ANALYSIS OF AMERICAN AND AUSTRALIAN PREFERRED WINE LABEL ATTRIBUTES

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Chapter 1

INTRODUCTION

Besides language, how much do the United States and Australia have in common? The two countries are physically similar in size but their populations vary drastically. According to the CIA—World Fact Book as of July 2010, the United States population was 310,232,863 persons with 80% of those over 15 years of age. While Australia's population makeup is similar to the United States, their population consists of only 21,515,754 persons, smaller than that of California. Implying a higher urban population, 89% to the United States 82% (2010).

The United States maintains a Gross Domestic Product of $14.14 trillion while Australia maintains one of $851.1 billion. Despite the large range in GDP's, their GDP's per capita are not far off, with the United States at $46,000 and Australia falling shortly behind at $40,000. Although holistically the United States appears to be stronger economically, the United States' GDP fell 2.6% in 2009 while Australia's grew by 1.3%. Australia's is also more stable when comparing unemployment rates, 5.6% to the United State's 9.3% (CIA 2010).

With respect to wine, Australia experienced a 1% growth in 2009 reaching sales of $7.9 billion while the United States did slightly better at 2% growth rate reaching sales of $34.5 billion. A huge trend experienced in the United States wine market in 2009 was the trade down to $8-10.00 bottles of wine which experienced a 2% increase in value, while premium wines suffered considerably. Americans feel that wines priced between $10.00 and $12.00 offer the most value without sacrificing quality. On the contrary, Australian consumers are willing to pay A$10.00 to A$20.00 to receive "their preferred style, flavor profile and quality of wine." As wine knowledge increases, price point becomes an insignificant factor for Australians when making purchasing decisions (Euromonitor 2010).

Australia has had great reception to the change over from traditional cork enclosures to screw cap enclosures, and has begun incorporating PET bottles into the industry. The United States wine industry has begun incorporating PET bottles as well, but the biggest growth trend has been in boxed wine. Americans view it as a "greener" product and prefer the longevity provided by an airtight seal, interestingly, boxed wine popularity is declining in Australia (Euromonitor 2010).

The majority of wine consumed in both Australia and the United States is domestic, with 85% of the United States domestic wine produced in California. New Zealand's Sauvignon Blanc drives Australia's imported wine, while the United States' largest exporters are Italy and Australia. Australia exported 193.7 million liters for sales totaling $701.2 million in 2008 to the United States (Euromonitor 2010).

Problem Statement

What wine consumers in the United States and Australia find attractive and eye catching in wine labels?

Hypothesis

Americans will find the role of labels more important in purchasing decisions, as well as find labels more eye catching and attractive than Australians.

Objectives

1) To examine if there are differences between Australians and Americans.
2) To determine what are desirable features of wine labels.
3) To determine what Australian wine consumers find eye catching and attractive in wine labels.
4) To determine what American wine consumers find eye catching and attractive in wine labels.

Justification

According to the 2009 Wine Industry Report produced by the Sonoma County Economic Development Board, by the year 2012, the United States will surpass Italy as the top consumer of wine. The per capita consumption of wine has been on the rise since the 1993 and the number of weekly wine drinkers has been on the rise since 2000, fortunately for wine makers, the recession has not inhibited these growth patterns but only shifted the spending from mid range wines, twenty five to fifty dollars, down to lower priced wines generally in the under ten dollar category, while still producing $17.9 billion in sales (Wine Institute 2009). With three thousand bonded wineries in California and six thousand in the United States, not to mention imported wine, there is stiff competition on whose product is selected in a thirty-second purchasing decision (McMillan 2008). The results of this study will help wine makers and marketers reach their target audience, whether it be the sixty five-year-old grandmother buying a bottle for dinner or the twenty five-year-old Australian drinking with his mates. Understanding what consumers look for in a wine label can help marketers access their target demographic with less confusion and more success.

Chapter 2

LITERATURE REVIEW

Why do people consume wine?

"The history of the consumption of alcohol, and more particularly wine, is closely linked to that of civilization itself. Even now, 'Wine is seen as the civilized drink, beer being for barbarians, and spirits for soaks and spivs.'" (Groves, Charters and Reynolds 2000) So why do people drink wine? Taste, enjoyment, setting, relaxation, symbolic, and tradition (Charters and Pettigrew 2008).

Taste. Taste is the most significant reason people choose wine. Wine provides the "process of differentiating specific flavors" (Groves, Charters and Reynolds 2000). Wine is unique due to variety and differentiation and its ability to create a link between taste and memory; a certain wine allowing reminiscence on a significant part or event in life. "The enjoyment from the taste promotes general feelings of well-being and fun" (Charters and Pettigrew 2008).

Enjoyment. The enjoyment of wine can be contributed to taste and the feeling it provides. Wine's "variety and differentiation" provides an unparalleled adventure in the pursuit of new wines, which thrills novices to enthusiasts (Charters and Pettigrew 2008). Wine's wide array of consumption settings is strong proof of its enjoyment capabilities, ranging from informal gatherings with friends “freed from clichéd expectations” (Thompson and Vourvachis 1995), to its use for “aesthetic stimulation” (Charters and Pettigrew 2008).

Setting. “The consumption of wine is rarely an individual practice but more usually a group activity centered on interpersonal interaction. Consuming wine should not be regarded as simply an end in itself; rather, it is a medium for multifaceted experiences that enlighten and entertain. It is a means to impress others, to bond, to increase social recognition, to define one’s self or simply to play” (Groves, Charters and Reynolds 2000). “Physiologically and psychologically wine is part of the social process.” Wine ‘breaks down barriers’ and creates a ‘focus for interaction’ (Charters and Pettigrew 2008). Peers are not only the ‘primary influence’ on wine consumption but also a determining factor (Thompson and Vourvachis 1995). “Ritualistic drinking can also offer a process for ensuring community cohesion” (Charters and Pettigrew 2008). Wine provides culture exploration through food, and travel, and enhances these through its ability to ‘cleanse and refresh the palate’. Taste and food pairing provide the ‘most important motivating factor given for consuming wine’ (Charters and Pettigrew 2008).

Relaxation. Wine indicates the move from work to something more enjoyable and ‘intellectually exciting’. “The sensory pleasure itself may also directly induce a feeling of wellbeing, which in turn calms the drinker” (Charters and Pettigrew 2008).

Symbolic. Wine symbolizes a larger ‘lifestyle package’, marking key rites of passage, providing a link to ones evolution, and a ‘rather mystical enhancement of life’. It also bears psychological significance of ‘self esteem’ and ‘image projection’. “Along with other life enhancing experiences, it appears that wine consumption may increase quality of life through the excitement it can generate, the interest it arouses, the structure it provides to existence and the relationship it bears to ‘the finer things in life’ like the arts” (Charters and Pettigrew 2008).

Tradition. Wine is also a symbol not only of our past globally but also personally. Family tradition was an origin of many individual's wine habit. "The process of consuming wine as a product class—rather than specific wines—could also be used as a means of linking consumers to the evolution of their life by establishing a personal tradition or ritual" (Charters and Pettigrew 2008).

Characteristics of Wine Consumers

Australian and American wine novices and enthusiasts choose wine because of its taste, enjoyment, social setting, relaxation and tradition. Many wine consumers live near major cities. Twelve percent of the American population consumes eighty six percent of the wine sold in the United States (Thach and Olsen 2006).

Wolf and Thomas (2007) conducted a survey asking wine consumers to evaluate the wine labels of the top 10 overall wines based on shares reported by IRI and rank them based on attractiveness, eye catching, and likelihood to purchase. The surveys were conduced through personal interview to 252 wine consumers in San Luis Obispo, California. Findings included, Baby Boomers are the biggest consumers of wine, followed closely by Millennials. Baby Boomers spend more of their wine dollars in bars and restaurants, as well as perceiving New World Wines to be more expensive then their counterpart generations. Generation X is more concerned with the wines they purchase and are willing to spend the money to achieve a certain level of satisfaction. Millennial consumers are looking for quality wines at a bargain price of $5.00 to $9.00. They perceive more quality from New World wines than their counterpart generations, and spend more of their wine dollars for at home and party settings. In a study conducted by Thach and Olsen (2006), Millennials were asked to evaluate their wine drinking frequency, reasons to drink wine, perceptions of wine drinkers, and their recommendations regarding future wine marketing strategies. Respondents consisted of 110 Northern California college students between the ages of 21 and 27. The surveys were conducted through face-to-face interviews and were videotaped to obtain the maximum understanding of perceptions and attitudes of Millennials towards wine. The survey concluded that sixty one percent of Millennials do not think wine is hip or cool; many describe wine as expensive, snobby and snooty and associate wine with formal events.

Label Appearance and Consumption

Barber, Almanza, and Donovan (2006) conducted a survey assessing socio-demographic characteristics, consumer behavior activities, and psychographic information with emphasis on overall bottle packaging preference, front and back label preference, and wine packaging preference. The survey was self administered to 1,000 respondents at two retail wine shops and five wineries in Connecticut. It was found that consumers like the ambiance and adventure of selecting wines by reading labels in store rather than relying on wine publications when selecting wine. Another study conducted by Boudreaux and Palmer (2007) interviewed 13 casual wine drinkers rating 16 commercial California Cabernet wine labels on each of Aaker's 15 facets[1]. They found that wine labels are relevant in the purchasing decision, especially among novice

[1] "A general framework of brand personality developed by Jennifer Aaker posits five primary dimensions—sincerity, excitement, competence, sophistication, and ruggedness—which subsume 42 individual traits clustered around 15 facets" (Boudreaux and Palmer 2007). See Appendix for dimensions, facets, and traits.

wine drinkers. Basic information such as style, varietal, location and food pairings are most desirable to wine consumers. Consumers rate country of origin as the most important attribute of labels (Barber, Almanza and Donovan 2006).

Image has the strongest effect on purchase intent of any design factor. Consumers rank grape motifs and images of chateaux or vineyards, such as those shown in Figure 1, highest and unusual animals, such as a platypus, the lowest.

Figure 1: Examples of images used in (Boudreaux and Palmer 2007) study.

Color has the most powerful impact on purchasing decisions of wine. Warm Mediterranean colors such as burgundy, red-orange and neutrals were seen to be most expensive, tying the labels to European roots. Bright palettes, including wasabi green and red-orange brought excitement to wine labels, while pink was seen as a poor color choice for certain varietals like Cabernets.

Images and colors cannot be used interchangeably however. Grape motifs and coat of arms were most attractable in rich dark colors such as black and brown. Mean while, chateaux and traditional animals were received the best when presented in warm colors such as burgundy and red-orange.

Label design also plays a role in purchasing decisions. Boudreaux and Palmer (2007) studied three designs, traditional/unprinted layout, traditional/full color and modern labels as shown in Figure 2. Traditional/unprinted was perceived as the most expensive, tying back to traditional French roots. Traditional labels were preferred, perceived as more expensive, and more likely to purchase than the modern label. The strong use of color in traditional/full color and modern labels was beneficial in establishing strong brand personality.

Figure 2: Sample graphic layout designs: one example of each layout type (traditional—unprinted, traditional—full color, and modern) is shown using with a traditional animal image. (Boudreaux and Palmer 2007).

Labels were assessed on many characteristics with, attractive, eye catching, interesting, unique, stylish, creative label, clever, colorful, looks sophisticated, artistic and elegant being most desirable (Wolf and Thomas 2007). De Mello and Pires (2009) conducted a survey using two questionnaires, the first consisting of thirteen shapes in ten color hues and the second using one shape but shown in each of the ten colors. The respondents included 62 undergraduate students at UAB, Barcelona, 28 answering questionnaire one and 34 answering questionnaire two. It was found that labels are evaluated with respect to their size and shape in relation to the position on the bottle and design choice, i.e. chateaux, grape motif, etc. Barber, Ismail, and Dodd (2008) conducted a survey analyzing the socio-demographic characteristics, consumer behavior activities and psychographic information based on a five-point Likert scale. One thousand surveys were self-administered in two retail shops and five wineries in Connecticut. It was found that these traits have a stronger influence on wine novices than their enthusiast counterparts when making purchasing decisions. Positioning efforts and image are directly related to a wines' success. A casual wine cannot be marketed with a grape motif nor can a premium wine with an unusual animal (Boudreaux and Palmer 2007).

Women are more likely than men to use color, image and logo as indicators of purchase intent. Wine consumers 21-40 find wine labels more intimidating than their over 60 counterparts; however, those under 30 are not more likely to be influenced by packaging (Barber, Almanza and Donovan 2006), and prefer a creative label (Qenani-Petrela, Wolf and Zuckerman 2007). All ages agree that label plays a role in wine purchasing decisions for at home, party, bar or restaurant consumption (Wolf and Thomas 2007).

Baby Boomers and Generation X prefer attractive labels while their Millennial counterparts like fun and colorful eye catching labels. Meanwhile, wine labels that appear fun to drink appeal to Generation X more so than Baby Boomers. Generation X finds "interesting" wine labels desirable while along with Millennials they find "stylish" labels desirable. Although label appearance has the highest impact on Millennials' purchasing decisions, Generation X rates individual label characteristics highest (Wolf and Thomas 2007).

A wine label study by Wolf and Thomas (2007), found that the Baby Boomers, Generation X and Millennials agreed on the attractiveness of seven of nine labels. All generation cohorts ranked the most attractive and eye-catching labels, Yellow Tail and Twin Fin, with the highest purchase intent based on label appearance. Generational differences did occur with respect to certain labels, Generation X found Yellow Tail more attractive and Barefoot more eye-catching than their Baby Boomer counterparts. Millennials are not only tech savvy, but wine label savvy as well, three of the four brands Millennials found most attractive and eye-catching are the top selling new brands. This may be true through all generation cohorts with respect to

Yellow Tail ranking as attractive and eye catching and holding the position of third overall brand in IRI (Wolf and Thomas 2007).

Wolf and Thomas's (2007) research "indicates that there is a relationship between label attractiveness and eye-catching properties, and purchasing."

Chapter 3

METHODOLOGY

Procedures for Data Collection

Survey research was used to determine what Americans and Australians find attractive and eye catching in wine labels. A survey was administered through personal interview randomly to four hundred and sixty six wine consumers. Two hundred and fifteen survey responses were collected in Adelaide, Australia at various locations during different times of the day. Consumers were shown eight labels and asked to rate them on attractiveness and eye catching. Prior to evaluating the specific labels consumers were asked to identify monthly expenditures on wine, level of wines of which they purchase, effects of the recession on their wine consumption, features included in a purchasing decision, type of enclosure and country of origin of wines recently purchased, brands they are familiar with, feelings toward wine, label importance, and desirable label characteristics. Included label characteristics are: has an animal on it, is unique, is interesting, is eye catching, is attractive, creative label, is classic and is colorful. Demographics and media usage were included in the survey. Demographics included gender, marital status, children under 18 at home, and income. Media usage questioned forms of media used regularly, and to find information about wine. An additional two hundred and fifty one surveys were collected in San Luis Obispo County at various locations during different times of the day. Consumers were shown the same survey, which can be viewed in its entirety in the Appendix. The only difference in data collection between the two samples was Australian respondents had to be eighteen and Americans twenty-one.

Procedures for Data Analysis

The data collection was entered into Survey Monkey and analyzed using SPSS (Statistical Package for the Social Sciences) to find significant differences between generations and countries. The data set includes nominal, ordinal, and interval data, and ratios.

Nominal is data where the number holds a place for a name, i.e. brands, cities, marital status etc. (SPSS Inc. 1993). It is analyzed using frequencies and crosstab chi square tests. Alcoholic beverage purchases, recession impact on wine purchases, country of origin of wines purchased, brands purchased, feelings towards wine, label appearance in relation to purchase intent, media usage, gender, marital status, and children under 18 living at home were analyzed as nominal data.

Ordinal is data where the number holds a place for a rank or order (SPSS Inc. 1993). It is analyzed using frequencies and crosstab chi square tests. Age and income were analyzed as ordinal data.

Interval data is data where each number is an equal distance from the next, i.e. temperatures and rating scales (SPSS Inc. 1993). It is analyzed using means, T-tests for differences in means between two groups, and one-way ANOVA for differences in means between more than two groups. Features of wine and labels consumers look for when making purchasing decisions, attractiveness of wine labels, and how eye-catching a label is were analyzed as interval data.

Ratios are data where each number has an equal distance between the next but has a true zero and can take a ratio, i.e. dollars spent, number of packages, etc. (SPSS Inc. 1993). It is analyzed using means, T-tests for differences in means between two groups, and one-way ANOVA for differences in means between more than two groups. Bottles of wine purchased a month, monthly expenditures on wine, price range of last five bottles purchased, and type of enclosure were analyzed as ratios.

Asterisks are used as symbols of significance level: ** represents a significance level of < .05 and * represents a significance level of < .10.

Assumptions

The study assumes that participants are not color blind.

Chapter 4

DEVELOPMENT OF THE STUDY

Data Collection Problems

During implementation of the survey, many respondents between the ages of 25 and 40 had young children along with them and were not willing to participate in the survey. This is an unavoidable situation but one to be considered when selecting a method for conducting surveys when the goal is a uniform distribution of the sample population.

Analysis

Respondent Demographics

The demographic differences as shown in Table 1, signify that Americans are more likely to be married and Australians are more likely to be single. Americans are more likely to have children under eighteen living at home. The majority of Americans have household incomes over $60,000 while Australians have household incomes over $50,000.

Table 1. Demographics.

	United States N = 251	Australia N = 215	P Value
Age			
18-20	—	11.6%	
21-24	22.2%	21.9%	
25-27	9.9%	8.4%	
28-29	4.3%	4.7%	
30-34	5.1%	11.6%	
35-39	6.7%	6.0%	
40-44	9.9%	9.8%	
45-49	10.7%	7.9%	
50-54	14.6%	7.9%	
55-59	9.1%	5.6%	
60+	7.5%	4.7%	0.001**
Marital Status			
Married	59.0%	47.2%	
Single	38.2%	49.1%	
Widowed	2.8%	3.7%	0.040**
Children under 18 Living at Home			
Yes	27.3%	22.0%	0.184
Household Income			
Under $20,000	13.7%	14.4%	
$21,000 to $24,000	5.4%	5.6%	
$25,000 to $29,000	5.0%	3.7%	
$30,000 to $34,999	4.1%	5.6%	
$35,000 to $39,999	5.0%	8.4%	
$40,000 to $49,999	6.6%	7.9%	
$50,000 to $59,999	10.4%	13.5%	
$60,000 to $69,999	8.7%	10.7%	
$70,000 to $99,000	12.4%	17.2%	
$100,000 or more	28.6%	13.0%	0.022**

**Significant at the 0.05 level.
* Significant at the 0.10 level

Category Behavior

Americans are more likely to purchase beer, wine, mixed drinks, and other, while Australians are more likely to purchase sparkling wine (Table 2). Americans purchase more bottles of wine per month and have higher monthly wine expenditures than Australians. Americans purchase less expensive wine ranging between $0.00 and $10.00 while Australians purchase more wine over $20.00 (Table 3).

Australians feel it has to be a special occasion to enjoy a bottle of wine with dinner. Americans consider themselves to have a strong interest in wine, and something they have in common with some of their good friends (Table 4).

It is not surprising with higher unemployment rates and a decline in GDP, that Americans were more affected by the recession than Australians. 82.8% of Australians commented that the recession did not impact their wine purchases. More Australians started purchasing lower priced wines due to the recession than Americans. Roughly half of Americans responded strongly agree or agree to purchasing less wine in restaurants due to the recession (Table 5).

Table 2 Alcohol Purchases within the Last Year.

	United States N = 251	Australia N = 215	P Value
Beer	85.3%	74.4%	0.003**
Wine	99.2%	97.2%	0.095*
Sparkling Wine	41.8%	50.7%	0.054*
Mixed Drinks	62.7%	53.0%	0.036**
Other	32.5%	10.7%	0.000**

** Significant at the 0.05 level.
*Significant at the 0.10 level.

Table 3 Wine Purchasing Behavior

	United States N = 251	Australia N = 215	P Value
Bottles	5.23	3.91	0.002**

Spend/Monthly	$77.50	$73.33	0.804
$0.00-$4.99	11.3%	0.6%	0.001**
$5.00-$9.99	27.5%	16.1%	0.000**
$10.00-$14.99	25.0%	28.0%	0.620
$15.00-$19.99	19.8%	24.4%	0.353
$20.00+	16.4%	30.9%	0.001**

**Significant at the 0.05 level.
*Significant at the 0.10 level.

Table 4 Feelings Toward Wine

	United States N = 251	Australia N = 215	P Value
Wine with Food	5.22	4.93	0.054
Special Occasion to have Wine with Dinner	2.90	3.26	0.019**
Strong Interest in Wine	4.60	4.14	0.002**
In Common with Friends	4.39	3.78	0.000**
Very Concerned about Wine Purchases	3.98	3.89	0.705

**Significant at the 0.05 level.
*Significant at the 0.01 level.

Table 5 Recession Impact

	United States N = 251	Australia N = 215	P Value
Purchased Less Wine			
Strongly Disagree	15.5%	10.7%	
Disagree	34.1%	50.2%	
Agree	29.4%	35.8%	
Strongly Agree	21.0%	3.3%	0.000**
Purchased Lower Priced Wines			
Strongly Disagree	13.9%	9.8%	
Disagree	36.1%	32.7%	
Agree	31.7%	49.1%	
Strongly Agree	18.3%	8.4%	0.000**
Purchased Less Wine in Restaurants			
Strongly Disagree	12.7%	9.3%	
Disagree	36.1%	42.5%	
Agree	28.2%	42.1%	
Strongly Agree	23.0%	6.1%	0.000**

No Impact			
Strongly Disagree	25.0%	7.0%	
Disagree	30.2%	40.5%	
Agree	16.3%	10.2%	0.000**

**Significant at the 0.05 level.
*Significant at the 0.10 level.

Wine Attributes

Australians prefer inexpensive wine that is a good value, as well as a complement to food. Australians find label attributes such as eye catching and attractive more important than Americans. Australians are also more interested in wines that are eco-friendly, grown using sustainable, organic, or biodynamic methods. Australians prefer Australian wine and screw cap enclosures. While, Americans prefer wines from brands they have tasted, are made in the United States and have traditional cork enclosures (Table 6).

Of the last five bottles of wine that Americans have purchased, 73.3% have been traditional corks and 17.5% have been synthetic corks, occupying 90.8% of the American market with cork enclosures. Meanwhile, 64.7% of the Australian market is controlled by screw cap enclosures compared to 9.2% of the American (Table 7).

Americans are more diverse in their wine selections, choosing wines from the United States, Italy, France, Spain, Chile, Argentina, Portugal and Mexico. While, Australians are more likely to drink wine from Australia and New Zealand. Interestingly, 10.4% of respondents did not know where there wine was from (Table 8).

The top three brands purchased by Australians and Americans are Yellow Tail, Kendall Jackson, and Barefoot. Yellow Tail is more likely to be purchased in Australia but a 45.8% of Americans have purchased it. More Americans have purchased wines included in the survey than

Australians. A high rate of ghost awareness was experienced among respondents since consumers reported purchasing wines that were not available in their country. For example, Pipers, The Mask, and Destino were not available in Australia (Table 9).

Table 6 Wine Attributes

Attribute	United States N = 251	Australia N = 215	P Value
Good Value for the Money	3.99	4.14	0.044**
Varietal I Like	4.08	4.11	
Brand I have Tasted	3.94	3.78	0.049**
Premium Quality Product	3.75	3.77	0.833
A Complement to Food	3.44	3.74	0.001**
Inexpensively Priced	3.21	3.67	0.000**
Eye Catching Label	3.02	3.51	0.000**
Attractive Label	2.85	3.57	0.000**
Traditional Cork	3.03	2.86	0.081*
Sustainably Grown	2.68	3.23	0.000**
Grown using Biodynamic Methods	1.74	2.80	0.000**
Grown using Organic Methods	2.10	2.79	0.000**
Made in the US	3.13	2.38	0.000**
Made in Australia	1.98	4.09	0.000**
Organically Grown	2.42	2.78	0.000**
Screw Cap	2.15	3.21	0.000**

**Significant at the 0.05 level.
*Significant at the 0.10 level.

Table 7 Enclosures

	United States N = 251	Australia N =215	P Value
Traditional Cork	3.68	1.43	0.000**
Synthetic Cork	0.88	0.32	0.000**
Screw Cap	0.46	3.21	0.000**

**Significant at the 0.05 level.
*Significant at the 0.10 level.

Table 8 Wine Origins

	United States N = 251	Australia N = 215	P Value
United States	94.4%	17.7%	0.000**
Australia	52.2%	96.3%	0.000**
Italy	35.6%	22.8%	0.003**
France	32.3%	23.7%	0.040**
New Zealand	16.5%	44.7%	0.000**
Spain	23.2%	12.6%	0.003**
Chile	21.7%	8.4%	0.000**
Argentina	12.6%	3.7%	0.001**
Germany	7.1%	5.1%	0.372
Portugal	7.5%	2.8%	0.024**
Mexico	1.6%	0.0%	0.065*
Finland	0.4%	0.5%	0.906
South Africa	7.9%	7.0%	0.704
Don't Know	12.2%	8.4%	0.176

**Significant at the 0.05 level.
*Significant at the 0.10 level.

Table 9 Brands Purchased in the Last Year

	United States N = 251	Australia N = 215	P Value
Yellow Tail	45.8%	51.2%	0.351
Kendall Jackson	40.6%	13.0%	0.000**
Barefoot	35.5%	7.9%	0.000**
La Crema	18.5%	4.7%	0.000**
Toasted Head	13.7%	5.1%	0.002**
Piper's	2.8%	3.7%	0.586
The Mask	0.0%	2.3%	0.276
Destino	0.0%	0.9%	0.494
None	29.8%	41.9%	0.006**

**Significant at the 0.05 level.
*Significant at the 0.10 level.

Wine Label Attributes

Americans are more likely to say the role a label plays in the purchasing decision is either not at all important or extremely important. Meanwhile, Australians are more likely to be middle grounded, stating that a label only plays a slightly to very important role in a purchasing decision. Roughly 21% of Australians and Americans rate a labels' role in purchasing decision as very or extremely important (Table 10).

With respect to desirability of wine label features, Australians found all features more desirable than Americans. Features included: attractive, eye catching, creative label, interesting, unique, colorful, classic and has an animal on it (Table 11).

Table 10 Importance of Label Appearance in Purchasing Decisions

	United States N = 251	Australia N = 215	P Value
Not at all Important	14.7%	6.0%	
Slightly Important	21.1%	26.0%	
Somewhat Important	42.2%	46.5%	
Very Important	13.9%	16.7%	
Extremely Important	8.0%	4.7%	0.015**

**Significant at the 0.05 level.
*Significant at the 0.10 level.

Table 11 Desirability of Label Characteristics

	United States N = 251	Australia N = 215	P Value
Is Attractive	3.53	3.98	0.000**
Is Eye Catching	3.57	3.87	0.001**
Is Creative	3.53	3.83	0.001**
Is Interesting	3.35	3.83	0.000**
Is Unique	3.27	3.69	0.000**
Is Colorful	3.03	3.44	0.000**
Is Classic	3.03	3.35	0.001**
Has an Animal on it	2.05	3.01	0.000**

**Significant at the 0.05 level.
*Significant at the 0.10 level.

Ratings of Specific Wine Labels

Respondents were shown eight wine labels, including Yellow Tail, Toasted Head, Destino, Barefoot, Kendall Jackson, The Mask, La Crema and Pipers, and asked to rank the labels on a scale of not at all attractive to extremely attractive with slightly, somewhat and very as the middle ground. The respondents were shown one of two orders of the labels (Cell 1 shown in the Appendix). Australians found all labels more attractive than did Americans. Australians rated Yellow Tail, Toasted Head and Barefoot as the top three most attractive labels. Americans rated Yellow Tail, Toasted Head and Destino as most attractive labels. Both Australians and Americans rated Kendall Jackson least attractive (Table 12).

The respondents were shown the same labels and to rank them on a scale of not at all eye catching to extreme eye catching, with slightly, somewhat and very as the middle ground. Australians found all labels more eye catching than the Americans. Australians and Americans both rated Toasted Head, Yellow Tail and Mask as the most eye-catching labels. Americans found Kendall Jackson least eye catching while Australians found La Crema least eye catching (Table 13).

Table 12 Wine Label Attractiveness

	United States N = 251	Australia N = 215	P Value
Yellow Tail	3.24	3.55	0.001**
Toasted Head	2.90	3.47	0.000**
Destino	2.84	3.11	0.161
Barefoot	2.79	3.21	0.000**
Kendall Jackson	1.96	2.80	0.000**
Mask	2.28	3.01	0.000**
La Crema	2.64	3.03	0.000**
Pipers	2.47	2.99	0.000**

**Significant at the 0.05 level.
*Significant at the 0.10 level.

Table 13 Most Eye Catching Labels

	United States N = 251	Australians N = 215	P Value
Toasted Head	3.36	3.82	0.017**
Yellow Tail	3.52	3.68	0.404
Mask	3.52	3.57	0.780
Barefoot	2.62	3.29	0.000**
Pipers	2.30	3.16	0.000**
Destino	2.34	2.89	0.005**
Kendall Jackson	1.96	2.80	0.000**
La Crema	2.30	2.66	0.045**

**Significant at the 0.05 level.
*Significant at the 0.10 level.

Media Use

Australians are more likely to use Radio, Google and Twitter than Americans to find information regularly. Radio, Google, Facebook and YouTube are used most by Americans and Australians to find information regularly (Table 14). To find information about wine Americans are more likely to use Wine Magazines and Wine Industry web sites. Australians are more likely to use Google, Winery website, Wine Region website, Radio and YouTube. The top four sources used by Australians and Americans to find information about wine are Google, Winery websites, Wine Magazines, and Wine Region websites (Table 15).

Table 14 Media Used Regulary

	United States N = 251	Australia N = 215	P Value
Radio	72.0%	81.9%	0.012**
Google	84.2%	90.7%	0.036**
Facebook	54.4%	49.3%	0.291
YouTube	42.8%	43.7%	0.842
Twitter	11.3%	21.4%	0.003**
Wine Magazines	8.0%	13.0%	0.326

Winery Web Site	8.0%	11.6%	10.9%
Bing	12.5%	11.2%	0.657
Wine Region Web Site	6.0%	10.2%	0.356
MySpace	10.9%	7.9%	0.269
Wine Industry Web Sites	2.0%	6.0%	0.249

**Significant at the 0.05 level.
*Significant at the 0.10 level.

Table 15 Media Used to Find Information on Wine

	United States N = 251	Australia N = 215	P Value
Google	46.2%	56.7%	0.000**
Winery Website	36.0%	43.7%	0.000**
Wine Magazines	44.0%	34.0%	0.000**
Wine Region Website	18.0%	16.3%	0.000**
Wine Industry Web Sites	18.0%	16.3%	0.000**
Radio	8.1%	15.3%	0.015**
Facebook	8.5%	5.6%	0.199
Bing	3.2%	3.3%	0.364
YouTube	0.8%	4.7%	0.010**
Twitter	0.8%	0.5%	0.644
MySpace	0.8%	0.0%	0.417

**Significant at the 0.05 level.
*Significant at the 0.10 level.

Chapter 5

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

Summary

A survey 466 Australia and American respondents was done finding that Australians weigh label attractiveness and eye catching as more important in purchasing decisions than Americans. Australians and Americans rated eye catching, attractive, creative and interesting as the most desirable features of a wine label. Australians and Americans agree that Yellow Tail and Toasted Head are eye catching and attractive and that Kendall Jackson is not attractive.

Conclusions

Understanding what Australians and Americans find attractive and eye catching in wine labels is invaluable information from the marketing perspective of wine. It is of no surprise that Americans purchase more wine per month and have a higher monthly wine expenditure when Australians consider it to be a special occasion to enjoy wine with dinner. Australians purchase higher priced wines and are more willing to move price brackets to achieve a certain level of quality than are Americans. Australians are more interested in organic, sustainable, and biodynamic methods than are Americans. Australians drink primarily Australian and New Zealand wine while Americans are more diverse in their selections. Australians rate attractiveness and eye catching as more desirable features when purchasing wine, and ranked all wine label features higher than Americans. Interestingly, both Australians and Americans did not rank "has an animal on it" as a desirable feature but two of the top three brands, Yellow Tail and Toasted Head, had an animal on them.

Recommendations

Research should be done into which animals wine consumers find most attractive and eye catching on wine labels, considering Yellow Tail and Toasted Head were ranked in the top three for attractiveness and eye catching when respondents say they do not find animals as a desirable feature on a wine label. Further research should also be done to see if there is a correlation between attractiveness and eye catching and top selling brands.

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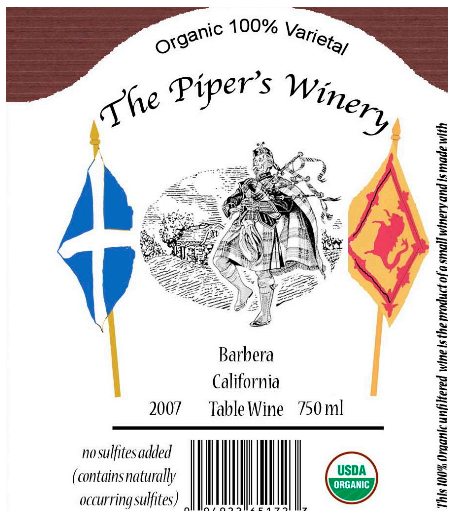
APPENDIX

Figure 3 Aaker's Brand Personality Framework (Boudreaux and Palmer 2007)

Dimensions	Facets	Traits
Sincerity	Down-to-earth	Down-to-earth, family-oriented, small-town
	Honest	Honest, sincere, real
	Wholesome	Wholesome, original
	Cheerful	Cheerful, sentimental, friendly
Excitement	Daring	Daring, trendy, exciting
	Spirited	Spirited, cool, young
	Imaginative	Imaginative, unique
	Up-to-date	Up-to-date, independent
Competence	Reliable	Reliable, hard working, secure
	Intelligent	Intelligent, technical, corporate
	Successful	Successful, leader, confident
Sophistication	Upper class	Upper class, glamorous, good looking
	Charming	Charming, feminine, smooth
Ruggedness	Outdoorsy	Outdoorsy, masculine, Western
	Tough	Tough, rugged

Label A.

Label B.



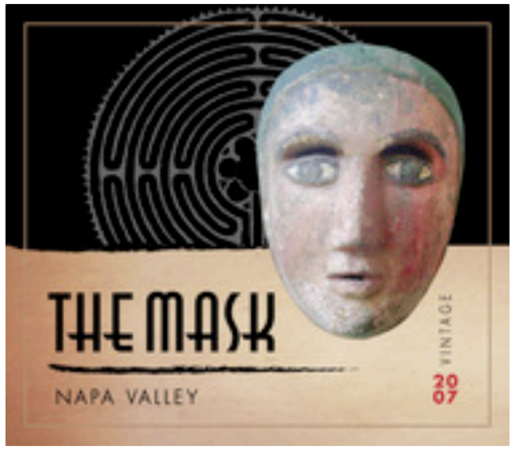
Label C.

Label D.

Label E.

Label F.

Label G.



Label H.

1. Default Section

*** 1. Which of the following ranges describes your age?**

- ◯ 21 to 24
- ◯ 25 to 27
- ◯ 28 to 29
- ◯ 30 to 34
- ◯ 35 to 39
- ◯ 40 to 44
- ◯ 45 to 49
- ◯ 50 to 54
- ◯ 55 to 59
- ◯ 60+ years

*** 2. Which of the following alcoholic beverages have you purchased in the past year? (Choose all that apply?**

- [ ] Beer
- [ ] Wine
- [ ] Sparkling Wine
- [ ] Mixed Drinks
- [ ] Other

*** 3. Approximately how many bottles of wine do you typically buy per month?**

Bottles/Mo. ____________

*** 4. Approximately how much do you typically spend on wine per month?**

Spend/Mo. ____________

*** 5. Of the last 5 bottles of wine purchased for consumption at home, how many fall into the following price ranges?**

$0.00 -$4.99 ____________

$5.00 -$9.99 ____________

$10.00 - $14.99 ____________

$15.00 - $19.99 ____________

$20.00 + ____________

*** 6. How strongly do you agree or disagree with the following statements? (Please choose only one answer in each row.)**

	Strongly Agree	Agree	Disagree	Strongly Disagree
Since the recession began last year, I have purchased less wine.				
Since the recession began last year, I have started purchasing lower priced wine.				
Since the recession began last year, I purchase wine at restaurants less often.				
The recession has not impacted my wine consumption.				

*** 7. The following is a list of features of wine people may look for when making a wine purchasing decision. Please indicate the desirability of each feature to you when you purchase wine by indicating a number from one to five where:**

5 = Extremely Desirable

4 = Very Desirable

3 = Somewhat Desirable

2 = Slightly Desirable

1 = Not At All Desirable

	Not desirable at all	Not very desirable	Somewhat desirable	Very desirable	Extremely desirable
Brand I have tasted					
Good value for the money					
Varietal I like					
A screw cap enclosure					
A complement to food					
Attractive label					
Made in Australia					
Produced sustainably					
Premium quality product					
Traditional type of cork					
Inexpensively priced					
Organically grown					
Made in the US					
Eye-Catching label					
Grown using bio-dynamic methods					
Grown using organic methods					

*** 8. To the best of your knowledge, how many of the last 5 bottles of wine that you purchased for consumption at home had the following types of enclosures?**

Traditional Cork

Synthetic Cork

Screw Cap

*** 9. What is the country of origin of wine that you have purchased in the past year? (Choose all that apply.)**

- [ ] Australia
- [ ] Chile
- [ ] US
- [ ] South Africa
- [ ] Italy
- [ ] Spain
- [ ] Argentina
- [ ] New Zealand
- [ ] Portugal
- [ ] France
- [ ] Germany
- [ ] Mexico
- [ ] Finland
- [ ] Don't Know

*** 10. Which of the following brands of wine have you purchased in the past year? (Choose all that apply.)**

- [ ] Kendall Jackson
- [ ] The Piper's Winery
- [ ] Yellow Tail
- [ ] Barefoot
- [ ] La Crema
- [ ] Toasted Head
- [ ] The Mask
- [ ] Destino
- [ ] None of the Above

*** 11. The following are statements about how you feel about wine. On a scale of 1-7, please choose the appropriate number to indicate your agreement with the following statements. Where:**
1 = Strongly Disagree
7 = Strongly Agree

	Strongly Disagree						Strongly Agree
I like having wine with my food.	○	○	○	○	○	○	○
It has to be a special occasion for me to enjoy a bottle of wine with dinner.	○	○	○	○	○	○	○
I have a strong interest in wine.	○	○	○	○	○	○	○
Wine is one thing I have in common with some of my good friends.	○	○	○	○	○	○	○
I am very concerned with the wines I purchase.	○	○	○	○	○	○	○

*** 12. When purchasing a bottle of wine, how important is the appearance of the label in your purchase decision? (Choose only one.)**

○ Extremely Important

○ Very Important

○ Somewhat Important

○ Slightly Important

○ Not at all Important

*** 13. The following is a list of the features people may look for in labels when purchasing wines. Please indicate the desirability of each feature of the label to you when you purchase wine by indicating a number from one to five where:**

5 = Extremely Desirable

4 = Very Desirable

3 = Somewhat Desirable

2 = Slightly Desirable

1 = Not at all Desirable

	Not at all Desirable	Slightly Desirable	Somewhat Desirable	Very Desirable	Extremely Desirable
Has an animal on it	○	○	○	○	○
Is unique	○	○	○	○	○
Is interesting	○	○	○	○	○
Is eye catching	○	○	○	○	○
Is attractive	○	○	○	○	○
Creative label	○	○	○	○	○
Is classic	○	○	○	○	○
Is colorful	○	○	○	○	○

*** 14. I am going to show you wine labels. Please indicate a number one through five, which best describes the attractiveness of each label:**

5 = Extremely Attractive

4 = Very Attractive

3 = Somewhat Attractive

2 = Slightly Attractive

1 = Not at all Attractive

	Not at all Attractive	Slightly Attractive	Somewhat Attractive	Very Attractive	Extremely Attractive
Label A.	○	○	○	○	○
Label B.	○	○	○	○	○
Label C.	○	○	○	○	○
Label D.	○	○	○	○	○
Label E.	○	○	○	○	○
Label F.	○	○	○	○	○
Label G.	○	○	○	○	○
Label H.	○	○	○	○	○

*** 15. I am going to show you the same wine labels. Please indicate a number one through five, which best describes how eye-catching of each label is to you:**

5 = Extremely Eye-Catching

4 = Very Eye-Catching

3 = Somewhat Eye-Catching

2 = Slightly Eye-Catching

1 = Not at all Eye-Catching

	Not at all Eye-Catching	Slightly Eye-Catching	Somewhat Eye-Catching	Very Eye-Catching	Extremely Eye-Catching
Label A.	◯	◯	◯	◯	◯
Label B.	◯	◯	◯	◯	◯
Label C.	◯	◯	◯	◯	◯
Label D.	◯	◯	◯	◯	◯
Label E.	◯	◯	◯	◯	◯
Label F.	◯	◯	◯	◯	◯
Label G.	◯	◯	◯	◯	◯
Label H.	◯	◯	◯	◯	◯

*** 16. Which of the following do you use regularly? (Choose all that apply from column A) Which of the following do you use to find information about wine? (Choose all that apply from column B)**

	Column A Use Regularly	Column B Use for Wine Information
Radio	☐	☐
Google	☐	☐
Bing	☐	☐
Twitter	☐	☐
MySpace	☐	☐
Facebook	☐	☐
YouTube	☐	☐
Winery Web Site	☐	☐
Wine Region Web Site	☐	☐
Wine Magazines	☐	☐
Wine Industry Web Sites	☐	☐

*** 17. Are you?**

◯ Female

◯ Male

*** 18. Are you?**

- Married/Living with a partner
- Single
- Widowed

*** 19. Do you have any children under 18 living at home?**

- Yes
- No

*** 20. Which of the following ranges describes your household income before taxes?**

- Under $20,000
- $21,000 to $24,999
- $25,000 to $29,999
- $30,000 to $34,999
- $35,000 to $39,999
- $40,000 to $49,999
- $50,000 to $59,999
- $60,000 to $69,999
- $70,000 to $99,999
- $100,000 or more