

REPUTATION OF OREGON WINE

BACKGROUND

- Reputation: aggregate assessment of overall appeal of a company, industry, region, or country
- Reputation of wine/wine regions impacts wine purchase decisions and regional economies, but there is a lack of research on regional reputation related to Oregon wine
- Study objectives
 - Assess regional reputation associated with Oregon wine
 - Increase understanding of factors associated with the purchase of Oregon wine
- Research partners: Oregon Wine Board, Willamette Valley Wineries Association, Linfield College

- Consumer survey investigated importance of the key factors identified in the interviews
 - Also asked about familiarity with Oregon varietals, perceptions of California wine, and questions about demographics and buying behavior
- Parallel trade survey examined perceptions of trade professionals
 - Distributors, retailers, restaurateurs, restaurant managers, and sommeliers

SURVEY PHASE

Demographics



- Consumer survey
 - 54% female
 - Varied in age and income level
 - Nearly 80% with bachelor's degree or above
- Trade survey
 - 35% wine retailers, 17% sommeliers, 15% wine distributors, 10% restaurant owners, 9% restaurant managers
 - 85% reported responsibility for wine buying
 - Nearly 75% had at least 10 years of experience in a wine- or restaurant-related field
 - 92% had visited an Oregon winery



The founding members of the Willamette Valley Wineries Association stand in the vineyard, left to right: Joe Campbell of Willamette Valley Wineries, David Anderson of Anderson Winery, David Four (standing), left to right: Bob Moore of David Moore Winery, Don Ward of Willamette Valley Wineries, Myron Redford of Redford Winery, Don (left) and Lois (right) Willamette, Fred Anderson of Anderson Winery, and a member of the Willamette Valley Wineries Association. Photo courtesy of David Moore Winery and David Moore.

Consumer Results

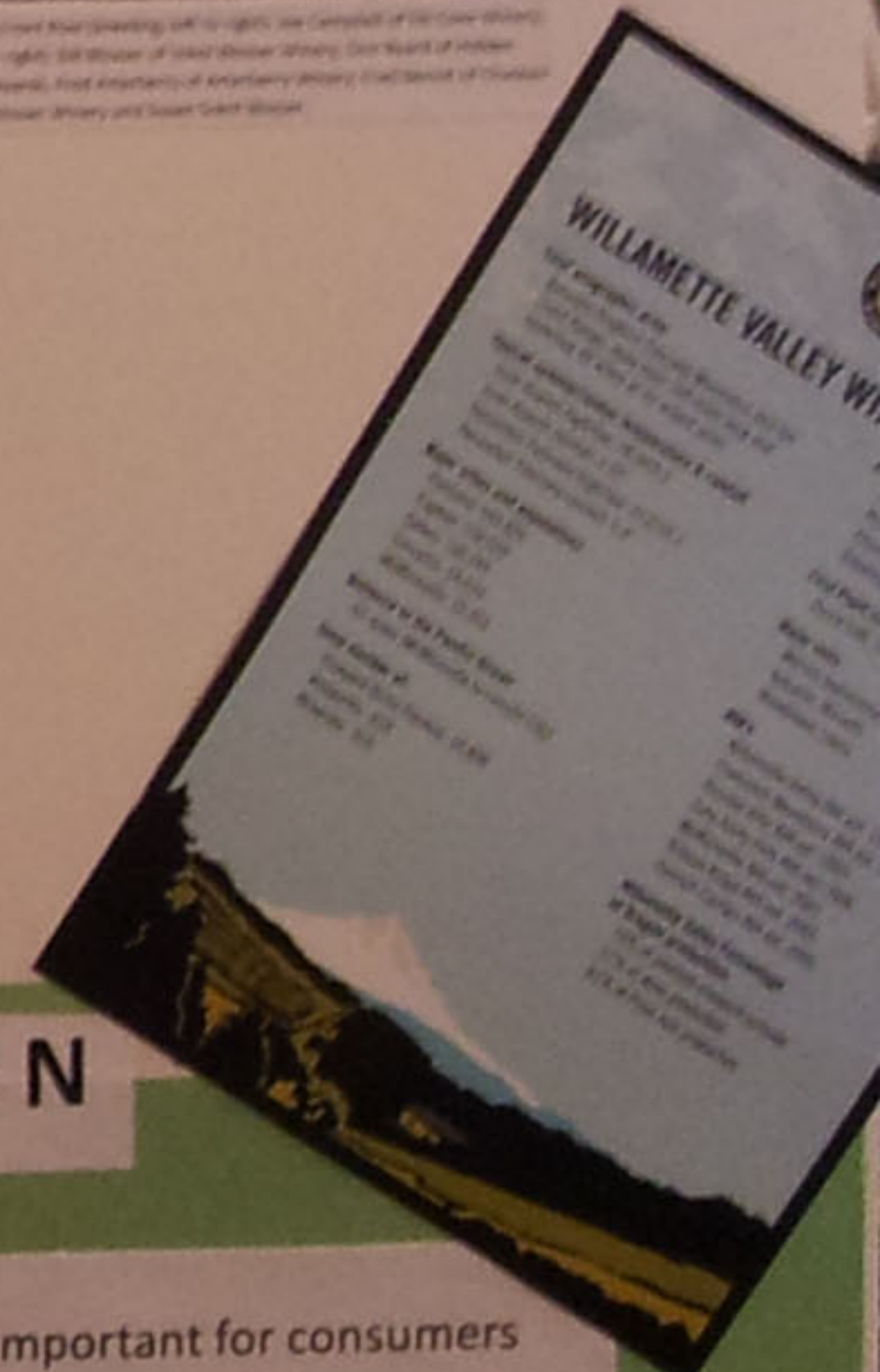
- Quality, taste, price, pairing, previous experience with a wine, and familiarity with wine region and label were important factors in wine purchase decisions
- "What are the first two or three words that come to mind when you hear the words 'Oregon Wine'?" 56%: "Pinot noir"
- Willing to spend more than usual for a bottle of Oregon wine based on region and AVA/sub-AVA

- All five key factors of Oregon regional reputation endorsed highly as associated with Oregon wine, especially in comparison to California wine

| Characteristic | Oregon Wines/Wineries | California Wines/Wineries |
|---------------------------------------|-----------------------|---------------------------|
| World class wines | 779 | 790 |
| Mass produced wines | 71 | 782 |
| A travel destination for wine tourism | 774 | 865 |
| Hand crafted/artisan wines | 837 | 520 |
| Organic or sustainably made wines | 863 | 226 |
| Tradition | 297 | 636 |
| Small family farms | 839 | 281 |
| High-quality wines | 867 | 798 |
| Expensive wines | 486 | 787 |
| Trend setting | 375 | 389 |
| Value for price | 583 | 415 |
| Uniqueness | 666 | 236 |
| Food + wine connection | 549 | 514 |
| Community/collaboration | 497 | 172 |
| Stewardship of the land | 590 | 208 |
| Quirkiness/independence | 603 | 131 |
| Easy to find when I buy wine | 307 | 724 |

Trade Results

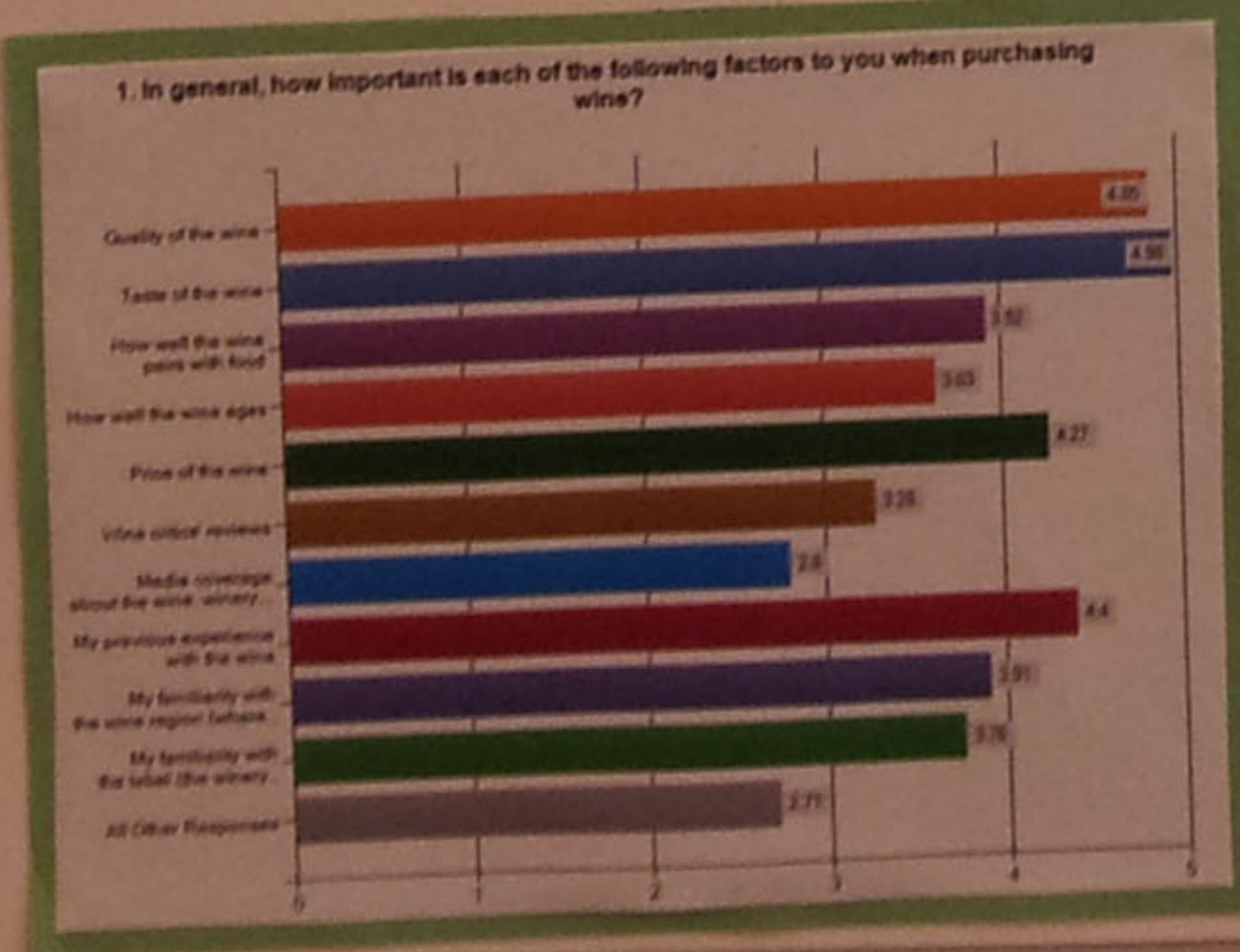
- Important to clients: quality, taste, price, pairing, and previous experience with a wine
- "What are the first two or three words that come to mind when you hear the words 'Oregon Wine'?" 55%: "Pinot noir"
- Affirmed importance of region and AVA/sub-AVA in selling/placing wine with clients
- Oregon/California: same as consumer perceptions with three additions:
 - "High quality wines", "food + wine connection" for Oregon
 - "Travel destination for wine tourism" for California



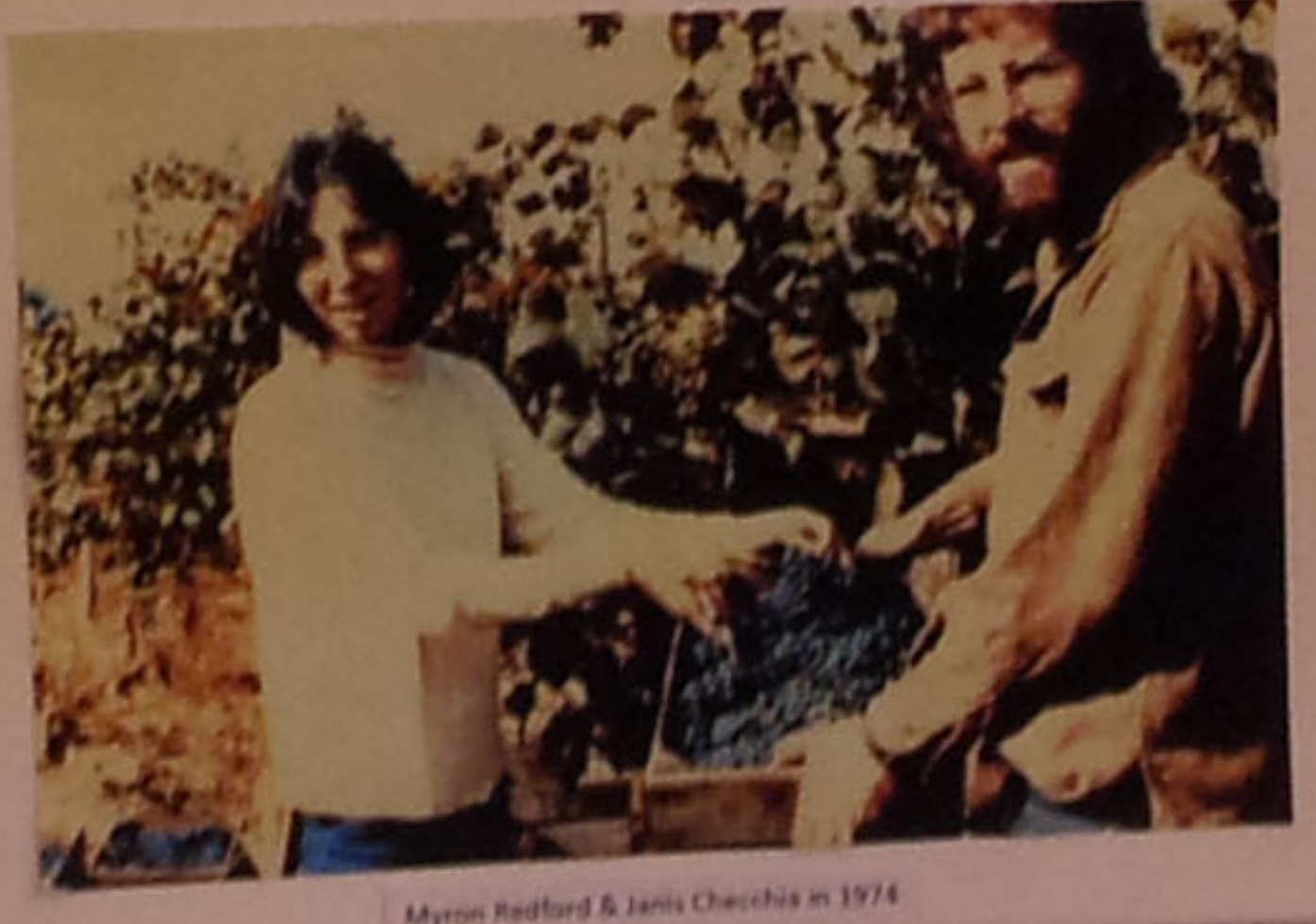
INTERVIEW PHASE

- Purpose: Learn about the reputation of the Oregon wine industry from the perspective of Oregon wine professionals (winery founders, owners, managers, winemakers)
 - Use data from the interviews to construct consumer and trade surveys
- Nineteen interviews with representative mix of winery founders, owners, managers, and winemakers from all Oregon AVAs
 - Summer and fall of 2012

- Results: key factors of Oregon's regional reputation as perceived by industry insiders:
 - Hand crafted/artisan wines
 - Organic or sustainably made wines
 - Small family farms
 - Community/collaboration
 - Stewardship of the land



- The more exposure to Oregon wine touch points, the more Oregon wine bought on a typical basis
 - Touch points: visiting a winery, attending a tasting or winemaker dinner featuring Oregon wines, receiving recommendations from others, drinking Oregon wine at a restaurant, reading about Oregon wine



Myron Redford & Janis Chechik in 1974

CONCLUSION

- Regional reputation is important for consumers and trade professionals who already have some familiarity with Oregon wine
- Five key factors of Oregon's regional reputation identified by industry insiders were confirmed as important to consumers and trade professionals
- These factors also serve as points of distinctiveness from California wines/wineries
- Quality, taste, and price; familiarity with wine, label, and region; and multiple points of exposure to Oregon wine are important factors in Oregon wine purchases