Survey Reveals Trade Views

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New research shows sustainability a growing factor in wine trade purchasing

Between wine producer and consumer are the many gatekeepers who largely determine how well a wine sells. Distributors, retailers, sommeliers, critics...their opinions and tastes drive which wines reach the market and what gets promoted.

To learn what these tastemakers know and think about sustainably produced wine, the California Sustainable Winegrowing Alliance commissioned a study by Full Glass Research of Berkeley, California. The research was conducted using the Wine Opinions national trade panel which comprises more than 4,700 Americans working in wine: off-premise, on-premise and wholesale trade as well as suppliers, public relations and marketing professionals, media and educators. A total of 457 trade members responded to the survey. Full Glass Research proprietor Christian Miller shares some survey insights:

What were the three top “take-away” messages from the survey?

Christian Miller: Generally speaking, the trade, especially wholesalers, views sustainability as a product benefit and uses it to distinguish wines in the marketplace. The majority of wholesalers and retailers do consider production practices when assessing which wines to select or promote. Seventy-three percent of respondents in the wholesale and retail tier said they frequently or occasionally consider sustainability when deciding what to sell.

Another finding is that the identification of sustainable wines by logos and packaging is important to the trade. Previous consumer research echoes this: a lot of consumers report difficulty finding or identifying these wines in the marketplace. Certification organizations that have a standardized logo or identification can play a major role here, so consumers don’t have to scrutinize the wine’s back label or winery literature.

One of the main concerns of sustainability advocates is whether sustainability is understood or viewed as a vague concept. But the trade has a pretty good grasp of what the core tenets are. For instance, they rank environmental attributes high, citing integrated pest management, water conservation and protection of natural resources as defining attributes of sustainability. Social and economic aspects were viewed as important but not essential for sustainability certification.
Any surprises for you in these results?

The extent to which wholesalers were supportive of sustainable wines, and the fact that retailers regarded wholesalers and distributors as important sources of information, was perhaps a surprise. The trade in general is skeptical about the consumer’s knowledge of sustainability, but I think they underestimate the consumer here. Most high-frequency wine consumers get at least the basic concept behind sustainability and do have an interest.

Interesting that many respondents did not associate sustainability with economic viability...

While producers in the sustainability movement appreciate the social and economic aspects, like employee training and retention, the trade and consumers see it as more environmentally related.

Based on the survey, what messages do sustainability organizations most need to communicate to the trade?

That they’re aware of the trade interest and want to support it. For individual wineries, figuring out their particular sustainability story, what distinguishes their wine, is important. Most consumers are not going to be poring over the details of a winery’s vineyard practices. It’s up to the winery to turn what it’s doing into a compelling story. Sustainability is not just of benefit to the winery and vineyard properties and to the environment; there’s potential benefit to the marketing and selling of wine.

You asked about obstacles to selling more sustainably produced wine. What did you learn?

Seventy-two percent checked “lack of understanding and familiarity.” Next highest was that sustainable wines are hard to identify or not clearly labeled. These two concerns keep popping up. Perhaps more interesting was how few respondents said that prices are too high compared to conventional wines, or that sustainability is not relevant to selling wine. Price is really not a barrier to the vast majority of the trade.

One thing that makes wine different is that there’s not a widespread price premium associated with “green.” With milk, olive oil or coffee, the organic or sustainable version typically commands a higher price. So that adds a layer of complexity to how these wines behave in the market.

Based on the survey, where are the biggest challenges and opportunities for sustainable-wine organizations?

Organizing widespread and standardized visual identification so that consumers can more easily find sustainable wines. And maintaining strong credibility in the certifications, to show that the certifying organizations are really moving the needle toward low-impact production.

Resources & Publications

Certified Sustainable Updates: In 2015, CSWA began an extensive update to Certified California Sustainable Winegrowing (CERTIFIED SUSTAINABLE) to enable use of a logo on the bottle. Program updates benefited from input from vintners and growers during 15+ meetings with the Sustainable Winegrowing Joint Committee, consultation with a Pest Management Technical Advisory Group, input from other industry experts and a broad set of stakeholders, and a 60-day public comment period. Updates went into effect January 2017.

Trade Survey Results: The California Sustainable Winegrower’s Alliance (CSWA) released its 2016 Trade Survey findings, assessing current awareness and understanding among 457 members of the U.S. wine trade (distributors, retailers, restaurateurs, media) about sustainable practices, certifications, and the Certified California Sustainable Winegrowing Program.

www.sustainablewinegrowing.org/

California Code of Sustainable Winegrowing Workbook: Download individual chapters or the entire workbook to learn more about sustainability in your vineyard or winery.

www.sustainablewinegrowing.org/swpworkbook.php

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