~Topline Report~
Tracking Study of KPIs
Colorado Wine Industry Development Board
May 18, 2022 - Revision

Background:

- The Colorado Wine Industry Development Board (CWIDB) has tracked Colorado wine drinkers' attitudes and usage of Colorado wines each spring, since 2014.
- In 2022, 2021 and in 2020, a shorter survey was conducted, measuring KPIs (Key performance indicators) among monthly wine drinkers living in Colorado.
- This report is a topline of key measures among the total sample comparing three years of data. A full report, with analysis and recommendations, was not requested for this shorter survey version.
- For detailed findings that break data by age, awareness of Colorado wines and consumption of Colorado wines, refer to the separate Excel banner of all results, that was sent along with this topline report.
- The same panel provider was used throughout the years to provide consistency of respondents.
- Note that in 2021 and in 2022, the ongoing Covid-19 pandemic may have affected results.
- In addition, inflation rose in the US economy during the first half of 2022, which may affect consumption and pricing.

Objectives:

- Compare statistically relevant changes in 2022 vs. 2021 vs. 2020 KPIs (awareness, usage, purchase locations and attitudes) toward Colorado wines among the total sample of monthly wine drinkers in Colorado.

Respondent Criteria:

- N= 250; mix males, females (target 50/50; no more than 60% either gender)
- Ages 21-70. Target quotas set at 21-35 (30%), 36-50 (30%), 51-70 (40%) to align w/ previous tests.
- Colorado residents.
- Past month wine consumption.
- Target consumption frequency quotas to ensure respondent mix comparable to previous tests:

  Daily – 8%
  More than once a week 38%
  Once a week 20%
  2-3 times / month 23%
  1 time a month 7%
  Special occasions 4%

NOTE: This is a revised topline report as of 5-18-22 to replace previous report; with new data from respondents eliminated due to quality checks.

Key Findings

1. Awareness (Q1)

- Awareness of Colorado Wine in 2022 (70%) is statistically at parity to 2021 (71%) and 2020 (75%).
- California, Italy, and France lead in wine awareness – 76% of the total sample.
- Australia, Washington, Argentina, Oregon, Spain and New York wine awareness are significantly down in 2022.

Awareness of wine by geography	2022 (n=250)	2021 (n=251)	2020 (n=252)
California	76%	82%	89%
Italy	76%	81%	89%
France	76%	82%	85%
Spain	62%	74%	81%
Colorado	70%	71%	75%
Australia	52%	60%	68%
Washington State	37%	51%	67%
Argentina	45%	60%	66%
Oregon	36%	50%	65%
New York State	26%	40%	44%

Note: Red font = significant difference vs. previous year at the 90% confidence level.

2. Consumption (Q2)

- 68% have "ever consumed" Colorado wine in 2022, statistically at parity to 2021 (66%) and the same as 2020.
- Wines from California, Italy and France are significantly down in 2022 for "ever consumed." Recall, inflation may impact consumption from more expensive wine areas.
- Wines from Spain, Australia, and Argentina "ever consumed" are at parity statistically to 2021.

Consumption of wine by geography	2022 (n=250)	2021 (n=251)	2020 (n=252)
California	71%	78%	85%
Italy	57%	67%	71%
France	55%	64%	69%
Colorado	68%	66%	68%
Spain	46%	50%	57%
Australia	40%	44%	56%
Oregon	24%	37%	46%
Washington State	27%	39%	47%
Argentina	33%	39%	47%
New York State	13%	23%	21%

Note: Red font = significant difference vs. previous year at the 90% confidence level.

3. **Quality measures:**

- **Q6 Quality** – Impressions of quality of wine from Colorado statistically improved to 54% T2 Box (very high quality and somewhat above average quality)in 2022; up from 46% T2B in 2021 and trending up vs. 2020 (41%).
- Quality impressions remain statistically at parity in 2022 vs. 2021 for both European (81% T2B) and California (79% T2B) wines and are both statistically higher vs. Colorado wine.

Quality of wine (T2 Box % – 5 pt. scale)	**2022 T2 Box %**	**2021 T2 Box %**	**2020 T2 Box %**
	(n=250)	(n=251)	(n=252)
European wines	81%	83%	83%
California wines	79%	79%	79%
Colorado wines	54%	46%	41%

Note: Red font = significant difference vs. previous year at the 90% confidence level.

- **Q7 Change in quality for Colorado wines** – Colorado wine is viewed as "quality significantly improving" among 23% of respondents in 2022; statistically on par with 2021 (18%).
- In 2021, "quality significantly improving" (18%) was statistically higher vs. 2020 (9%).

Colorado wines over time	**Quality significantly declining**	**Quality somewhat declining**	**Quality staying about the same**	**Quality somewhat improving**	**Quality significantly improving**
Colorado wine - 2022	0%	2%	40%	36%	23%
Colorado wine - 2021	0%	3%	43%	37%	18%
Colorado wine - 2020	2%	2%	48%	40%	9%

Note: Red font = significant difference vs. previous year at the 90% confidence level.

- **Q8 Price for quality** – In 2022, 58% believe Colorado wine is priced fairly; statistically on par with 2021 (63%).
- Significantly fewer people (55%) believe that California wine is priced fairly in 2022 vs. 65% in 2021. Conversely, significantly more (34%) believe that California wine is somewhat overpriced, up from 26% in 2021.

Total wine drinkers	Extremely underpriced	Somewhat underpriced	Fairly priced	Somewhat overpriced	Extremely overpriced
European wine - 2022	0%	2%	42%	43%	12%
European wine - 2021	1%	2%	47%	39%	12%
European wine - 2020	1%	1%	50%	42%	7%
California wine - 2022	0%	2%	55%	34%	8%
California wine - 2021	1%	1%	65%	26%	8%
California wine - 2020	1%	2%	68%	25%	5%
Colorado wine - 2022	2%	4%	58%	28%	8%
Colorado wine - 2021	0%	6%	63%	23%	8%
Colorado wine - 2020	1%	2%	63%	27%	7%

4. **Future PI (q4)**
   - Future purchase intent for Colorado wines in 2022 is significantly up; 75% state top 2 box purchase interest (definitely, probably) vs. 65% T2B in 2021.
   - Australia / New Zealand purchase interest is also significantly up among a larger percent of the total sample in 2022 (67%) vs. 58% in 2021.
   - Purchase interest for wines from all other geographies remain statistically at parity to 2021.

Top 2 box purchase intent (5 pt. scale)	2022	2021	2020
	(n=250)	(n=251)	(n=252)
California wine	85%	83%	82%
European wine	79%	77%	82%
Colorado wine	75%	65%	56%
Australia or New Zealand	67%	58%	62%
So. American wine	64%	59%	69%
Washington or Oregon wine	64%	65%	59%

Note: Red font = significant difference vs. previous year at the 90% confidence level.

5. **Share of purchase locations (q11)**
   - Neighborhood liquor stores continue to make up the largest percent of wine purchases; 30% of the total sample in 2022, though down significantly from 38% in 2021.
   - Restaurants, Wine Clubs, Wine tasting rooms / Winery and Farmer's Markets numerically increased in 2022, though not significantly so.

Share of purchase locations	2022 (n=250)	2021 (n=251)	2020 (n=252)
Neighborhood liquor store	30%	38%	43%
Large, volume discount liquor store	15%	15%	16%
Restaurants	11%	6%	7%
Grocery stores or Membership warehouses that sell wine	13%	13%	13%
Bars	5%	4%	3%
Wine Club	7%	5%	4%
Wine specialty shop	7%	9%	6%
Winery or wine tasting room	6%	4%	5%
Internet	4%	5%	3%
Farmer's markets	3%	1%	1%

Note: Red font = significant difference vs. previous year at the 90% confidence level.

6. **Frequency of Purchase (Q3)**
   - Colorado wine is purchased weekly or monthly by 30% of respondents in 2022; slightly more – yet statistically at parity to 2021 (27%).
   - Weekly / monthly purchase of wines by geography remained statistically at parity in 2022.

Frequency of purchase Weekly + Monthly	2022 (n=250)	2021 (n=251)	2020 (n=252)
European wine (e.g., France, Italy, Germany, etc.)	30%	29%	27%
California wine	42%	43%	39%
Colorado wine	30%	27%	16%
Washington and Oregon wine	20%	22%	12%
Australia or New Zealand wine	21%	20%	19%
South American wine (e.g., Argentina, Chile, etc.)	19%	17%	15%

Note: Red font = significant difference vs. previous year at the 90% confidence level.

7. Typical Spend (Q5)

- In 2022, those spending $9.00 - $11.99 per bottle is 12% of the sample; statistically less than 23% in 2021.
- Slightly more people paid higher prices for wine, though percentages are statistically on par with 2021. Inflation and rising costs may affect responses to this question.

Typical spend per bottle	2022	2021	2020
Total	N=250	N=251	N=252
Less than $9.00 per bottle	5%	2%	8%
$9.00 - $11.99 per bottle	12%	23%	25%
$12.00 - $14.99 per bottle	25%	24%	29%
$15.00 - $19.99 per bottle	25%	21%	23%
$20.00 - $24.99 per bottle	22%	17%	9%
$25.00 - $39.99 per bottle	6%	8%	5%
$40.00 or more per bottle	4%	6%	1%

8. Where seen/heard Colorado Wines (Q9)

- Most (57%) of Colorado monthly wine drinkers continue to hear about Colorado wines at liquor or wine stores.
- Winery / tasting rooms is significantly lower in 2022; 37% heard about Colorado wines from winery / tasting rooms, down from 55% in 2021. Covid may impact this.

Where heard about Colorado Wine	2022	2021	2020
Base – consumed Colorado wines	N=171	N=166	N=170
At a liquor store or wine store	57%	63%	75%
At a winery or wine tasting room	37%	55%	54%
Word of mouth - from friends, family, etc.	36%	38%	44%
Events, wine tasting	36%	42%	43%
At a restaurant	52%	45%	47%
Social Media	25%	23%	17%
Magazines	15%	21%	15%
Billboards / advertising	8%	13%	11%

Note: Red font = significant difference vs. previous year at the 90% confidence level.

9. What percent of overall wine purchase is for Colorado wines (Q 10)

- Among a subset of people who drink Colorado wine, 40% say that 25%+ of wine purchases are to Colorado wines. This is significantly higher than 25% in 2020, but statistically on par with 2021 (36%).
- Among those who drink Colorado wine, 22% allocate more than 50% of wine purchases to Colorado wines, significantly more vs. 2020 (8%).

% Share	2022 (n=171)	2021 (n=166)	2020 (n=170)
25%+	40%	36%	25%

Percent of total Wine purchases – among Colorado wine drinkers	2022 (n=171)	2021 (n=166)	2020 (n=170)
More than 50% of my wine purchases are Colorado wine	22%	19%	8%
25% to 49% of my wine purchases are Colorado wine	18%	17%	17%
10% to 24% of my wine purchases are Colorado wine	27%	23%	24%
1% to 9% of my wine purchases are Colorado wine	21%	20%	28%
Less than 1% of my wine purchases are Colorado wine	11%	19%	18%
I do not purchase Colorado wine	1%	2%	5%

10. Impressions of Colorado Wines (Q12)

- Among the total sample, significantly more in 2022 (68% T2 Box) agree with the statement, "I think of wines made in Colorado in the same way I do locally grown produce."
- All other statements in 2022 are on par with or numerically up vs. 2021.

Total Sample % Top 2 Box – 5 pt. scale (Strongly, Somewhat Agree)	2022 (n=250)	2021 (n=251)	2020 (n=252)
I believe there are quality wines made in Colorado	73%	73%	71%
I can easily find Colorado wine at my local wine shop or liquor store	67%	67%	67%
I like to buy Colorado and support local growers	75%	73%	78%
I think Colorado wines are too sweet	36%	32%	23%
I think of wines made in Colorado in the same way I do locally grown produce	68%	59%	55%
Craftsmanship is apparent in Colorado wines	66%	61%	50%

I am interested in visiting Colorado wineries	82%	77%	76%
I am interested in Colorado wine tasting events	79%	75%	71%
I think the Colorado wine industry has potential for future growth	81%	78%	74%
Restaurants that feature locally grown food should also feature local wines	80%	80%	78%
I can easily order Colorado wine online.	50%	49%	41%
I am interested in tasting different styles of Colorado wines (e.g., Cabernet Franc, Petit Verdot or Malbec)	82%	79%	71%

Note: Red font = significant difference vs. previous year at the 90% confidence level.

11. Colorado Proud – new questions in 2022 (Q13, Q14)

- Among the total sample, 74% are aware of the Colorado Proud logo.
- Among those aware of the Colorado Proud logo (n=184), 85% (T2Box) state interest in purchasing products and beverages with the Colorado Proud logo.