Fruit Wines (non-grape).....5 ()
- Other .._____6 ()
(please specify)
- Don't Know7 ()

8. What percentage of the wines you drink are?
READ LIST

- Domestic (produced in the USA).....1 ()
- Imported2 () **CONTINUE**
- Other_____3 ()
(please specify)
- Don't Know4 ()

9. Are you aware of any wines produced in the state of Colorado?

- Yes.....1 **CONTINUE**
- No.....2 **GO TO 22**
- Don't Know.....3 **GO TO 22**

10. How did you first become aware of Colorado wines?
CHECK FIRST MENTION

- Friend.....1
- Liquor Store.....2
- Magazine or newspaper article.....3
- TV.....4
- Radio.....5
- Wine buyer/waiter.....6 **CONTINUE**
- Restaurant.....7
- Point-of-Sale material.....8
- Winery.....9
- Festival.....10
- Other .._____11
(please specify)

11. Have you ever consumed any wines produced in the state of Colorado?

- Yes.....1 CONTINUE
- No.....2 GO TO 22

- Don't Know.....4 GO TO 22

12. Was the Colorado wine you consumed a red wine, white wine, blush or fruit wine? CHECK ALL THAT APPLY

- Red..... (___)
- White..... (___)
- Blush..... (___) CONTINUE
- Fruit..... (___)
- Other .._____ (___)
(please specify)
- Don't Know (___)

13. Why did you first try the Colorado wine?
CHECK FIRST MENTION

- Friend.....1
- Liquor Store.....2
- Magazine or newspaper article.....3
- TV.....4
- Radio.....5
- Wine buyer/waiter.....6 CONTINUE
- Restaurant.....7
- Point-of-Sale material.....8
- Winery.....9
- Festival.....10

- Other .._____11
(please specify)

14. Where did you first try a Colorado wine?

- Restaurant.....1
- Winery, tasting room.....2
- Friend's home.....3
- Festival or event.....4
- At home.....5

- Other .._____6
(please specify)

15. Please name the producer of the Colorado wine(s) you consumed.

DO NOT READ LIST, MARK ONLY IF CORRECTLY NAMED.

- Carlson Vineyards.....1
- Colorado Cellars.....2
- Columbine Cellars.....3
- Cottonwood Cellars.....4
- Grande River Vineyards.....5
- Minturn Cellars.....6
- Mountain Spirit Winery.....7 **CONTINUE**
- Pikes Peak Vineyard.....8
- Plum Creek Cellars.....9
- Rocky Hill Winery.....10
- Rocky Mountain Meadery.....11
- Shadow Mountain Cellars.....12
- Stoney Mesa Winery.....13
- Terror Creek Winery.....14
- Trail Ridge Winery, Ltd.....15

16. Overall, how would you rate your satisfaction with Colorado Wine. Would you say that you were very satisfied, somewhat satisfied, neither satisfied nor dissatisfied, somewhat dissatisfied, or very dissatisfied?

- Very satisfied1 **SKIP TO 18**
- Somewhat satisfied2 **SKIP TO 18**
- Neither3 **SKIP TO 18**

- Somewhat dissatisfied4 **CONTINUE**
- Very dissatisfied5 **CONTINUE**

17. Why were you dissatisfied with the Colorado Wine you had?
PLEASE RECORD SPECIFIC WINE TRIED

18. How did you find out about the Colorado Wine you drank? **DO NOT READ LIST**

- Friend, word of mouth.....1
- Liquor Store.....2
- Magazine or newspaper article.....3
- TV.....4
- Radio.....5
- Wine buyer/waiter.....6 **CONTINUE**
- Restaurant.....7
- Point-of-Sale material.....8
- Winery.....9
- Festival.....10

- Other .. _____.....11
(please specify)

- Don't Know12

19. In the last six months have you purchased wine made buy any of the following wineries? **READ LIST , LIST ALL THAT APPLY**

- Carlson Vineyards.....1
- Colorado Cellars.....2
- Columbine Cellars.....3
- Cottonwood Cellars.....4
- Grande River Vineyards.....5
- Minturn Cellars.....6
- Mountain Spirit Winery.....7 **YES = 1, CONTINUE**
- Pikes Peak Vineyard.....8 **NO = 2, GO TO Q22**
- Plum Creek Cellars.....9
- Rocky Hill Winery.....10
- Rocky Mountain Meadery.....11
- Shadow Mountain Cellars.....12
- Stoney Mesa Winery.....13
- Terror Creek Winery.....14
- Trail Ridge Winery, Ltd.....15

20. Where did you first purchase a Colorado wine?

- Restaurant.....1
- Winery, tasting room.....2
- Liquor Store.....3
- Festival or event.....4

- Other .. _____.....5
(please specify)

21. How likely would you be to consider the repurchase of another Colorado Wine? Would you say that you would be very likely, somewhat likely, neither likely nor unlikely, somewhat unlikely, or very unlikely?

- Very likely1
- Somewhat likely2
- Neither3 GO TO Q23
- Somewhat unlikely4

Very unlikely5 [Note why]

Why _____

22. How likely would you be to consider the purchase of Colorado Wine? Would you say that you would be very likely, somewhat likely, neither likely nor unlikely, somewhat unlikely, or very unlikely?

- Very likely1
- Somewhat likely2
- Neither3
- Somewhat unlikely4

Very unlikely5 [Note why]

Why _____

23. Do you recall seeing any information about Colorado wines within the last six months?

- Yes1 CONTINUE
- No2 GO TO 25

24. Where did you see that information?

- Advertisement.....1
- Liquor Store.....2
- Magazine or newspaper article.....3
- TV.....4
- Radio.....5
- Wine buyer/waiter.....6 CONTINUE
- Restaurant.....7
- Point-of-Sale material.....8
- Winery.....9
- Festival.....10

Other .. _____ ..11
(please specify)

THE LAST FEW QUESTIONS I HAVE ARE ABOUT YOU AND YOUR FAMILY. THEY WILL BE USED IN HELPING US CLASSIFY AND INTERPRET THE ANSWERS. THIS INFORMATION, LIKE ALL YOUR RESPONSES WILL BE STRICTLY CONFIDENTIAL.

25. Including yourself, how many people live in your household?

- One1
- Two2
- Three3
- Four4
- Five or more5

- Refused6

26. What was the last grade of school you had the opportunity to complete?
DO NOT READ

- Less than 12 years1
- High school graduate2
- Some college3
- College graduate4
- Post-graduate work or degree5

- Refused6

27. What is your marital status?
DO NOT READ

- Married.....1
- Single2
- Divorced/separated/widowed3

- Refused4

28. What is your occupation?
DO NOT READ RESPONSES; PLACE IN CATEGORY WHICH BEST DESCRIBES THEIR OCCUPATION

- Official/manager1
- Professional2
- Technician3
- Sales4
- Office/clerical5

- Craft/operator/laborer6
- Service worker7
- Military8
- Student9
- Homemaker10

- Retired11
- Not in labor force
and not looking12
- Unemployed13
- Other14

- Refused15

28. Which of these categories best describes the approximate annual income for your entire household?

- Under \$15,0001
- \$15,000 to \$24,9992
- \$25,000 to \$34,9993
- \$35,000 to \$44,9994
- \$45,000 to \$54,9995
- \$55,000 to \$64,9996
- \$65,000 to \$75,0007
- Over \$75,0008

- Refused9

29. For statistical purposes, only, would you please tell me which ethnic group of which you are a member? **DO NOT READ**

- Anglo1
- Black2
- Hispanic3
- American Indian/Native American ..4
- Oriental5
- Other6

- Refused7

THANK & TERMINATE