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## **Generation Y Students Perception of Packaging and Pricing of Arkansas Wines**

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### Abstract

*The objective of this research focuses on “Generation Y students perceptions of packaging and pricing of Arkansas wines”. A thirteen-question quantitative survey was given to 200 Generation Y students at a mid-south land-grant university student union. The questions focused on consumers’ preferences on labeling, packaging, and pricing of Arkansas wines. This research is important to the state’s wineries success with implication on product satisfaction, perceived quality, and price value. Generation Y prefers the glass bottle with the traditional cork and description of the wine. Majority of Generation Y would spend \$10 to \$15 on a 750 ml of Arkansas wine.*

*KEYWORDS wine pricing, wine packaging, label, design*

### Introduction

This study is important because of the limited studies that specifically focus on Arkansas wines concerning Generation Y. The objective focuses on Generation Y preferences on packaging and pricing of Arkansas wine. This research was constructed through a thirteen question quantitative survey at a mid-south land-grant university student union. The results were compiled through the International Business Machines Corporation (IBM) SPSS version 20 statistics program. This paper is organized as: Arkansas tourism, Generation Y, marketing,

pricing, packaging and labeling. The research focuses on: What does Generation Y think the appropriate price range is for a 750 ml bottle of Arkansas wine? What type of packaging does Generation Y prefer for the wine product? What kind of design labeling does Generation Y prefer? What color layout does Generation Y prefer on the wine bottle's label?

### Arkansas Tourism

The Bureau of Economic Analysis (BEA) has defined travel and tourism as “the economic activity generated by inside of the United States of America by ‘visitors’ of either business or pleasure that are considered residents and nonresidents, and visitors outside of the United States” (Wilkerson, 2003). The employment rate of travel and tourism varies from across the states. Unfortunately, Arkansas has one of the lowest shares of travel and tourism employment at only 2% of the USA (Wilkerson, 2003).

The wineries are an important aspect of any states' tourism industry. Some examples include the retail sales that impact the local economy by: increase economic development, enhance regional cuisine, and generates local tax dollars. According to the Jefferson County's annual report in 2003, \$95 million was spent in travel expenditures. In Arkansas, the hospitality field contributes to 1,340 jobs and about \$18 million annually in payroll (Anonymous, 2005).

### Generation Y

In 2008, the United States of America ranked third in the world's total wine consumption. The growth of the total wine consumption is at a constant rate. The main reason for the recent growth of wine consumption is in the intake of wine by the early adulthood of Generation Y (Hussain, M., Cholette, S., & Castaldi, R., 2007). The top three reasons why Generation Y drinks

wine is because: they enjoy the taste of the wine, wine pairing, and for relaxation. Also, this generation has the largest purchasing power compared to the other generations in the United States. The USA's annual income of wine sales is \$211 billion (Henley, C. D., Fowler, D. C., Jingxue (Jessica) Yuan, Stout, B. L., & Goh, B. K., 2011).

Every generation has specific values that lead to different behaviors (Mueller, S., Hervé Remaud, & Chabin, Y., 2011). According to Chrysochou (Krystallis, Mocanu, & Lewis, (2012), Generation Y could become the consumer segment that is able to fuel the wine consumption growth in the coming future. Chrysochou et al. (2012) states, there is not an exact age group classification for this generation. Most researchers agree that Generation Y begins at the years of 1978 to 2003. The age range is from 9 years to 34 years old. There are about 76 million people in Generation Y.

Generation Y is considered technology savvy compared to the previous generation known as Generation X. The reasoning behind this is because Generation Y has learned how to operate computers at an early age. Ninety percent of Generation Y is known to be dependent on the Internet. Generation Y is considered to more educated, affluent, and ethnically diverse compared to the past generations (Chrysochou, P., Krystallis, A., Mocanu, A., & Lewis, R. L., 2012).

Since Generation Y is known to be dependent on the Internet, they are more likely to relate to the mass media of advertising. Also, they are likely to respond to mass media, and buy products from a company that uses mass media to their advantage in marketing. Generation Y is more acceptable towards positive brands as long as the products are at a fair price point. They are also more oriented towards the quality value in a product than a product that is oriented towards quantity value (Chrysochou, P., Krystallis, A., Mocanu, A., & Lewis, R. L., 2012).

Generation Y are more open to suggestions from other people who are more knowledgeable than they are on products. The reason why is because they are influenced by their family and friends when deciding on which product to buy. They are also more likely to ask for recommendations from retail clerks about their products compared to past generations. However, they tend to buy their wines at grocery stores and purchase wine online due to convenience (Chrysochou, P., Krystallis, A., Mocanu, A., & Lewis, R. L., 2012).

Generation Y is slowly increasing their monthly purchases of wine. One study shows that 45% of this generation will buy wine at least once a month or less. Twenty-seven percent will buy wine two to three times per month, and 27% will buy wine more than once a week. Also, thirty-five percent of their wine purchases were at a liquor store, and 22% were at a grocery store. Eighteen percent of the wine purchases were at a wine shop, and 11% were in restaurants. The lowest percentage was 10% of wine purchases at wineries (Chrysochou, P., Krystallis, A., Mocanu, A., & Lewis, R. L., 2012). It seems that there are variations of this generation's purchase of wine, during various times of the month as well as to where they purchase their wine.

### Marketing

"If we can understand how consumers choose wine, then we have a much better framework to decide pricing, packaging, distribution, advertising, and merchandising strategies" (Lockshin, L., 2003). Marketing is an important aspect to invest time and money in order to increase income from sales. Wine producers need to have a good strategy on wine marketing and promotions in order to increase or maintain market shares, sales, and to sustain customer interest in their products (Henley et al., 2011).

Research shows that consumers who buy regional brands of wine will have a higher perceived knowledge of wine (Atkin, T., & Johnson, R., 2010). Over the years, the USA wine market has an increase in the demand market, but they are still losing domestically in market share. The reason why is due to foreign competition of wine products and an unstable environment. The United States wineries need to adapt to a stronger market orientation in order to their meet consumers' requirements of the wineries wine products. They need to have a understanding of their potential customers' habits and needs (Hussain, M., Cholette, S., & Castaldi, R., 2007).

Marketing in the wine business usually presents different types of products and product attributes of consideration when the consumer is making a decision to purchase a wine product (Mueller, S., Hervé Remaud, & Chabin, Y., 2011). Marketing is an important aspect in the wine industry for local wineries when designing and promoting wine products (Barth, S. & Salazar, J., 2010).

Another aspect to consider in the marketing field is the marketing channel. There are three important marketing channels: the wholesale, retail sales, and consumer direct (Barth, S. and Salazar, J., 2010). Also, it is important to differentiate a product because you want consumer's to pick your product over your competitors. Particularly, since the wine market is an international business. This is especially true in the European wineries due to their prestigious reputation to consumers. United States wineries are starting to invest in marketing on their wine products to consumers in order to not lose their national business to the international competition (Atkin, T., & Johnson, R., 2010).

The key advantage of cost and quality of wine is the understanding of the retailer's current and potential customers. In addition, the wineries also should concentrate on the potential

customer's needs and desires of wines. The wineries also need to concentrate on their customers by focusing on who their customers are, consumer motivations for consuming wine, how consumers make purchasing decisions about wine, how to create a pleasant experience, and how to convert sporadic consumers into loyal customers (Hussain, M., Cholette, S., & Castaldi, R., 2007).

One researcher suggested the geographical location of wine production could be influential of consumers buying into a local wine product because the new local wineries may not have a strong brand image with consumers. This is due to consumer's association with the location of the winery and the quality of the wine (Atkin, T., & Johnson, R., 2010).

### Pricing

For most wine consumers, it can be confusing to purchase wine due to the complexity of the wine market. There are five areas of resistance to consumer adaption of new products. They are: usage barriers, value barriers, risk barriers, tradition barriers, and image barriers. These barriers become pertinent when consumers are buying a product due to being uncertain about the physical, economic, functional, or the social risks from using a product. The major motivation for wine purchases decisions are: risks to consumers, brands, label, and price. Other risks include, the product familiarity and knowledge, and the product-use situation (Atkin, T., & Johnson, R., 2010).

According to Henley, et al. (2011), research indicates that the average price of wine for the household is \$17.16, and as a gift is \$21.69 per bottle. This research is based on a national level and not individual state level.

Another study analyses a standardized model with price as a dependent variable and personality traits as independent variables. This confirms that price expectations of consumers are related to perceptions of wine personality. The more creativity and sophistication in the packaging and quality of the product, the higher priced the product. The formula of Price = 0:233 Sophistication - 0:087 Excitement + 0:031 Ruggedness + 0:011 Competence - Sincerity + 0:055 Creativity (Heslop, A., Cray, D., & Armenakyan, A., 2009).

Past research has also suggested that more experienced wine consumers tend to buy wine at specialty wine shops. While less experienced wine consumers tend to purchase low cost wines in a large volume at discounted shops, indicating that price is part of the consumers' important decision-making process. Consumers usually use price as an indicator to reduce the risk within the purchase decision, supporting the theory of why most people purchase well-known brands in wine. Also, research indicates the number one decision-making reason for selecting wine in a retail store is prior wine tasting experience (Barth, S. & Salazar, J., 2010).

Atkin et al. (2010) showed that "brand" is an important aspect when spending less than \$15 on a 750 ml bottle of wine. The region of the wine where it was produced was an important aspect for those spending over \$15. Consumer's spending more money want to know more about the wine product compared to the consumer's who spend less.

In addition, consumers are becoming more knowledgeable about wine, so they may not consistently purchase wine based on the expense of the wine alone. One study shows that 49% of the more knowledgeable wine consumers have not bought wine over \$15 in the last six months. This demonstrates that wineries limit themselves to selling wine over \$10, losing sales from regular wine drinkers and more knowledgeable consumers (Hussain, M., Cholette, S., & Castaldi, R., 2007).



One model estimates the demand for wine are:

$$\text{Cases}_{ijt} = \beta_0 + \beta_1 \text{Price}_{ijt} + \beta_2 \text{Income}_{ijt} + X_{Tt} \cdot X$$

“where  $\text{Cases}_{ijt}$  represents the number of cases of wine of type  $i$  (color or varietal) sold in month  $j$  and year  $t$ ;  $\text{Price}_{ijt}$  represents the price of wine type  $i$ , sold in month  $j$  and year  $t$ ;  $\text{Income}_{ijt}$  represents per capita disposable income in month  $j$  and year  $t$ ;  $X$  is a vector of bottle price prices of wine for color or varietals  $j$ ;  $i$ ; and  $T_t$  represents the fixed effect for year  $t$  (Cuellar, S. S., Colgan, T., Hunnicutt, H., & Ransom, G., 2010).”

The equation of the model shows the concerns and indicates the presence of similarity between the price per bottle of wine and the number of cases sold. This shows that endogeneity can be cored by using grape prices as an instrument for wine prices (Cuellar, S. S., Colgan, T., Hunnicutt, H., & Ransom, G., 2010).

### Packaging

The three key concepts that are important for consumers when purchasing wine are: imagery, layout, and color. The wine industry shows that labeling is relevant to the buyer’s decision-making process when purchasing wine (Boudreaux, C., & Palmer, S., 2007). Also, the color, shape, and size of the package are factors of the consumer’s process of purchasing wine (Rocchi, B., & Stefani, G., 2006). Packaging plays an important role in the wine market because it provides information on the wine product and the manufacture’s promise to the consumers (Thomas, A., & G. P., 2003).

The four key design elements for packaging are: brand logo, brand name, front label information, and the back label information. Also, there are four main key elements that focus on the information located on the label. This includes: taste information, price information,

information about the wine producer, and suggested food pairings (Henley, et al., 2011). Atkin, T., & Johnson, R., (2010) stated that packaging is crucial to the consumer's approval of product because this is the last opportunity for retailer's to correspond and influence the buyers to purchase their product.

The consumer looks at different types of packaging of the wine before making a decision. Glass wine bottles are the most common type of packaging. Over the past few decades, other semi-rigid packaging structures have also started to gain acceptance for packaging of wine in various marketplaces, including bag-in-box (BIB) and multilayer plastic bottles. BIB packaging represents one of the most significant changes in the packaging of wine because it offers improved distribution efficiency, enhanced end-use convenience, and increased cost-effectiveness (Fu, Y., Lim, L., & McNicholas, P., 2009).

Another important aspect of packaging is the type of closure on the wine product. The natural cork is expensive to produce due to the harvesting of a certain type of wood. Most companies avoid using natural wood corks because it saves companies money, and appeases to the customers who are concerned about the environment. Corks can not be reused because the cork will absorb the wine. (Pfefferkorn, B., & Reiter, V., 1976). The plastic stoppers are inexpensive to produce and recyclable. Unfortunately, the plastic stoppers are hazardous during shipping because the amount pressure from the wine bottle (Lopes, P., Saucier, C., Tessedre, P., & Glories, Y., 2006).

### Labeling

It is important to have a good and lasting appearance on the label. The labeling has to fit the package of the wine product. Also the size, shape, and label proportions have to correlate

with the product (Rocchi, B., & Stefani, G., 2006). The wine producer needs to have labeling on the front of the bottle because it will acquire the consumer's interest on the wine. Usually, the front label includes: grape type, alcohol content, vintage year, and the product's name of the vineyard or company (Mueller, S., Hervé Remaud, & Chabin, Y., 2011).

Consumers often face a challenge when selecting a bottle of wine. Their decision is based on: the type of packaging, labeling of the wine product, and their knowledge on wines. Inexperienced wine purchasers usually base their decision on the wine's label. Thomas (2003) states, "Consumers may decide to make their wine choice primarily on the basis of the objective characteristics (appearing on the label of the wine bottle)." The characteristics include: color, shape, and front labels as part of the consumer decision-making.

Information is key to influence consumers to purchase a product. The purchasing behavior can influence consumers by the information that is presented, and the way that information is processed. The information about the winery on the wine product helps the consumer to reduce their risk or uncertainty about the wine. Some risks involved in the purchasing decisions are: the taste of the wine, social influence, financial aspect, and the physical influence. In order for the consumers to contradict these risks when purchasing a product, they look for: information, brand loyal, trusting a well-known brand, and use pricing as an indicator (Thomas, A., & G. P., 2003).

The type of font on the wine labeling is an important aspect to the manufactures. The key points includes: features, benefits, and the surrogates. The positioning of the wine label information is an important feature to focus on when designing the wine product. The seven positioning statements of the information on the product's front and back label consist of: attributes, nonpareil, parentage, manufacture, end user, end use, and endorsements. The emphasis

of the positioning on the information label is the parentage. The descriptions of the information of seven components are:

*attributes* are the features or benefits of a wine. The information describes the character of the wine in terms of how it appears, smells, or tastes.

*nonpareil* a reflection of quality in that the products are without equal, unrivalled or unique.

*parentage* this reflects the history, the history of the growing region or the history of the wine maker.

*manufacture* this is how the product was made including sub-categories of process, ingredients, and design.

*target-end user* this identifies who the product was made for in terms of a person type.

*target-end use* the identification of the types of situations or end uses for which the product was made for.

*endorsements* this highlights expert opinions or the recognition of awards and medals.

The seven aspects of the positioning statements are important to recognize and utilized when designing the label of the wine product (Thomas, A., & G. P., 2003).

According to Thomas (Thomas, A., & G. P., 2003), research shows that there was no significant difference in preference on the label based on: gender, age, and household income. However, the front label had differences on the preference of the label based on the level of education and the type of wine. The top three levels of importance on the label's information were: wine company, wine brand name, and expert opinions or mention of awards/metals. The

three least importance of the label's information were: type of person the wine would appeal, type of situation, and unique, unrivalled wine.

The back labeling of the wine were seen as: interesting, provide useful information, and receive variable use in the purchase decisions. Also, the back label information was found to be favored more than the front label (Thomas, A., & G. P., 2003).

The words on the label need to have a certain amount of space in order to attract and interest the consumer. If wine producers have the right amount of space on their label; then the consumers are more likely to think that the wine producers put more care into their product. If the wine producers have less spacing of words on their product; then consumers are going to think that the wine producers did not put enough effort into making their product. On the other hand, if the wine producers have too much spacing of words on their product, then consumers are going to think that the wine producers are trying too hard to attract their attention along with making the product look cheap (Rocchi, B., & Stefani, G., 2006).

### The Purpose of The Study

The objective of this research focuses on "Generation Y students perceptions of packaging and pricing of Arkansas wines". The student conducted a thirteen-question quantitative survey at a mid-south land-grant university student union. The questions focused on Generation Y's preferences on labeling, packaging, and pricing of Arkansas wines. This research is important to the State's wineries including: product satisfaction, perceived quality, and price value.

## Methodology

### Data Collection

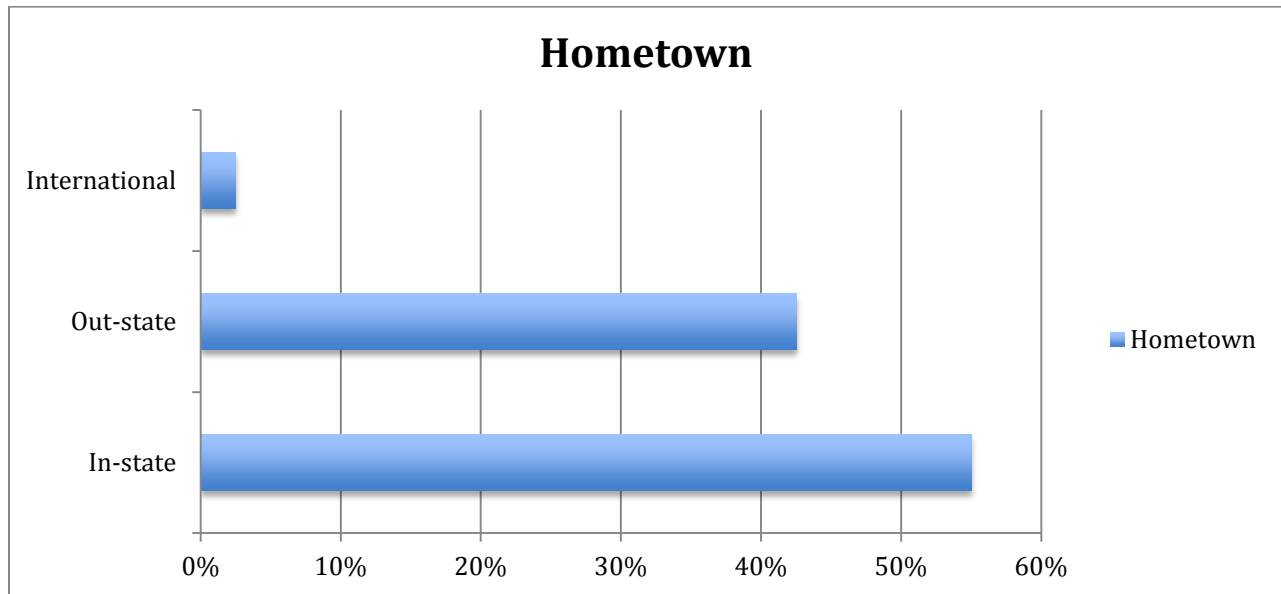
This quantitative survey focused on Generation Y perceptions of labeling, packaging, and pricing of Arkansas wines. The survey was developed by talking to local wineries and researching past academic journals. The survey was administered from August 20, 2012 to August 22, 2012 at a mid-south land-grant university student union. Seven Arkansas wine products were displayed while participants completed the survey. Participants completed a 13-question survey in about 5 minutes from 10:30 a.m. until 2:30 p.m. Two questions focused on demographic information while 11 questions focused on labeling, packaging, and pricing of Arkansas wine. No incentives were given to any participants for completing the survey. Two-hundred Generation Y people completed the survey. (See Appendix 1).

## Results

### Data Analysis

The data from the surveys were compiled by using an IBM SPSS statistics system. The analysis data was used in a frequency format.

(Fig. 1)



Fifty-five percent of the participants who completed the survey were from in-state, 42.5% are from out-of-state while 2.5% are international.

(Table 1)

**Participant Consumption Of Arkansas Wines**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid No	66	33.0	33.0	33.0
Valid Yes	134	67.0	67.0	100.0
Total	200	100.0	100.0	

Sixty-seven percent of the participants had consumed Arkansas wine while 33% had not consumed Arkansas wine.

(Table 2)

**Participant Gender**

		Frequency	Percent	Valid Percent	Cumulative Percent
	Male	81	40.5	40.9	40.9
Valid	Female	117	58.5	59.1	100.0
	Total	198	99.0	100.0	
Missing	System	2	1.0		
Total		200	100.0		

There were 58.5% females and 40.5% males that completed the survey. One percent of the people did not answer the question.

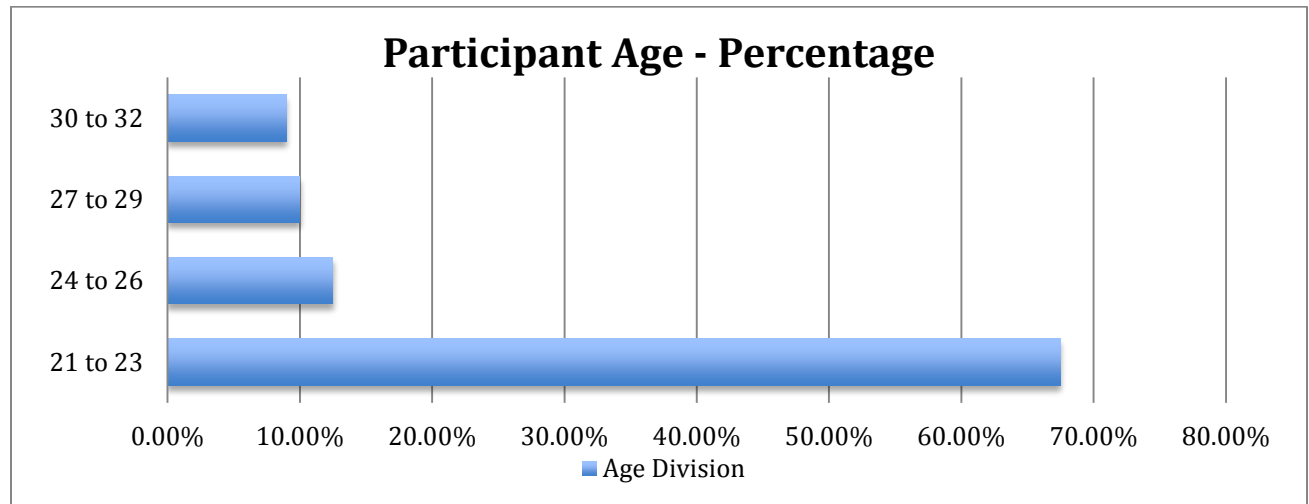


(Table 3)

**Participant Age**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 21 to 23	135	67.5	68.2	68.2
24 to 26	25	12.5	12.6	80.8
27 to 29	20	10.0	10.1	90.9
30 to 32	18	9.0	9.1	100.0
Total	198	99.0	100.0	
Missing System	2	1.0		
Total	200	100.0		

(Fig. 2)



The compiled data shows that out of 200 participants, 67.5% people were in the age group of 21 to 23, 12.5% people in the age group of 24 to 26, 10% people in the age group of 27 to 29, and 9% people who are in the age group of 30 to 32. One percent of the people did not

answer the question. According to the survey, the majority of people in the age division were between 21 to 23 years old. The least amount of people in the age division is between 30 to 32 year old.

(Table 4)

**Participant Color Label Layout Preferences**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	One color	32	16.0	16.1	16.1
	Two colors	57	28.5	28.6	44.7
	Multicolor	95	47.5	47.7	92.5
	Black & White	15	7.5	7.5	100.0
Total		199	99.5	100.0	
Missing	System	1	.5		
Total		200	100.0		

Out of 200 participants, 16% preferred the one color layout, 28.5% preferred two-color layout, 47.5% preferred the multicolor layout, and 7.5% preferred the black and white color layout. One percent of the people did not answer the question. The majority of the participants preferred the multicolor layout for the bottle of wine, while the black and white layout was the least preferred.

(Table 5)

**Most Recognized Label Layout**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Symbols	52	26.0	26.3	26.3
	Brand Name	41	20.5	20.7	47.0
	Colors	55	27.5	27.8	74.7
	Font Style	50	25.0	25.3	100.0
	Total	198	99.0	100.0	
Missing	System	2	1.0		
Total		200	100.0		

Out of 200 participants, 26% said symbols on the labeling caught their attention to the product, 20.5% said brand name caught their attention to the product, 27.5% said colors on the bottle caught their attention to the product, and 25% said font style caught their attention to the product. One percent of the people did not answer the question.

(Table 6)

**Most Significant Information Desired On Label**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Nutrition	16	8.0	8.0	8.0
History of Product	29	14.5	14.5	22.5
Description of Wine	146	73.0	73.0	95.5
None of the above	9	4.5	4.5	100.0
Total	200	100.0	100.0	

Out of 200 people, 73% participants said the description of the wine was the most important information, 14.5% participants said history of the wine was the most important information, 8% participants said nutrition was the most important information, and 4.5% participants said none of the above was important information. Out of the participants, the description of the wine was the most important information to have on the wine bottle.

(Table 7)

**Most Desirable Font**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Bold Font	29	14.5	14.6	14.6
	Cursive Font	116	58.0	58.3	72.9
	Block Font	33	16.5	16.6	89.4
	Other	21	10.5	10.6	100.0
	Total	199	99.5	100.0	
Missing	System	1	.5		
Total		200	100.0		

Out of 200 participants, 58% participants said that they preferred the cursive font, 16.5% participants said that they preferred the block font, 14.5% participants said that they preferred the bold font, and 10.5% participants said they preferred other fonts. The majority of the participants preferred the cursive font on the wine bottle.

(Table 8)

**Most Desirable Packaging**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Boxed	12	6.0	6.0	6.0
	Glass Bottle	183	91.5	91.5	97.5
	Plastic Bottle	3	1.5	1.5	99.0
	Other	2	1.0	1.0	100.0
	Total	200	100.0	100.0	

Out of 200 participants, 91.5% participants preferred the glass bottle, 6% participants preferred the boxed wine, 1.5% participants preferred the plastic wine bottle, and 1% preferred other types of packaging of wine.

(Table 9)

**Most Desirable Closure**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Traditional Cork	162	81.0	81.8	81.8
Valid Plastic Closure	8	4.0	4.0	85.9
Valid Metal screw tips	28	14.0	14.1	100.0
Valid Total	198	99.0	100.0	
Missing System	2	1.0		
Total	200	100.0		

Out of 200 participants, 81% of the participants preferred the traditional cork, 14% participants preferred the metal screw tops, and 4% participants preferred the plastic closure.

One percent of the people did not answer the question

(Table 10)

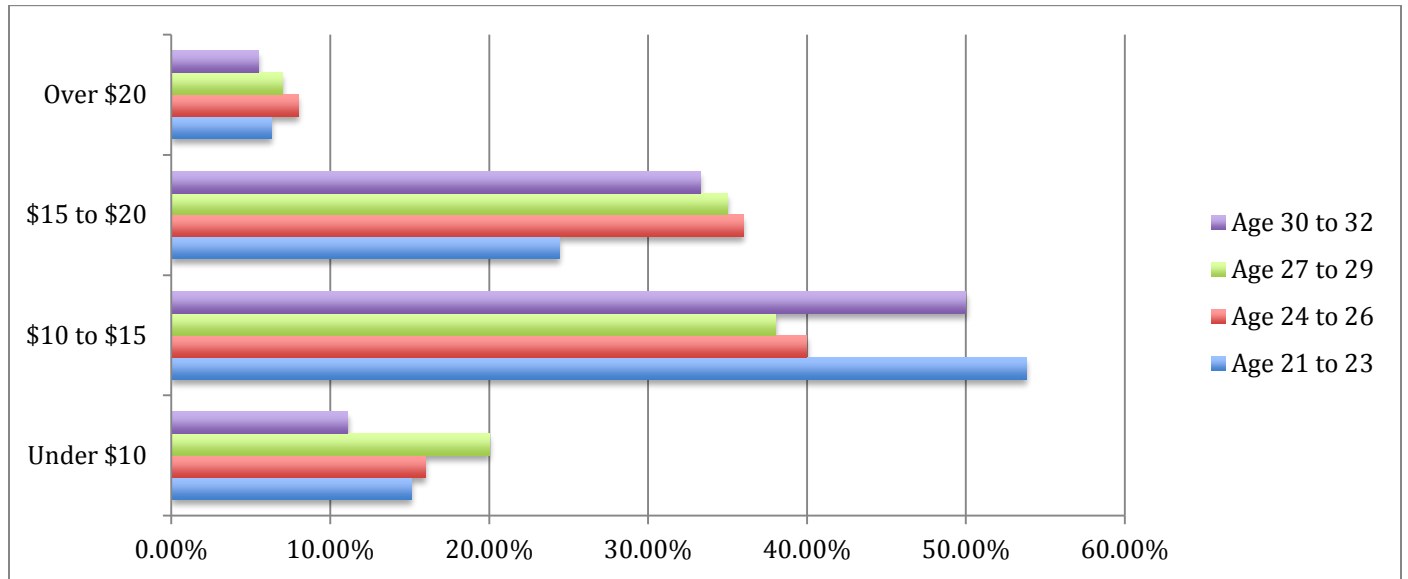
**Price Point Related to 750ml Bottle of Arkansas Wine**

		Frequency	Percent	Valid Percent	Cumulative Percent
	Under \$10	30	15.0	15.2	15.2
	\$10-\$15	94	47.0	47.7	62.9
Valid	\$15-\$20	61	30.5	31.0	93.9
	Over \$20	12	6.0	6.1	100.0
	Total	197	98.5	100.0	
Missing	System	3	1.5		
Total		200	100.0		

Out of 200 participants, 47% participants said that they would spend \$10 to \$15 on a 750 ml bottle of Arkansas wine, 30.5% participants would spend \$15 to \$20 on a 750 ml bottle of Arkansas wine, 15% participants would spend under \$10 on a 750 ml bottle of wine, and 6% would spend over \$20 on a 750 ml bottle of Arkansas wine.

(Fig. 3)

Comparison of Age to Spending on Arkansas Wine

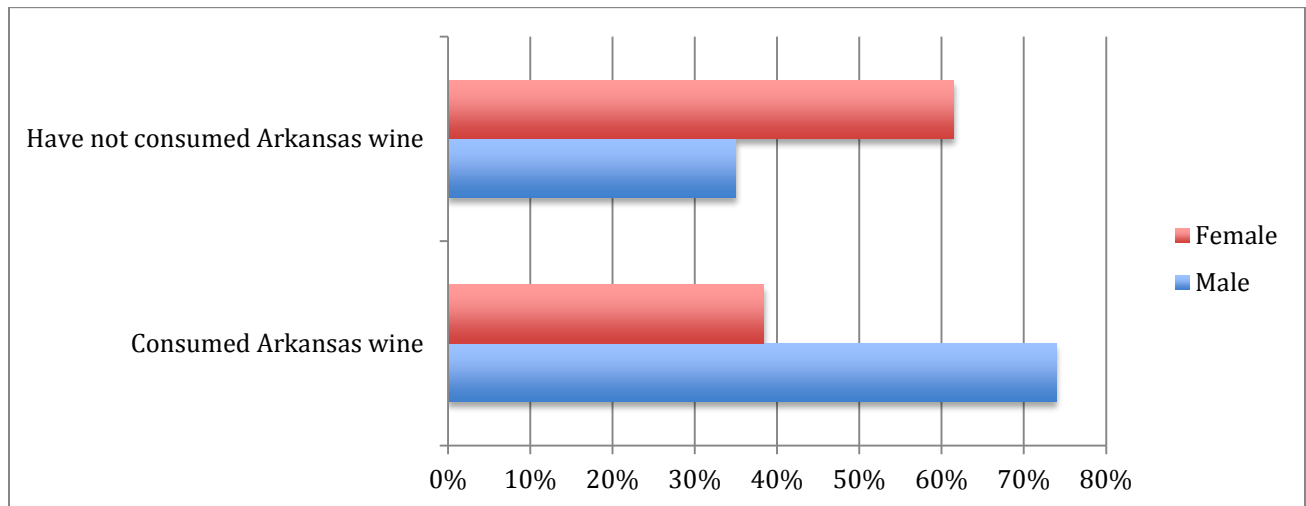


In each age group of Generation Y, most of the participants would spend \$10 to \$15 on a 750ml bottle of Arkansas wine. The most diverse age group on the spending price for Arkansas wine was the age of 21 to 23 years old.



(Fig. 4)

## Gender Correlation on Wine Consumption



Seventy-four percent of males in Generation Y had consumed Arkansas wine compared to 38% of females. While 61% of female had not consumed Arkansas wine compared to 35% of males.

## Conclusion

There were several reasons why people selected the \$10 to \$15 price range of Arkansas wine. The most important reason to spend money on wine is the value, quality, and budget. This information was found from answering the following question: Why would you spend a certain amount of money on a 750 ml bottle of Arkansas wine? Consumers are becoming more value conscious when selecting their wine. Inexpensive wine does not necessarily mean the quality of wine is unsatisfactory. In order to maximize wine sales, the price has to match the value and quality of the product (Horowitz, I., & Lockshin, L., 2002).

The most important information listed on a wine product is to have the description of the wine. Generation Y wine consumers look for more descriptions on the wine bottle due to their limited wine knowledge. The Arkansas wineries need to have the description of the wine in order to accommodate their needs. The majority of Generation Y preferred the traditional cork enclosures due to the classic look of the bottle. Generation Y preferred the glass wine bottles due to the traditional style of most wine bottles. Generation Y preferred the cursive font due to giving the label a more sophisticated look. According to the research, 26% said symbols on the labeling caught their attention to the product, 20.5% said brand name caught their attention to the product, 27.5% said colors on the bottle caught their attention to the product, and 25% said font style caught their attention to the product. Overall, there doesn't seem to be one type of style of labeling that stands out to Generation Y. The wineries need to have a symbol, their brand name, font style, and color to maintain Generation Y's attention to their product. Also, the majority of women have not consumed Arkansas wine, whereas, majority of males have consumed Arkansas wine. The local wineries should focus on women consumers in order to increase awareness of their products, therefore, increasing wine sales. The wineries could hold events that would attract

women to purchase wine. Also, they could make their product more attractive to women to purchase by adding color to the labeling of the package.

Majority of the participants preferred the multicolor label layout. This could be due Generation Y being young, inexperienced wine consumers, and overall appearance of the wine bottle. Generation Y prefers the cursive font. This could be due to the font making the label look more sophisticated and makes the bottle look like old world wine.

The majority of Generation Y would spend \$10 to \$15 on a bottle of 750 ml of Arkansas wine. This could be due to being a younger generation that does not have a lot of experience of purchasing, may have budget constraints, and perceived value of Arkansas wine.

### Discussion and Implications

Future studies should focus on the concept of environmental friendly wine products. Past studies have shown that Generation Y is more aware of the environment than previous generations (Ainsworth, S. J., 2009). Local wineries should focus on going green by recycling their materials and encouraging consumers to recycle their purchased product. The wineries should have a recycling program at their retail stores to promote awareness. Also, they should offer discounts to consumers' in order to enhance their brand image, save money on packaging, and receive state tax incentives. This in turn may give wineries a competitive advantage.

According to the research, the majority of Generation Y prefers the glass bottle. However, the wineries should use plastic bottles instead of glass because breakage would be minimized, recycling would be easier on the consumers, and wineries may save money. Producing plastic bottles is more cost efficient than glass bottles.

The wineries should use plastic closures instead of traditional cork because it reduces the amount of trees being used for corks, more cost efficient, and to recycle plastic materials.

Traditional corks are not recyclable due to the absorption of the wine within the cork.

Another concept local wineries should focus on is the blending of wines. The process of blending wines is becoming more popular to consumers because of the uniqueness of flavor. The blending of the wine can be considered more of an art form than science. In order to have a successful blending of wines, this relies on sensory evaluation of the consumer. The key to have a successful blend of wine is to have similar wine qualities (Dooley, L., Threlfall, R., & Meullenet, J., 2012). The Arkansas wineries can differentiate by having more unique blending of wines from imported grapes.

In order to obtain a competitive advantage, local wineries should attend national and regional wine conventions promoting their products to consumers and retailers. This may enhance awareness of their product to consumers, increase networking and marketing opportunities, and enhance national reputation.

One of the limitations to the study includes the predominant age group of 21-23 years old. According to the research, 67.5% people were in the age group of 21 to 23, 12.5% people in the age group of 24 to 26, 10% people in the age group of 27 to 29, and 9% people who are in the age group of 30 to 32. This is due to the location of the survey being at a mid-south land-grant university student union. To overcome this limitation, surveys would be conducted at liquor stores, restaurants, and night clubs. Also, students may fill out the surveys in classrooms to extend the data collection to 300 participants.

Another limitation includes some participants were confused about the question pertaining to closures, packaging, and labeling. To overcome that limitation, place pictures of

different closures, packaging, and labeling on the table layout while the participants took the survey.

*Appendix*

1. Have you consumed Arkansas wine before?
  - a. Yes
  - b. No
  
2. Which color layout do you prefer?
  - a. One color
  - b. Two colors
  - c. Multicolor
  - d. Black & White
  
3. Which design of labeling catches your attention to the product?
  - a. Symbols
  - b. Brand Name
  - c. Colors
  - d. Font Style
  
4. Which is the most important to have listed on the wine product?
  - a. Nutrition
  - b. History of Product
  - c. Description of Wine
  - d. None of the above
  
5. Which style of font do you prefer?
  - a. **Bold** Font
  - b. *Cursive* Font
  - c. **BLOCK** Font
  - d. Other
  
6. Which type of packaging do you prefer for wine?
  - a. Boxed
  - b. Glass bottle
  - c. Plastic bottle
  - d. Other please explain: \_\_\_\_\_
  
7. Which type of closure do you prefer on wine bottles?
  - a. Wooden cork
  - b. Plastic closure
  - c. Metal screw tops
  - d. Other \_\_\_\_\_
  
8. How much would you spend on a 750 ml bottle of Arkansas wine?
  - a. Under \$10
  - b. \$10 - \$15
  - c. \$15 - \$20
  - d. Over \$20
  
9. Please explain reasoning? \_\_\_\_\_
  
10. Have you been to a winery before?
  - a. Yes
  - b. No
  
11. Which age division are you?
  - a. 21-23
  - b. 24-26
  - c. 27-29
  - d. 30-32
  
12. Which gender are you:
  - a. Male
  - b. Female
  
13. What is your hometown? \_\_\_\_\_

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