

The Youth Market, Wine and Wine Tourism: A Behavioural Context for Wine Tourism Potential. An Exploratory Study into Wine Tourism and Wine Consumption from a Youth Market Perspective.

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Abstract

Dramatic changes in the operating environment for wineries in Australia and New Zealand over the last decade are now presenting a number of significant challenges to the industry's sustainability and long-term survival. One of these challenges is the need for the industry to develop the wine consuming market, in order to create sufficient demand for the current level of supply. Another issue, one which particularly affects small and medium wineries, is the need to develop alternative distribution and marketing avenues. This is the result of substantial industry consolidation limiting access for wineries with lesser marketing power to more traditional distribution avenues, such as at the retail level or the currently successful export industry.

This research investigates a combination of these two important issues, by examining the current youth market in Australia and New Zealand as a potential growth market who may assist in reducing the concern of over-supply. Additionally, the research investigates the alternative distribution avenue which is wine tourism, not only as a method for small and medium wineries to improve their profitability, but also as a channel for developing the youth market's interest in, and consumption of, wine.

Olsen and Thach's (2001) framework for understanding the behavioural process leading to wine consumption was adapted to include wine tourism as an alternative consumption, purchasing and educational setting, and was applied to this research. Findings from the research uncovered that wine consumption is a marginal activity for much of the youth market, and other alcohol options are generally preferred. Nonetheless, wine was consumed by a broad section of the sample, indicating a liking for wine which may be exploited through marketing. However, high competition from other beverages at traditional alcohol consumption locations for this market (e.g. bars and nightclubs), suggests that these settings might be uneconomical for targeting this market.

Furthermore, a link between consumption levels and the respondent's knowledge and consumption of wine was uncovered; suggesting that marketing and educational activities aimed towards this market may indeed have a positive effect on overall consumption growth.

The research also found that previous wine tourism experiences are common for this market, and many think of wine tourism an appealing activity. Broadly, their interest in the wine tourism product stems from enjoying the regional landscape and a day out with their friends, while tasting wine and learning about tasting wine were also noted as significant interest areas. The cost of travelling to a wine region was found to be an important inhibitor to them visiting wineries, reflecting financial concerns found in other areas of this research.

Overall, the research suggests that visitation to wineries may indeed act as a foundation for increasing this market's wine consumption, as the clear links between wine knowledge and wine

consumption found indicate that the product offering at a cellar door may in turn develop these areas. Potentially, attracting this market to the cellar door will involve encouraging visitation not only for wine-specific reasons, but also to enjoy a low-cost, pleasant rural environment, where they can experience a variety of activities with their peer group. Once captured, the market can then be encouraged to experience the winery's product. In turn, this may create the link between wine understanding and wine consumption. Furthermore, the high importance of the youth market's peer group can be exploited on at the winery, as satisfaction and increased wine consumption of one person will likely lead to positive word-of-mouth referrals to the peer group, and increased wine consumption overall.