

Paso Robles Appellation Perception Study

PRESENTATION PREPARED FOR:

Paso Robles Wine Country Alliance

July 8, 2015

Presentation Outline

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Background & Objectives

- **The Paso Robles Wine Country Alliance wishes to gain a better understanding of the visibility and perceptions of the Paso Robles wine appellation.**
- **The study results will help the Paso Robles Wine Country Alliance optimize its communications and marketing efforts.**
- **In addition, this study will gauge the relative importance of purchase criteria and measure what specific sources of information (about wine) are most valued by targeted consumers.**

Methodology

- **402 web-based surveys.**
- **Potential respondents were sent an email invitation containing a link to the survey and screened online.**
- **Completed between March 23 and March 30, 2015.**
- **The average survey length was 19 minutes.**
- **Age and gender fell out as follows.**

	Male	Female	Total
21 to 39	37	70	107
40 to 54	74	55	129
55 to 69	118	48	166
Total	229	173	402

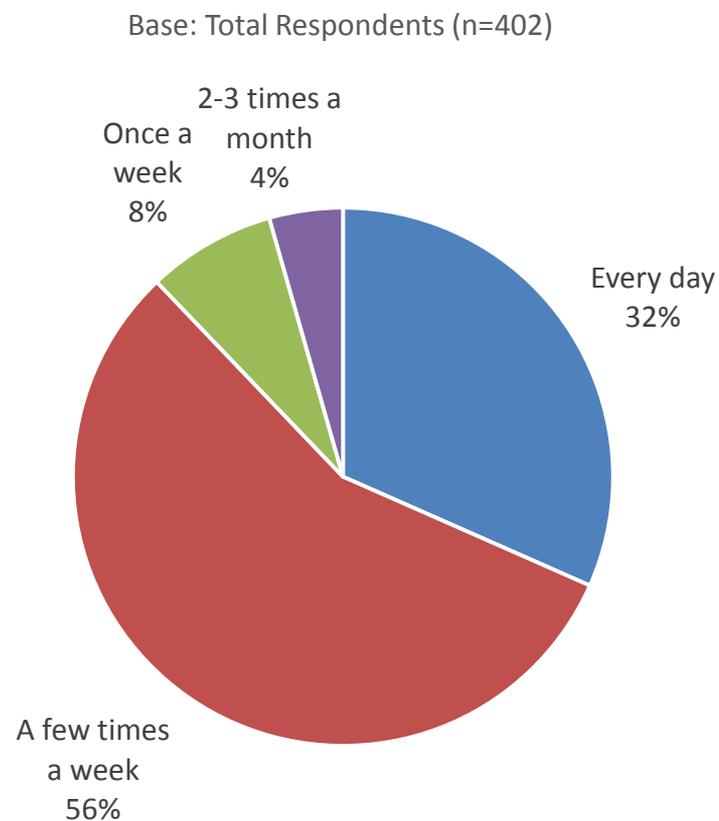
Target Audience

- **In order to participate in this research, respondents had to meet the following criteria:**
 - Live in a top 50 US metropolitan area
 - Age 21 to 69
 - Household income of \$100K+
 - \$75K+ if age 21 to 39
 - No sensitive employment
 - Drink wine at least 2 or 3 times a month*
 - Responsible for purchasing wine for household
 - Buy wine costing \$15+ at least once every 2 to 3 months
 - Purchased 1+ 750ml bottles of wine costing \$15+ in past 6 weeks
 - At least 25% of \$15+ wine purchases are red
 - Ever visited a winery or likely to do so in the next 18 months
 - Responsible for planning a winery or wine country trip

* See the following slide for mix of consumption frequency.

Frequency Drink Wine

- **About one-third of the respondents in this research are daily wine drinkers, and most of the others drink wine at least a few times a week.**



S7. About how often would you say you drink wine?

Demographic Profile of Respondents

Base: Total Respondents	(n=402)
Gender	
Male	57%
Female	43%
Age	
21 to 39	27%
40 to 54	32%
55 to 69	41%
Mean	49.3
Location	
California	23%
New York metro area	17%
Other	60%
Marital Status	
Married or living with partner	86%
Single, never been married	10%
Divorced, separated or widowed	4%

Base: Total Respondents	(n=402)
Employment	
Employed full time	77%
Employed part time	5%
Retired	12%
Homemaker or SAHM	4%
Not employed	2%
Children in Household	
Yes	27%
No	73%
Education	
Some college or less	12%
Completed college	43%
Post-graduate	45%
Income	
Mean	\$159.9K

Statistical Notation

- **When a significant difference is noted, it means that there is a 95% probability that the difference is real and not due to sampling error.**
- **The following notation is used to indicate statistical significance:**
 - An “a” next to a number indicates that it is significantly higher than the lowest number in that group at the 95% confidence level.
 - A “b” next to a number indicates that it is significantly higher than the two lowest numbers in that group at the 95% confidence level.
- **Some percentages may add to more than 100% due to the acceptance of multiple responses.**

Wine Purchasing Behavior

of Bottles Purchased in Past 6 Weeks: Mean

- **On average, respondents purchased nearly two cases of wine in the past 6 weeks (23.6 bottles).**
 - The median is 16 bottles.
- **A majority of the bottles purchased were in the \$15 to \$25 or under \$15 category.**
 - However, respondents purchased an average of 8.1 bottles costing more than \$25 in the past 6 weeks.
- **Purchasing in the \$15 to \$25 category is highest among:**
 - Age 40+ (mean = 9 bottles)
 - Men (mean = 10 bottles)
 - Household income of \$150K+ (mean = 10 bottles)
 - Past Paso Robles visitors (mean = 11 bottles)
 - Wine club members (mean = 10 bottles)

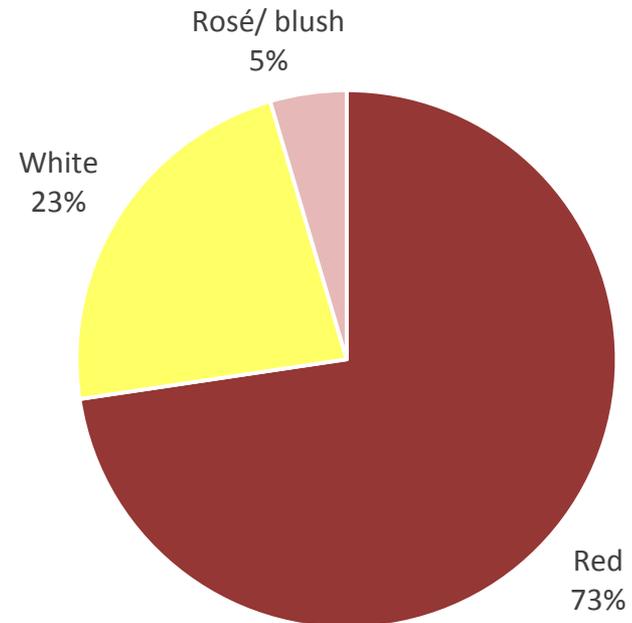


S11. In just the past six weeks, how many 750 ml bottles of wine have you, yourself, purchased, in each of the following price ranges?

Mix of \$15+ Purchasing by Type: Mean

- On average, nearly three-fourths of wine purchased at \$15+ per bottle among this audience is red.* Most of the rest (average of 23%) is white.
- Red wine purchasing is highest among:
 - Age 40 to 69 (average of 75%)
 - Those who buy less than 15% of their wine from a winery (75%)
- Frequent winery visitors tend to buy more \$15+ rosé than others, as do Millennials.

Base: Total Respondents (n=402)

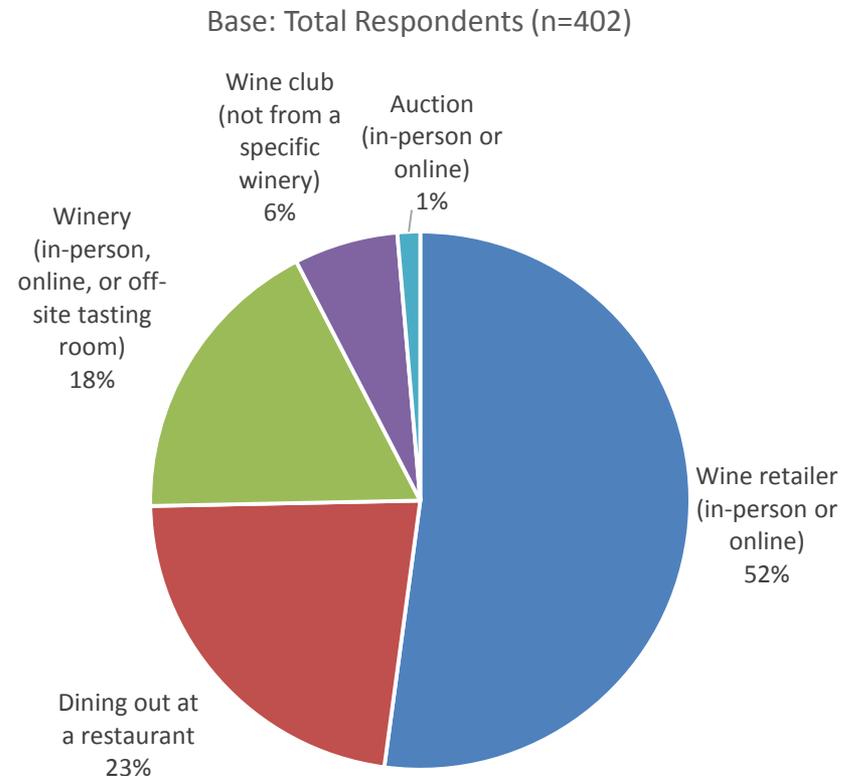


* Required to purchase at least 25% red to qualify.

S12. Thinking about all of the wine you purchase costing \$15 or more at retail, what percentage falls into (...)?

Mix of \$15+ Purchase Channels: Mean

- Respondents purchase about one-half of their \$15+ wine, on average, from a retailer.
 - Retail purchasing is more dominant among those living outside California, Generation X, less frequent winery visitors, infrequent restaurant buyers, non-wine club members and those less familiar with the Paso Robles region.
- About one-fourth is purchased at restaurants and one-fifth is purchased from a winery (22% from a winery among California residents).
- Wine clubs account for an average of 6% of \$15+ wine purchasing volume.



16. Thinking about all the wine you purchase with a retail price of \$15 or more, about what percentage do you buy in each of the following ways?

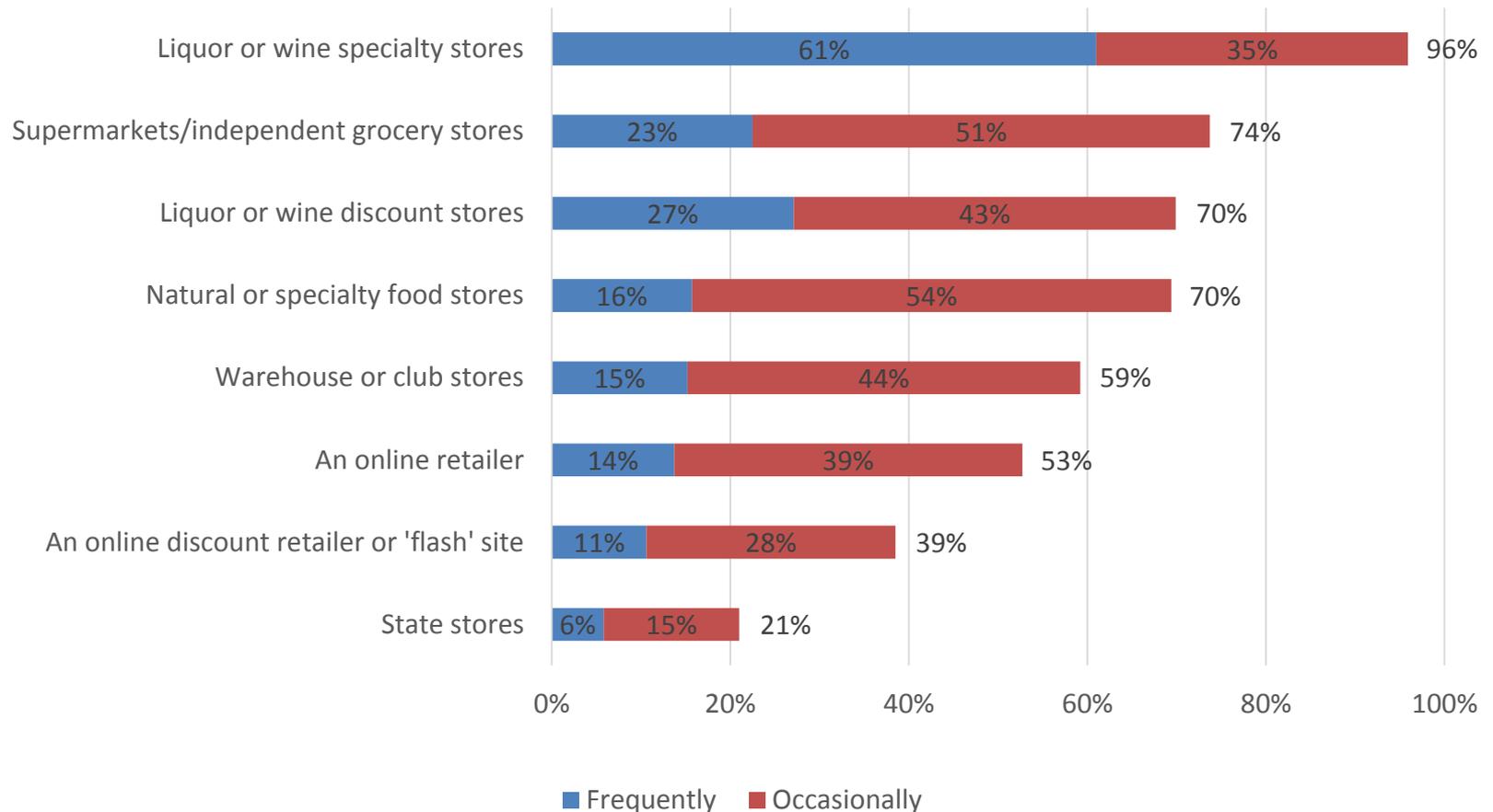
Frequency Purchase at \$15+ by Retail Outlet

- **Among retail purchasers, nearly everyone purchases wine costing \$15+ from a liquor or wine specialty store and six in ten do this frequently.**
 - This is a more common channel outside California and among those who are not as heavily committed to buying red wine, those who have never visited Paso Robles and non-wine club members.
- **Supermarkets and liquor or wine discount stores are also very common sources for \$15+ wine.**
 - Supermarkets are particularly important to Millennials.
- **Seven in ten shop for \$15+ wine at natural or specialty food stores but most only do this occasionally.**
- **A majority buy \$15+ wine, at least occasionally, from a warehouse or club store, or online.**

17. Thinking about all the wine you purchase from a wine retailer with a price of \$15 or more, about how often do you buy from each of the following?

Frequency Purchase at \$15+ by Retail Outlet

Base: Purchase \$15+ Wine from Retailer (n=395)

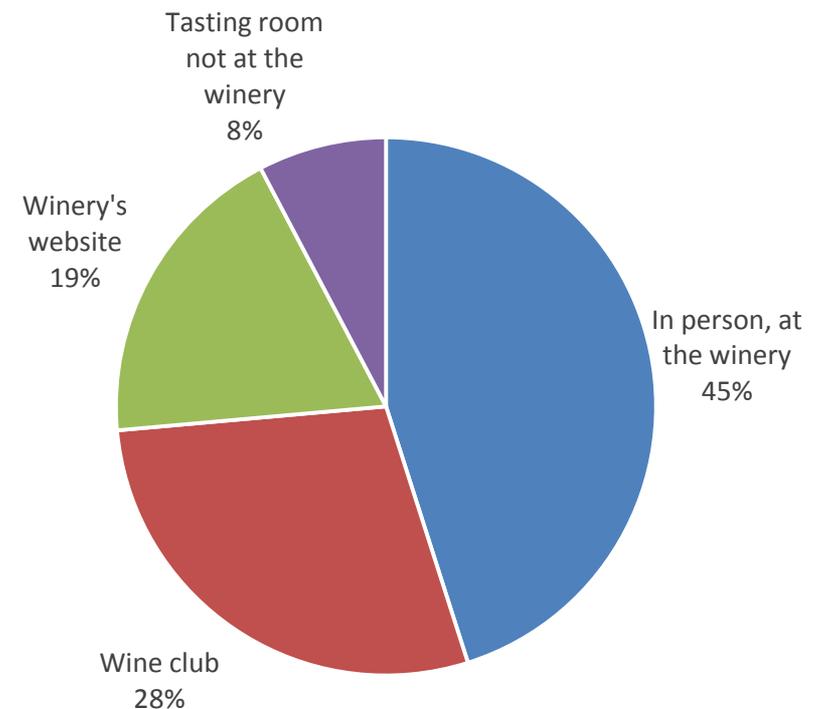


17. Thinking about all the wine you purchase from a wine retailer with a price of \$15 or more, about how often do you buy from each of the following?

Mix of \$15+ Winery Purchasing: Mean

- **Looking at all the \$15+ wine purchased from a winery, nearly one-half is purchased in person, on average.**
 - Millennials buy more of their wine this way (55%) as do women (53%) and those with household incomes under \$150K (55%).
- **More than one-fourth is purchased through wineries' wine clubs and nearly as much is purchased from wineries' websites.**
 - Those who purchase a large proportion of red wine are most apt to buy more from wine clubs (33%) and the same is true among those with household incomes of \$150K+ (33%) and those very familiar with the Paso Robles region (36%).

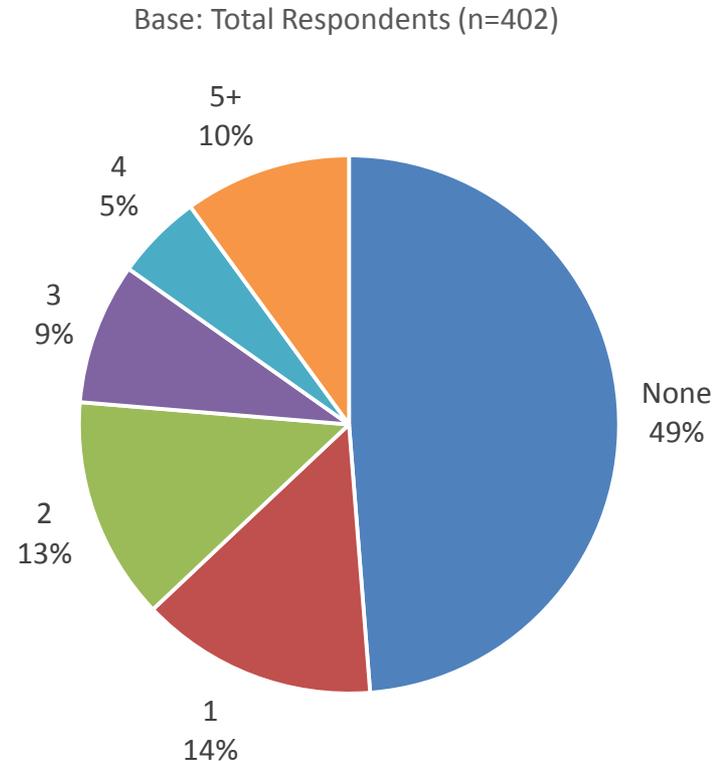
Base: Purchase \$15+ Wine from Winery (n=306)



18. Thinking about all the wine you purchase from a winery with a price of \$15 or more, about what percentage do you buy in each of the following ways?

Number of Wine Clubs

- **About one-half of respondents belong to at least one wine club.**
 - The median number of wine clubs is 1.9 among those who belong to one or more clubs.
- **Those living in California and those with household incomes of \$150K or more tend to belong to more wine clubs than others.**



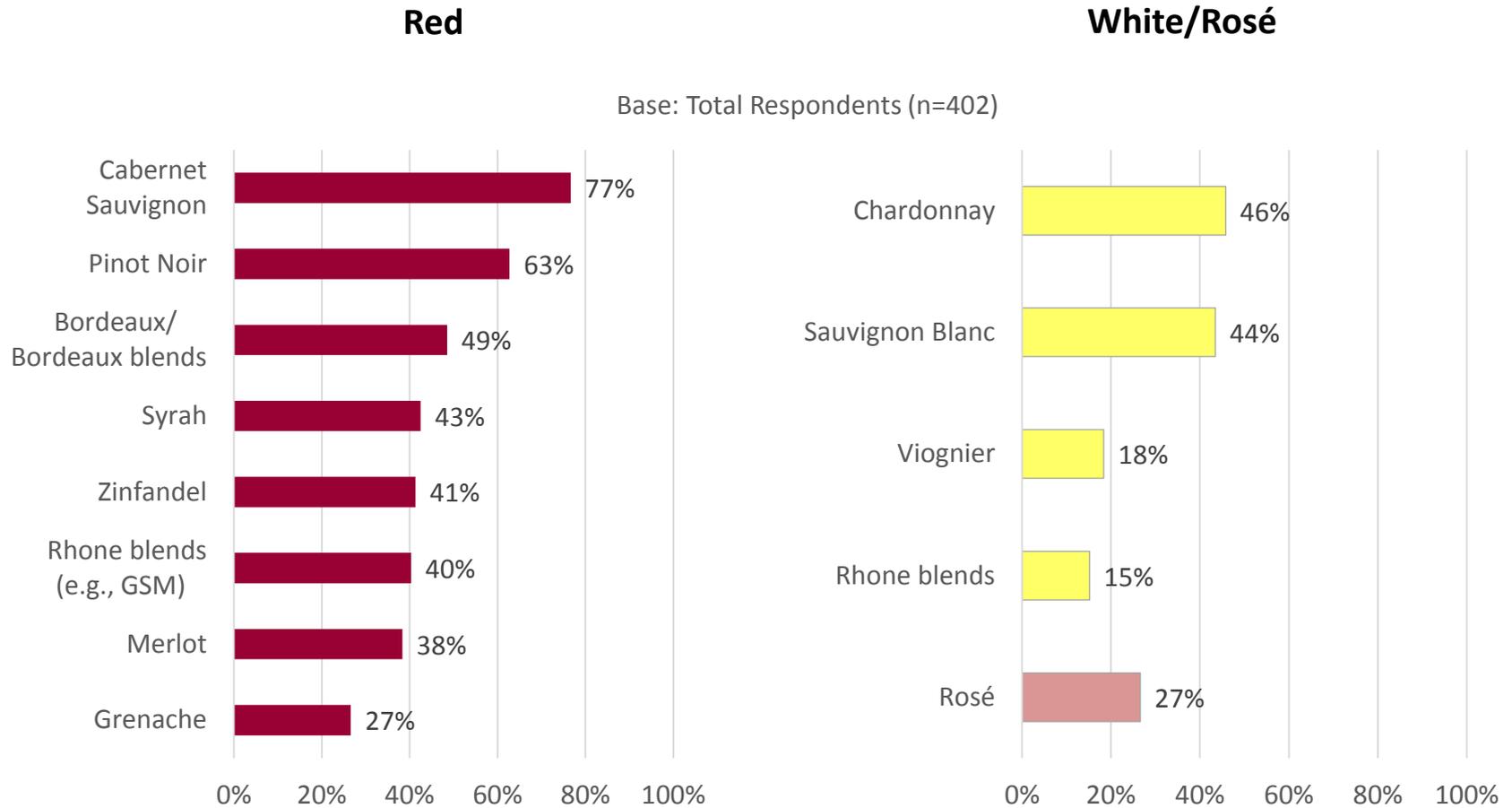
19. How many wine clubs/winery memberships are you currently signed up for and receiving wine from?

Types Buy Monthly+ at \$15+

- **Of the varietals asked about, the most frequently purchased at \$15+ is Cabernet Sauvignon, with three-fourths indicating they purchase it at least monthly (highest among men, frequent winery visitors and wine club members).**
- **Pinot Noir is the next most commonly purchased varietal (highest among wine club members).**
- **About one-half indicate they buy Bordeaux/Bordeaux blends monthly or more often.**
- **The next most frequently purchased varietals are:**
 - Chardonnay (highest among wine club members and frequent winery visitors)
 - Sauvignon Blanc
 - Syrah (highest among California residents, men, Paso Robles visitors, and wine club members)
 - Zinfandel (highest among Paso Robles visitors and wine club members)
 - Red blends (highest among those age 40+, men, those with household incomes of \$150K+, Paso Robles visitors, and wine club members)
 - Merlot (highest frequent winery visitors)

S16. Which of the following types of wine, if any, do you buy monthly or more often at a price of \$15 or more?

Types Buy Monthly+ at \$15+



S16. Which of the following types of wine, if any, do you buy monthly or more often at a price of \$15 or more?

Decision Factors

Factor/Info Source Importance (Choosing Among \$15+ Wines)

- **When choosing a \$15+ wine to buy, the top two factors considered are:**
 - Brand familiarity
 - Appellation
- **Other important factors or information sources include:**
 - Wine tasting events
 - Prior winery visitation
 - Recommendation from a friend or family member
 - Recommendation from a wine merchant, store salesperson or restaurant sommelier
 - Information or scores from wine publications
 - The vintage
 - Scores from a wine reviewer
- **Past visitors to Paso Robles place greater importance than others on prior winery visitation, and less importance on:**
 - Recommendation from wine merchant, salesperson or sommelier
 - Wine scores (from critics or consumers)
 - Shelf talkers

1. When choosing among different wines that cost \$15 or more, how important is each of the following factors or information sources? (10-point scale where 1 = “not at all important” and 10 = “extremely important”)

Factor/Info Source Importance: % Rated 8/9/10

Base: Total Respondents (n=402)



1. When choosing among different wines that cost \$15 or more, how important is each of the following factors or information sources? (10-point scale where 1 = "not at all important" and 10 = "extremely important")

Region Attribute Importance

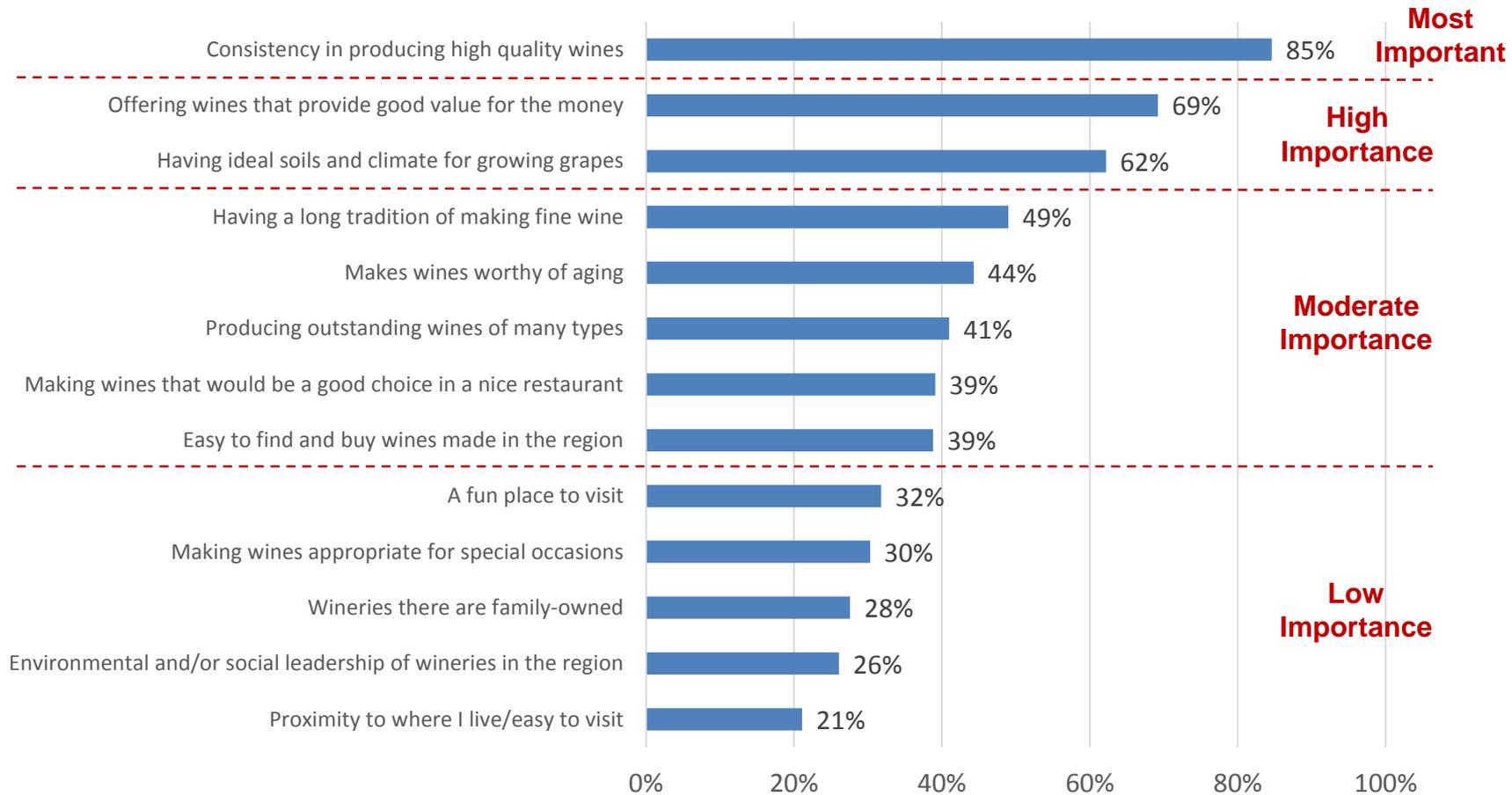
(Choosing Among Wines From Different Regions)

- **When choosing among wines from different wine producing regions, consistent quality is the single most important consideration.**
- **Value for the money and having ideal soil and climate are also very important considerations.**
- **Items that make up the middle tier of consideration factors include:**
 - Long wine-making tradition
 - Makes wines worthy of aging (especially among wine club members)
 - Produces outstanding wine of many types (especially among wine club members)
 - Making wines that would be a good choice in a nice restaurant
 - Easy to find and buy wines from the region

3. When choosing among wines from different wine producing regions with which you are familiar, how important is each of the following factors? (10-point scale where 1 = “not at all important” and 10 = “extremely important”)

Region Attribute Importance: % Rated 8/9/10

Base: Total Respondents (n=402)

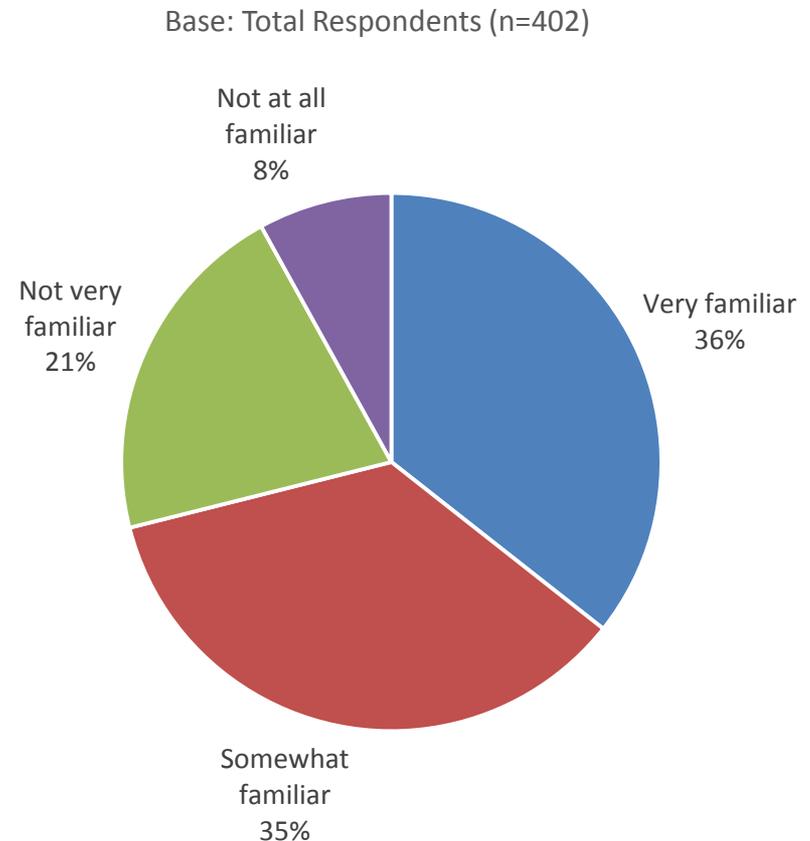


3. When choosing among wines from different wine producing regions with which you are familiar, how important is each of the following factors? (10-point scale where 1 = "not at all important" and 10 = "extremely important")

Region Familiarity & Perceptions

Paso Robles Familiarity

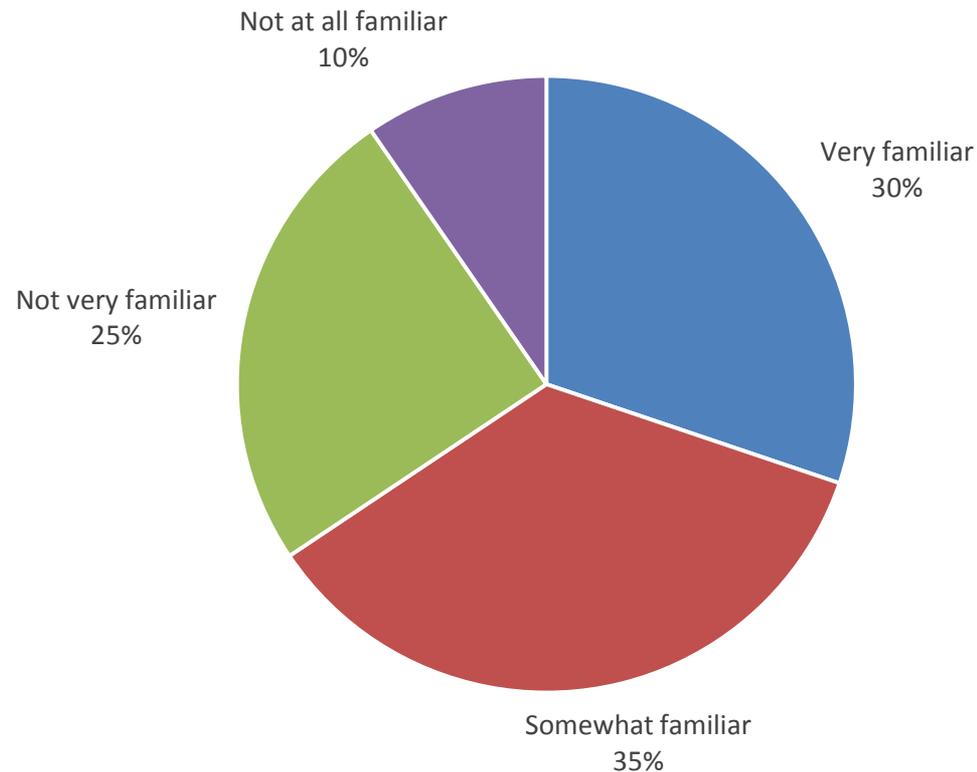
- **Familiarity with the Paso Robles wine region varies significantly.**
- **About one-third are very familiar with the region and a similar proportion are somewhat familiar with the region (for a total of 71% familiar).**
 - Boomers are more familiar with the region than Millennials (77% vs. 61%) as are those with household incomes of \$150K+ (77%), frequent \$16+ buyers (82%) and men (82%).
- **One in five are not very familiar with the region and nearly one in ten are not at all familiar with the region.**



2. How familiar are you with wines from each of the following wine-producing regions?

Paso Robles Familiarity: Non-California Residents

Base: Non-California Residents (n=311)



2. How familiar are you with wines from each of the following wine-producing regions?

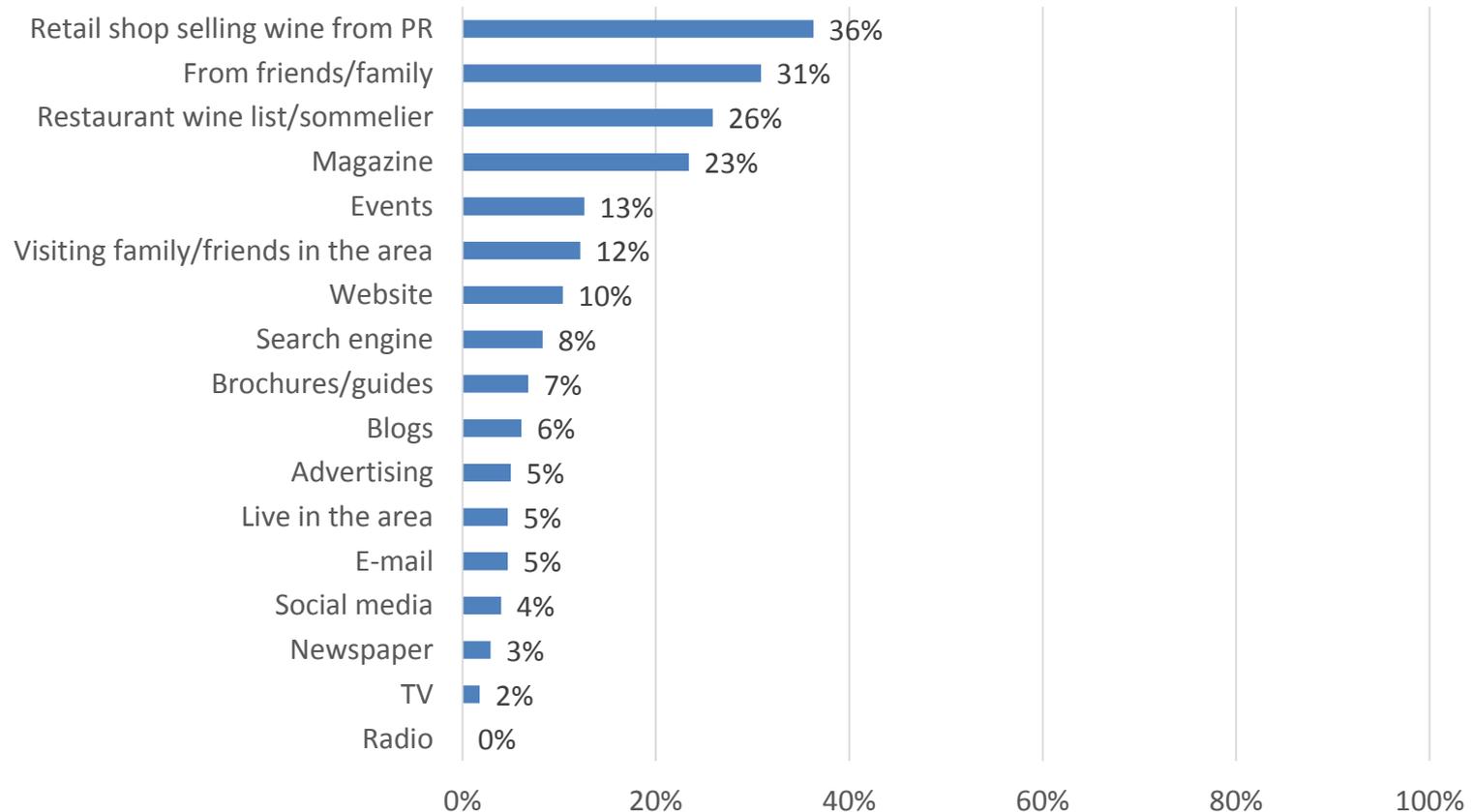
Source of Initial Paso Robles Familiarity

- **Those familiar with the Paso Robles region were asked how they first became familiar with the region.**
- **Retail shops selling Paso Robles wines are the most commonly cited source of initial familiarity. This is especially high among:**
 - Non-California residents
 - Heavier \$16+ wine buyers
 - Less frequent winery visitors who have never visited Paso Robles
 - Those who buy little wine directly from wineries
- **The next most widely mentioned sources of familiarity are:**
 - Friends/family (especially among California residents and those buying a lot of wine from wineries)
 - Restaurants (especially non-California residents and frequent on-premise buyers)
 - Magazines (especially Baby Boomers and men)
- **Other sources more important to Paso Robles visitors include when visiting friends/family, websites, brochures, and living in the area.**

15a. How did you first become familiar with the Paso Robles wine region?

Source of Initial Paso Robles Familiarity

Base: Very/somewhat familiar and visits wineries (n=278)



15a. How did you first become familiar with the Paso Robles wine region?

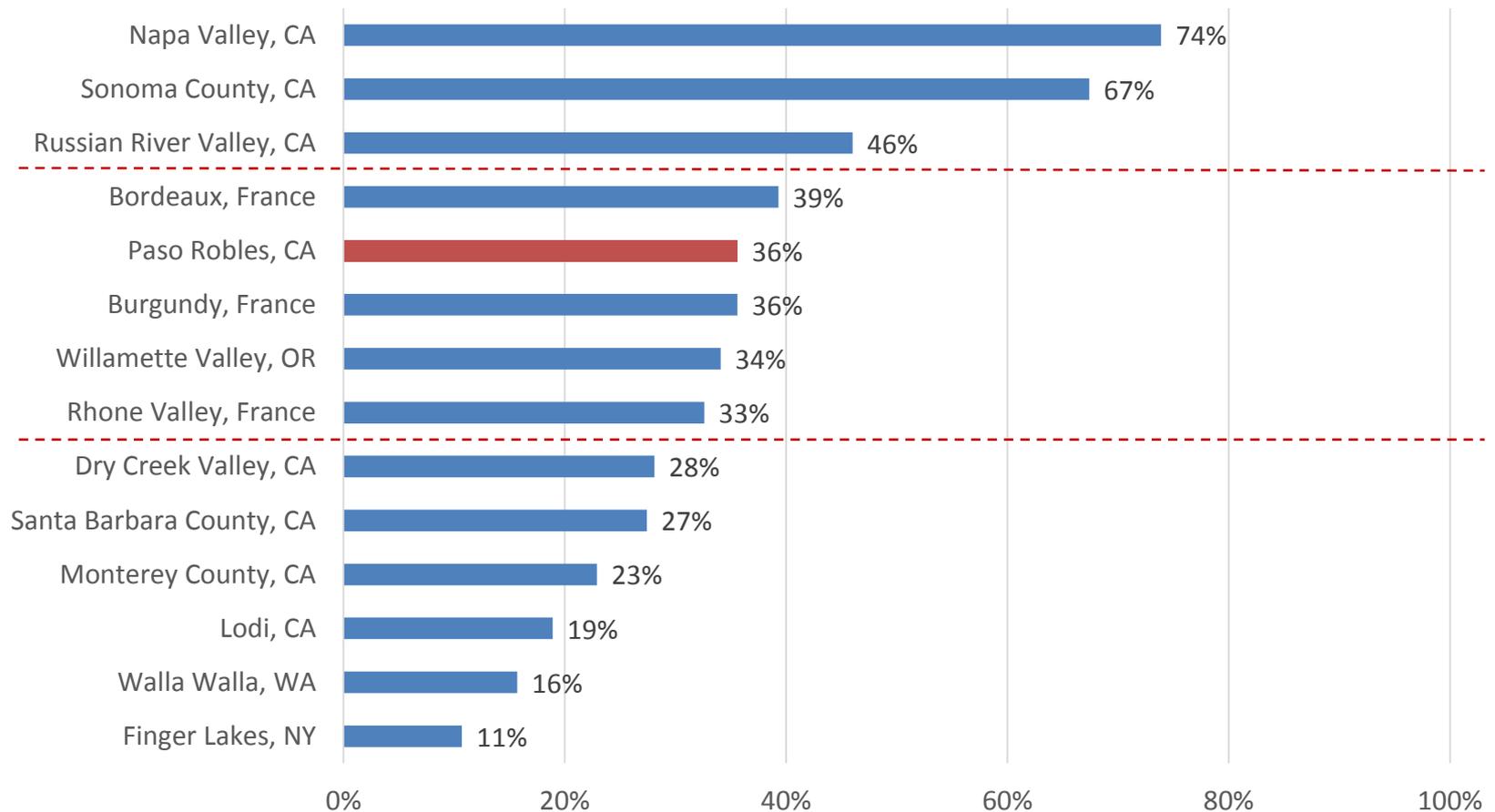
Region Familiarity: % Very Familiar

- **Regional familiarity (very familiar) is strongest for the Napa Valley and Sonoma County regions. Together with the Russian River Valley, familiarity is higher than for Paso Robles.**
- **Familiarity with Paso Robles is at parity with Bordeaux, Burgundy, Willamette Valley and the Rhone Valley.**
- **Familiarity with Paso Robles is stronger than for Dry Creek Valley, Santa Barbara County, Monterey County, Lodi, Walla Walla, and the Finger Lakes.**

2. How familiar are you with wines from each of the following wine-producing regions?

Region Familiarity: % Very Familiar

Base: Total Respondents (n=402)

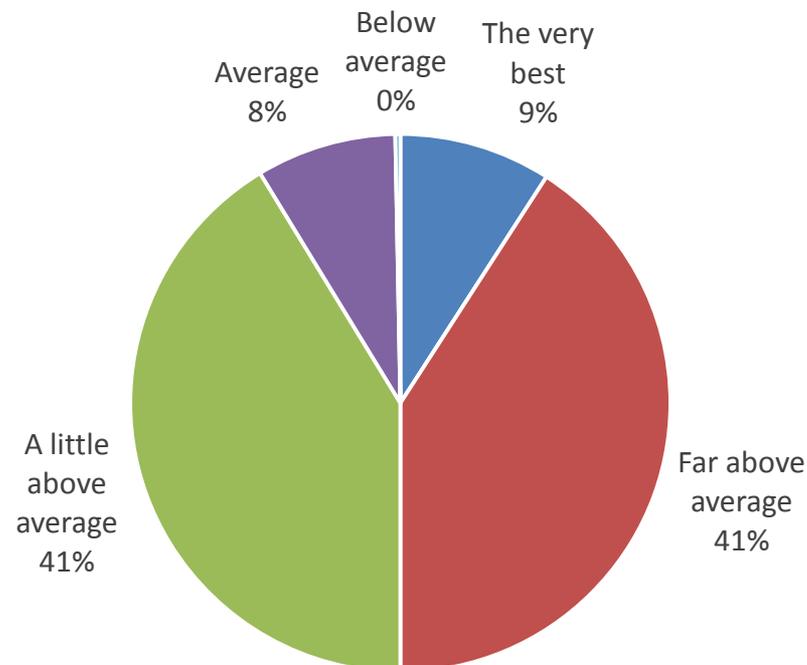


2. How familiar are you with wines from each of the following wine-producing regions?

Paso Robles Overall Rating

- Overall impressions of the Paso Robles region are very favorable.
- About four in ten view the region as far above average and the same proportion consider the region to be a little above average.
 - About one in ten view the region as the best.
 - Few see the region as just average and no one considers the region to be below average.
- The following groups rate Paso Robles the highest (the best or far about average):
 - Past Paso Robles visitors (68%)
 - California residents (66%)
 - Frequent winery visitors (62%)
 - Wine club members (55%)

Base: Very/Somewhat Familiar (n=286)



4. For each region, please indicate how you would rate the wines from that region on an overall basis.

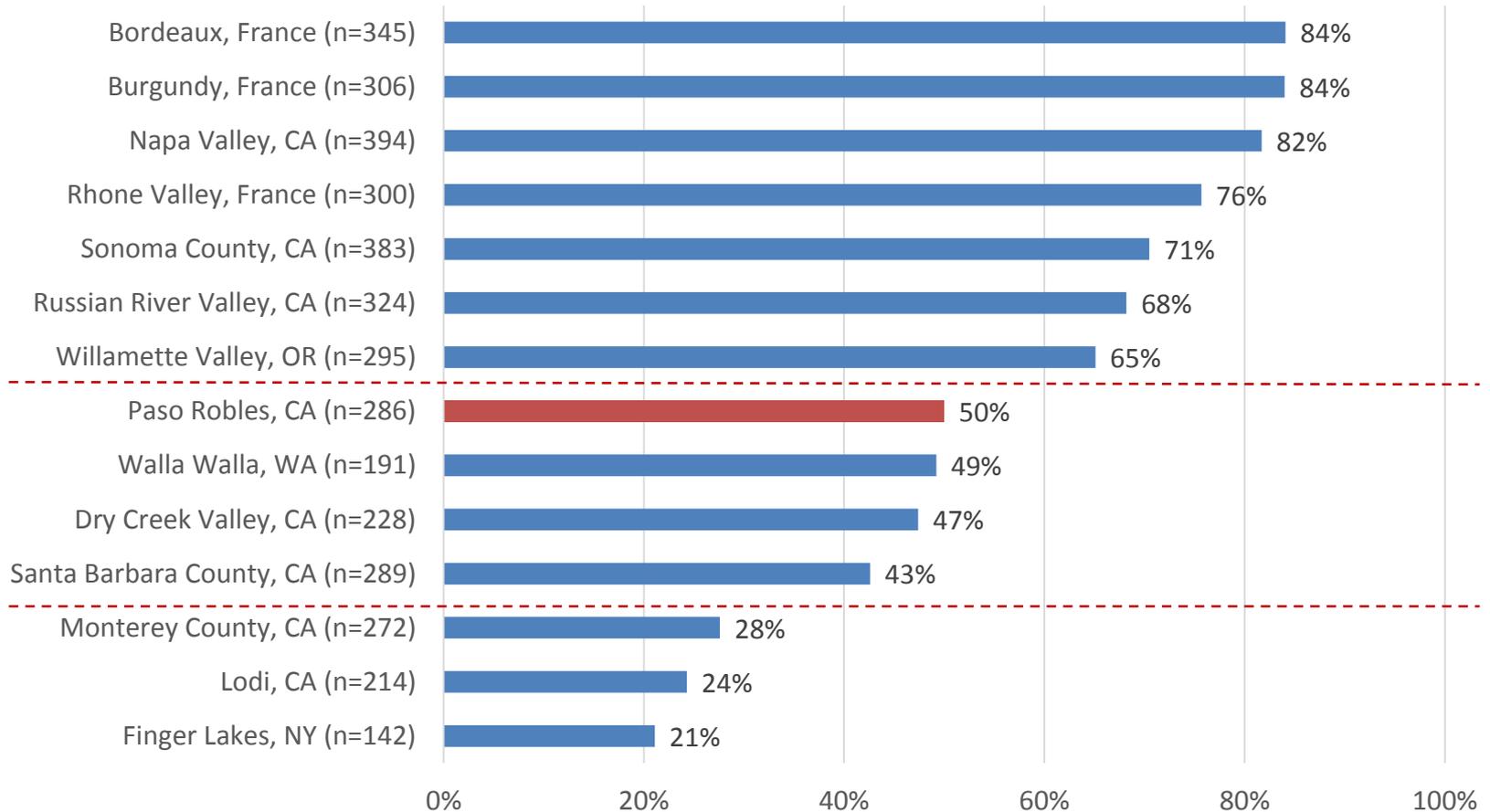
Region Overall Wine Rating: % The Very Best/Far Above Average

- **In terms of overall perceptions, the Bordeaux, Burgundy and the Napa Valley appellations are rated most favorably and quite high.**
- **Overall perceptions of the Rhone Valley, Sonoma County, Russian River, and Willamette Valley trail these three regions but are very positive, and above Paso Robles.**
- **Overall perceptions of the Paso Robles region are at parity with Walla Walla, Dry Creek Valley and Santa Barbara County.**
- **Overall perceptions of Monterey County, Lodi and the Finger Lakes fall short of Paso Robles.**

4. For each region, please indicate how you would rate the wines from that region on an overall basis.

Region Overall Wine Rating: % The Very Best/Far Above Average

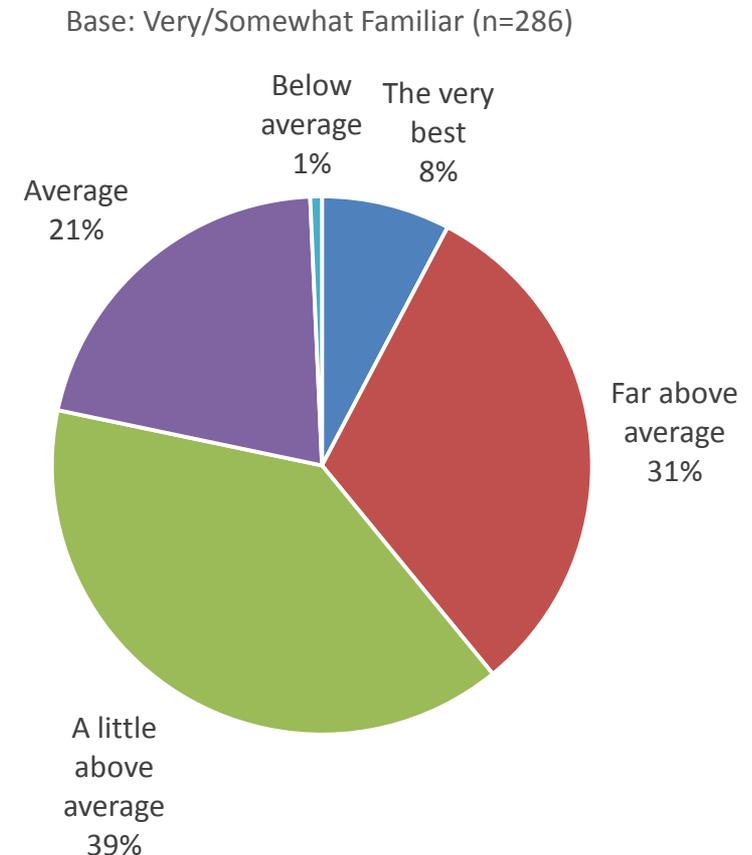
Base: Very/Somewhat Familiar



4. For each region, please indicate how you would rate the wines from that region on an overall basis.

Paso Robles Value for the Money

- Value perception of the Paso Robles region are very favorable.
- About three in ten view the region as far above average and four in ten consider the region to be a little above average in terms of value.
 - Nearly one in ten view the region as having the very best value.
 - One in five see the region as just average value and virtually no one considers the region to be below average in this regard.
- The following groups rate Paso Robles the highest on value for the money (the very best or far above average):
 - Past Paso Robles visitors (48%)
 - Wine club members (45%)



5. Please indicate how you would rate the wines from that region in terms of value for the money.

Region Value for the Money: % The Very Best/Far Above Average

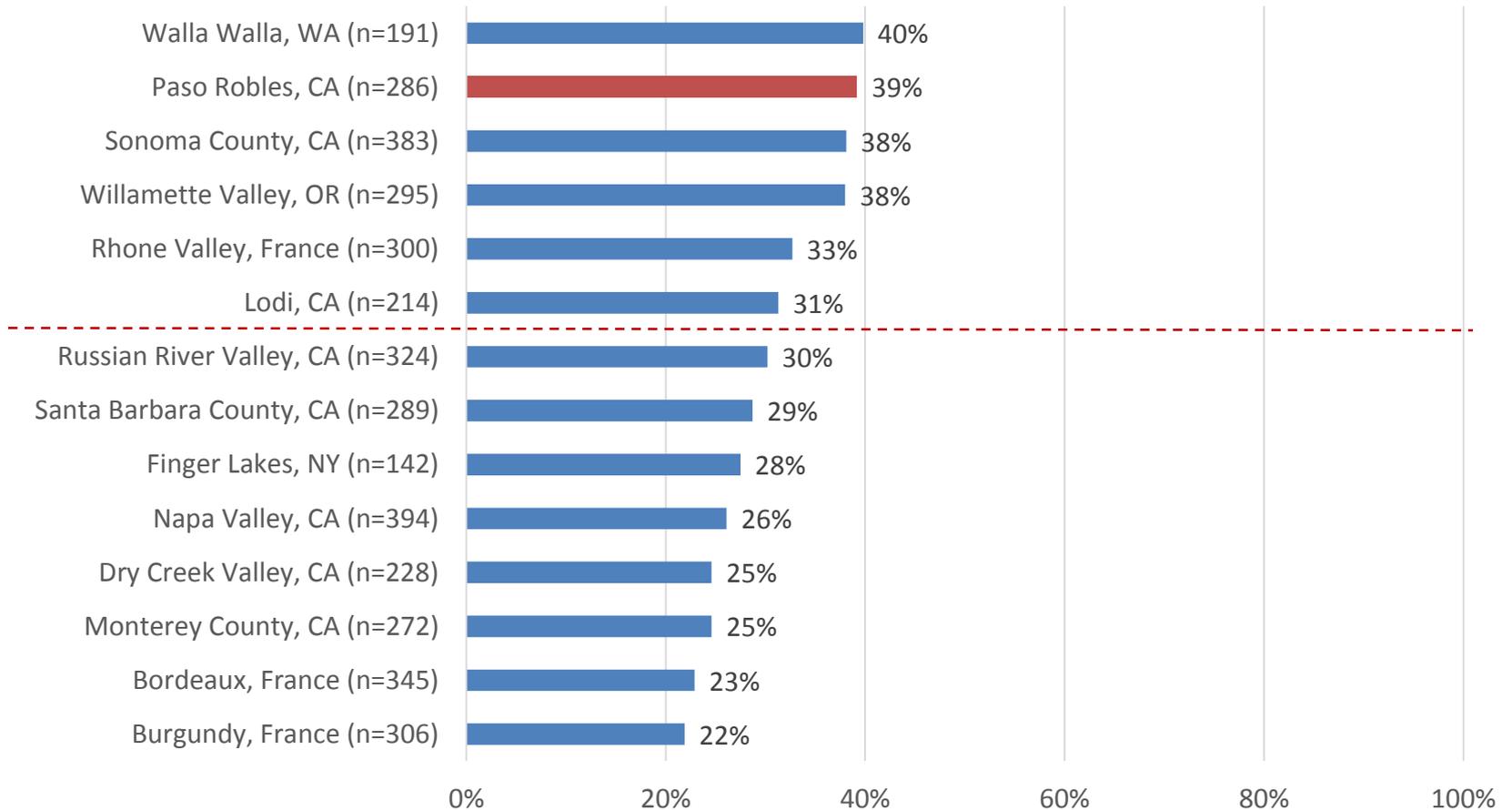
- **Value perceptions of the Paso Robles region are among the best.***
- **Perceptions of the region are at parity with the following regions in terms of value:**
 - Walla Walla
 - Sonoma County
 - Willamette Valley
 - Rhone Valley
 - Lodi
- **Value perceptions of the Paso Robles region are more positive compared to these regions:**
 - Russian River Valley
 - Santa Barbara County
 - Finger Lakes
 - Napa Valley
 - Dry Creek Valley
 - Monterey County
 - Bordeaux
 - Burgundy

* Highest mean rating and highest top box (the very best) score.

5. Please indicate how you would rate the wines from that region in terms of value for the money.

Region Value for the Money: % The Very Best/Far Above Average

Base: Very/Somewhat Familiar



5. Please indicate how you would rate the wines from that region in terms of value for the money.

Region Attribute Ratings: % Rated 8/9/10

- Respondents familiar with Paso Robles, Napa Valley, Sonoma County were asked their specific perceptions of each region on 13 factors (the same factors that were rated on importance).
- Paso Robles has a perceptual advantage versus Napa Valley on the important factor of value for the money.
- Perceptions of Napa Valley and Sonoma County are more positive compared to Paso Robles on the other 12 attributes.
- Napa also enjoys a perceptual advantage over Sonoma County in terms of:
 - Consistently produces high quality wines
 - Has ideal soils and climates for grapes
 - Has a long tradition of making fine wines
 - Makes wines worthy of aging
 - Makes wines that would be a good choice in a restaurant
 - Easy to find and buy wines made in the region
 - Makes wines appropriate for special occasions
- Importantly, those who agree that the following factors accurately describe Paso Robles have the most favorable overall impression of the region:
 - Consistently produces high quality wines
 - Produces outstanding wines of many types
 - Wineries there provide environmental and/or social leadership

6. Please indicate how much you agree or disagree that each attribute describes (...) or wines produced in (...). (10-point scale where 1 = “disagree completely” and 10 = “agree completely”)

Region Attribute Ratings: % Rated 8/9/10

		Paso Robles	Napa Valley	Sonoma County
	Base: Very/somewhat familiar with region	(n=286)	(n=394)	(n=383)
High Importance	<i>Consistently produces high quality wines*</i>	35%	73% b	66% a
	Offers wines that provide good value for the money	45% a	32%	56% a
	Has ideal soils and climate for growing grapes	43%	80% b	70% a
Moderate Importance	Has a long tradition of making fine wine	21%	77% b	60% a
	Makes wines worthy of aging	28%	77% b	64% a
	<i>Produces outstanding wines of many types*</i>	32%	67% a	63% a
	Makes wines that would be a good choice in a nice restaurant	45%	75% b	71% a
	Easy to find and buy wines made in the region	34%	85% b	71% a
Low Importance	A fun place to visit	37%	69% a	65% a
	Makes wines appropriate for special occasions	34%	73% b	66% a
	Wineries there are family-owned	30%	42% a	47% b
	<i>Wineries there provide environmental and/or social leadership*</i>	25%	37% a	39% a
	Is convenient to visit	23%	45% a	46% a

 = Paso Robles advantage

 = Paso Robles disadvantage

Bold = largest gaps vs. Paso Robles (>30% difference)

* Respondents who see Paso Robles as having these characteristics have the most favorable overall impression of Paso Robles.

6. Please indicate how much you agree or disagree that each attribute describes (...) or wines produced in (...). (10-point scale where 1 = "disagree completely" and 10 = "agree completely")

Paso Robles Attribute Ratings: Subgroup Differences

- **The following audiences generally rate Paso Robles more favorably than others on all attributes:**
 - Very familiar with Paso Robles
 - Frequent winery visitors
 - Buy lots of wine from wineries
 - Have visited Paso Robles
 - Belong to wine club(s)
 - California residents
- **Those with household incomes below \$150K were more apt to rate Paso Robles favorably on the following factors:**
 - Has ideal soils and climate for growing grapes
 - Produces outstanding wines of many types
 - Makes wines worthy of aging

6. Please indicate how much you agree or disagree that each attribute describes (...) or wines produced in (...). (10-point scale where 1 = “disagree completely” and 10 = “agree completely”)

Paso Robles Gap Analysis

- **When we compare how the Paso Robles region is rated with the importance of each factor we see a few “gaps” (i.e., areas where perceptions most seriously fall short of ideal).**
- **The areas with the biggest gaps, and hence the greatest opportunity for perceptual improvement are:**
 - Consistently produces high quality wines (highly correlated with positive overall perception of the region)
 - Offers wines that provide good value for the money
 - Has ideal soils and climate for growing grapes
 - Has a long tradition of making fine wine

Paso Robles Gap Analysis: % Rated 8/9/10

	Importance Rating	Paso Robles Rating	Difference
Base:	(n=402)	(n=286)	+/-
Most Important			
<i>Consistently produces high quality wines*</i>	85%	35%	-50%
High Importance			
Offers wines that provide good value for the money	69%	45%	-24%
Has ideal soils and climate for growing grapes	62%	43%	-20%
Moderate Importance			
Has a long tradition of making fine wine	49%	21%	-28%
Makes wines worthy of aging	44%	28%	-17%
<i>Produces outstanding wines of many types*</i>	41%	32%	-10%
Makes wines that would be a good choice in a nice restaurant	39%	45%	6%
Easy to find and buy wines made in the region	39%	34%	-5%
Low Importance			
A fun place to visit	32%	37%	6%
Makes wines appropriate for special occasions	30%	34%	3%
Wineries there are family-owned	28%	30%	3%
<i>Wineries there provide environmental and/or social leadership*</i>	26%	25%	-2%
Is convenient to visit	21%	23%	2%

* Respondents who see Paso Robles as having these characteristics have the most favorable overall impression of Paso Robles.

Paso Robles Descriptors

- **A majority of those familiar with the Paso Robles region feel “approachable” accurately describes their feelings about Paso Robles wines (especially past Paso Robles visitors).**
- **About four in ten feel the following accurately describe their feelings about Paso Robles wines:**
 - Down to earth (especially Baby Boomers and “very” familiar with Paso Robles)
 - Unpretentious (especially those “very” familiar with Paso Robles and wine club members)
 - Casual (especially California residents)
 - Friendly (especially California residents and those “very” familiar with Paso Robles)
- **Those who agree that the following describe Paso Robles wines have the most favorable overall impression of the region:**
 - Friendly
 - High quality
 - Unique
 - Personal
- **Very few (less than 10%) feel that Paso Robles wines are:**
 - Traditional
 - Rule breaking
 - Special
 - Common
 - Daring
 - Proudful
 - Irreverent
 - The best
 - Heavy
 - Extraordinary
 - Old-fashioned
 - Premier
 - Legendary
 - Snobbish

7. Which of the following words and phrases describe your feelings about Paso Robles wines?

Paso Robles Descriptors

Base: Very/somewhat fam.	(n=286)	Base: Very/somewhat fam.	(n=286)	Base: Very/somewhat fam.	(n=286)
Approachable	56%	Creative	19%	Sophisticated	10%
Down to earth	43%	Diverse	18%	Traditional	9%
Unpretentious	43%	Adventurous	16%	Rule breaking	8%
Casual	42%	High alcohol	16%	Special	7%
<i>Friendly*</i>	42%	Innovative	16%	Common	7%
Relaxed	35%	Powerful	16%	Daring	6%
Tasteful	32%	Environmentally responsible	14%	Prideful	6%
<i>High quality*</i>	32%	Trendy	14%	Irreverent	5%
Fun	30%	<i>Unique*</i>	14%	The best	5%
Contemporary	28%	Original	13%	Heavy	5%
Authentic	28%	<i>Personal*</i>	13%	Extraordinary	4%
Genuine	26%	Stylish	12%	Old-fashioned	4%
Reliable	25%	Classic	12%	Premier	3%
Jammy	22%	Elegant	11%	Legendary	2%
Hospitable	22%	Experimental	10%	Snobbish	**

* Respondents who see Paso Robles wines as having these characteristics have the most favorable overall impression of Paso Robles.

** = less than 0.5%.

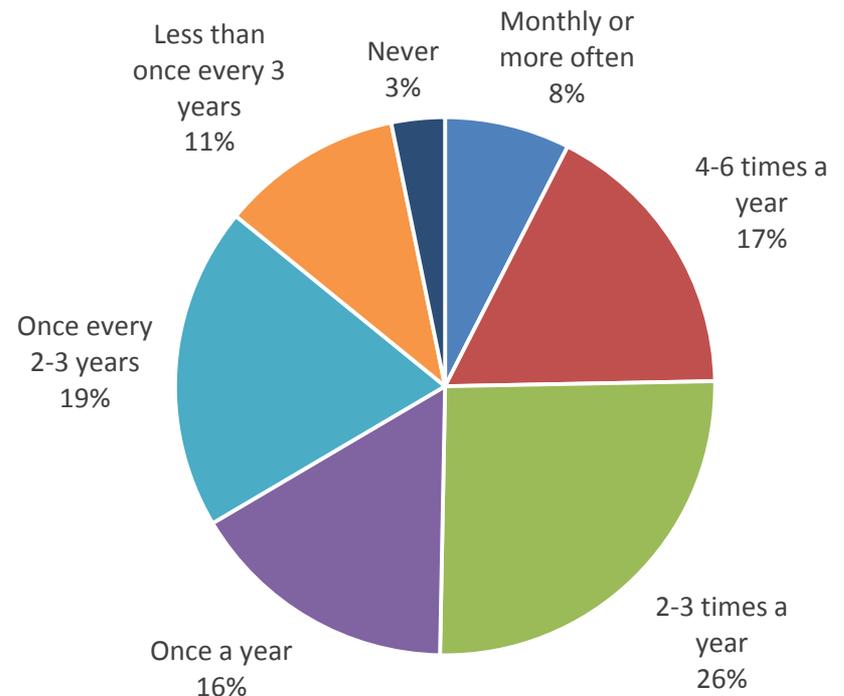
7. Which of the following words and phrases describe your feelings about Paso Robles wines?

Winery Visitation & Impact

Frequency Visit Wineries*

- **One in four respondents say they visit a winery at least four times a year.**
- **Two-thirds (67%) visit at least annually.**
- **Only one in ten (11%) visit less than once every three years and virtually everyone (97%) has made a winery visit at some point.**
- **Frequent winery visitors tend to be:**
 - California residents (85% visit a winery more than once a year, compared to 40% of non-residents)
 - Very familiar with Paso Robles and have visited the region
 - Frequent buyers from wineries
 - Wine club members
 - Have a very favorable opinion of Paso Robles

Base: Total Respondents (n=402)



* In order to qualify for the survey, respondents had to have visited a winery in the past, or be likely to do so in the next 18 months.

8. How often, if ever, do you visit wineries?

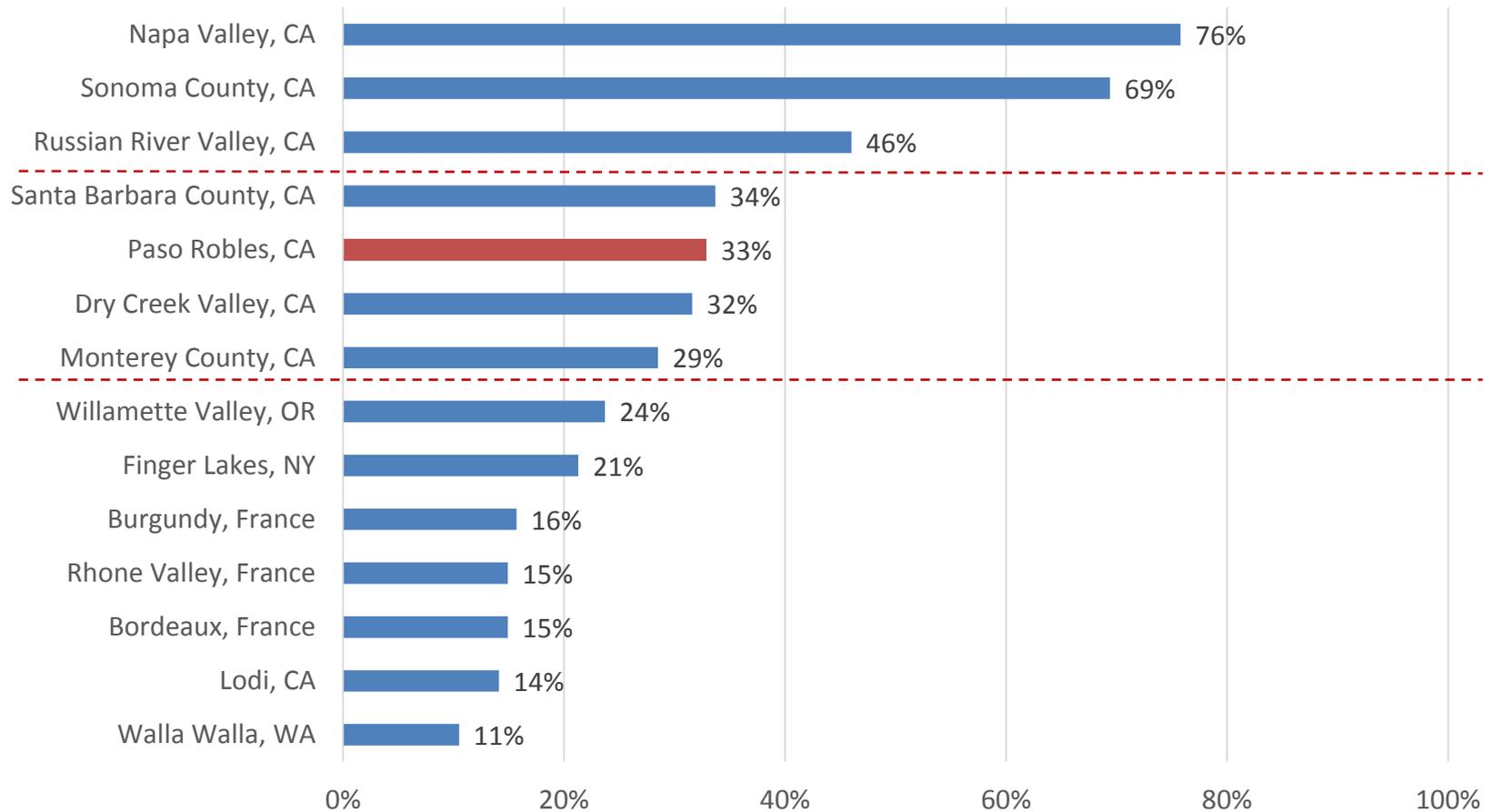
Regions Visited

- **Among those who have visited wineries in the past, Napa and Sonoma are clearly the most popular (lead by those with household incomes of \$150K+, men and Baby Boomers) followed by the Russian River (lead by those with household incomes of \$150K+ and men).**
- **Visitation to the Paso Robles region is in the next tier along with Santa Barbara County, Dry Creek Valley and Monterey County.**
 - Prior visitation to Paso Robles is highest among those age 40+, men, wine club members, those buying a lot of wine from wineries and wine club members.
- **Not surprisingly, all of the California regions are more visited by California residents.**
 - For Paso Robles, 70% of Californians have ever visited a winery in the region, compared to 22% of all other respondents.

9. Have you ever visited a winery in any of the following areas?

Regions Visited

Base: Visits Wineries (n=389)



9. Have you ever visited a winery in any of the following areas?

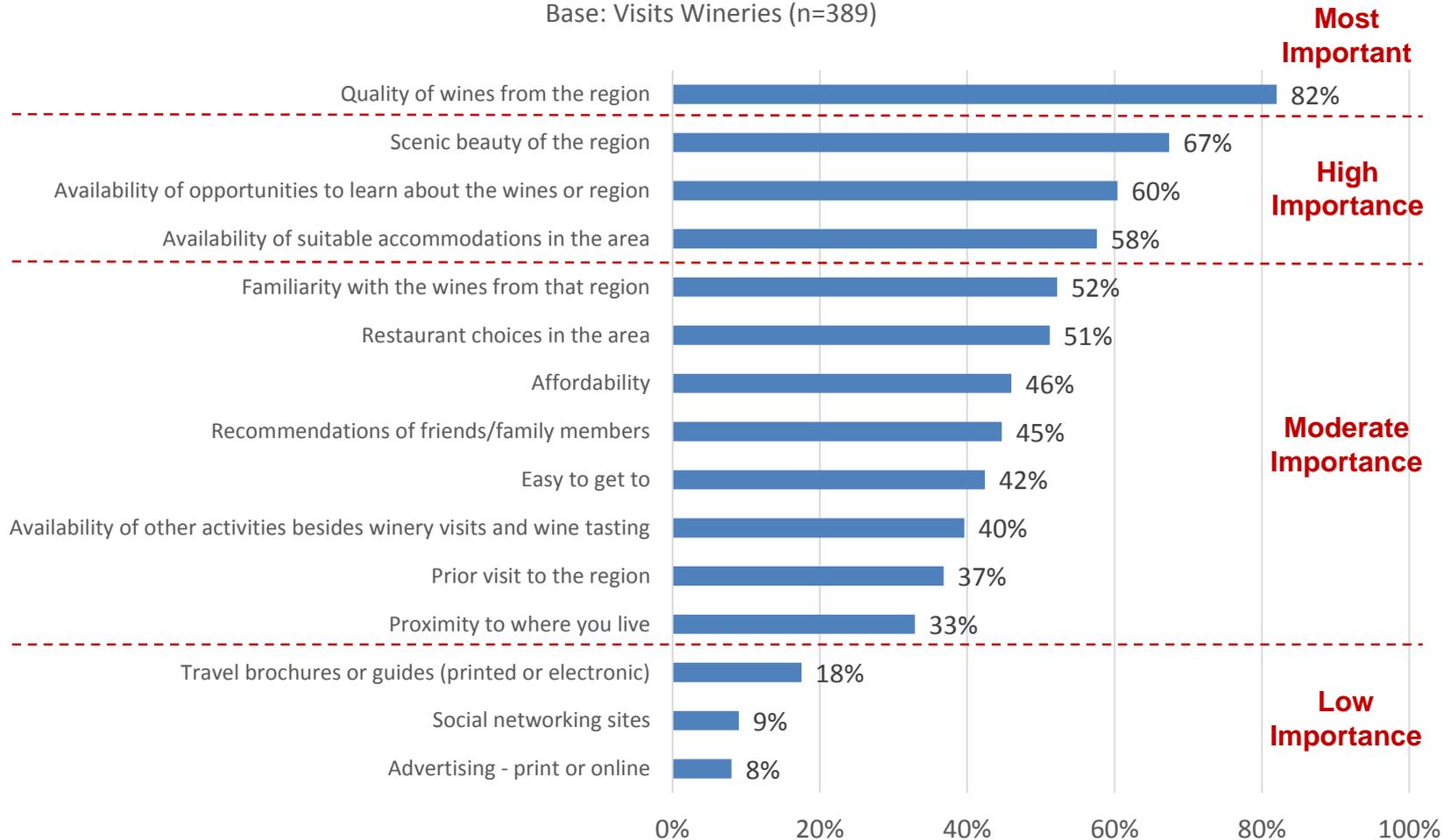
Factor Importance (Deciding to Visit Region)

- Respondents were asked the importance of 15 considerations when choosing a wine region to visit.
- The single most important consideration is the quality of the wines from the region (especially among frequent \$16+ buyers and frequent winery visitors).
- Other considerations of high importance include:
 - Scenic beauty of the region (especially among 21 to 54 year olds)
 - Availability of opportunities to learn about the wines or region (especially among frequent winery visitors and those with household incomes of \$150K+)
 - Availability of suitable accommodations in the area
- Travel brochures, social networking sites and advertising are given less importance in this regard.

10. How important are each of the following factors in influencing your decision to visit a particular wine region? (10-point scale where 1 = “not at all important” and 10 = “extremely important”)

Factor Importance (Deciding to Visit Region): % Rated 8/9/10

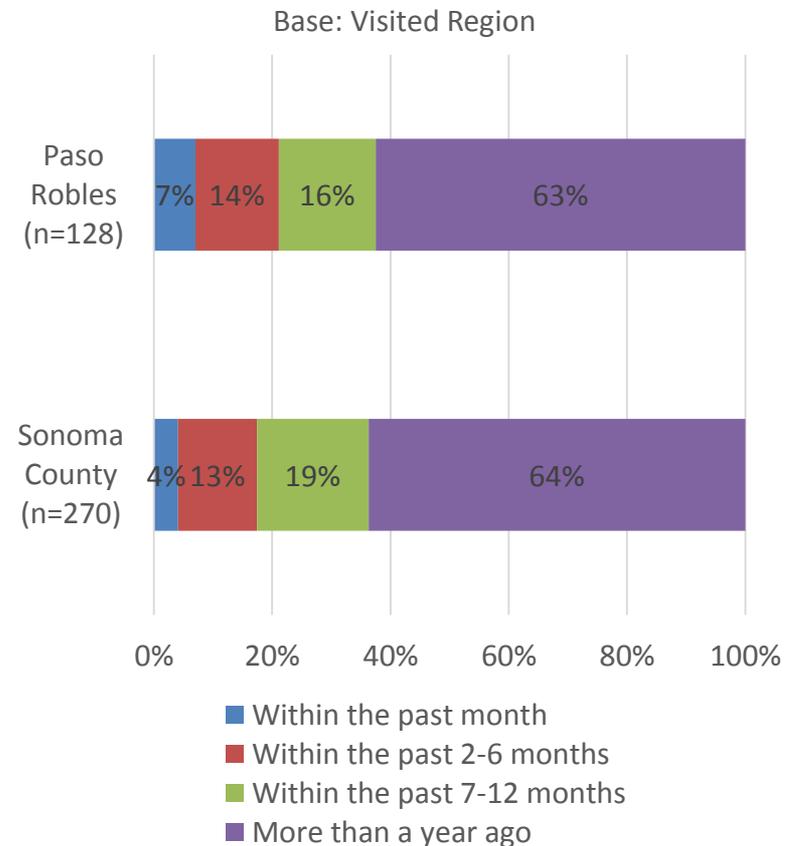
Base: Visits Wineries (n=389)



10. How important are each of the following factors in influencing your decision to visit a particular wine region? (10-point scale where 1 = "not at all important" and 10 = "extremely important")

Last Visit to Region

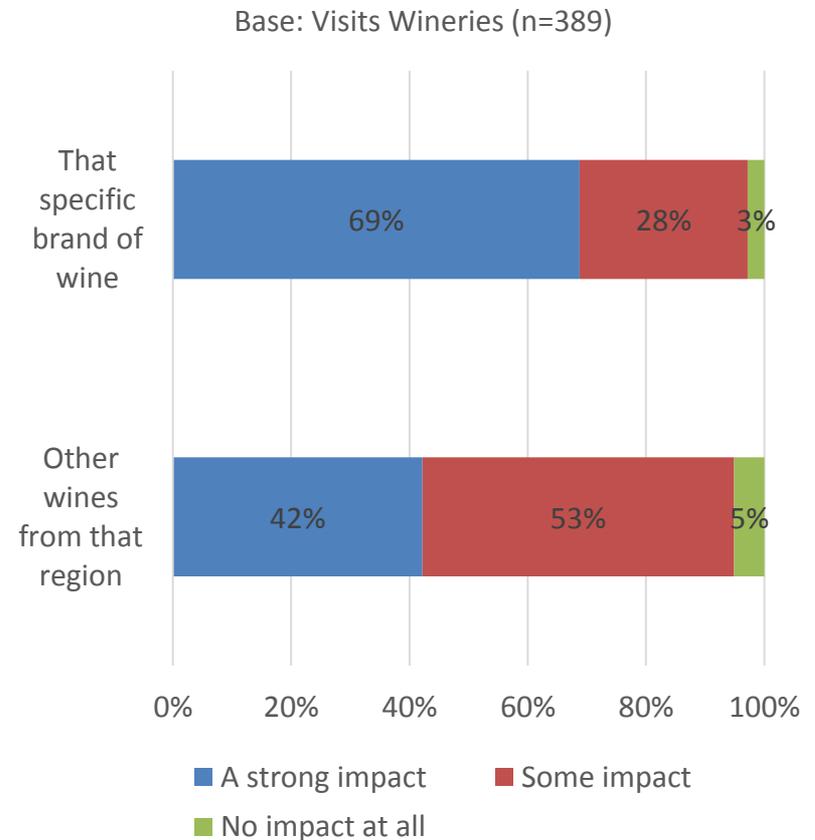
- **The recency of a regional winery visit is similar for Sonoma and Paso Robles among those who have visited each region before.**
- **About one in five Paso Robles visitors made their last visit within the past six months. An additional one in seven last visited the region seven to 12 months ago.**
 - California residents, wine club members and those with household incomes less than \$150K were more apt to have made a recent visit to the region.
- **Six in ten made their last visit more than 12 months ago.**



13. When was the last time you visited a winery in (Paso Robles/Sonoma County)?

Impact of Winery Visitation on Purchase Consideration

- Visiting a winery not only positively impacts future purchase likelihood for that brand, it does the same (to a lesser degree) for other wines from that same region.
- The impact on purchasing that specific brand of wine is strongest among 21 to 54 year olds and frequent winery visitors.
- The impact on purchasing other wines from that region is strongest among 21 to 39 year olds, weekly \$15+ wine buyers and those very familiar with Paso Robles.

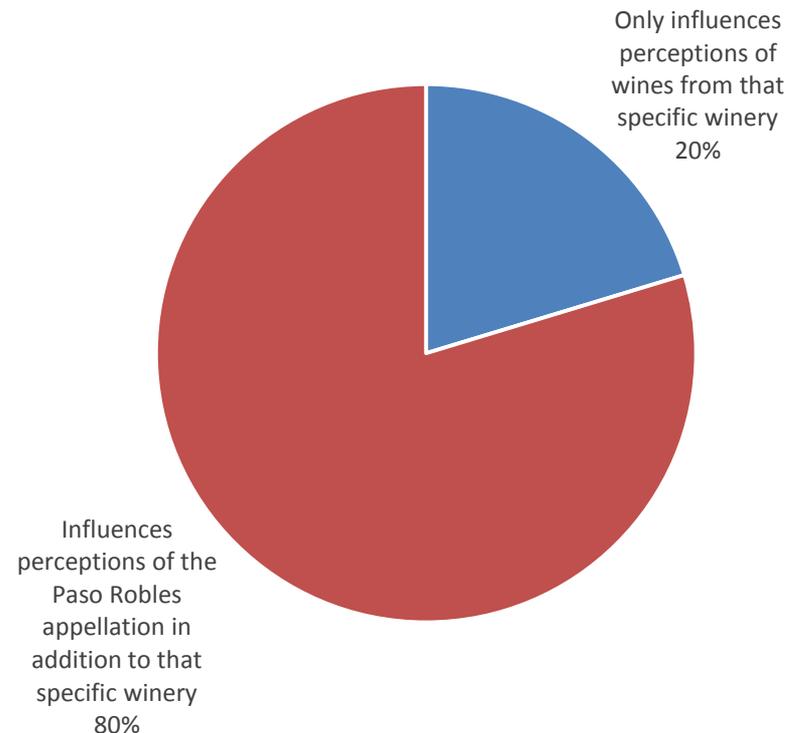


11/12. How much impact, if any, does visiting a winery have on your likelihood to purchase (that specific brand of wine/other wines from that same region) in the future?

Impact of Paso Robles Visitation on Perceptions

- **Eight in ten of those who have been to Paso Robles say it influences their perceptions of the appellation as a whole, not just the specific winery visited.**
- **This does not vary by any of the subgroups examined.**

Base: Visited Winery in Paso Robles (n=128)



14. When visiting a specific winery in Paso Robles, which of the following best describes the impact it has on your perceptions?

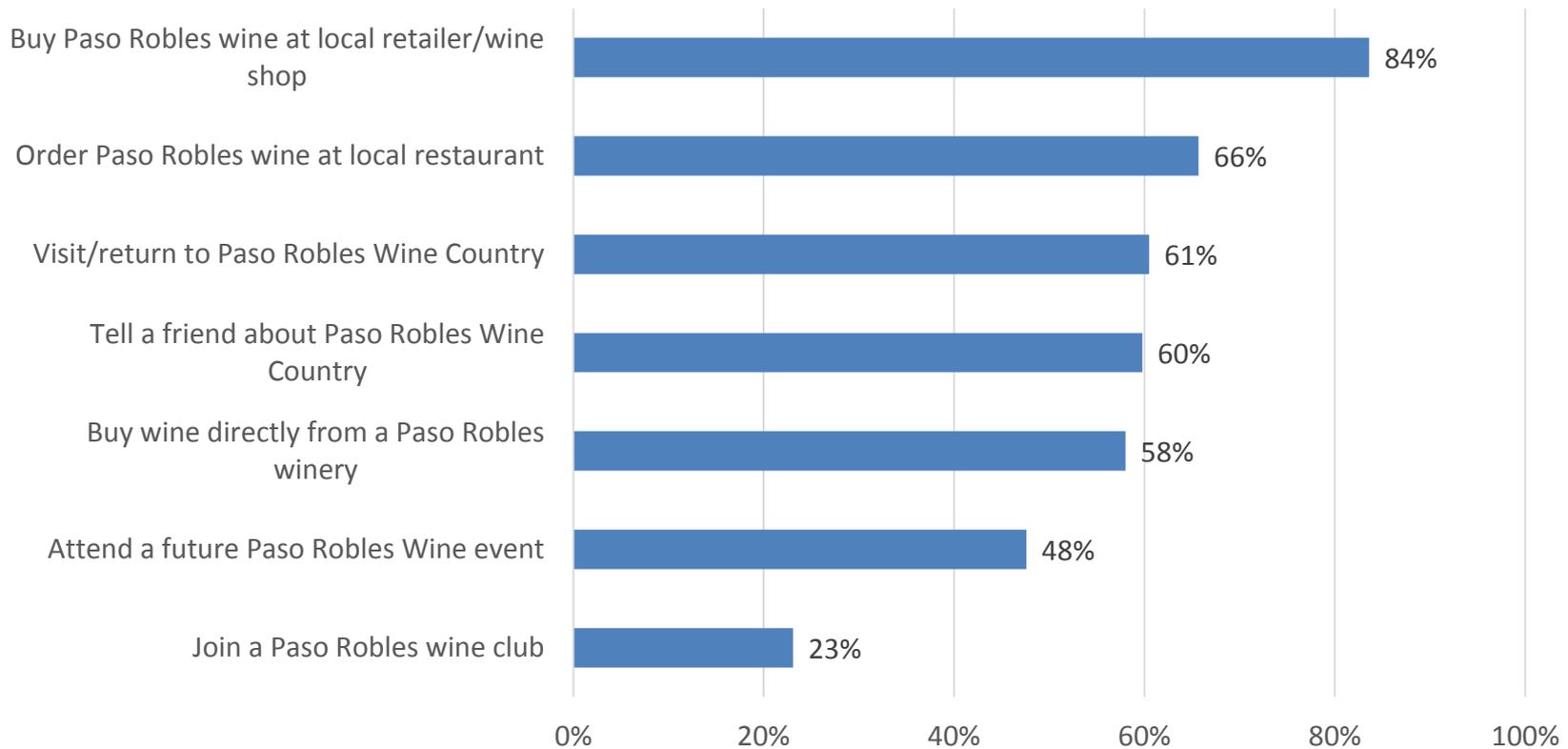
Likely Impact of Paso Robles Wine Event/Tasting on Future Behavior

- **After attending an enjoyable wine event in Paso Robles or that featured Paso Robles wines, more than eight in ten of those familiar with the region say they would be likely to buy Paso Robles wines at a local retailer.**
- **Two-thirds would be likely to order Paso Robles wines in a restaurant (especially frequent winery visitors and those with the most favorable impression of Paso Robles).**
- **Roughly six in ten would likely visit again, tell a friend, and buy directly from a Paso Robles winery.**

15b. After attending an enjoyable wine event in Paso Robles or where you tasted wine from Paso Robles that you enjoyed, which of the following would you be likely to do?

Likely Impact of Paso Robles Wine Event/Tasting on Future Behavior

Base: Very/somewhat familiar with Paso Robles and visits wineries OR visited a winery in Paso Robles (n=286)



15b. After attending an enjoyable wine event in Paso Robles or where you tasted wine from Paso Robles that you enjoyed, which of the following would you be likely to do?

Activities

Activities Regularly Participate In

- **More than three-fourths of these respondents regularly dine out, cook and travel.**
- **About two-thirds enjoy food and wine events, reading and keeping fit.**
- **Regular participation in the following activities appears to have a high correlation with a positive overall image of Paso Robles:**
 - Food and wine events/festivals
 - Entertaining
 - Family-friendly activities
 - Gardening/landscaping
 - Hiking
 - Fine art
 - Photography
 - Tennis

20. Which of the following activities, if any, do you regularly participate in?

Activities Regularly Participate In

Base: Total Respondents	(n=402)
Dining out	85%
Cooking	77%
Travel	77%
<i>Food and wine events/festivals*</i>	67%
Reading	66%
Exercise/physical fitness	66%
Movies/films	58%
<i>Entertaining*</i>	53%
Music/concerts	49%
Pets	48%
Watching team sports	46%
Beach	41%
<i>Family friendly activities*</i>	39%
Theater/performing arts	38%
<i>Gardening/landscaping*</i>	33%

Base: Total Respondents	(n=402)
<i>Hiking*</i>	30%
<i>Fine art*</i>	25%
Cycling	23%
<i>Photography*</i>	22%
Spas/wellness	21%
Golf	20%
Yoga	18%
Philanthropy	17%
Skiing	13%
<i>Tennis*</i>	9%
Playing team sports	9%
Sailing	7%
Horseback riding/equestrian	3%
Surfing	2%

** Respondents who regularly participate in these activities have the most favorable overall impression of Paso Robles.*

20. Which of the following activities, if any, do you regularly participate in?

Summary of Key Findings

Wine Purchasing Behavior

- Respondents purchase about one-half of their \$15+ wine, on average, from a retailer.
- About one-fourth is purchased at restaurants and one-fifth is purchased from a winery (22% from a winery among California residents).
- Wine clubs account for an average of 6% of \$15+ wine purchasing volume.
- Liquor/wine specialty stores are the most frequently used retail outlet for \$15+ wine, followed by supermarkets and liquor/wine discount stores.
 - Supermarkets are particularly important to Millennials.
- Looking at all the \$15+ wine purchased from a winery, nearly one-half is purchased in person, on average.
- More than one-fourth is purchased through wineries' wine clubs and nearly as much is purchased from wineries' websites.
- About one-half of respondents belong to at least one wine club. Among wine club members, they are about evenly split between one to two wine clubs and 3 or more.

Decision Factors

- **When choosing a \$15+ wine to buy, the top two factors considered are:**
 - Brand familiarity
 - Appellation
- **Other important factors or information sources include:**
 - Wine tasting events
 - Prior winery visitation
 - Recommendation from a friend or family member
- **When choosing among wines from different wine producing regions, consistent quality is the single most important consideration.**
 - Value for the money and having ideal soil and climate are also very important considerations.

Region Familiarity & Perceptions

- **A little more than one-third of respondents are very familiar with Paso Robles and a similar proportion are somewhat familiar with the region (for a total of 71% familiar).**
- **Key sources of initial familiarity with Paso Robles include:**
 - Retail shops selling Paso Robles wines
 - Friends/family
 - Restaurants (wine list or sommelier)
 - Magazines
- **Paso Robles familiarity trails Napa, Sonoma and Russian River, and is at parity with Bordeaux, Burgundy, Willamette Valley and the Rhone Valley.**
- **Familiarity with Paso Robles is stronger than for Dry Creek Valley, Santa Barbara County, Monterey County, Lodi, Walla Walla, and the Finger Lakes.**
- **Overall impressions of the Paso Robles region are favorable.**
 - About four in ten view the region as far above average and the same proportion consider the region to be a little above average.
- **Of the 15 regions tested, Paso Robles falls right in the middle on overall impressions (i.e., seven regions rated higher and seven rated lower).**

Region Familiarity & Perceptions (continued)

- **Paso Robles wines are generally seen as:**
 - Approachable
 - Down to earth
 - Unpretentious
 - Casual
 - Friendly
- **Value perception of the Paso Robles region are very favorable and at parity with:**
 - Walla Walla
 - Sonoma County
 - Willamette Valley
 - Rhone Valley
 - Lodi
- **Paso Robles wines are seen as a better value compared to these regions:**
 - Russian River Valley
 - Santa Barbara County
 - Finger Lakes
 - Napa Valley
 - Dry Creek Valley
 - Monterey County
 - Bordeaux
 - Burgundy

Winery Visitation & Impact

- **Napa and Sonoma are clearly the most popular wine regions to visit, followed by the Russian River.**
- **Visitation to the Paso Robles region is in the next tier, similar to Santa Barbara, Dry Creek Valley and Monterey.**
- **When choosing a wine region to visit, the most important considerations are:**
 - Quality of the wines from the region
 - Scenic beauty of the region
 - Availability of opportunities to learn about the wines or region
 - Availability of suitable accommodations in the area
- **Visiting a winery not only positively impacts future purchase likelihood for that brand, it does the same (to a lesser degree) for the appellation as a whole.**

Recommendations

Recommended Messages

- **The #1 message to communicate about Paso Robles is consistency in producing high quality wines.**
 - This is the most important purchase decision factor, the area where Paso Robles has the largest perceptual gap, and is highly correlated with overall perceptions of the region.
- **Other important messages include:**
 - Offering wines that provide good value for the money (a highly important area and one where Paso Robles is already positively perceived)
 - Producing outstanding wines of many types
 - Environmental and/or social leadership of wineries
 - Having ideal soils and climate for growing grapes
 - Having a long tradition of making fine wine
 - Approachable, down-to-earth, unpretentious wines
 - Wines that have a friendly or personal feel

Messaging Channels

- **Regular participation in the following activities appears to have a high correlation with a positive image of Paso Robles, and therefore would be wise to use as a way to target the aforementioned messages:**
 - Food and wine events/festivals
 - Entertaining
 - Family-friendly activities
 - Gardening/landscaping
 - Hiking
 - Fine art
 - Photography
 - Tennis