

.....➤ **Briefing**

Ontario Tasting Room Research

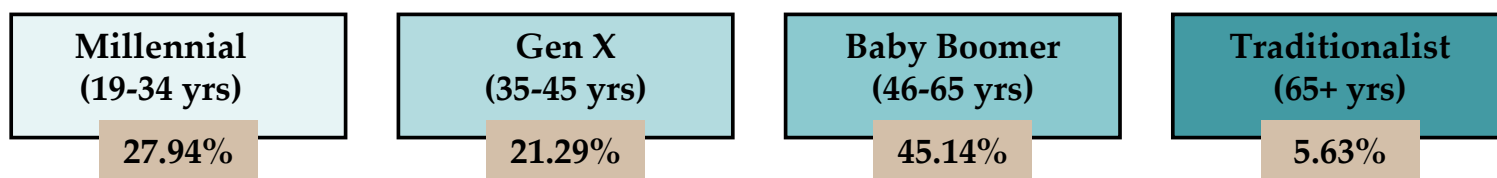
Wine Tourism

Tourism is important for growth in many industries. In order for a 'place' to offer compelling experiences it must fully understand its visitors and what they are looking for in a tourism destination. It is particularly important to know why they are visiting, especially in the current economic environment. In Ontario, wine-related tourism is important to the economy and, according to the Wine Council of Ontario, approximately 40% of all Ontario wine is sold through tasting rooms.

What do we know about visitors to Ontario's Niagara wine region?

Research was conducted at three large, and two small winery properties in the Niagara Region from August-November 2007. Dr. Johan Bruwer, Associate Professor, University of Adelaide and Senior Research Fellow, Vineland Research and Innovation Centre, developed the winery visitation survey used in this study. Dr. Isabelle Lesschaeve, Research Director – Consumer Insights & Product Innovation at the Vineland Research and Innovation Centre executed the project with assistance from Erika Neudorf, Research Analyst. The survey was completed by visitors at the end of their tasting room experience and included questions covering: demographic profiles, tourist behaviour, region perceptions, purchase behaviour, and consumption habits. A total of 996 responses was collected. A follow-up study was conducted via e-mail with respondents three months after their visit measuring the effect of their tasting room experience on their subsequent purchasing and consumption habits.

➔ **Demographic Profile of the Niagara Region Tasting Room Visitor**



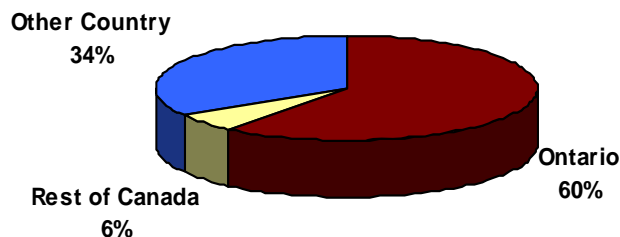
Of the four generational groups above, Baby Boomers represent the highest proportion of visitors in tasting rooms, followed by Millennials, Gen X, and Traditionalists.

- Females account for 55% of the sample and Males 45%
- 86% of the total sample have a post-secondary education
- 74% have an Annual Household Income of \$75,000+

Visitors are well-educated with high annual incomes

Where do they come from?

The majority (60%) of visitors are from Ontario with 6% coming from other provinces in Canada and 34% from other countries (primarily the U.S.)



➤ **Tourist Behaviour and Visitation Characteristics**

Most visitors to tasting rooms in the Niagara Region, 53%, are staying more than one day, while 36% are day trippers, and 11% live in the Region. The majority that are spending multiple days in the Region stay in hotels. Other popular accommodation types used are: B&B's, motels, and staying with relatives/friends.

On average, visitors spend 2.19 nights in the Region

What are their travel plans?

- The majority of visitors, 51%, travel to the Region with their partner/spouse, while 22% travel with family, and 21% with friends
- 43% of respondents **make the decision to visit the Region within the week prior to their arrival**
- The two **main reasons for visiting** the Region are: **Wine Tourism 44%** and **Holiday 35%**

Traveling in:

Own Car	74%
Rented Car	11%
Friend's/Family's Car	10%
Organized Bus Tour	2%
Other	3%

68% of people have visited the Region before

➤ **Perception of the Niagara Wine Region's Main Brand Characteristics (Elements)**

Almost 60% of visitors find 'Region of Origin' at least somewhat important in their wine buying decision.

Grape Variety/Wine Style Associated with the Niagara Wine Region:

1. Icewine (41%)
2. Riesling (20%)
3. Chardonnay (11%)

'Amazing scenery', 'Friendly people', 'Good food', 'Easy to get to', 'Charm', 'Family oriented', 'Classy', 'Great wine selection', 'Clean', 'Lush countryside', 'Natural beauty', 'Tourist friendly', 'Romantic', 'Quaint', 'Proximity to Toronto'

Something to Consider

80% of visitors are unaware of the Niagara Region's 10 Sub-Appellations

➔ Sources of Information Used by the Niagara Region Tasting Room Visitor

What are the Top 10 Sources of Information?

1. Word-of-Mouth (31%)
2. Liquor Store/Wine Store (26%)
3. Winery Website (21%)
4. Previous Visits to Region (16%)
5. Previous Exposure of Brand (12%)
6. Winery Brochure/Pamphlet (11%)
7. Tourguide/Travel Agency (10%)
8. Niagara Visitor Info Centre (9%)
9. Wine Tasting Elsewhere (7%)
10. Restaurant (7%)

The Power of Word-of-Mouth

31% of Visitors to the Niagara Region relied on Word-of-Mouth as their source for information about the Region and its wineries. The follow-up study also highlighted this, with 86% recommending the winery to family, friends, and colleagues.

➔ Purchase Behaviour, Quality of the Experience, Decision Making, and Winery Visitation Patterns of the Niagara Region Tasting Room Visitor

What Motivates Travelers to Visit a Winery in the Niagara Region?

The **Strongest Motivation** for visiting a winery in the Niagara Region is to *Taste Wine*, followed by: *Learn More About Wine, Experience the Atmosphere, Entertain Myself and/or Others, Buy Wine, Have a Day Out, Find Information, Go on a Winery Tour, Find a Unique Wine, and Rural Setting.*

What do Visitors Taste, Buy, Consume...?

Most visitors taste wine while at a winery in the Niagara Region (86%), and they taste an average of 3.65 wines. In this sample, 56% of visitors purchased an average of 3.15 bottles. Average wine spend \$70.45.

On Average, Visitors Taste 3.65 Wines, and Purchase 3.15 Bottles,

Wines are purchased mainly for **Consumption at Home**, and **81%** of visitors will **consume it within three months**. The follow-up confirmed this as **80%** of people stated they had already consumed the purchased wine.

Post Visit

Almost 70% said they were **likely to purchase** wine from the visited winery in the three months after their visit at a liquor store or restaurant. In the **Follow-up** study, **almost 50%** had actually purchased the wine brand post visit.

The Follow-up Study Measured the Effect of the Tasting Room Experience on Future Sales!

➔ **Typical Wine Consumption Characteristics of Visitors**

Almost 85% of visitors drink wine at least once per week (22% daily), and consume an average of 5.7 bottles per month. The entire sample said they drink more red wine than any other type, and spend an average of \$106.36 per month on wine.

Consumption by Type

Red Wine	53%
White Wine	38%
Sparkling Wine	4%
Rose Wine	3%
Ice Wine	2%
Fortified Wine	1%

Wine Purchase Channel

LCBO	62%
Wine Store in Supermarket	12%
Restaurant	10%
Tasting Room	8%
Bars/Pubs	3%
Mailorder/Wineclub	2%
Independent Specialty Wine Store	2%
Internet Direct	1%

Visitors Drink 5.71 Bottles/Month and Spend \$106.36/Month on Wine

➔ **Conclusions and Future Research**

This research provides insight into what is actually happening in tasting rooms in the Niagara Region, giving an in-depth profile of its visitors. Dr. Bruwer’s survey has been used at tasting rooms in wine regions globally, and provides a benchmark for the direction of future research. It is an invaluable tool for both short-term and long-term strategies. Ideally, this research will be conducted each year in Ontario’s four appellations. Results can then be segmented by sub-appellation and winery.

Benefits of this Research

By conducting this research Ontario-wide each year, trends and changes will easily be spotted and directions for the future will be informed. Not only will this be helpful to the Ontario industry as a whole, it will also be important to regional associations, and individual wineries.

“Research Informed Strategies are *Smart* Strategies”



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