

LESSONS LEARNED FROM AN INTERNATIONAL RESEARCH PROJECT ON WINE CONSUMPTION

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Purpose: Hungary and Germany belong to the traditional wine growing and consuming countries in Europe. Although there are only some hundreds of kilometres distance, the consumption structure is completely different. The aim of this pilot study was it to compare wine consumption of these two countries and summarize the experiences of this cross-cultural study.

Design/methodology: A convenience sampling method, an online survey was used to collect data about the wine consumption. In Hungary 5733 and in Germany 3060 wine drinkers completed the questionnaire.

Findings: As expected, there are significant differences between Hungarian and German wine drinkers. Germans, for example, prefer dry and white wines and are more open to the foreign ones. They prefer shopping wine directly from the winery or in supermarkets. As for the judgment of wines, we can also see diversities: they do not consider wine healthy, they give less wine as a present and they state that it is a drink of special occasions. The results showed that the historical background (Hungary was a communist country for 40 years, marked by lower quality wine production) still has its influence. Generational diversities make also an interesting point regarding the future of wine production, since young people can indicate the future wine consumption habits.

Practical implications: The geographical distance made communication slightly difficult, there was a lack of personal contact and common inspirational conversations. At the same time, discussing the material was easy on the digital platform – we also used phone calls to make communication smoother. It is an important lesson, that in the online world it is possible to complete a successful research with minimal budget. But we have to be aware that the sample does not represent the Hungarian or German population as a whole, and in the list of priorities of researchers this survey can easily go down, which might lead to the protraction of the project.

Key words: wine consumption, Hungary, Germany, cross-cultural

1. INTRODUCTION

More and more surveys are held recently on wine consumption habits. But these are arranged mostly in an ad-hoc manner on one hand, using different methodology on the other. So there are not any generally acknowledged solutions, that is the reason why the international cooperation provided challenge and also a good opportunity. For this reason we believed it would be interesting not just to publish the results, but to introduce the planning and the execution of the survey as well.

The research was established with the cooperation of teachers of the German Geisenheim University and the Hungarian Budapest Business School, so we examined primarily these two markets. When elaborating the methodology, it was both helpful and difficult that surveys were already arranged previously in Germany and in Hungary, too: we had the list of questions, but at some points they showed diversities. At the same time, the positive result of the harmonization was the widened circle of questions.

Due to the lack of research budget, we used so-called convenience sample (Malhotra & Birks, 2007) technique with the help of an online questionnaire. Our objective was to reach a relatively large sample number.

Literature on the subject (wine consumption and the Generation Y) is limited, and does not deal with the comparison of different countries. Australia and New Zealand are sometimes examined together (Treloar, Hall and Mitchell 2004, Hall and Treloar 2008), but the studies do not focus on regional differences. Many papers also pay attention to wine tourism (Treloar, Hall and Mitchell 2004, Getz and Carlsen 2008), and an interesting point is analysing cellar door tastings. Hall and Treloar 2008 concentrate on whether charging a tasting fee at tastings or not, Nowak, Thach & Olsen 2006 find that positive experience at cellars can lead to long-term, profitable relationships and higher levels of brand equity for the winery.

Thach & Olsen (2006) examined the perceptions and attitudes of the Millennial generation regarding wine. This segment state that wine is good for social occasions, however they think the beverage is not focused on their generation and needs. Getz and Carlsen (2008) also found that wine is a source of (hedonistic) pleasure and very much a social experience especially among young consumers. Concerning our work, Treloar, Hall and Mitchell (2004) highlight the point that the Generation Y market shows potential for growth in terms of wine consumption. So it is worth examining whether European youngsters have the same potential.

2. METHODOLOGY

2.1 Objectives

In Hungary, several surveys were made on wine consumption and wine purchase habits (GFK 2008, NRC 2013a, Bormarketing Műhely 2013), however, the comparison of the results seems to be a challenge due to the different methodology used in the surveys. Unfortunately, surveys are usually arranged on an occasional basis, so longitudinal analysis is limited. However, it is important to put the results into context, for what an international comparison offers a good opportunity. Our primary objective was to get to know and compare the Hungarian and the German data on wine consumption. Our main hypothesis was that Hungarians and Germans have different wine consumption habits. Later on, we supplemented this with another hypothesis: the Generation Y sees and drinks wine differently than older people (age group 35+).

In Germany, regular surveys are held on non-commercial wine consumption. Data collection is made on a country-based sample, with personal questioning and constant methodology (Hoffmann & Szolnoki, 2012; Springer AG, 2012). Unfortunately, we did not have the chance to join this research, but it was possible to arrange a commonly elaborated questionnaire using

an online survey both in Hungary and Germany. Data collection was in November and December 2012 in both countries. Organising, harmonizing the joint survey and comparing the results offered us a great opportunity – as well as numerous challenges.

2.2 Questionnaire

In order to make the results quantifiable, both surveys were made using a questionnaire. Most questions referred to similar fields (frequency of consumption, most preferred wine types, purchasing habits etc.), but some of them varied. Given that both parties have already made several similar surveys in the past, the major difficulty was that in order to make temporal comparison possible, it was practical to stick to the questions used in previous surveys, but at the same time, the Hungarian and German research needed harmonization. We had the possibility to use individual questions in the surveys, but the platform had to be the same. Next, we would like to present the common and different questions of the questionnaires.

The categories of the question that regarded the frequency of wine consumption were almost the same, only the wording needed standardization. We found the same situation regarding the place of consumption. Previous German surveys widely used the percent scaling technique (Malhotra & Birks, 2007), for example in the aspect of the place of consumption, which ended up being a good solution not just in this case, but regarding many other questions too. When examining the preference of wine colours and sweetness level we used a 5-grade scale.

The ratio of consumption of domestic and foreign wines was a relevant respect in both surveys. Just like in previous German surveys, questions on opinion on wines were set also in this research, using a 5-grade scale this time, too. The survey asked questions on aspects, place and price of wine choices as well.

The poll, however, showed diversities, too. Only the Hungarian survey featured questions on the goal and quantity of wine purchase, as well as on what kind of wine drinker the consumer considers himself. Due to the limited content, in the following we will not analyse these diverse topics.

As we can see in the previous paragraphs, when putting together the survey, it was inevitable to make a compromise. The Hungarian questionnaire, apart from the personal data, contained 19 questions on the topic, the German one, however, listed only 16 of them. Because of the long specifications and sub-questions, the survey could be completed in 10 minutes.

2.3 Budget

Just like in the case of previous surveys, we did not have budget for this one either, that is why we could use a self-completion online questionnaire exclusively. That is why our results cannot relate to the whole population, but we have to emphasize that at the time of the data collection the Hungarian internet penetration was 63% (NRC 2013b), the German one was 75%, so the bigger part of the population had the opportunity to get in the sample. Additionally, this group is more active, has a higher status, so makes an important platform of quality wine consumption (Szolnoki & Hoffmann, 2013).

2.4 Sample

At the previous research, in Hungary, a Hungarian wine website (Borászportál) supported us by publishing the poll on its own media inventories (website, Facebook page, newsletter) and by involving its partners (Startlap, Webbeteg, Linkcenter, several databases) in the questionnaire. Finally, we reached a sample of 5733 individuals – however, we had to separate the respondents arriving from the wine-related sites in order to avoid distortion of the results. Borászportál offered presents to the people that completed the questionnaire, what hugely increased the willingness of answering.

In Germany, students of Geisenheim University helped find the potential respondents and we managed to reach 3060 people. Involving the students, however, resulted the youth to be overrepresented in this sample. That altered the spotlight of the survey, focusing on the Y generation (Müller et al., 2011). Both samples included over 1000 people from the age group 18-35 (in Germany 1246 and in Hungary 1896 individuals), so they became suitable for the comparison. Apart from that, characteristics of the younger generation could easily be compared to the ones of the older. (To make things simple, in the paper we will commonly use the terms „the younger” and „the older”.) Ratio of gender was relatively steady, but the distinction regarding the place of residency and the average income was not suitable due to the different country-specific factors. The data collection was arranged in the last months of 2012.

3. RESULTS OF THE RESEARCH

3.1 Wine consumption

It is noticeable that regarding the frequency of wine consumption no huge difference can be pointed out between the Hungarian and the German youth. 3-4% of them drinks wine on a daily basis, 51-53% drinks at least once a week. As for the people above 35, the results are not that uniform. It is obvious, that in Germany older wine consumers drink more often than in Hungary: 11% on a daily basis, 41% (!) several times a week. In Hungary, these values are 10% and 28%.

3.2 Preferred wines

As for the preference of wine types we figured that Germans prefer white, while Hungarians prefer red wines. At this point we have to note that sales facts and figures in Hungary do not confirm the consumption of red wines, given that 2/3 of the domestic production is white wine, and import is unable to compensate that ratio. In this case, the willingness of consumption, the trendiness can be pointed out, and it is observable that Hungarians consider red wine more „noble”. We can state that in both countries the younger consumers prefer white and rosé wines, while the older ones drink more likely red wines.

Table 1: Preference of white, rosé and red wines

	White wine	Rosé	Red wine
DE 18-35 (N=1896)			
Average %	57.5	14.6	27.9
Deviation	26.1	16.7	25.3
DE 36+ (N=869)			
Average %	50.3	10.2	39.5
Deviation	27.9	13.7	27.5
HU 18-35 (N=1247)			
Average %	32.9	20.7	46.4
Deviation	25.4	19.3	27.4
HU 36+ (N=4216)			
Average %	30.6	17.4	52.3
Deviation	26.3	26.6	28.8

Regarding wine sweetness, we can see significant differences between Hungarian and German respondents. German consumers – regardless their age – like dry and medium-dry wines more than Hungarians. In Hungary, younger wine drinkers like sweet wines the most

(average rate 3.6 on the 5-grade scale), and dry wines the least (average rate 3.0). Comparing the two average rates, however, a relatively small difference can be tracked. We can see this phenomenon more in the older age group, where the average preference of sweet wine is 3.3, while the preference of dry wines is 3.0. It is dry wine that divides the respondents the most, with the average deviation rate of 1.6 and 1.7, followed closely by the figures of sweet wine. Data show that as for the judgment of dry wines, no significant differences can be specified between younger and older wine drinkers. Both age groups reached an average of approximately 3.0. However, regarding the sweet wines, significant difference can be spotted between younger and older consumers. German respondents evidently prefer dry wines, and there is a notable difference between age groups, too (the younger people's dry wine preference showed an average rate of 3.5 while the older's one a rate of 4.2; as for the sweet wines, the ratio was 2.8 and 1.9). The German respondents' deviation rate was much lower, which refers to a more homogenous respondent structure. The discrepancy between the two countries can be a result of the Hungarian history, where wine quality was not a major point under communist era, and led to the high proportion of sweet(ened) wines.

3.3 Origin of wines

Hungarians seem to connect wine drinking with local patriotism: by their own admission, 90% of the time they drink Hungarian wines. However, this figure cannot be supported by sales data, because importation of foreign wines is more than 10%. Besides, this result shows an absolutely positive judgment on domestic wines. In Germany, this ratio is a little below 70%, but this result can be queried, too, given that current statistics show a ratio of 45% (DWI, 2013). In both countries, consumption of European wines largely overweighs consumption of new world wines. The difference between age groups is negligible.

As for foreign wines, Italian, French and Spanish wines are preferred in both countries. Apart from German young people, who prefer the French origin, the most popular wines come from Italy. In Europe, Austrian and Portuguese wines must be taken into consideration as well (the former rather in Germany, the latter in Hungary). From the new world respondents prefer wines from South Africa and from Chile.

Table 2: Most preferred foreign wines (consumption %)

	France	Italy	Spain	Austria	Portugal	South Africa	Chile
DE 18-35 (N=1896)	41.5	36.4	26.1	11.8	7.6	12.7	7.1
DE 36+ (N=869)	43.0	47.5	32.1	12.4	6.7	16.5	10.4
HU 18-35 (N=1247)	33.2	39.3	31.6	9.3	9.4	3.8	9.5
HU 36+ (N=4216)	31.1	43.1	35.1	8.3	11.8	6.4	10.3

3.4 Purchasing wine

Regarding the place of wine shopping, a great difference can be tracked in the two countries. The most preferred location of the German participants to buy wine are cellar doors, while Hungarians like super- and hypermarkets – in both cases with a ratio of approximately 50 %. German young people prefer supermarkets secondarily and discount stores tertiary, while the older consumers do their shopping in wine shops on the second, and supermarkets on the third place. However, we have to take into consideration that the poll cannot be accepted as representative, because by using an online method, we reach an „extraordinary” segment, which is more interested and professional in wines than the average. According to official statistics, Germans do purchase 35-35% of their wine in discount stores and supermarkets, and direct shopping is approximately only 15% (Szolnoki & Hoffmann, 2012). In Hungary cellar doors own the second, and wine shops the third place. We can see clearly that age

influences the location of shopping, because in both countries, supermarkets are preferred by younger, while wine shops by older wine drinkers.

Table 3: Place of wine shopping

	wine shop	wine-cellar / vineyard	super- / hypermarket	discount stores	online	event	wine tavern	abroad
DE 18-35 (N=1896)	12.0	44.3	19.6	18.1	2.9	ns	ns	3.1
DE 36+ (N=869)	14.2	55.4	11.6	11.3	3.6	ns	ns	3.9
HU 18-35 (N=1247)	10.8	17.4	51.9	7.6	1.9	5.9	3.4	0.9
HU 36+ (N=4216)	11.5	23.7	47.7	7.8	0.8	5.3	2.1	1.1

As for the money spent on wine, younger people are willing to pay more for a bottle (except for the German ones for everyday consumption, because their values match the values of older consumers). In Hungary, the younger wine drinkers are inclined to pay approximately HUF 1000 (EUR 3.3), while older consumers HUF 700 (EUR 2.3) on everyday consumption. On special occasions, these rates are HUF 2300 (EUR 7.6) and HUF 1700 (EUR 5.6). In case of presents, the participants reported HUF 2300 (EUR 7.6) and HUF 1900 (EUR 6.3). In Germany, however, these rates are much higher, but ratio is around the same as in the Hungarian sample.

It might seem surprising that younger people – as they state it – spend more on wine in all three categories than the older segment. We assume this can be explained by the fact that the younger generation buys wine more rarely than the older one, so they do not have a realistic relation to the product, at least regarding the price of the wine. Our statement can be confirmed because the place of wine shopping in the case of the younger people refers evidently to the cheaper category.

Table 4: Average wine prices on different occasions (HUF/0,75 l)

	Everyday consumption	Special occasion	Present
DE 18-35 (N=1896)	1770*	4481*	3659*
DE 36+ (N=869)	1773*	3861*	3452*
HU 18-35 (N=1247)	990	2346	2326
HU 36+ (N=4216)	714	1713	1893

* exchanged from EUR to HUF on the current rate

4. SUMMARY, SUGGESTIONS

The international research brought us useful observations. Considering the Hungarian data we can state that the survey supported the results of previous studies regarding the frequency and place of wine consumption, the characteristics of preferred wines and the manner of wine shopping, as well. This statement can be held even if some questions were asked in a slightly different way.

As we expected, German data were slightly different from Hungarians: Germans, for instance, prefer dry and white wines and are more open to the foreign ones. They prefer shopping wine directly from wineries and in supermarkets. As for the judgment of wines, we can also see diversities: German wine drinkers do not consider wine healthy, they give less wine as a present and they state that it is a drink of special occasions. So we accepted our first hypothesis, that Hungarians and Germans have different wine consumption habits. However, both respondent groups like wine and think that it brings people together.

Besides national influence, age influence is widely represented in the results, these can easily be separated. The younger generation (18-35 years old) drinks less wine and prefers sweet ones. They rather drink wine on events, and also the highest ratio of rosé consumption can be tracked in this age group. Besides, the place of wine shopping shows a different distribution regarding the answers of the older consumers. So our second hypothesis was also accepted.

Due to the different background, it was a great challenge organising a research project like this, however, it brought important results in a research-methodology point of view. The geographical distance made communication slightly difficult, there was a lack of personal contact and common inspirational conversations. At the same time, discussing the material was easy on the digital platform – we also used phone calls to make communication smoother. Fortunately, language problems hardly set up any obstacles in the process. Personal encounters would be beneficial in these cases, but if it's not possible, longer online conversations can be helpful, where attendants can present their points of view with full details, and they can discuss them together. This can be inspirational regarding the following processes as well.

Different research platforms resulted careful planning, more precise methodological background, more widespread data survey and comparing analysis. Different approaches of the countries had to be taken into consideration, due to what we had to make a compromise as well.

It is an important lesson, that in the online world it is possible to complete a successful research with minimal budget. But we have to be aware that the sample does not represent the Hungarian or German population as a whole, and in the list of priorities of researchers this survey can easily go down, which might lead to the protraction of the project. That is why it is highly recommended to set up a schedule, even if external circumstances do not make this necessary. The present research was completed approximately in a year and a half, six months for preparations and another six months for analysing the results.

Despite the long preparatory work there were certain aspects which became evident only after arranging the data survey. Because of the lack of budget, the samples were different in the two countries, that is why the direction of the research was later altered to examining the different generations. This way, researchers had to be more flexible than usual.

We can state that even if the field of the research seemed to be simple, we cannot use a generally accepted methodology, so we suggest that marketers unify the questions, so they can easily compare results and optimise research costs.

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