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**The behavior of the Y-Generation vis-à-vis wine consumption and
wine purchase thanks to Digital Social Networks**
Applied session

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Abstract

Digital social networks (DSN) may generate sustainable profits for wine companies based on the recommendations created by the consumer thanks to web 2.0 facilities. The social links created by the DSN may indeed contribute to increase sales and build customer loyalty. The purpose of this study is to analyze how the Y-Generation behaves vis-à-vis DSN, the wine purchase and consumption and finally, to know to which extent they may be willing to purchase wine through social networks. 253 valid questionnaires were administered face-to-face to the Y-Generation. As main findings, we can observe that Y-Generation is clearly web 2.0 oriented. DSN may contribute to increase sales since nearly one third of them have already followed recommendations made by friends in other fields. Furthermore, young people buy wine in supermarket by convenience but if they had the choice, they would like to go to the wine shop or the estates, which means they are opened to wine advice and wine experience.

Key words: Digital Social Networks (DSN), Wine consumption, Wine purchase, Y-Generation

1. INTRODUCTION

The Y-Generation really enjoys visiting Digital Social Networks (DSN). Out of 265 surveyed young people, 253 are member of one or several DSN (95.47%). Therefore, the idea of this research was to explore this new topic through a survey in order to understand this generation and especially, its behavior in terms of Internet, DSN and wine. The objective of this survey is to understand to which extent those consumers might also purchase their wine through these social networks based on their network's recommendations. The article is classically structured and will cover the literature review, the methodology and data collection, the analysis of the main results, the conclusions and recommendations and finally, the limits and further research.

2. LITERATURE REVIEW

Stenger and Coutant (2010) define DSN as web-services that will allow individuals: (1) to build public or semi-public profile within a system; (2) to manage a list of users with which they share a bond; (3) to watch and navigate on their links' list but also on the ones generated by the others within the system; and (4) to base their attractiveness mainly on their 3 first points and not on a specific activity.

Thelwall (2009) has created 3 categories of DSN based on: (1) the level of socialization (communication between members like Facebook, Myspace or Hi5), (2) the ability to create network (whose purpose is to find new contacts like LinkedIn), (3) and the help to navigate (in order to look for information)

The flows within DSN through which the users follow what their friends (or friends of friends) do and recommend is an important dimension that may generate sales and loyalty. DSN become more and more important and Gigya (2010) shows Google and Bing use the content coming from Facebook in the results of the requests made on the search engine and so, in their algorithm. It demonstrates that DSN are really strategic for any sectors in general and particularly for wine.

3. METHODOLOGY AND DATA COLLECTION

The questionnaire was administered face-to face in Geneva, Switzerland. The initial sample size was 285 young people belonging to the Y-Generation (born after 1976). After cleaning the database, the size of the sample was reduced first to 265 (reject of inconsistent answers) and then, to 253 (reject of young people who don't belong to a DSN). Regarding the main characteristics of the sample, we can say that:

- 75.45% of the sample spend 2 hours per week or more on the Internet;
- 81.13% of the sample have already bought something on the Internet (by importance: travel ticket, clothes, books, CD);
- 100% know Facebook; 78.49% Twitter; 70.19% Myspace, 41.89% LinkedIn; 23.02% A Small World and 17.74% Viadeo.

Regarding the social networks subscriber, we can observe in table 1 that Facebook is very popular since 95.26% of the surveyed people have a Facebook account.

Table 1. Percentage of young people belonging to the social networks.

Social Networks	Percentage of members belonging to the social networks
Facebook	95.26% (241)
LinkedIn	19.76% (50)
Twitter	12.25% (31)
A Small World	9.88% (25)
Myspace	6.32% (16)
Viadeo	3.95% (4)

The characteristics of the sample are the following ones:

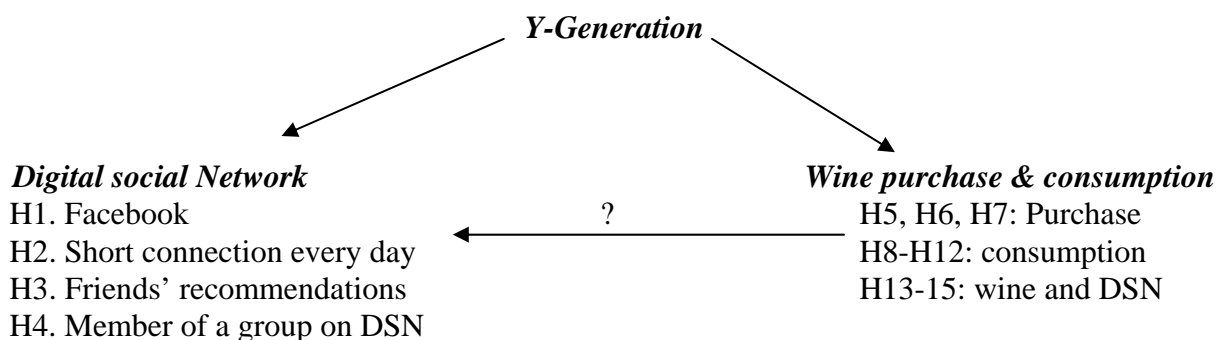
- 87.74% are single
- 44.66% are men and 53.33% are women
- 52.43% are students and 32.11% are employees
- 86.74% are living in Switzerland
- There are 24 nationalities: 58.89% are Swiss and 22.92% are French
- 84.18% got a university degree
- And regarding the age category:
 - 18.58% are born between 1977 and 1980
 - 48.61% are born between 1981 and 1985
 - 32.81% are born between 1986 and 1992

In terms of hypotheses, we have developed strong hypotheses based on a group project made by students during a marketing class (master level). The formulation of those hypotheses is based on the experience of the students.

3.1. Conceptual framework

The hypotheses regarding the Y-generation are divided into 2 categories: on the one hand, the profile of Y-generation who is visiting DSN and on the other hand, the profile of wine Y-consumer (and Y-purchase). However, we do believe there is no relationship between the quantity of consumed wine and the time spent on social networks.

Illustration 1. Conceptual framework



3.2. Hypotheses linked to DSN

- H1: Facebook is very popular for the Y-Generation; 100% know Facebook;
- H2: Y-Generation is connecting very often (every day or every two days) to DSN but during a short period of time;
- H3: Y-Generation is willing to purchase goods/services based on friends' recommendations who are member of a DSN;
- H4: a majority of Y-Generation people are members of a group (fans) on social networks;

3.3. Hypotheses linked to wine purchase and consumption

Purchase

- H5: Y-Generation buys wine once a week;
- H6: Y-Generation mainly buys wine in supermarket by convenience;
- H7: Y-Generation purchases at least one bottle of wine a week;

Consumption

- H8: most of the young people drink a bottle per week;
- H9: they mainly consume wine at home and at friends' place;
- H10: Y-Generation is mainly consuming wines in the bottom-of-the-range;
- H11: the most consumed wine by the Y-Generation is the red one;
- H12: the Y-Generation does prefer buying in specialty stores;

Wine, Internet and social networks

- H13: the Y-Generation is not wine expert;
- H14: the Y-Generation is willing to store wine for a friend belonging to a social network if they receive in exchange interesting purchase conditions;
- H15: the Y-Generation is willing to belong to a social network of wine connoisseurs.

4. PRESENTATION OF THE MAIN RESULTS

In this section, we will present the results on three dimensions: the behavior of the young people vis-à-vis the social networks; then, vis-à-vis the wine; and finally, vis-à-vis the social network and the wine.

4.1. Behavior of the Y-Generation vis-à-vis the social networks

4.1.1. Activities on social networks

In observing table 2, we notice that Facebook is used for many activities. We also notice that “writing on your page”; “go to your mail box” and “visit friends’ pages” are dominant activities for all networks even if for specific networks like Viadeo, LinkedIn and a Small World, they “look for new contacts”, which is quite rational given the mission of those networks) or like Myspace where “sending pictures and video” is an activity as important as the three main ones.

Table 2. Activities made by young people on social networks.

Activities	Facebook	Twitter	Myspace	LinkedIn	Viadeo	A Small World
Write on your page	84.65%	45.16%	37.50%	40.00%	30.00%	12.00%
Go to your mail box	90.04%	32.26%	37.50%	70.00%	30.00%	52.00%
Visit friends' page	94.61%	51.61%	43.75%	46.00%	30.00%	44.00%
Check forthcoming events	76.35%	19.35%	18.75%	16.00%	20.00%	44.00%
Send pictures or video	70.12%	9.68%	37.50%	4.00%	0.00%	4.00%
Look for new contacts/friends/followers	73.44%	25.81%	12.50%	74.00%	60.00%	52.00%

4.1.2. Representations of Digital Social Networks

Young people have mainly heard about DSN through their friends (90.91%), by Internet (45.45%) and by invitation (39.92%). For them, DSN represent a way to collect information (67.19%), a way to spend time (62.85%) and a place to meet and chat with other people (51.80%).

4.1.3. Frequency of connection per week and average time spent per connection

Based on table A (Appendices 8.1), it can be observed that people mainly connect to their DSN once a week or during the week-end except for Twitter, LinkedIn and Viadeo. However, except for Facebook, the sample is very small, so we must be careful regarding the interpretation.

We can also say (table B in appendix 8.1) that young people spend on average between half an hour (or less) and one hour on DSN per connection. But as mentioned above, the sample is very small.

4.1.4. Motivations and feelings to connect to Digital Social Networks

The main motivations to visit DSN are the following ones: curiosity (71.54%), socialization (67.19%), relaxation (52.57%) and leisure (51.38%). The young generation feels fun (57.71%) and wants to escape (29.64%) when they connect to DSN.

4.1.5. Purchase based on recommendations made by friends from Digital Social Networks

31.23% of the young people have already bought a product or service based on recommendations made by friends from DSN. By importance, they bought travel tickets (n=33), clothes (32), books (21) and CD (17).

4.1.6. Member of a group on Digital Social Networks

67.19% are member of a group but only 7 young people are member of a group on wine...

4.1.7. Average time spent per day on new technologies

Based on table C (see appendix 8.1), we notice the most young people don't use VoIP (Voice Over Internet Protocol), GPS (Global Positioning System), Games Console and to a certain extent, Windows Messenger (45.45%), which is quite rational since their friends are not far away (for VoIP and Windows Messenger); furthermore, they are students or they work, therefore, they don't have time to play with games console and most of the time, students don't have a car. On the other hand, it seems quite consistent, 65.22% of them spend between 2 hours and more than 3 hours on the Internet with their laptop per week.

4.2. Behavior of the young generation vis-à-vis the wine purchase and consumption

4.2.1. Wine purchase

Most of the young people (65.22%) buy wine once a month or more often (see table D in appendix 8.2). They mainly buy their wine in supermarkets (61.97%, see table E in appendix 8.2). Finally, they buy between half a bottle and one bottle per week (74.64%, see table F in appendix 8.2).

4.2.2. Wine consumption

Most of the surveyed young people drink half a bottle of wine a week or less (27.04% drink half a bottle and 33.48% drink one glass; see table G in appendix 8.2). They mainly consume wine at home and to friends houses (62.97%, see table H in appendix 8.2). Y-Generation is mainly consuming wine with Appellation (AOC) or Vin de Pays (55.02%, see table I in appendix 8.2) labels.

In table 3, we can observe the wine they consume most is the red one (41%).

Table 3. Color/Variety of consumed wine

Color of Wine/type	Percentage
Red	41%
White	24%
Rosé	19%
Sparkling	12%
Sweet	4%

Table 4 is interesting since in practice, young people buy in supermarket 61.97% (table E in appendix 8.2.) but if they had choice, they would like to buy by preference 1) in wine Shop, 2) in hypermarket and then, 3) in the estate.

Table 4. The most preferred place to buy wine (1st rank)

Channels	Percentage
Hypermarket	19.34%
Supermarket	33.33%
Convenience store	3.70%
Wine Shop	24.69%
Estate	14.81%
Fairs	3.29%
Internet	0.82%

4.3. Wine, Internet and Digital Social Networks

78.97% never buy wine through Internet as it can be noticed in table 5.

Table 5. Collection of wine information through Internet

Get information through Internet	Percentage
Never	78.97%
Seldom	11.90%
Sometimes	6.35%
Often	1.59%
Regularly	1.19%

The recall of wine websites is very low, which demonstrate that the young generation is not wine expert (see table J in appendix 8.3). Regarding the recognition, it is much better but still low since a brand like *Lavinia* that also got a shop in the city center of Geneva is only recognized by 24 young people, which is the highest recognition brand (see table K in appendix 8.3).

Based on table 6, we notice that Y-Generation is not willing to store wine for a friend belonging to a DSN if they receive in exchange interesting purchase conditions (only 20.95% are willing to do so).

Table 6. Willingness to store wine for a friend belonging to a Digital Social Network (if you receive interesting purchase conditions in exchange)

Not willing at all to store wine for a friend belonging to a DSN	30.04%
Not willing to store wine for a friend belonging to a DSN	22.13%
Not willing, nor willing to store wine for a friend belonging to a DSN	26.88%
Willing to store wine for a friend belonging to a DSN	17.00%
Very willing at all to store wine for a friend belonging to a DSN	3.95%

Table 7 shows 25.3% are willing to belong to a DSN of wine connoisseurs.

Table 7. Willingness to belong to a social network of wine connoisseurs

Not willing at all to belong to a DSN of wine connoisseurs	30.04%
Not willing to belong to a DSN of wine connoisseurs	18.97%
Not willing, nor willing to belong to a DSN of wine connoisseurs	25.69%
Willing to belong to a DSN of wine connoisseurs	19.37%
Very willing at all to belong to a DSN of wine connoisseurs	5.93%

Finally, regarding the trust while buying wine on the net, we can say that on average, the delivery of the good is really important (44.06%), then delivery time counts for 30.19% and finally, the sending to the right destination has an importance of 26.22%.

5. CONCLUSIONS AND RECOMMENDATIONS

Regarding the different hypotheses, we can say:

Hypotheses	Confirmed	Arguments	Recommendations for wine industry
H1: Facebook is very popular for the Y-Generation	Yes	100% of the Y-G know Facebook and 95.26% are member	Y-Generation is clearly web 2.0 oriented
H2: Y-Generation is connecting very often (every day or every two days) to DSN but with a short period of time	No	It is partly true since they connect for a short period of time but they mainly connect during the WE or once a week and not every day.	-
H3: Y-Generation is willing to purchase goods/services based on friends' recommendations who are member of a DSN	No	31.23% of the young people have already bought a product or service based on recommendations made by friends from DSN	It represents an opportunity since nearly one third have followed recommendations made by friends
H4: A majority of Y-generation Y-Generation people are member of a group (fan) on DSN	Yes	67.19% are member of a group	Only 7 young people are member of a group on wine but it is normal since they are students and they don't have a lot of money to buy wine and also, no time to spend for the moment
H5: Y-Generation buys wine once a week	No	28.85% buy once a week or more	Idem, they are young and they don't have a lot of money to spend in wine
H6: Y-Generation mainly buys wine in supermarket by convenience	Yes	61.97% buy wine in supermarket	They buy wine in supermarket by convenience. → The industry could develop a range of wine for the Y-Generation
H7: Y-Generation purchases at least one bottle of wine a week	No	They consume between half a bottle and one bottle per week (74.64%)	It could be due to the fact they drink substitutes (spirits, beer, etc.; La Journée Vinicole, N°22773)
H8: Most of the young people drink a bottle per week	No	They drink half a bottle a week or less (27.04% drink half a bottle and 33.48% drink	Idem H7

		one glass)	
H9: They mainly consume wine at home and at friends' place	Yes	It is true for 62.97% of them	It means they want to save money and they might be potential customers in the long run for wine shops or restaurant when they earn more money
H10: Y-Generation is mainly consuming wines in the bottom of the range	Yes	55.02% of them drink wine with an Appellation (AOC) or Vin de Pays labels	Develop a range for them (idem H6)
H11: the most consumed wine by the Y-Generation is the red one	Yes	The wine they consume most is the red one (41%)	Develop a range of red wines (see also H6 and H10)
H12: the Y-Generation does prefer buying in specialty stores	No	The young people buy in supermarket (61.97%) for convenience but if they had choice, they would like to buy by preference in Wine Shop, in hypermarket and then, in the Estate.	It means the young people are opened to wine advice and wine experience
H13: The Y-Generation is not wine expert	Yes	The recall and recognition of wine websites are very low, which demonstrate the young generation is not wine expert	Not expert yet but potentially connoisseurs
H14: the Y-Generation is willing to store wine for a friend belonging to a DSN if they receive in exchange interesting purchase conditions	No	Y-Generation is not willing to store wine for a friend belonging to a DSN if they receive in exchange interesting purchase conditions (only 20.95% are willing to do so).	It could be due to insurance reasons and lack of space. Furthermore, 26.88% didn't give their opinion
H15: the Y-Generation is willing to belong to a DSN of wine connoisseurs.	No	25.3% are willing to belong to a DSN of wine connoisseurs.	For the moment, they don't have money and time (NB 25.69% don't give their opinion)

We also try to see if we had some relationships (simple regression) between wine consumption and the time spent on Internet; time spent on DSN and time spent on new technologies (Internet, Skype, GPS, games, etc.). The results show there is no relationship (or slightly negative relationship) and no significance.

Table 8. Linear regression between wine consumption (=Y) and time spent on the Internet (=X)

Dependent variable	Independent variable	Coefficients	Probabilité
Wine consumption	Time spent on the Internet	-0.0028	0.9656
Wine consumption	Time spent on DSN	-0.0101	0.7876
Wine consumption	Time spent on new technologies	-0.0050	0.8310

As main findings, we can observe that Y-Generation is clearly web 2.0 oriented. DSN might contribute to increase sales since nearly one third of them have already followed recommendations made by friends in other product categories. Furthermore, young people buy wine in supermarket by convenience but if they had the choice they would like to go to

the wine shop or the estates, which means they are opened to wine advice and wine experience.

At the moment, most of the surveyed young people don't have money and time since 129 of them are students. Therefore, they may drink substitutes like beers or spirits. It could also be a reason for which 78.97% never buy wine through Internet. Indeed, when you buy wine through Internet, you must pay the shipment costs or reach a minimum amount in the order. In creating a range of red wines that fulfill their needs, we could transform them from consumers to connoisseurs in the long run.

6. FURTHER RESEARCH AND LIMITS

To have a better overview of the potential of Y-Generation in the wine sector, we should only survey people who are working since the students might consume substitutes because of their lack of money and therefore, wine is not their main interests (for information, our sample was composed of 129 students).

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8. APPENDICES

8.1. Digital Social Networks

Table A. Frequency of connection per week

	Facebook	Twitter	Myspace	LinkedIn	Viadeo	A Small World
Every day	6.64%	32.00%	16.67%	42.86%	0.00%	26.67%
Once a week	26.97%	32.00%	16.67%	34.29%	57.14%	6.67%
One day per week	59.34%	20.00%	25.00%	8.57%	14.29%	26.67%
Only during the WE	7.05%	16.00%	41.67%	14.29%	28.57%	40.00%

Table B. Average time spent per connection

	Facebook	Twitter	Myspace	LinkedIn	Viadeo	A Small World
Less than half an hour	32.23%	61.54%	46.15%	75.56%	85.71%	68.42%
½-1 hour	27.69%	15.38%	38.46%	17.78%	14.29%	15.79%
1-2 hours	25.62%	15.38%	15.38%	6.67%	-	10.53%
2-4 hours	13.22%	7.69%	-	-	-	-
4-6 hours	0.83%	-	-	-	-	-
6-8 hours	0.41%	-	-	-	-	-
More than 8 hours	-	-	-	-	-	5.26%

Table C. Average time spent per day on new technologies

<i>Technologies</i>	Never	Less than one hour	Between 1 and 2 hours	Between 2 and 3 hours	More than 3 hours
Internet or WiFi	0.00%	9.49%	25.30%	24.90%	40.32%
VoIP (e.g., Skype)	54.15%	29.64%	9.88%	3.56%	2.77%
Chat (e.g., Windows Messenger)	45.45%	31.23%	15.81%	4.35%	3.16%
GPS	83.40%	12.25%	3.95%	0.40%	0.00%
Laptop	6.72%	6.32%	18.97%	18.18%	49.80%
Games console	80.24%	14.23%	4.35%	0.79%	0.40%

8.2. Wine purchase and consumption

Table D. Frequency of wine purchase

Frequency of wine purchase	Percentage
Several times a week	9.88%
Once a week	18.97%
Once every 15 days	16.21%
Once a month	20.16%
Less often	24.90%
Never	9.88%

Table E. Main channel where Y-Generation buys wine

Channels	Percentage
Hypermarket	15.81%
Supermarket	61.97%
Convenience store	3.85%
Wine Shop	12.82%
Estate	3.42%
Fairs	1.71%
Internet	0.43%

Table F. Average number of bottles bought per week

Number of bottles	Percentage
1/2 bottle	40.67%
1 bottle	33.97%
2 bottles	15.31%
3 bottles	6.22%
More than 3 bottles	3.83%

Table G. Average quantity of wine consumed (personally) per week

Quantity	Percentage
One glass	33.48%
Half a bottle	27.04%
1 bottle	22.75%
2 bottles	12.02%
3 bottles	2.58%
More than 3 bottles	2.15%

Table H. Main place where wine is consumed

Places	Percentage
At home	34.16%
At friends'	28.81%
At restaurant	25.93%
In a wine bar	3.70%
In a pub	7.41%

Table I. Range of main consumed wines

Range/Variety	Percentage
Vin de Pays	32.13%
AOC	22.89%
1er cru	6.02%
Grand cru	8.43%
Don't know	30.52%

8.3. Wine, Internet and Digital Social Networks

Table J. Recall on on-line wine shops/website

Website	n
Château-online	6
Millésima	5
75 cl	4
1855	3
Lavinia	3
Wine & CO	1

Table K. Recognition on on-line wine shops/website

Website	n
Lavinia	24
Château-online	17
Nicolas	14
Millésima	11
Vinatis	10
Wine & CO	9
ChateauNet	7
Vintage and co	7
75 cl	6
1855.com	5