Consumer habits in the Czech wine market

Zvyklosti spotřebitelů na trhu vína v ČR

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Abstract: The paper includes partial results of the research oriented on the habits and behaviour of consumers in the wine market in the Czech Republic. Based on direct questioning of 1 000 respondents from the whole Czech Republic, we found that 11.3% of respondents drink wine several times a week, 29.8% of respondents at least once a week, and 23.2% drink wine several times a month. Only 2.7% of respondents do not drink wine at all. 30.3% of respondents drink wine more often than before, especially because of the fact, that they like wine more, it is of a better quality, and the offer is bigger. 34.1% of respondents buy wine several times a month especially in supermarkets or hyper- markets (45.2%) and in special vine-stores (23.8%). 52.5% of respondents prefer quality varietal wine. Rank of the top ten wines most often bought by the selected sample of respondents is: Frankovka, Cabernet Sauvignon, Müller Thurgau, Veltlínské zelené, Rulandské bílé, Svatovavřinecké, Modrý Portugal, Chardonnay, Ryzlink vlašský, Bohemia sekt.

Key words: wine market, consumer habits, preference, respondent

Abstrakt: Příspěvek obsahuje dílčí výsledky průzkumu orientovaného na zvyklosti a chování spotřebitelů na trhu vína v ČR. Na základě přímého dotazování souboru 1 000 respondentů z celé ČR bylo zjištěno, že několikrát týdně pije víno 11,3 % respondentů, aspoň jednou týdně 29,8 %, několikrát měsíčně 23,2 % respondentů. Pouze 2,7 % respondentů nepije víno vůbec. 30,3 % respondentů pije víno častěji než dříve, a to především z důvodu, že jim víno více chutná, je kvalitnější a je větší nabídka. Nejvíce dotázaných (34,1 %) nakupuje víno několikrát měsíčně, a to především v supermarketu nebo hypermarketu (45,2 %) a ve vinotéce (23,8 %). 52,5 % respondentů preferuje jakostní odrůdové víno. Pořadí prvních deseti nejčastěji nakupovaných vín vybraným souborem respondentů: Frankovka, Cabernet Sauvignon, Müller Thurgau, Veltlínské zelené, Rulandské bílé, Svatovavřinecké, Modrý Portugal, Chardonnay, Ryzlink vlašský, Bohemia sekt.

Klíčová slova: trh vína, zvyklosti spotřebitelů, preference, respondent

INTRODUCTION

The paper is a part of a more extensive project "Support of promotion and sales of wines" being solved at the Department of Management, FBE MUAF in Brno, and supported by the Wine Fund of the Czech Republic.

The goal of this project is to provide Czech producers with useful information for finding and exploitation of market opportunities and for their decision making about production and sales strategies in the period before and after the integration of the Czech Republic into the European Union based on cognition of habits and behaviour of consumers in the wine market.

Integration of the Czech Republic into the European Union brings a number of changes into the winegrowing and wine-production. Czech wine market offers a high quantity of foreign wines on various price- and also quality level. It can be expected, that the pressure of foreign producers on Czech customers and Czech wine market will grow, because there will be many producers and traders trying to ingratiate with customers in one small market (the share of the Czech Republic in the total number of the EU inhabitants is 2.3% (http//www.eu.cz)). On the other hand, Czech producers will have an opportunity to penetrate the immense market of the EU member countries. It is a market, though, where the supply overreaches the demand and consumption. Wine production in the EU countries amounts for approximately 61% of the total world production, while the average annual production in the EU countries (19.5 million tons) overreaches the wine consumption (13 million tons) yearly by almost 35%. In spite of that, most of the Czech producers is convinced, that their wines will be competitive in the changed conditions, and will keep their position even when confronted with the foreign competition (Škorpíková 2003).

Wine consumption has a growing trend in the Czech Republic, and recently it amounts for 16.2 litres per person per year (Czech Statistical Office 2003). A positive feature of this development is also the fact, that there grows the demand for quality wines. At the same time, there also grows consumption of the lower quality, cheap wines packed in boxes or PET bottles. A continuously growing tendency can be noticed also in the red-wine consumption. This change of consumer preferences has significantly influenced the growth of the share of the red varieties in the newly planted vineyards.

In the Czech Republic, there is a sufficient processing capacity to stock the domestic wine market, but unfortunately this is not correspondent with the grape production, which suffices only for 35% of the Czech wine consumption. The remaining 65% of wine has to be imported (Pošvář, Chládková 2003). Of the total wine imports, there prevails the import of barrelled wine above the bottled wine (MZ ČR 2003). Most of the imported wine belongs to the category of table wine, which is packed in paper boxes or PET bottles, and is sold mostly in supermarkets.

When evaluating the hitherto development of the wine market in the Czech Republic in the field of supply and demand and the share of domestic wines in the total wine consumption, it is necessary to emphasise, that for a vast majority of domestic producers, the home-market will continue to be decisive.

Table 1. Structure of respondents by sex, age, and education

Attribute	Structure of questioned respondents	
	absolute	%
Sex		
Male	503	50.3
Female	497	49.7
Total	1 000	100.0
Age		
18–25	175	17.5
26–40	302	30.2
41–55	307	30.7
56–75	216	21.6
Total	1 000	100.0
Education		
Primary	116	11.6
Without GCE	290	29.0
Complete secondary	430	43.0
University	164	16.4
Total	1 000	100.0

MATERIAL AND METHODS

The paper features the results of research, which provide selected information about the frequency, and occasions of drinking wine among the Czech consumers, places, where they buy wine, which wines they prefer, what are the decisive factors of purchase, and which particular wines they buy most frequently.

The results include processed primary data from 1000 respondents from the whole Czech Republic acquired in the period from September to December 2003. Half of the data (i.e. 500 respondents) were based on phone questioning, and half on direct personal questioning (Pošvář, Chládková 2003). Respondents were selected according to the quota principle, where the quota attributes were sex, age, education and geography, i.e. residence of respondents. The structure of respondents is provided in Table 1 (ČMVVU 2002).

Selection of respondents according to the residence was done in order to assure a representative sample of population (Foret, Stávková 2003).

RESULTS AND DISCUSSION

Wine drinking frequency and occasions

The first issue of a wine-consumer behaviour study is to find out when, where, and on what kind of occasions do people usually drink wine, whether they drink it more often or less frequently than before, and what are the main reasons of these changes. The answers of respondents to the first question, which was asked in this context, are included in Table 2.

The data in Table 2 show, that 41.1% of respondents drink wine at least once a week or several times a week, 41.3% drink wine once or several times a month, 14.9% of

Table 2. Answers of respondents to the question "How often do you drink wine?"

Possible answers	Frequency of answers					
	men		women		total	
	abs.	%	abs.	%	abs.	%
1. Several times a week	82	16.3	31	6.2	113	11.3
2. At least once a week	159	31.6	139	28.0	298	29.8
3. Several times a month	119	23.6	113	22.7	232	23.2
4. At least once a month	88	17.5	93	18.7	181	18.1
5. Once a half-year	31	6.2	49	9.9	80	8.0
6. Once a year	20	4.0	49	9.9	69	6.9
7. I do not drink wine at all	4	0.8	23	4.6	27	2.7
Total	503	100.0	497	100.0	1 000	100.0

respondents drink wine once or twice a year and 2.7% of respondents answered, that they do not drink wine at all. Concerning a comparison of wine-drinking frequency between men and women, the data in Table 2 and Figure 1 confirm the well-known fact, that men drink more often and more than women do. Against 47.9% of men in the group of respondents, who drink wine once or several times a week, there is only 34.2% of women, and reversely in the group of respondents, who said that they drink wine once or twice a year, there is 19.8% of women and only 10.2% of men.

This fact is even more obvious from the data presented in Figure 2, according to which of the respondents, who said they drink wine several times a week, there was 73% of men and 27% of women, and further on in the group, which drinks wine approximately once year there was 29% of men and 71% of women.

In connection with the change of the wine offer on the market towards an increasing share of varietal quality wines and attribute wines in the past ten years, and growth of consumer prices, the respondents were asked questions in order to find out, whether these facts have projected into the demand and into the wine-drinking frequency. The question "How often do you drink wine compared with the past?" was answered by 53.3% of respondents that they drink with the same frequency, 30.3% drink more often and 15.8% less often. Differences of answers of men and women are negligible, and are included in Figure 3.

Higher differences between men and women than in the change of wine-drinking frequency can be reported in the reasons of more frequent or less frequent drinking of wine.

The rank of reasons why respondents currently drink wine more often than before is following:

1. I like wine more
40.6% (39.0% men; 42.4% women)
2. Wine is of a higher quality
23.1% (22.6% men; 23.7% women)
3. Wine-offer is better
17.8% (18.9% men; 16.6% women)

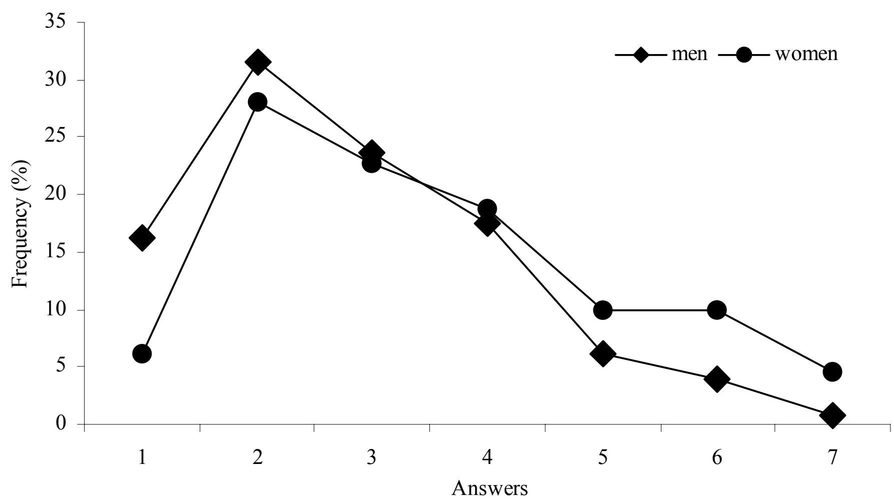

Figure 1. Relative frequency distribution of men and women by their answers to the question "How often do you drink wine?"

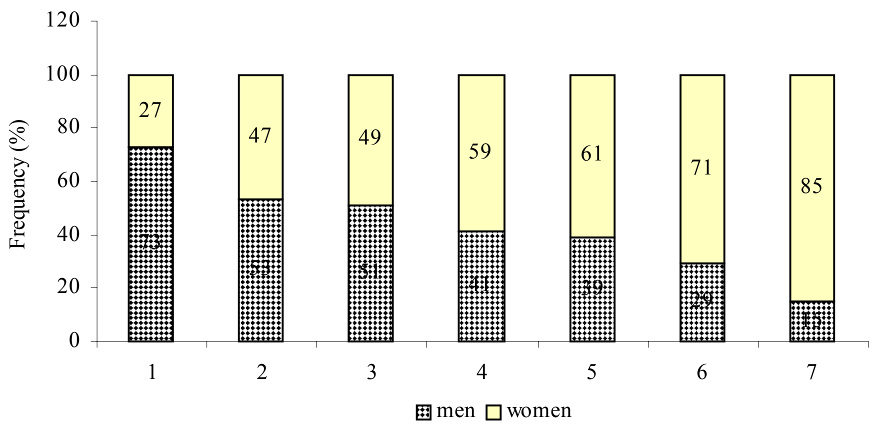

Figure 2. Shares of men and women in answers to the question "How often do you drink wine?"

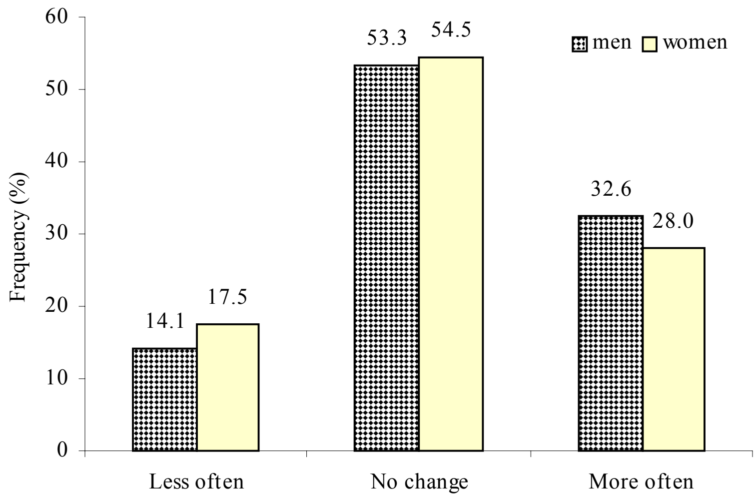

Figure 3. Change of wine-drinking frequency

4. Health reasons
   8.6% (10.4% men; 6.5% women)
5. Prestige reasons
   8.3% (6.1% men; 10.8% women)
6. The price is quite acceptable
   1.6 % (3.0% men; 0.0% women)

Rank of the reasons, why respondents currently drink wine less often than before, is the following:

1. Health reasons
   43.1% (35.2% men; 49.5% women)
2. Wine is too expensive
   19.6% (28.2% men; 12.7% women)
3. I drive more often 13.9%
   (19.7% men; 9.2% women)
4. I have stopped to drink alcohol
   8.2% (8.5% men; 10.3% women)
5. The offer is insufficient
   7.6% (4.2% men; 10.3% women)
6. I do not like wine any more
   7.6% (4.2% men; 10.3% women)

For Czech wine producers, the first three reasons of a more frequent drinking of wine (noticeably also reasons of the growth of wine-consumption in the Czech Republic) seem to be gratifying.

Questions concerning the frequency of wine drinking were followed by the question "What amount of wine do you drink in the usual consummation?" Answers to this question have confirmed, again, the already known facts about the differences in drinking wine among men and women (Figure 4 and 5).

In the groups of respondents with lower amount of wine drunk in usual consummation, there prevail women. Of the total number of women who answered this question, 75.8% drink less than 0.5 litres in common consummation, and 24.2% more than 0.5 litres. The answers of men showed that 52.2% of them drink less than 0.5 litres and 47.8% drink more. Of the total respondents, who drink less than 0.2 litres in common consummation, 41% are men and 59% are women. With the growth of the amount of wine drunk at one occasion, the share of women in the group of respondents declines and the share of

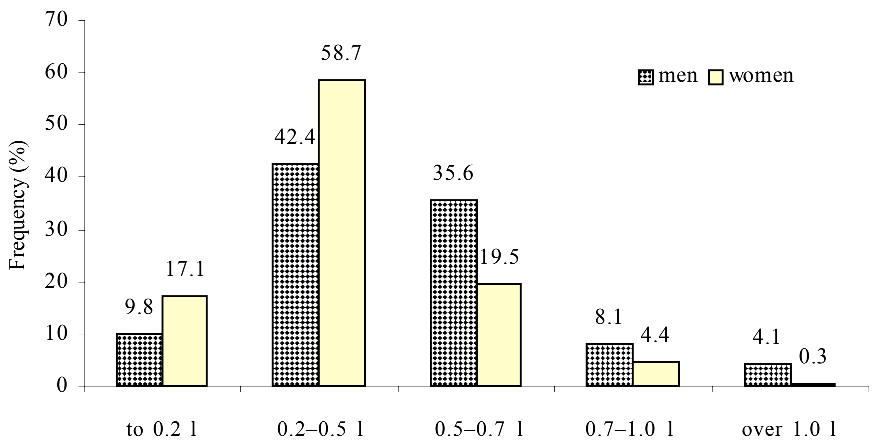

Figure 4. Relative frequency distribution of the amount of wine drunk in usual consummation of men and women

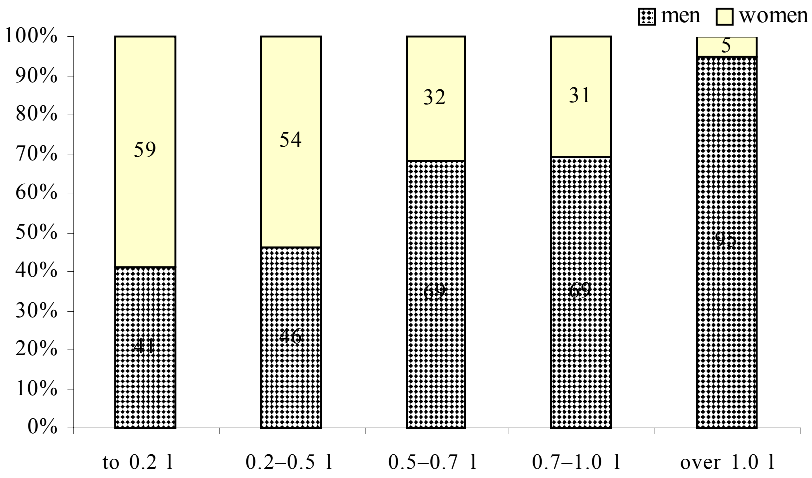

Figure 5. Share of men and women answering the question "How much wine do you drink in usual consummation?"

men growths (Figure 5). In the group of respondents drinking more than 1 litre of wine, there are 5% women and 95% men.

An accord of men and women was found in answers to the questions concerning the occasions and places of wine drinking. The obvious reason is that men and women drink wine mostly together. The answers to the question "On which occasions do you usually drink wine?" were the following:

1. On celebrations 28.2%
2. When visited by friends 26.4%
3. When I want to make a nice evening 16.6%
4. Whenever I fancy 13.3%
5. With meal 10.3%
6. When I want to cheer up 5.2%

In terms of place, 37.9% of respondents mentioned, that they drink wine most often at home, 29.2% of respondents drink wine most often when visiting friends and acquaintances, 19.0 % in restaurants and wine-houses, 6.2% in special wine shops, 3.8% in discos, 3.6% outdoors in the country and 0.3% of respondents drink wine most often directly in the wine-cellar of the producer.

Frequency and place of purchase of wine

For evaluation of habits and behaviour of wine-consumers from the producers' point of view, it is necessary to know how often – and especially where – customers usually or most frequently buy wine (Table 3 and Figure 6).

Answers to the question "Where do you usually buy wine?" resulted in the following rank:

1. In supermarket (hypermarket)
   45.2% (42.9% men; 47.9% women)
2. In a specialised store
   23.8% (23.9% men; 23.6% women)
3. In ordinary shop
   9.7% (8.8% men; 10.8% women)

Table 3. Answers to the question "How often do you buy wine?"

Possible answers	Frequency of answers					
	men		women		total	
	abs.	%	abs.	%	abs.	%
1. Several times a week	45	9.8	32	8.3	77	9.1
2. About once a week	82	17.9	57	14.8	139	16.5
3. Several times a month	146	31.9	141	36.6	287	34.1
4. At least once a month	131	28.6	107	27.8	238	28.2
5. About once a half-year	44	9.6	40	10.4	84	10.0
6. About once a year	10	2.2	8	2.1	18	2.1
Total	458	100.0	385	100.0	843	100.0

Note: The whole sample consists only of 843 respondents. 157 respondents were excluded from the sample. These were the respondents from the group that drinks wine once a half-year or less frequently and in usual consummation drink at maximum 0.1 litre of wine. These respondents do not like wine too much and drink it only on exceptional occasions. They almost never buy wine and are not interested in it.

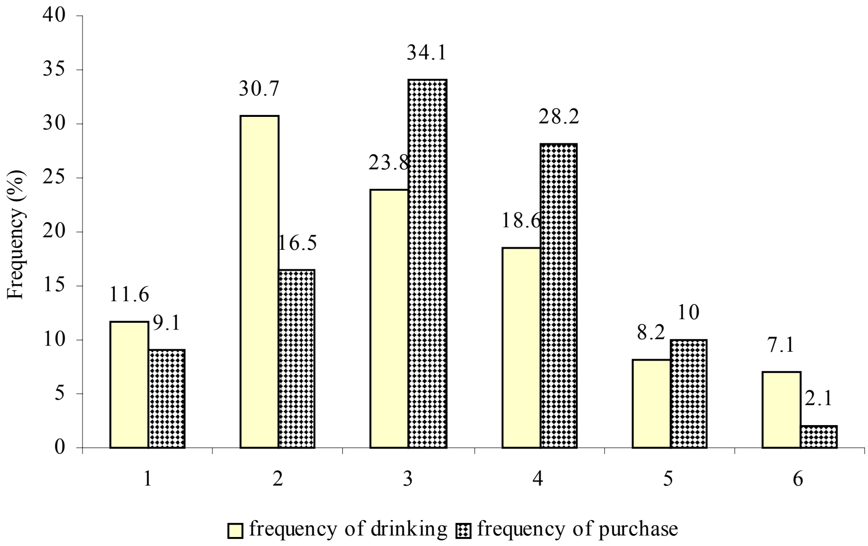

Figure 6. Comparison of frequency of drinking and purchase of wine

Note: The sample was reduced by 27 respondents who do not drink wine at all (see Table 2).

4. Directly from producer
   8.5% (10.4% men; 6.2% women)
5. In a barrelled-wine shop
   7.2% (8.3% men; 5.9% women)
6. In a restaurant, pub, wine-house
   5.4% (5.3% men; 5.6% women)

The answers of respondents concerning the place of purchase correspond with information from another part of this research, according to which consumers buy approximately 46% of wine sold in the Czech Republic in supermarkets and hypermarkets, when 68% of wine sold in these stores are table wines and brand wines. Consumers, who buy wine in specialised wine-stores, are more demanding. This documents the fact that 67% of wine sold in these stores are quality wines and attribute wines.

Preference of type and quality-level of wine

In order to be able to find out, what kinds of wine do respondents prefer, we use the indication of type of wine distinguishing, whether it is white, red or rose wine, and quality-level of wine distinguishing according to the Wine Act, whether it is table wine, quality branded wine, quality varietal, attribute quality varietal, or sparkling or brisk wine.

We can rank the answers of respondents to the question "What type of wine do you prefer?" as follows:

40.8% of respondents (41.9% men and 39.5% women) prefer white wines;

38.8% respondents (37.6% men and 40.3% women) prefer red wines;

0.8% respondents (0.7% men and 1.0% women) prefer rose wines.

The remaining 19.6% of respondents (19.8% of men and 19.2% of women) stated, that they do not have any preference, and their decision on what type of wine they buy or drink is based on their temper and situation in the given time moment.

Responses to the question "Which quality-level of wine do you prefer?" provide valuable information for producers (Table 4 and Figure 7). They represent a tendency of conversion of customers to consume higher-

Table 4. Answers to the question "Which quality-level of wine do you prefer?"

Possible answers	Frequency of answers					
	men		women		total	
	abs.	%	abs.	%	abs.	%
1. Table	47	10.2	52	13.5	99	11.7
2. Quality branded	53	11.6	53	13.8	106	12.6
3. Quality varietal	259	56.6	184	47.8	443	52.5
4. Attribute varietal	77	16.8	60	15.6	137	16.3
5. Sparkling, brisk	22	4.8	36	9.3	58	6.9
Total	458	100.0	385	100.0	843	100.0

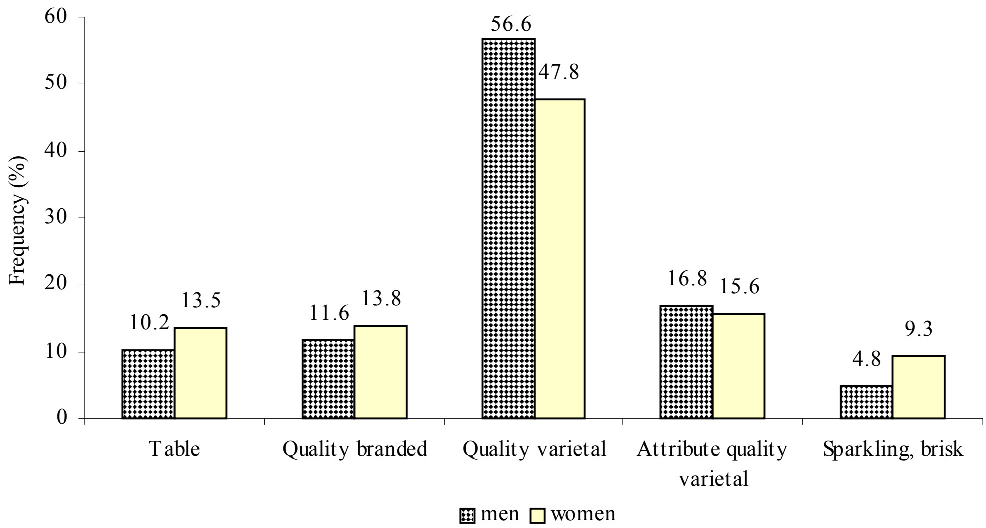

Figure 7. Relative frequency distribution of answers to the question "Which quality-level of wine do you prefer?"

quality wine. Of the total number of respondents 24.3% stated, that they prefer table and branded wines, and 68.8 % of respondents prefer varietal and attribute wines. Sparkling and brisk wine is prefered by 6.9 % of respondents.

Comparison of preference of quality-level wine by sex shows, that women prefer more table and branded wines (27.3% of women and 21.8% of men), and sparkling and brisk wines (9.3% of women, and 4.8% of men). Men, on the other hand, prefer especially the quality varietal wine (56.6% of men and 47.8% of women), and less attribute wine (16.8% of men and 15.6% of women).

The part focusing on the preference of type and quality-level of wine was concluded with the question "Which particular wine do you buy most often?" Answers to this question resulted in the following rank of the most often purchased wines by the given sample of respondents:

1. Frankovka
2. Cabernet Sauvignon
3. Müller Thurgau
4. Veltlínské zelené
5. Rulandské bílé
6. Svatovavřinecké
7. Modrý Portugal
8. Chardonnay
9. Ryzlink vlašský
10. Bohemia sekt

The top-ten most often purchased wines include four varieties of red wine, five varieties of white wine, and one sparkler. It is gratifying, that these are varietal wines, and Czech origin wines, even though some varieties, e.g. Cabernet Sauvignon, Veltlínské zelené, Modrý Portugal, and especially Chardonnay are very often listed among the wines imported from abroad. Consumers will definitely buy these wines and compare them with the Czech ones. A possible conversion of customers from Czech to foreign wines, especially in the red wine segment, represents a certain threat for producers, whose focus on quality and price will be the basic condition of their competitive ability.

CONCLUSION

The paper includes partial results of research oriented on habits and behaviour of consumers in the wine market in the Czech Republic. Based on direct questioning of 1 000 respondents from the whole Czech Republic, we found that 11.3% of respondents drink wine several times a week, 29.8% of respondents at least once a week, and 23.2 % drink wine several times a month. Only 2.7% of respondents do not drink wine at all. 30.3% of respondents drink wine more often than before, especially because of the fact, that they like wine more, it is of a better quality, and the offer is greater. 34.1% of respondents buy wine several times a month, especially in supermarkets or hyper markets (45.2%) and in special vine-stores (23.8%). 52.5% of respondents prefer quality varietal wine. The rank of the top ten wines most often bought by the selected sample of respondents is: Frankovka, Cabernet Sauvignon, Müller Thurgau, Veltlínské zelené, Rulandské bílé, Svatovavřinecké, Modrý Portugal, Chardonnay, Ryzlink vlašský, Bohemia sekt (Kolektiv 2004).

Wine is a specific commodity, in which the consumer demand develops and changes based on moral characteristics of consumers, their habits, experience, health, attitude towards enjoyment etc. Consumers do not expect only a certain enjoyment from wine drinking, but also a certainty and improvement of self-confidence, reaching a positive spirit, ease of communication and liaison of social contacts, and also a feeling of integration with a certain social group.

Development intents of winegrowing and wine-production consider the current average consumption per inhabitant to be low in comparison with abroad, and expect a growth of demand and consumption of wine, especially Czech wine. The decisive actor of this process will be, though, the customer.

Because of these facts, our producers have to concentrate on retaining the current customers and strategies of development and offering new products. The successful implementation of these strategies demands a more consistent orientation on the customer. Therefore it is – more than before – necessary to cognise customers, their attitudes towards wine consumption, their habits, preferences, and expectations.

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