

Did They Grow Into Wine? Revisiting a Gen Y Cohort to Investigate How their Interaction with Wine has Evolved over Time

Caroline Ritchie

Cardiff Metropolitan University, UK

csmfinance@cardiffmet.ac.uk

Abstract:

Purpose: In 2008 seven focus groups were conducted in the UK with Gen Y participants. A major finding was that although many did not drink much wine now, often only at formal meals, they all believed that they would ‘grow into wine’. The purpose of this research is to conduct a follow up study to investigate how and why their interactions with wine have evolved in the intervening years. Although there has been much research undertaken across all age groups and their interaction with wine at that moment in time investigated it is much more unusual to have a follow up study where the current behaviour of wine consumers can be compared to their original, much more naïve interactions and beliefs.

Design/methodology/approach: The link person for each of the seven focus groups was contacted. Two of the focus groups were unable to be reconvened because they were not friendship groups but work groups. In each of the other focus groups it was possible to reconvene the original focus groups with most of the original participants (anticipated to be 60% at the time of submission). The focus groups were held between August and October 2015 and replicated the same conditions, i.e. location type, questions and stimulators as the original focus groups.

Findings: At the time of submission the primary data collection had not been completed. However, it was anticipated that the findings will a new perspective to our understanding of how and why social interaction behaviours change over time.

Keywords: Wine, UK, Generation Y, Consumption Behaviour, Intergenerational Learning

1. INTRODUCTION

As, amongst others, Mueller et al. (2011) and McDonald et al (2013) point out consumers have frequently been divided into generational cohorts based upon the year of their birth for the purpose of academic study in particular in relation to market research. These cohorts are linked by a common history of lived events which have impacted upon their lives in particular ways for example living through a world war or, more currently, experiences of the adult workforce during a worldwide economic recession. In terms of this paper Gen Y refers to the generational cohort borne between 1977 and the final years of the twentieth century (Charters et al, 2011: Mueller et al, 2011: McDonald et al. 2013) also known as Millennials.

Mueller et al's (2011) international study of the Gen Y effect was based upon primary data collected in 2009. It concluded that differences in interaction with wine were not particularly generational but were much more based upon culture, particularly an 'old world' versus 'new world' understanding of appropriate wine related behaviours. This study did however identify that Gen Y consumers were much more promiscuous than the other generational cohorts in relation to types of alcohol consumed. Along with Ritchie (2011), whose data was collected in 2008, the study concluded that this promiscuity was probably due to the dominance of the single lifestyle in this group at the time that the data was collected. McDonald et al.'s (2013) work also suggested that differences in wine consumption behaviour between generational cohorts is much less differentiated than previously thought and concluded that further research is needed to better develop our understanding of the value of using generational cohorts to segment the wine market.

2. BACKGROUND TO THE RESEARCH CONTEXT

In 2008 seven focus groups were conducted in the UK with Gen Y participants (those aged 18 – 30). This was as part of an international project investigating cultural differences in relation to wine, champagne and sparkling wine in particular, in the Anglophone world (Ritchie, 2011: Charters et al., 2011: Velikova et al., 2014). A major finding of the UK study (Ritchie, 2011) was that although many participants, particularly males, did not drink much wine at that time, often only at formal meals, they all believed that they would 'grow into wine'. In some instances, where older participants had moved from a single lifestyle to living with a partner this had already started to happen often because of the sharing nature of opening a bottle of wine (Ritchie, 2011).

In line with McDonald et al's (2013) call for further research into the value of segmenting the wine market into generational cohorts the broad purpose of this current research project was to conduct a follow up study to investigate how and why their interactions with wine have evolved in the intervening years. The particular focus was to compare the assumptions about how the participants had thought their interaction with wine, both purchasing and consumption, would change as recorded in the original study with their actual current interaction and behaviour. This study is of particular importance given the falling level of alcohol consumption per se in the UK, see table 1, and stagnation of the still wine market, see table 2.

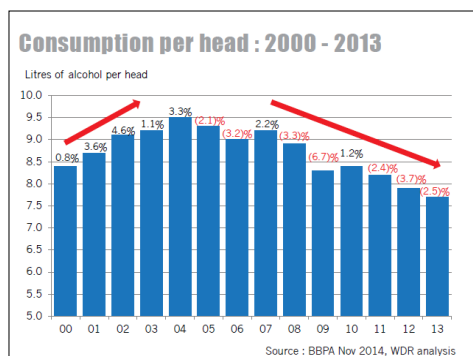


Table 1. Alcohol Consumption Trends in the UK (Wilson, 2014)

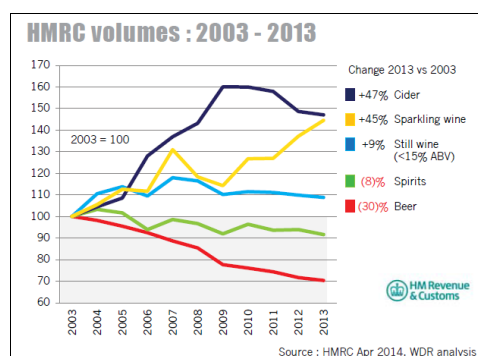


Table 2. UK wine volume as recorded by Her Majesty's Revenue and Customs Office (Wilson, 2014)

As previously noted, there has been much research undertaken across all age groups and their interaction with wine at that moment in time investigated. It is much more unusual, however, to have a follow up study where the current behaviour of wine consumers can be compared to earlier, much more naïve, interactions and beliefs.

2.1 Development of the research question

As Ritchie (2007; 2009), amongst others, has pointed out the UK has had a very long history of interaction with wine, buying and consuming it, from approximately 50BC onwards when the British Isles started to communicate with the Roman Empire. However, for climactic reasons, it has rarely produced wine on a commercial scale; what was produced was often for use at Christian religious services. There is now a very small commercial wine production industry specialising in high quality sparkling wines; an average of 3.15 million bottles (2.36 million litres) per annum representing approximately 0.14% of the UK market, (English Wine Producers, 2014). Almost all wine bought and drunk in the UK therefore is imported. In 2013 total volume sales were 1.31 billion litres with a value of £12.51 billion (Warren, 2014). Despite the current small fall in still wine consumption the UK still remains one of the most significant wine import markets in the world, out ranked only by the USA and China.

Although wine is now a familiar beverage to all in the UK who consume alcohol this has not always been so. It was traditionally an elitist beverage consumed only by the wealthy whilst beer was the choice of the majority of the population. Wine became democratised in the UK in the 70s and 80s when it became available in supermarkets (Jenson and Jenson, 1993). This means that in the UK, as a non-producing nation, Gen Y is the first generation who have no memory of not being able to buy the fruit driven wine styles pioneered by the Australians as easily as any other Fast Moving Grocery Commodity (FMGC) such as Coca Cola, tea or coffee in every supermarket in the land (Ritchie et al, 2009).

The upsurge in wine purchase and consumption stimulated by the availability of wines in supermarkets, together with an increasing number of women in full-time employment and financially independent, also stimulated an upsurge in wine availability in the on-trade, pubs and bars. Traditionally pubs were seen as masculine places where beer was sold with poor quality wine offered for women (Pratten and Carlier, 2012) therefore wine bars, seen as sophisticated and not male dominated, developed to meet the gap in the market. Currently most pubs and bars now provide wine along side beer and food. At the top end of this market gastro-pubs have developed to meet the demand for premium quality beer, wine and food in a less formal, less expensive environment than restaurants. As a result Generation Y in the UK has grown up in an environment where, although it can be, wine does not have to be expensive or exclusive and is very easily accessible.

One downside of this commoditisation from an industry perspective is that although 61% of UK adults regularly buy wine only 38% are prepared to pay premium prices, considered to start at about £9.00 (Warren, 2014; Wisson, 2015). The current average off-trade bottle price in the UK is just under £5.00 having risen from around £4.50 in 2008 (Ritchie, 2011). Most of the increase in spend has been due to an increase in tax rather than any sign of trading up. This is curious since many of the older participants in the original focus groups had said that they were looking forward not necessarily to drinking more wine but to drinking better quality wine, as they became more able to afford it. This would imply an intention to trade up yet, as table 2 shows, the UK still wine market is currently stagnating, partly due to maturity and partly to the recession. In contrast the sparkling wine market, driven by prosecco is continuing to expand. Although it is anticipated that the UK still wine market will rise again in the foreseeable future as the recession recedes (Warren, 2014; Wisson, 2015) the question of whether the rise in popularity of sparkling wines as opposed to still wine and champagne is long term or not is still to be investigated.

This question of usage of wine is also of academic interest from a socio cultural perspective; whether the image of wine and thus interaction has changed, is changing in the UK. This raises the question of whether Gen Y see wine as the ordinary FMGC identified by Ritchie et al (2010) or whether it has the more elitist quality, image usually discussed in social wine consumption research. On the one hand wine is now seen as an everyday commodity, as likely to be offered to friends at home as a cup of tea or coffee (Ritchie, 2007) whilst on the other it still retains the elitist image noted by Kant and Bourdieu particularly in public consumption situations (Ritchie, 2009)

As Ritchie (2011) points out many authors have commented upon the significance of intergenerational learning. Some suggest that the social and cultural significance of food and drink is learned from babyhood, since the identification of good and bad food and drink is essential to survival as well as cultural identification. Others suggest that socialisation towards alcohol is learnt in adolescence. Either way it is very likely that the strong belief that they would 'grow into wine' held by the original participants was due to intergenerational learning and expectations about acceptable social behaviours within their cultural groups. However, Gen Ys' parents learnt their behaviours from their parents, born in the first half of the twentieth century when wine was not freely available in the UK and always perceived as an elitist product consumed by a small wealthy section of the population. It was during the young adulthood of Gen Ys' parents that wine became democratised in the UK and a commoditised product in some circumstances. This may help to explain why there is such a strong two wine perception in the UK, ordinary wine for everyday and special wine for public consumption (Ritchie, 2009).

Gen Y is the first generation to grow up in a UK where wine is both an FMCG and an exclusive purchase for a special occasion for the majority of the population. Therefore the attitudes which their parents inculcated into them will not necessarily be replicated by them. As table 1 shows, although alcohol has become more freely accessible in the UK alcohol consumption per capita is falling. As Warren (2014) and Wisson (2015) discuss, although wine consumption is likely to rise in the future it is very unlikely to rise again at the rates seen in recent decades. In addition some anecdotal evidence suggests that for some social groups, particularly young adult AB consumers, although happy to drink alcohol in some social situations tap water is their preferred beverage of choice in many others. Traditionally it has been the AB social groups who have purchased and consumed most wine.

2.2 The research question

As previously discussed, this is the first generation for whom wine has always been easily purchased, not necessarily expensive and used in both formal and informal situations. Whilst the participants said that they would grow into wine, by changing their drink of preference or by trading up in quality this aspiration is not reflected in the UK still wine market. This research will investigate whether this is due to a change in intent, which may have significant implications for the wine industry, or simply a reflection of delayed consumption due to the recent economic climate.

This research will also investigate whether traditional interactions with wine such as with meals, sharing and gifting remain relevant to adult wine consumers in the UK today. It will seek to develop an understanding of where accepted wine related behaviours and cultures have changed and the reason why change may or may not have occurred. In doing this it will be seeking to contribute towards a deeper understanding of how the UK wine market is evolving.

3. LONGITUDINAL STUDY VALIDITY

According to White and Arzi (2005, pp138) a longitudinal study is one in which “*two or more measures or observations of a comparable form are made of the same individuals or entities over a period of at least one year*”. Wond and Macauley (2011) suggest that it is an embedded study which extends over a period of time, number of years. Both however suggest that much of its value lies in its temporal nature which enables the researcher to develop a richer understanding of how change is occurring in relation to the phenomenon being studied. In addition it enables the significance of events, actions or beliefs which may have originally appeared to be insignificant to be reviewed and visa versa.

They both also agree that these types of study are rare because of the commitment required in time by both the researcher and the participants; by the physical need for the researcher to keep all the original data over a long period of time so that it can be revisited as the research progresses and because familiarity between the researcher and the participants, in this case the link person for each focus group, may influence or bias the outcomes. In this instance the issue of familiarisation with the researcher is not considered to be an issue since there is both a significant age and geographical distance between the researcher and the participants which has meant that very little interaction has taken place in the intervening years. Familiarisation with or rejection of the subject, social interaction with wine, is the subject of the research therefore this is considered to be a benefit to the study. It is however accepted that, as with other methods which rely on several iterations (such as the Delphi Technique), there will be

some attrition of the participants and that unlike other iterative studies, in this study new participants cannot be brought in simply to increase numbers.

This study uses White and Arzi's (2005) definition of a longitudinal study since in this instance the same participants are asked about the same subject after a period of years in which their relationship with the subject (wine) is likely to have changed because of natural maturation in relation to alcohol and wine usage plus other internal, personal, and external, market, impacts upon their lifestyle.

4. METHOD

The original seven focus groups ranged in size from six to nine participants with an overall gender balance representative of the UK wine consuming population. Five of these focus groups were friendship groups; two were based on work groups. Six of the focus groups had a demographic profile reflecting AB social groups, which is normal in much self selecting wine research. To test the validity of the findings across a wider population one focus group was also held in which participants came from social groups D and E. The focus groups were set up using snowballing techniques where a suitable link person was identified by the author; the link person then invited the rest of the participants. All the friendship groups were held in the link persons' home, the two work based groups were held on their work premises at the end of the working day. This helped to replicate, as far as is possible in a research setting, a naturalistic setting in which wine might be discussed, sitting around in a familiar setting with a peer group of some sort. The focus groups were held in the autumn of 2008 across the UK although primarily in the south and south-east since most wine is purchased in these regions of the UK; see Charters et al (2011) and Ritchie (2011) for full details.

Since the aim of this research is to establish how the original participants interaction with wine has evolved over time the method selected for this research was to repeat as closely as possible the earlier study by reconvening those focus groups which could be reconvened with the same participants. These are the five friendship groups. In each instance the original link person was happy to reconvene their focus group although only 60% of the previous participants were still in touch with the link and willing to participate in this second study. However, as previously discussed there is always some attrition in longitudinal studies so this is not considered to be overly detrimental to this project. The same subjects were covered in the same format although the emphasis and tense differed.

Since the focus groups were planned for the summer and autumn of 2015 to accommodate the participants it was not possible at the time of submission of this paper to give the exact demographic detail of the participants nor of any issues raised in conducting them. This will be addressed in publications arising from the completed study.

5. ANTICIPATED OUTCOME THEMES

In the 2008 study various themes emerged which suggested that Gen Y may be interacting with wine differently from their parents in some ways and in a similar fashion in others (Ritchie, 2011). A key theme, which reflects an almost universal interaction with wine, was that as wine is so integral to the meal experience as they started to participate more proactively in public meal occasions, formal (e.g. work related) and informal (casual meals with friends) in the home and outside, they would 'grow into wine' and it was likely to become a beverage of choice. This behaviour would be supported in the informal

environment by moving into partnerships and sharing; as one male participant explained, you can't share a pint of beer but can and will share a bottle of wine. In the formal public environment most, as Ritchie (2009) has suggested, had expected to become confident in understanding and even initiating rituals such as ordering the appropriate wine with a meal. These activities would have been learnt via normal socialisation and intergenerational learning such as participating in a meal with their parents or older relatives; to what extent this cultural behaviour has been adopted will form part of the current research.

However, the participants also discussed behaviours which did not reference that of earlier generations. In the 2008 study many of the participants were either working part-time or had recently finished working in the hospitality industry as part of fairly common early employment, pre career, type work. They highlighted two issues in particular which challenged other accepted research particularly in relation to purchasing situations. The first issue raised was that the Gen Y participants were very happy to buy from supermarkets even for their, rare, gifting occasions. They found supermarkets to be familiar, convenient and easy to use, using them as Nordfalt (2009) has suggested as pantries stocked ready for any planned or unplanned event which arose. Specialist off licences on the other hand they found intimidating, expensive and inconveniently located and saw no reason why they would ever want to use them. This was despite much previous research showing that wine for special occasions was habitually sourced from specialist outlets by older adults. Gen Y believed that you might have to talk to the staff in specialist outlets in order to be able to buy what you wanted; they would be embarrassed by having to ask older staff, but didn't want to ask staff their age as they knew how little they themselves knew about wine. The second issue raised related to the on-trade where many had seen and participated in bad practise, often encouraged by management, such as pouring the wines they had been asked to promote instead of the wine requested by customers in a bar if the customers were a bit drunk. This activity was encouraged by their management because the wine being promoted made more profit for the bar.

As a result of these actual experience the Gen Y participants didn't trust staff the same age as themselves in on or off-trade situations and didn't want to ask older staff. Since much research shows that it is trust and interaction between customers and staff which encourages customers to move off the bottom line and trade up this research will investigate whether this was an attitude of youth and inexperience or the perceptions still remain influencing current behaviour.

Finally, in the 2008 research interaction with sparkling wines and champagne was discussed. It was the UK cohort who were most able to and habitually did clearly distinguish between sparkling wine and champagne; what they were, upon what type of occasion they could be consumed and by whom, male or female (Charters et al 2011: Velikova et al, 2015). As has been discussed still wine consumption is falling slightly in the UK but this is offset by the rise in sparkling wines, started by cava and now led by prosecco. This research will investigate whether this move towards sparkling wine consumption has impacted upon the intention to trade up in still wines and what role sparkling wine currently plays in their lives.

As previously stated this paper is a work in progress but it is intended that the results will shed light on how interaction with wine in the UK is evolving with all the implications that this may have for academia and the wine trade.

REFERENCES

- Charters, S., Velikova, N., Ritchie, C., Fountain, J., Thach, L., Dodd, T., Fish, N., Herbst, F., and Terblanche, N. (2011), "Generation Y and Sparkling Wines: A Cross-cultural Perspective". *International Journal of Wine Business Research*, Vol. 23 No.2, pp. 161 – 174.
- English Wine Producers (2014), "A Few Facts and Figures About English and Welsh Wines and Vineyards". <http://www.englishwineproducers.co.uk/background/stats/> (accessed 23 July 2015)
- Jenster, P., V. and Jenster, L. (1993), "The European Wine Industry", *International Journal of Wine Marketing*, Vol. 5 No. 1 pp 30 – 74.
- McDonald, J., Saliba, A. and Bruwer, J. (2013) "Wine Choice and Drivers of Consumption Explored in Relation to Generational Cohorts and Methodology", *Journal of Retailing and Consumer Services*, Vol. 20 No. 3 pp 349- 357
- Mueller, S., Remaud, H. and Chabin. (2011) "How Strong and Generalisable is the Generation Y Effect? A Cross-cultural Study for Wine", *International Journal of Wine Business Research*. Vol. 23 No 2 pp 125-144
- Nordfalt, J. (2009), "Unplanned Grocery Purchases: the Influences of the Shopping Trip Type Revisited", *Journal of Consumer Behaviour*, Vol. 8 No. 1 pp1 – 13.
- Pratten, J., B. and Carlier, J", -B. (2012) "Women and Wine in the UK; a Business Opportunity for Bars", *Journal of Food Products Marketing*, Vol 18 No. 2 pp 126 – 138.
- Ritchie, C, Ritchie, F. & Ward, R. (2009) "A Good Night Out: Alcohol-Related Behaviour in Young Adults", *Worldwide Hospitality & Tourism Themes*, Vol.1 No. 2 pp 169-193
- Ritchie, C. (2009), "The Culture of Wine Buying in the UK Off-Trade", *International Journal of Wine Business Research*. Vol. 21 No. 3 pp 194-211.
- Ritchie, C. (2011), "Young Adult Interaction with Wine in the UK", *International Journal of Contemporary Hospitality Management*, Vol. 23 No.1, 99- 114.
- Ritchie, C., Elliott, G., Flynn, M. (2010), "Buying Wine on Promotion is Trading-up in UK Supermarkets: a Case Study in Wales and Northern Ireland", *International Journal of Wine Business Research*, Vol. 22 No. 2 pp 102 – 121.
- Velikova, N., Ritchie, C., Charters, S., Fountain, J., Dodd, T., Thach, E., Fish, N. (2015), "Status or fun? A cross-cultural examination of younger consumers' responses to images of champagne and sparkling wine"; submitted to *International Marketing Review*
- Warren, C. (2014), "Still, Sparkling and Fortified Wine", *Mintel Group Ltd*. October <http://academic.mintel.com.ezproxy.cardiffmet.ac.uk/display/715866/#> (accessed 23 July 2015)
- White, R. T. and Arzi, H. J. (2005), "Longitudinal Studies: Designs, Validity, Practicality and Value", *Research in Science Education*. Vol. 35 No. 1 pp 137 – 149.
- Wilson, T. (2014), "Wilson Drinks Report, V17", December, www.wilson-drinks-report.com, 2x2 Development Ltd.
- Wisson, C. (2015), "Attitudes Towards Premium Alcoholic Drinks", *Mintel Group Ltd*. March <http://academic.mintel.com.ezproxy.cardiffmet.ac.uk/display/715866/#> (accessed 23 July 2015)
- Wond, T. and Macaulay, M. (2011), "Extending Time- Extended Benefit", *Public Management Review*. Vol. 3 No. 2 pp 309 – 320.