

'It's a happy drink': Australasian Generation Y's experiences and perception of sparkling wine

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Abstract

This exploratory research examines the experiences and perceptions of sparkling wine amongst 50 members of Generation Y in Australia and New Zealand. Amongst this sample many young Australian females drink sparkling wine frequently, while many young New Zealanders –male and female – 'binge drink' cheap, sweet sparkling wines. Despite these trans-Tasman differences in drinking patterns, the image of sparkling wine is the same across the cohort. Sparkling wine is seen as a 'girls' drink', a drink for special occasions, and a social drink that makes the consumer 'happy'. The paper concludes by outlining some areas for future research and implications for wine marketers and producers interested in attracting this youth market.

Keywords: Generation Y, Sparkling wine consumption, Australia, New Zealand.

Topic area: Consumer behaviour

INTRODUCTION

In an increasingly competitive and crowded wine marketplace in Australia and New Zealand wine businesses and marketers must seek to better understand their current and potential future consumers in order to meet their needs. In this context, a growing body of literature and research is highlighting the need to foster an interest in wine amongst younger consumers. While Baby Boomers are still the leading consumers of wine globally, there is evidence that the younger cohort of Generation Y are already exhibiting a more positive disposition towards wine and have overtaken Generation X in their consumption of wine, at least in the United States (Nowak *et al.*, 2006; “Millennials coming on strong”, 2006). Winning the hearts, minds, and wallets of Generation Y will be critical to ensure the long-term survival of the wine industry; to do this, understanding the needs, perceptions and experiences of this cohort is essential.

Generation Y, also referred to as the Echo-Boomers or Millennial Generation, is defined in this research project as those born between 1977 and 1999 (Lancaster and Stillman, 2003). Catering to this cohort is crucial in light of its size - Generation Y is a significantly larger cohort than Generation X in Australasia – and their already powerful role as a consumer group (Martin and Tulgan, 2001; Sheahan, 2005). There is growing research examining the wine involvement and consumption patterns and preferences of Generation Y, particularly focused in the United States (Barber *et al.*, 2008; Nowak, *et al.*, 2006; Olsen *et al.*, 2007) and Australasia (Charters and Fountain, 2006; Fountain and Charters, forthcoming; Getz and Carlsen, 2008; Hall and Treloar, 2008; Treloar, 2004). Outside of Europe, most of this generation’s early experiences with alcohol consumption begin with beer and spirits in pub and bar settings where there is little expectation to drink wine (Scalera, 2002; Treloar, 2004). As stated above, this is perhaps beginning to change, at least in the US market, however in Australia wine accounts for only 6% of alcohol consumption amongst the youngest consumers of wine, those aged 18-24 (Kent, 2007, cited in Philips, 2008, p. 30). In his study of Australasian Gen Y respondents, Treloar (2004) found that spirits were the most consumed beverage with nearly half (46.2%) consuming spirits weekly, followed by beer (40.5%). There was significant interest in wine, however with 30.5 percent of the sample consuming it weekly, and 60% consuming wine at least once a month.

In terms of sparkling wine consumption by the populace as a whole, in 2002 it represented only 8% of all wine consumed in Australia (Charters, 2005) and almost three quarters of Australian wine consumers (72%) do not drink sparkling wine regularly (Batt and Dean, 2000). In the New Zealand context sparkling wine consumption has decreased dramatically over the last thirty decades. In a survey of New Zealander’s wine consumption patterns 11% of wine drinkers in 2008 stated that the last wine they had consumed was a sparkling wine, this compares with 15% of wine drinkers in 1998 and a staggering 74% in 1977. A similar trend is seen in wine purchasing; sparkling wine made up only 8% of the most recent wine purchases in 2008, down from 14% ten years earlier (Lamb, 2009). At the present time, however, a number of wineries in Australia and New Zealand are attempting to attract the Generation Y cohort, particularly females, to wine through the introduction of sweet sparkling wines (for case studies see Phillips, 2008).

To date, there has been little research on consumers’ perspective of sparkling wine; why they drink it, how they were introduced to it, and in which situations sparkling wine is consumed. A study by Charters (2005) incorporating wine professionals, wine mediators and consumers found that most respondents focused on the symbolic, rather than the hedonic, aspects of sparkling wine consumption, that is the meaning or memories of drinking sparkling wine rather than the enjoyment of the taste. By comparison those that disliked sparkling wine did so due to hedonic elements, such as taste, or not liking the bubbles. There was no examination of these attitudes by age or generational group.

The current research has sought to explore the perceptions and consumption patterns of a group of Australasian Generation Y to sparkling wine. The following paper outlines some of these findings and discusses the implications for wine producers and wine marketers.

METHODOLOGY

This exploratory research, part of a worldwide project, has been undertaken via a series of focus groups in Melbourne (Victoria, Australia) and Christchurch (New Zealand). Four focus groups were held in Christchurch, involving 31 participants, and three in Melbourne, involving 19 participants, meaning the opinions of 50 Australasian Generation Y males and females are discussed here. A form of snowball sampling was used, with participants recruited through the universities where the researchers worked. Potential participants were told that they were being recruited for a focus group to talk about, and taste, a certain type of wine. The total proportion of participants who were current students was restricted to less than 50% to ensure a reasonably broad representation of the cohort, with other participants being mainly university staff and graduates and their friends and family members.

Given the 'self-selecting' nature of these focus groups and existing evidence that wine is a preferred alcoholic beverage of women in Australia (Pettigrew, 2003) it is not surprising that more women than men were recruited to these focus groups. Overall, 68 percent (34) of the participants were female, and 32 percent (16) male. The age range of participants was from 18 to 28 with an average age of 22.4 years. The Australian sample (23.6 years) had a higher average age than the New Zealand sample (21.7 years), with 22.5 percent (7) of the New Zealand participants being under the age of 20 years. By comparison, the youngest participants in the Australian focus groups were 21 years old. Not surprisingly, given the age differences, there were more students in the New Zealand sample and fewer professionals; 45 percent (14) of the sample were current students, while 29 percent were clerical or sales workers and 13 percent (4) professionals or managers. The Australian sample contained two current students (10.5%), with the majority of participants being clerical/service workers (42%) and professionals (32%). Generally the Australian sample were more experienced and knowledgeable about wine, partly attributable to their older age.

FINDINGS AND DISCUSSION

Participants were asked about their general wine consumption patterns and about how their consumption of wine compared with their consumption of other alcoholic beverages, both in terms of quantity and context. Most of the participants said there were situations in which they drank wine; a response not surprising in light of the fact that they knew the general topic of the focus group before they volunteered to participate. More than two thirds of the Australian sample (68.4%; 13 of the 19) stated wine is their primary alcoholic beverage; sparkling wine is the preferred type for seven respondents (36.8%) with an even split between still red (15.8%) and still white wine (15.8%).

Amongst the New Zealanders many participants found it hard to select their primary alcoholic beverage, stating that the context in which they consumed alcohol had a major impact on their choice. This may have been due to the younger age of the sample and the fact that they are still experimenting with their alcoholic beverage choices. Just over half of respondents (51.6%) named wine their first, or equal first, alcoholic beverage of choice. While a similar number of Australians and New Zealanders selected wine as their primary alcoholic beverage, there are differences in their preferences for types of wine. The New Zealanders demonstrate a clear preference for still white wines (32.3% of total sample) followed by sparkling wine and red wine (both 9.7%). Both the New Zealand and Australian preferences differ markedly from those found in United States research, where dry red wine predominates in the preference of Generation Y (Olsen *et al.*, 2007). Wine was not the primary alcoholic beverage for any of the 16 males in these focus groups, although a number of males in both countries acknowledged that they were drinking significantly more wine than in the past, and there were clearly some contexts in which they would drink wine over other alcoholic beverages.

Participants were asked to describe their consumption of sparkling wine and the contexts in which they consumed it. The Australian sample as a whole seemed to drink sparkling wine more frequently than the New Zealand sample, with over half of the Australian females consuming sparkling wine at least fortnightly while most of the New Zealanders consume it once a month or less often. There are clear differences also in the quality of sparkling wine being consumed by the two samples. Generally the Australian sparkling wine consumers are buying and drinking higher quality product including some champagne, turning their noses up at the sweeter style wines aimed at their demographic (*cf.* Phillips, 2008). By comparison the New Zealanders who regularly consume sparkling wine are predominantly the younger participants, and they are drinking cheap, sweet sparkling wines (often fruit flavoured). Compared with the Australian sample, there was very little knowledge amongst New Zealanders about the difference between champagne and sparkling wine, none of them had purchased champagne themselves and only a few had consumed it, mostly in quite formal settings.

A significant difference between these two samples is that the young males and females from New Zealand seem to be drinking sparkling wine as part of their introduction to the 'drinking culture'. While it has been reported that young people are primarily introduced to alcohol via beer and spirits (Scalera, 2002; Treloar, 2004) many of the New Zealand participants, perhaps the majority, acknowledge that some of their first experiences of alcohol outside the family setting involved drinking cheap, sweet sparkling wine in large quantities. This was usually purchased from the supermarket for less than \$10 and then 'skulled', with the sole aim to get 'wasted' or 'boozed' as cheaply as possible. These participants admitted that the fact that it was sweet, and fizzy – like the carbonated drinks they had been offered as 'treats' growing up – made it more appealing. The fizz made it similar to beer or RTDs, and the bubbles masked the flavour and made it more palatable, if not enjoyable. As one participant explained: "It's sort of like a 17 year stage that I think everyone goes through...but I wouldn't say you drink it because you liked drinking it".

There was evidence that this *was* a 'stage' that was passed through, and a number of New Zealanders acknowledge that it was their entry point to trying still wines:

I enjoy a still wine more now but maybe a couple of years ago I couldn't even drink a still wine that's why I'd go to the bubbly – it was easier to drink, but now I'm developing a taste more for a still wine. (New Zealand male, 23)

There was a shift not only away from the cheap sparkling wines associated with binge drinking to still wines but also more moderate drinking behaviour in general, in part because of the greater enjoyment they got from the still wines:

I used to just purely drink it on Saturday night and you know you'd have a couple of bottles of sparkling but now I tend to have a couple of glasses [of still wine] during the week and not as much on the weekend. (New Zealand female, 24)

This respondent said that while she still drank sparkling wine, it is now 'something posh' which she consumes on family occasions such as Christmas. It is generally the case that the New Zealanders who are drinking higher quality sparkling wines, and occasionally champagne, are doing so at family gatherings – Christmas, birthdays, or when out for lunch with mum – rather than with their friends and peers.

Despite these differences in consumption experiences, the majority of both samples agree on the image of sparkling wine and the situation and contexts in which it might be consumed. Part of the reason for this may be that many of the young New Zealanders do not consider the cheap sparkling wine they have consumed to be a form of wine, or even a form of sparkling wine. A few New Zealand respondents admitted, however, that they still feel that sparkling wine has a cheap image due to their early drinking experiences.

Generally it is widely agreed that there are certain situations which are suitable for drinking sparkling wine and other situations where it is less appropriate. In particular, participants in both countries

stated that sparkling wine is first and foremost a drink for special occasions. The sorts of occasions where the participants mentioned that they consumed sparkling wine include weddings, engagements and birthdays and especially 21^{sts}. There are a few Australian females who identified a broader range of less formal occasions where they felt drinking sparkling wine would be appropriate, including BBQs, parties or ‘a night out with the girls’, but they are in a minority.

In general sparkling wine is not viewed as a drink to have with a meal and most people felt that finger foods or light snacks were a more appropriate accompaniment. Having said this, many participants cited Christmas dinner as the main setting in which they consume sparkling wine, particularly in the New Zealand context, and perhaps fits with the view of sparkling wine as a refreshing, ‘summery’ drink to be enjoyed on ice.

Sparkling wine is viewed as a ‘welcome drink’ (Charters, 2005) to begin an occasion or evening; as an aperitif to drink while circulating before a meal or on arrival at an event. This is partly due to the perceived symbolic role of the drink as Charters (2005) identifies, but some participants stated that too much sparkling wine would go ‘straight to one’s head’ due to the bubbles. It seems a number of the Australian women, who are generally older than the New Zealand sample, would only drink one or two glasses of sparkling wine before switching to still wine at an important function or event because of the effect sparkling wine has on them and their desire to maintain a sense of decorum. Some other participants commented that they would only drink one or two glasses because they got sick of the taste, particularly with sweeter-style wines.

Sparkling wine/champagne in the youth market in Australasia is quite strongly linked to the world of horse racing and fashion (Phillips, 2008). A large number of this cohort mentioned either horse racing in general, or Melbourne’s Spring Racing Carnival and the Melbourne Cup specifically, as events they associated with sparkling wine, and situations where the female participants from both New Zealand and Australia would get dressed up and drink sparkling wine.

Sparkling wine is seen also as a drink of celebration (cf. Charters 2005). For many people, it would seem wrong to drink sparkling wine in any other context, as the following quotation suggests:

My parents are big wine drinkers and they’ll often have a glass of wine at dinner – still wine – and I think nothing of it, but if they were to crack open a bottle of sparkling I’d kind of go ‘what are we celebrating?’ (Australian female, 23)

Associated with this idea of celebration is the very strong impression that sparkling wine is a social drink. Many participants commented that you wouldn’t drink sparkling wine on your own, as a young Australian female explained “seeing someone having a sparkling wine at home by themselves... I would just think they were a bit strange”.

Connected to the context of special occasions, celebration and socialising, sparkling wine is seen by participants of both nationalities as a ‘happy drink’. This happiness is only partly attributable to the symbolic connection of the drink; there is clearly a hedonic aspect to this perception too. This perception relates to the way sparkling wine makes the respondents *feel*, supporting a finding of Olsen *et al.* (2007) regarding Generation Y and wine. Even the term ‘bubbles’ and ‘bubbly’ – frequently used by respondents to describe sparkling wine – conjures up for respondents this feeling of happiness and fun. Female respondents in both countries described sparkling wine as making them feel ‘bubbly’, ‘floaty’, ‘light’ and ‘giggly’ and the following quotation encapsulates the experience of many of them:

It makes you feel happy when you are drinking it. You find it really hard to feel sad when you’ve got a glass of bubbly in your hand. (New Zealand female, 25)

There is definitely a sense in which sparkling wine is seen as a feminine drink. When asked which contexts were *not* suitable for sparkling wine, in the New Zealand context the masculine domains of rugby and speedway racing were mentioned. Similarly a couple of the Australian males commented

that beer was for boys and ‘wine and champagne, girls’; even the glasses – particularly champagne flutes – are seen to be too ‘girly’ and delicate for males.

CONCLUSION AND IMPLICATIONS

As stated at the outset, this has been exploratory research; the sample in this study is small and there are some significant differences in the characteristics of the Australian and New Zealand samples, particularly relating to age and wine experience. However the findings from this study could provide a useful starting point for more substantial research and there may be some significant implications of these findings for wine marketers and producers.

This research has shown that for these participants sparkling wine does have a role in young Australasian’s wine consumption patterns. There is generally a very positive image of sparkling wine amongst these young people, connected with notions of celebration, socialisation and happiness, which can be utilised by marketers in their branding and promotion.

It seems that there may be differences, however, between New Zealand and Australian youth in terms of their experiences and socialisation into consumption of sparkling wine, with cheap, sweet sparkling wine having an important role in at least some segments of New Zealand’s ‘binge drinking’ youth culture. This ‘binge drinking’ introduction has lead many of the New Zealand participants to shift away from all sparkling wine as they, and their taste buds, mature. By comparison the Australian sample, who did not acknowledge this introduction to sparkling wine, seemed more likely to continue to drink it regularly into their twenties. This might suggest that current efforts to introduce young people to sparkling wine via the cheap, sweet sparkling varieties could backfire if it means that they move away from sparkling wine completely as they age. Having said this, however, a number of the New Zealanders commented that those first experiences of sparkling wine had led them towards drinking still wine varieties, so it is not all bad news for the wine industry.

Whether there is a significant cultural difference between Generation Y in an Australian and New Zealand in terms of sparkling wine socialisation and consumption patterns could be usefully explored with a larger and more representative survey of this cohort in each country. Similarly, the effect of early sparkling wine experiences on future sparkling and still wine consumption amongst this cohort could be examined in more depth. Finally, there is scope also to explore in much more detail this Australasian cohort’s experiences and perceptions of wine as a whole and their socialisation into wine drinking in general.

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