

This is one of a series of thought pieces on major issues for the global wine industry extracted from ongoing research programmes at Wine Intelligence

Australian wine tourism: a unique connection with consumers

Those who have ever had the chance to sip a glass of wine in the surroundings of the vineyard where the grapes were grown will know it's a uniquely soulful experience. Rarely do humanity and nature seem in such perfect balance.

Unfortunately, most wine consumers don't get to enjoy such moments very often, if at all. However when they do, what are the benefits? Do they change their attitudes to wine in general? Or simply their opinion of the winery in which they happen to be sitting? Does this experience have any lasting effect?

In reality, most wine consumers don't get to enjoy such moments, and when they do, what are the benefits? Pleasure is not an easy thing to quantify. But with so many wine producers offering cellar-door sales, and a growing number investing in visitor facilities that go far beyond simple shops and tasting rooms, it's sensible to ask questions about what sort of returns can be achieved.

This paper draws on consumer and trade research carried out by Wine Intelligence and Intellima in Australia – a country where wine tourism is comparatively well developed. It also considers examples of visitor facilities in other sectors, and draws upon consumer trends that apply not just to wine but the entire world of commerce and communication.



Yalumba cellar door, Barossa Valley, Australia

By analysing this information, we can go some way towards understanding the role of wine tourism: how it can engage consumers in a way that's beyond the reach of other forms of marketing, and the rewards it can yield for wine producers.

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Need the numbers?

This white paper is supported by quantitative data measuring attitudes and behaviour of Australian cellar-door visitors. These data tables are available for purchase via our reports shop.

Cost: AUD 850 • GBP 500 • EUR 600 • USD 800 or 1 Report Credit. See [here](#) and page 8 for details.

[REPORTS SHOP](#)

Getting back to tribal roots

Early human societies were based on tribes, and even today tribal behaviour is evident. In the broadest sense, we might think of US wine drinkers as a tribe, even though there may be huge differences in the buying habits, spending power and taste preferences between a retired housewife in Florida and a young marketing executive in New York City.

So we can drill down further, perhaps by focusing just on American consumers who love (or hate) Chardonnay. Or we can consider consumers under the age of 30 in the San Francisco Bay Area who favour imported wines over domestic ones.

But the tribes that mean the most to consumers themselves are smaller than this, and far more interactive. Family is one. Work colleagues may be another. Facebook friends and Twitter followers are also likely to be part of the mix.

These tribal bonds have been, from the earliest times, cemented by shared interests and shared experiences. That once meant sitting around a fire and telling stories. Today, the fire is not essential, but it certainly helps to have a smartphone or iPad.

If we visit a particularly good restaurant, we want our friends to know about it. For many diners, taking a photo of a plate of food, then uploading it to Facebook before the first mouthful has been consumed, does not seem like an extraordinary thing to do. If a cinema-goer enjoys a good film, it's entirely possible that they will Tweet about it, even before the final credits roll.

The internet and social media have made it easier than ever to communicate with fellow tribe members. They have even helped us form new tribes, perhaps including people we have never met in person. But the behaviour they facilitate and encourage is nothing new. Human beings have always liked telling stories.

An Australian experience

Australia has been proactive in the way of wine tourism: indeed, the idea that wineries are also visitor attractions is pretty entrenched, thanks to the pioneering efforts of Tyrrell's in the Hunter Valley and the rivals that have followed suit over the past half-century.

There are parts of Europe where tourists can encounter dozens of small wineries along a couple of miles of road, many of which will happily organise an impromptu tasting for the casual visitor, and perhaps a glimpse of the cellar. Brown Brothers in Milawa, Victoria, is a different proposition altogether. To get there means a three-hour drive out of Melbourne, and frankly when you arrive you don't have too many options beyond the winery's hospitality. Nobody goes to Brown Brothers by mistake.

As a captive audience, visitors are also invited to join the Epicurean Club. Membership is free and entitles consumers to 10% discount on cellar-door or online purchases, access to exclusive wines, and regular updates from the winery.

Brown Brothers recognises that a visitor to its facilities might not just buy once: they can, with a little effort, be turned into a regular customer. There are 110,000 people with Epicurean membership cards.

Although there's little doubt that wine occupies a special place in the hearts and minds of consumers, and that cellars and vineyards possess a charm that some find endlessly captivating, the tourist experience this provides is limited.

At Brown Brothers, there is a ready supply of bikes so that visitors can make their own discoveries – perhaps they'll head for the cheese factory or olive farm. "It's more of an experience for them," says Matt Turner, Global Export Manager, Brown Brothers.

"Also, we're more flexible now. We know that stories are really what they want when they come to us. If we have a group in who are expressing a particular interest in sparkling wine, we'll take them to our sparkling wine production area. If they're really interested in the history, we'll take them down to the family cellar. We try to get much more interaction with our visitors. That is incredibly important if you're going to have a cellar door which is an interesting destination."

Desired activities at a cellar door



% who state they would like to do more of following activities during a winery visit
Base=All those that visited a winery in the past year (n=231)



Source: Wine Intelligence, Vinitrac® Australia, Nov 2012, n=1,002, Australian adults

Crunching the consumer numbers

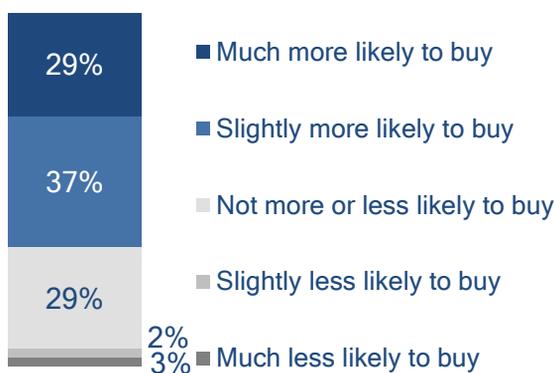
Wine Intelligence calculates that 24% of Australian adults have visited a winery in Australia within the last 12 months. That amounts to 4 million people, most of whom liked the experience enough to say they will repeat it at some point. But the potential number of people heading to Australia’s wineries is twice that. Of the 13 million non-visitors, 31% say they are likely to visit a winery in the future.

When questioned about their visit, the majority of visitors said they were more positive about their perception of the winery’s brands than before they arrived. Only 2% of those questioned came away feeling more negative. Perhaps not surprisingly, a majority said they were more likely to buy wines from that producer.

Post-visit purchase behaviour



% who state the following attitudes towards buying wines from the cellar door they visited in the past year. Base=All those that visited a winery in the past year (n=231)



Source: Wine Intelligence, Vinitrac® Australia, Nov 2012, n=1,002, Australian adults

Brown Brothers cellar door case study



According to Global Export Manager Matt Turner, the winery welcomes up to 90,000 visitors a year. The cellar door, as the company still refers to it, has become “incredibly important ... an absolutely essential part of our business”. He adds: “It’s not only a sales channel for us, but a source of information and feedback.”

The winemakers are continually experimenting with new wines, which first see the light of day when they’re offered to visitors. The reaction they generate helps the business decide whether or not the wines have a commercial future. “We can talk to people in a way you can’t talk to them if the wines are on a list or on a shelf in a supermarket,” Turner says.

Visitors are encouraged to post their winery photos on Facebook, sharing the experience with friends and family. The company’s own Facebook page is among the most visited in the Australian wine industry and is updated with images of people who have visited the facility.

I feel good: seven ways to enhance the visitor experience

Based on learnings from consumers, both via face-to-face interviews at cellar doors in Australia and in an online quantitative survey, Wine Intelligence and Intellima have established seven feel good factors which excite visitors.

Nature: Consumers think of wine as a natural product. This association is amplified by welcoming winery visitors to a setting where nature can be witnessed in full effect. It can be destroyed if the winery resembles a factory on an industrial park. Lush surroundings reinforce the perception that the wine is a quality product.

History: A winery visit should not feel like a schoolroom lecture, but nevertheless it's important to talk about the heritage and origins of the business. It's part of the winery's story, and perhaps visitors will incorporate some of it into their stories too.

Trust: If a visitor has travelled a significant distance to visit a winery, and taste its wines, the chances are they already have some kind of relationship with the brand owner. But this trust can be quickly eroded if the visit leaves them disappointed. Visitors may well tolerate a tedious car journey and a bumpy dirt track on arrival. But rude or ill-informed staff, dirty toilet facilities and long queues will not be overlooked. Don't expect visitors to omit such details from their Facebook or Twitter reports.

Food: It's not all about the wine. Visitors want to eat something. A shop offering food, and other types of drinks, is essential. A restaurant or bistro is generally a good idea, so long as the food offer reflects the brand values and quality levels associated with the wines.

Location: The most successful wine tourism is based around locations which people aspire to visit, and which also generate stories and memories. Wine Intelligence research in Australia found that for many people, a winery visit is not merely an occasional pleasure: they return several times a year. The connection can almost be a spiritual one.

Entertainment: Budgets don't always extend to hosting a Tina Turner concert, but some kind of added-value experience is usually worthwhile. Denbies, the English wine producer, has a small train ferrying visitors through its vineyard. A tour on foot could be equally rewarding; if no guide is available, creating a trail that visitors can explore on their own, with the aid of a map, could work just as well.

Handshakes: Meeting the winemaker or the patriarch of a long-established family business can leave an indelible impression on visitors. But even junior members of the team have a role to play. The personalities of the people who interact with visitors can be just as big a part of the story as the wines that are tasted.

“ You know you're going to get quality [wine] when you see that greenery when you're walking on to a farm / vineyard ”
Winery visitor, 30-34, Indiana

The opportunity for wine marketers

Wine occupies a special place in the consumer imagination. Its hedonistic aspects are balanced (and perhaps justified) by its connections with the countryside and the natural world. The idea that it's made by passionate artisans – some of whom might have learned their craft as scions of proud winemaking dynasties – only adds to the romance.

It's not surprising, therefore, that consumers should feel motivated to make pilgrimages to wineries and to overlay a sense of place to their relationship with their drink of choice. Visiting a winery is, for many people, a transformative experience; something that has the potential to alter one's perspective on life.

Not only that, but anyone who has such an experience is not likely to keep it to themselves. Visiting a winery gives consumers a range of stories to share with their tribe. From a commercial point of view, a successful cellar-door operation can create legions of unpaid ambassadors.

Can we measure the effect of this? Only to some extent. We can keep a tally of the number of people that visit a given winery; we can count how much they spend while they are there; and after they leave, we can ask them how happy they are. Such metrics are important if wineries are to maintain, or improve, the quality of the visitor experience.

However it is certainly a mistake to use spend-per-head as the dominant metric in any such analysis, because it will under-shoot the true value of the cellar-door experience, and risk starving the facility of the investment it needs to reach its full potential.

One of the most striking aspects of the Australian data – in both quantitative and qualitative research – is that so many people make return visits to wineries and evidently regard such events as a regular part of their leisure activity. It's hard to think of another industry with this sort of pulling power or emotional appeal.

Wine tourism has been on the radar screen of the wine industry for a long time. Yet how many wineries can really claim to understand and appreciate the true value of the tourism interface? The answer, even in a country like Australia, is remarkably few. As wine marketers search for new ways to engage with consumers, many fail to realise that one of the most cost-effective opportunities is staring them right in the face.

“ First time we visited this cellar door this wine it was not a wine we would even have thought about, it has a reputation for basic wine. But after the fist visit we appreciated this wine and have been coming back ever since (12 years) ”
Male, 65+, South Australia

Getting it right in tourism: examples from other sectors

Cadbury World

Cadbury World is not quite the Willy Wonka experience that might be imagined: hygiene regulations mean visitors don't get to see chocolate actually being made, though the packaging plant is not off limits. Neither is it a theme park, although there is one ride.

The chocolate manufacturer suggests allowing three hours for a visit. Attractions include a simulated rainforest, a reconstruction of the original Cadbury shop, a chocolatier demonstration area and various interactive installations. There is also a playground, picnic area and restaurant.

A family ticket (two adults and two children) for the UK factory is priced at £45.80 (approx. \$70 AUD). There are usually more than 500,000 visitors a year and a second Cadbury World opened in Dunedin, New Zealand, in 2003.

* Source of image: <http://hattersgroup.com/birmingham/birmingham-hostels/birmingham-education-cadburys-world/>



Cadbury world*

The Porsche Driving Experience

Can't afford a Porsche but always wanted to drive one? The Porsche Driving Experience at the Silverstone race circuit, UK, trades on the aspirational nature of the Porsche brand.

For a fee of around £300, drivers receive 90 minutes of tutored driving time in one of a range of models, including the Boxster, Cayman, Panamera and Cayenne. A premium option, Evolution 911, lets drivers experience three different styles of the iconic sports car.

The experience can be enhanced with lunch at the Porsche restaurant overlooking the track for an extra £30 (approx. \$50 AUD).

* Source of image: <http://www.porsche.com/silverstone/en/experience/porschedrivingexperience/>



The Porsche Driving Experience*

Further information



Quantitative methodology

- The data for this study was collected in November 2012 via Wine Intelligence's Vinitrac® online survey, with a sample size of 1,002 Australian adults
- The survey data was post-weighted to be representative of Australian adults in terms of age and gender

Qualitative methodology

- 25 individual/paired interviews were conducted in March 2013 with each running for 5-20 minutes
- Interviews were carried out face-to-face in 3 Australian cellar doors: De Bortoli, Montalto and Yalumba
- Trade interview with Matt Turner, Global Export Manager, Brown Brothers

Please contact natasha@wineintelligence.com for full details on the methodology for this research

Want to know more about Australian cellar-door visitors?

Data tables are available for purchase, showing results of the following measures:

- Frequency of visit to a cellar door
- Likelihood to visit a cellar door in the next 12 months
- Barriers [open-ended]
- Winery visited: by region, state and open-ended winery names
- Key motivators to visit
- Activities completed while visiting a cellar door
- Desired actions while visiting
- Effect on future purchase of wine
- Communicating the experience: recommendations, online posts
- Receiving follow up communications
- Engaging in communication: joining mailing list, Facebook pages
- Brand perceptions post-visit

Data is provided with cross-tabulations, to show significant differences by:

- Gender
- Cellar Door profile: Rejectors, Future Potentials, Occasional Visitors, Loyalists
- Age
- State
- Portrait group: Highly-involved Portraits groups (Adventurous Connoisseurs & Developing Drinkers) and Every-day wine drinkers (Mainstream Bargain Hunters & Contented Sippers)
- Methodology: as stated above under quantitative methodology

Cost: AUD 850 • GBP 500 • EUR 600 • USD 800 or 1 Report Credit

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About Wine Intelligence

Wine Intelligence is the leading research-led strategy consultancy serving the global wine industry. It conducts client-specific research projects to enable companies to gain greater insights into wine markets and wine consumers, and helps business leaders develop business strategy and marketing plans. The company also assists businesses in developing new brands, and in formulating and communicating marketing messages within the industry. For more information, please visit www.wineintelligence.com

About Intellima

Intellima is a sister business to Wine Intelligence that conducts insights and strategy consulting work across several sectors, mainly in beverage, food, leisure and hospitality

About the Authors

Lulie Halstead, Chief Executive

Lulie is an experienced wine industry practitioner and leading wine marketing academic. Prior to co-founding Wine Intelligence, she developed expertise in the wine industry in importing, marketing, retailing and new business development roles.

She is an established marketing academic, focusing on wine consumer behaviour and a full member of the Market Research Society. She is a frequent speaker at international wine industry and academic conferences around the world and an expert in both quantitative and qualitative research.



Stephanie Duboudin, Country Manager - Australia

Stephanie brings to the team outstanding experience, both locally in the Australian market with several leading industry players including Rathbone Wine Group and Yabby Lake Vineyards, as well as in the very demanding US market with Kobrand Corporation. Her specific areas of expertise include marketing strategy, brand development and NPD launch.



Natasha Rastegar, Senior Project Manager

Natasha joined Wine Intelligence after graduating from the University of Bristol with a BA Hons in French and Spanish. Having built up international experience working on a variety of research and strategy projects, Natasha now focuses on managing Australia and USA based projects.

During her degree she worked abroad in a PR company in Paris and ELLE magazine in Madrid. She has also completed work experience in the Foreign and Commonwealth Office and European Parliament. Natasha enjoyed broadening her wine knowledge through the WSET intermediate course and is working towards advanced level. She achieved a distinction in the Market Research Society Advanced certificate in 2011.

