

Update : Consumer Attitudes of Wine Closures

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Exploring Consumer Attitudes

Use of alternative closures (synthetic closure and screw caps) has been studied extensively for their effects on wine drinking flavor. Consumer attitudes about use of alternative closures is less well known. In the early 2000's, concerns about tainted wines created interest in use of alternative closures. Although many factors contribute to taint in wine, natural cork received a great deal of attention and there was a trend away from natural cork and towards alternate closures.

Background *(continued)*

In 2004, the first research study in this series was conducted to explore consumer attitudes about three types of wine closures (natural cork, synthetic closure, and screw cap), along with their impact on purchase interest and perceived wine quality. This research series was updated in 2007 and this report highlights the latest update in October 2011.

The overall objective is to understand the USA consumer's attitudes for wines bottled with natural cork, synthetic closures, and screw caps and to determine how consumer opinions have changed over the years.

Large consumer base over multiple years

Approximately 1550 consumers in the USA

- Males (~35%) and Females (~65%)
 - Head of household, primary shoppers, ages 25-65
 - Red and white wine purchasers drinkers
 - 80% drink wine at least once a week
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- **Study 1** in 2004 with 300 consumers
 - **Study 2** in 2007 with 940 consumers
 - **Study 3** in 2011 with 347 consumers

This study has a margin of error +/- 4%

Research Targets *(continued)*

Consumers in each study completed two web based questionnaires.

- Conjoint/trade-off analysis for closure type, wine type, price, and region
- Usage and attitude (U&A) survey, purchase interest, and perceived quality

Conjoint Analysis

Closure type was more important to purchase interest than wine type, price point, and country of origin.

- **Natural Cork** had a positive influence on purchase interest.
- **Synthetic Closure** had a relatively neutral impact on purchase interest.
- **Screw Cap** had a negative impact on purchase interest.

U&A, Purchase Interest, and Perceived Wine Quality

- When asked how likely they would be to purchase wine according to closure type, 94% indicated they would be more likely to purchase wine with a natural cork, 72% said they would purchase wines with a synthetic closure and only 45% indicated a willingness to buy wines with screw-caps. 21% said screw-caps created a negative influence to their purchase.
- Natural cork indicates that the wine is of high or very high quality (93%). Results for perceived quality of natural cork is three times higher than synthetic closure (31%) and almost nine times higher than screw cap (11%).

Key Findings *(continued)*

Natural Cork remains most appropriate for special occasions, dinner party at home, and to give as a gift. **Synthetic Closures** have gained acceptance among consumers for everyday wines, relaxing at home, and dinner at home with family. However, relative to previous years, they are somewhat less appropriate today for special occasions, dinner parties, and gift giving.

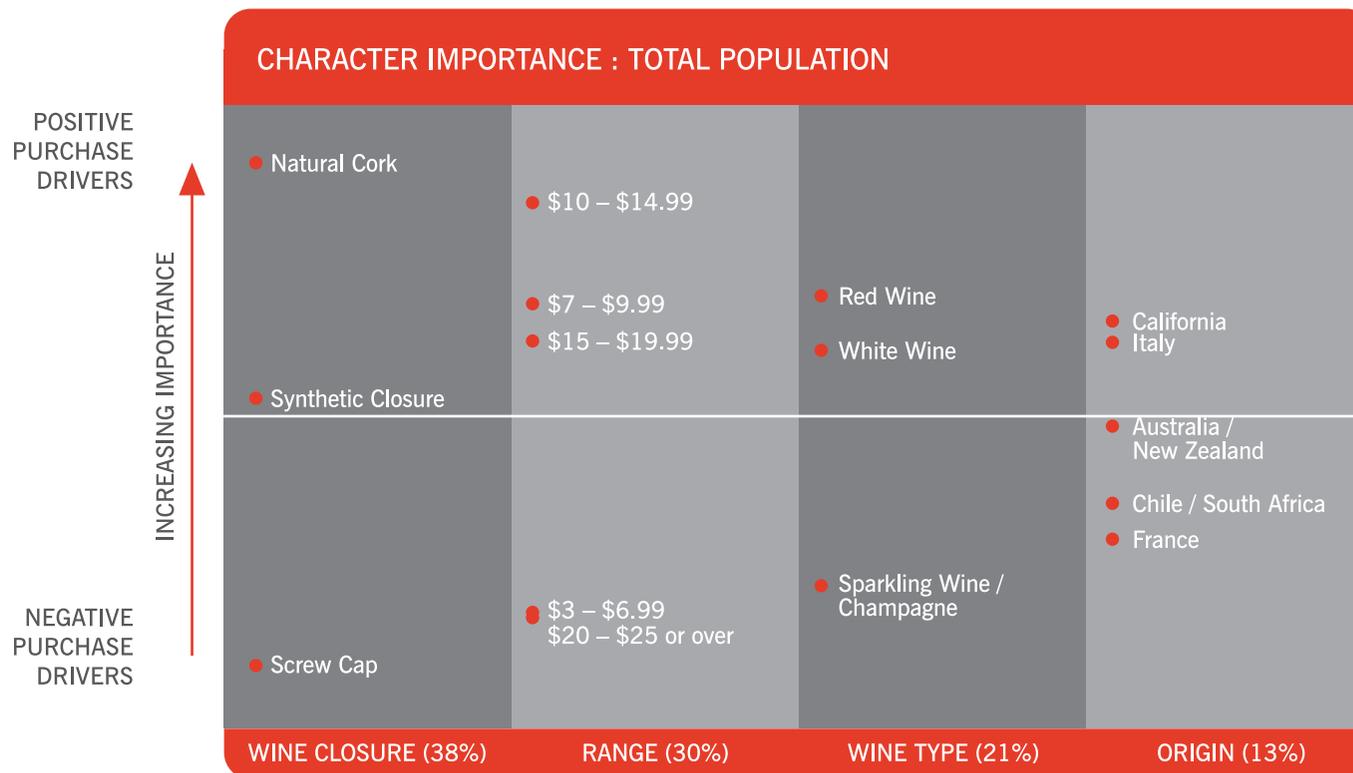
Key Findings *(continued)*

Screw Caps consumer opinion has changed most over the years. Appropriateness was highest in 2007 for casual situations but they have always been least appropriate for special occasions. Screw Caps seemed to have reached their peak in consumer acceptance in 2007 and are now less appropriate for all occasions than they were in 2007.

Conjoint Results

Character Importance : Total Population

Based on the conjoint results, wine closure was most important to their purchase decision and natural cork was the key positive driver. Price point was next, with the \$10 to \$15 price point as most desirable. Varietal and country of origin were least important among these choices.



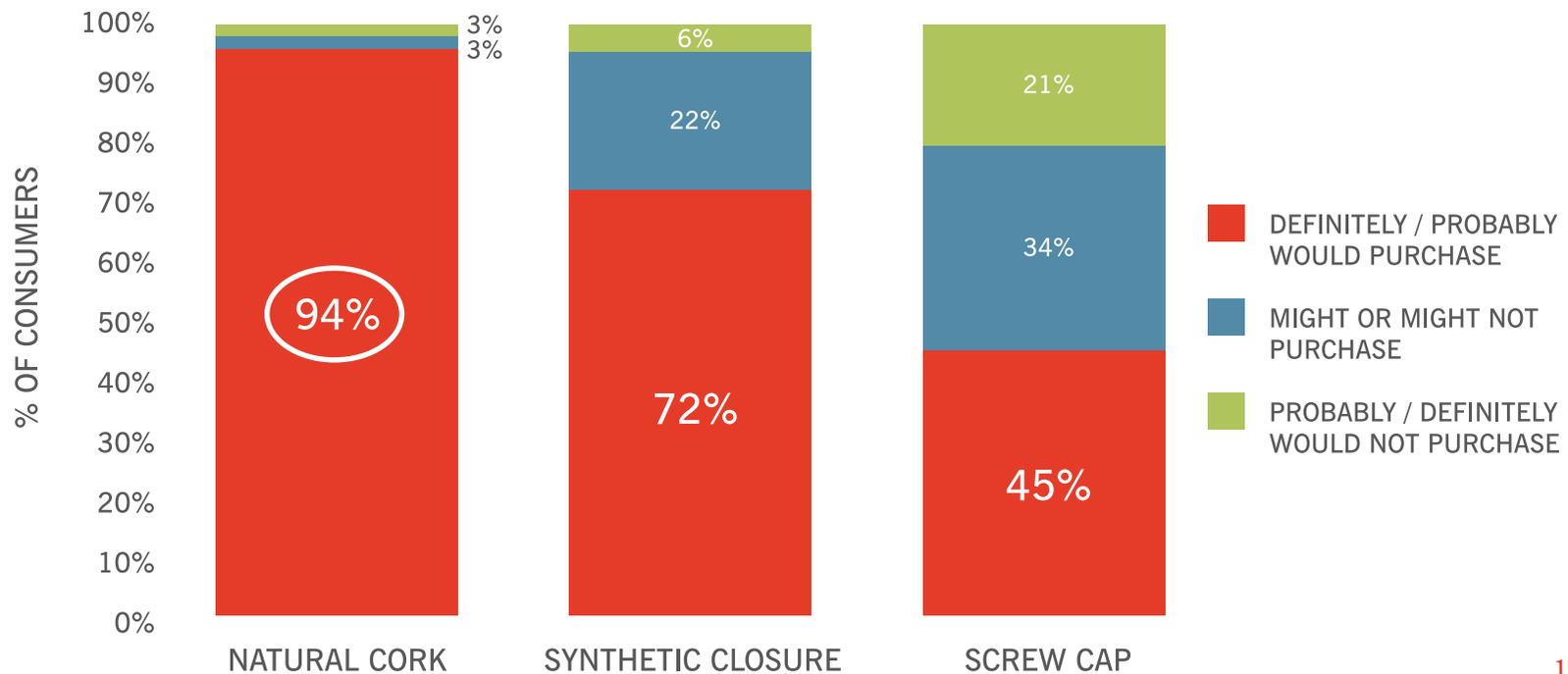
Consumer U&A Results

How likely would you be to purchase any type of wine with this closure?

Natural Cork: An overwhelming 94% of consumers indicated they would be more likely to purchase wine with a natural cork.

Synthetic Closures: A respectable 72% would purchase but still significantly fewer than Natural Cork.

Screw Cap: Only 45% of consumers indicated a positive purchase interest with this closure with 21% indicating a negative influence on purchase interest.



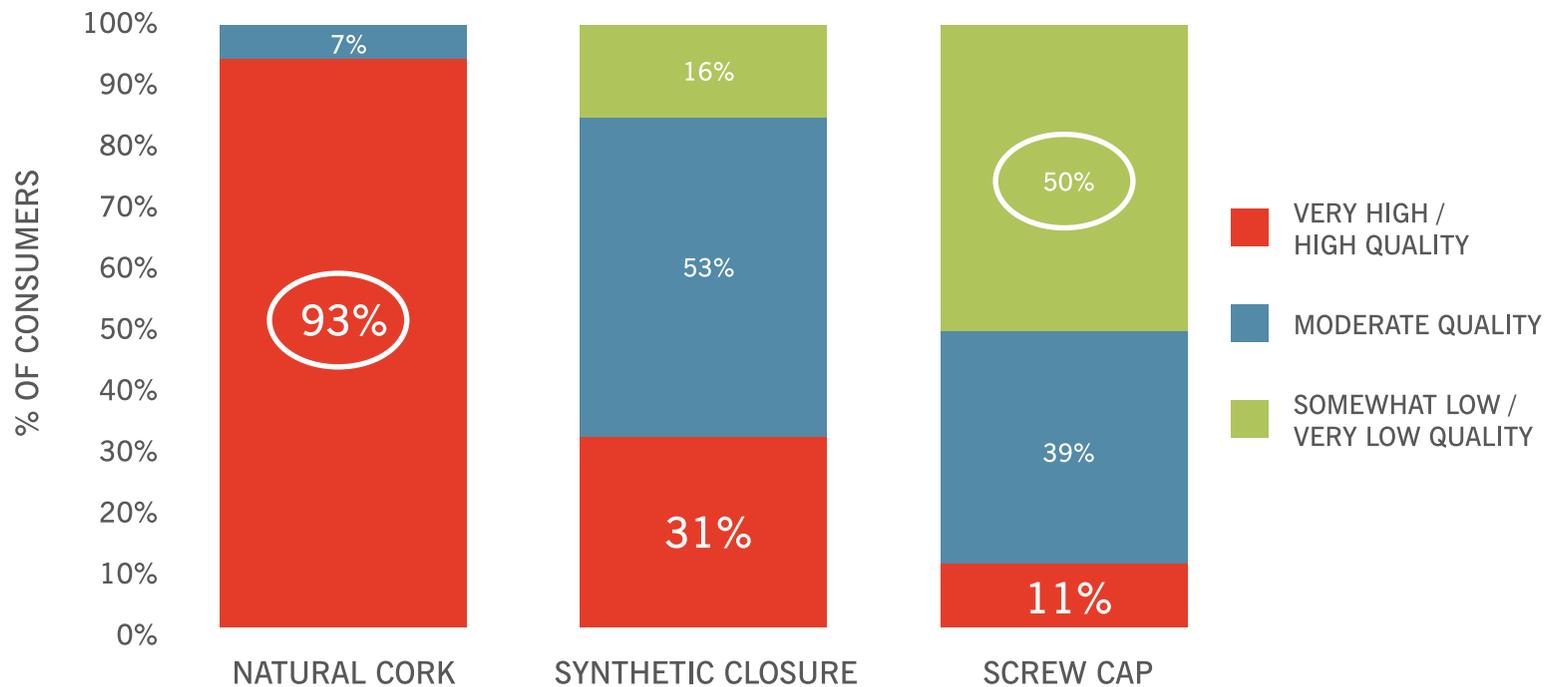
Consumer U&A Results *(continued)*

What do the following closures convey about wine quality?

Natural Cork: An overwhelming 93% of consumers agree that natural cork conveys wines of high or very high quality. This is 3 times higher than synthetic closures and 9 times higher than screw cap.

Synthetic Closures: Only 31% of consumers agree that synthetic closures convey wines of high or very high quality, while most (53%) indicated moderate quality.

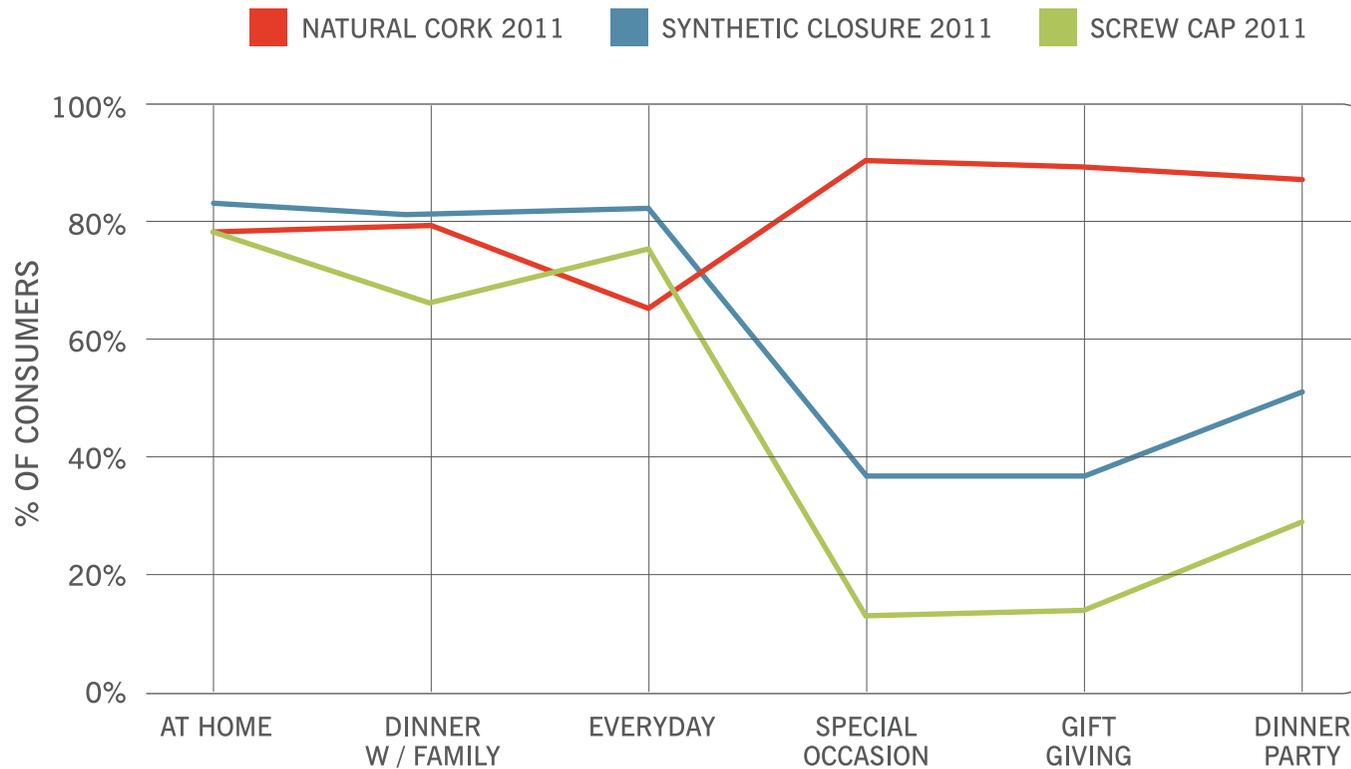
Screw Cap: Few consumers (11%) agree that screw cap convey wines of high or very high quality, with most (50%) indicating it conveys a wine of a low or very low quality.



Consumer U&A Results *(continued)*

Rating appropriateness of wine closures for usage occasions

By far, natural cork was most appropriate for a dinner party, to give as a gift, and special occasion; whereas, all three closures were appropriate for an everyday wine, at home, and dinner with the family.

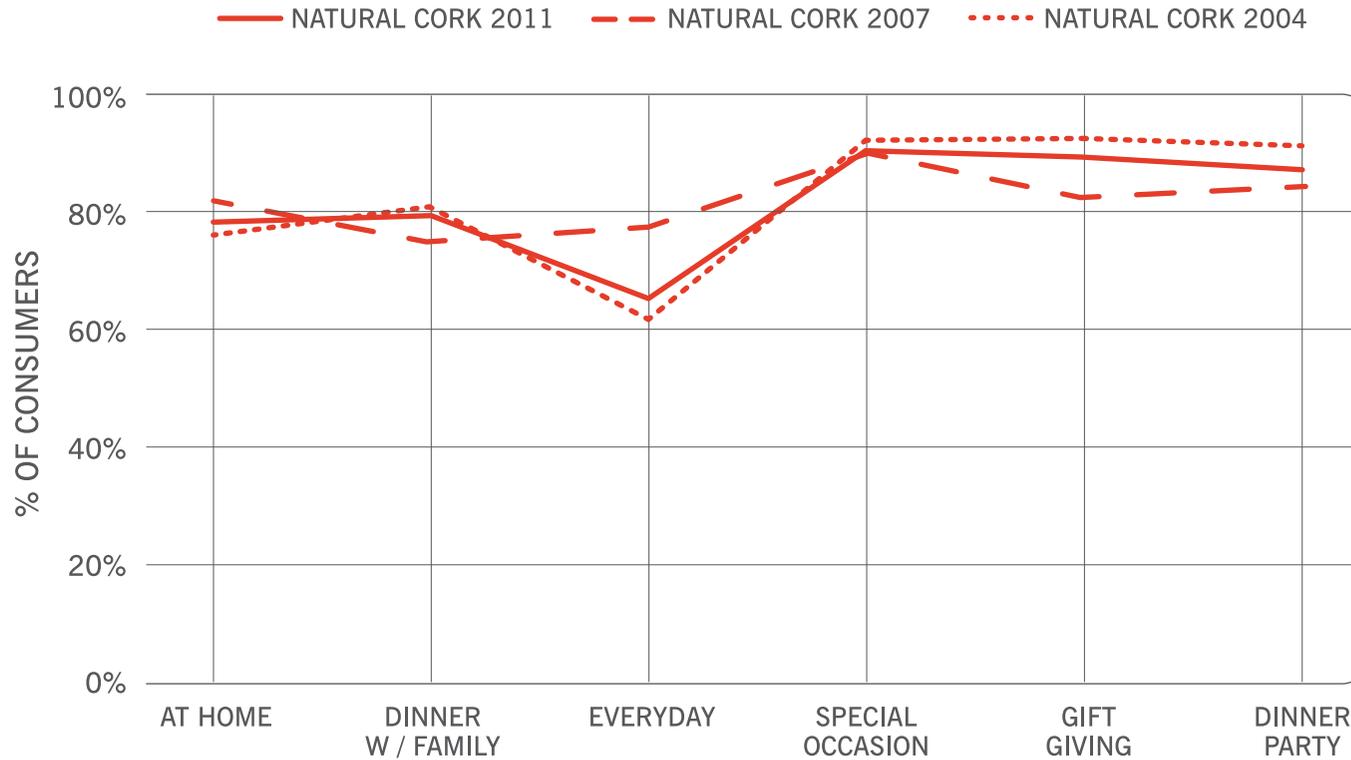


Consumer Opinions Over Time

Consumer Results

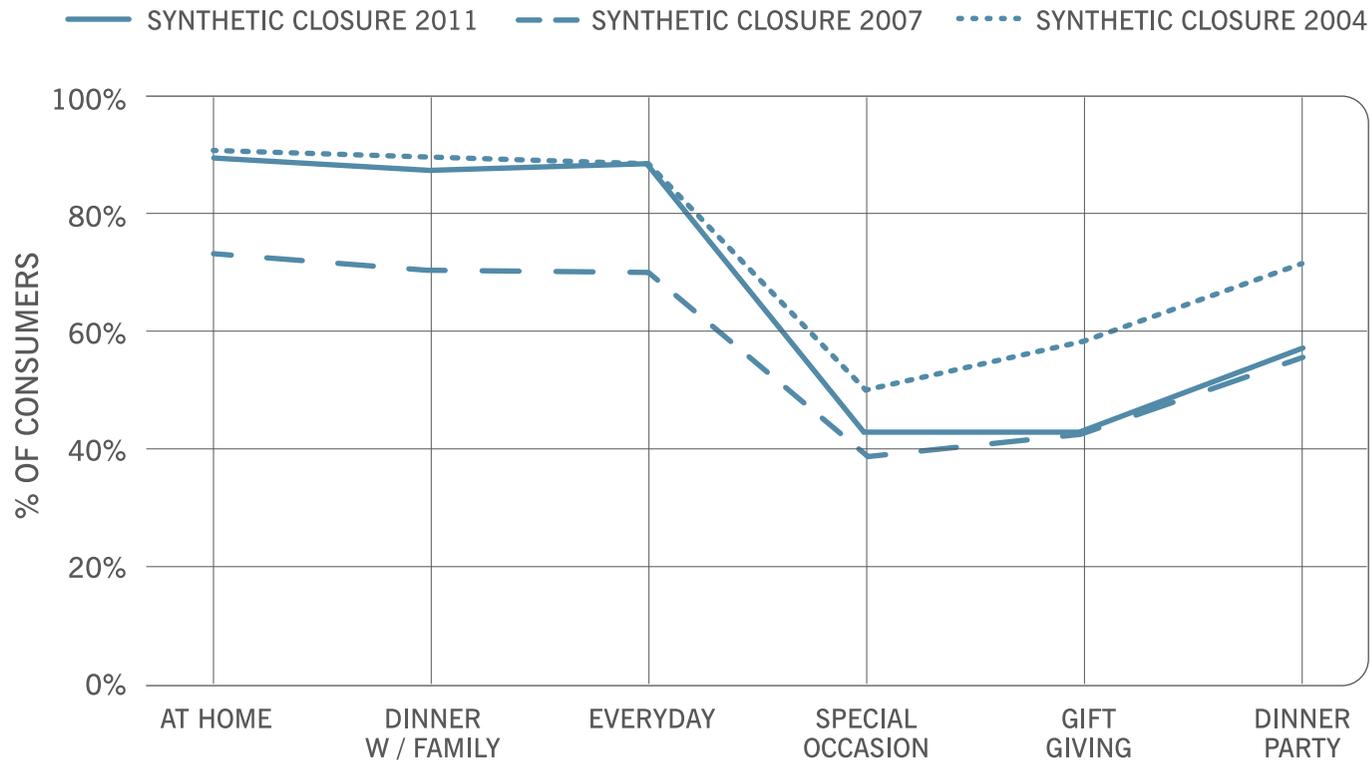
Natural Cork

Overwhelmingly, natural cork is still the closure of choice for special occasions, gift giving, and a dinner party, but slightly less appropriate for everyday wine than it was in 2004.



Synthetic Closure

Synthetic closures continue to be appropriate for everyday occasions, similar to the 2007 ratings and more appropriate than in 2004. However, they are again less appropriate for special occasions, gift giving, and dinner party than they were in 2007, similar to 2004 levels.



Consumer Results *(continued)*

Screw Cap

Consumer opinion of screw caps has changed most over the years. Appropriateness was highest in 2007 for casual situations but always least appropriate for special occasions. Screw caps seemed to have reached their peak in consumer acceptance and are now less appropriate for all occasions than they were in 2007.

