

WINES & VINES

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How to Engage Millennials

by **Kate Lavin**

'Millennial' was the No. 1 buzzword at the Unified Wine & Grape Symposium this year, and the topic on everyone's mind was how to reach the tech-savvy generation. According to a study presented by Wine Market Council president John Gillespie, nearly half of millennials surveyed say they consumed more wine in 2008 than they had the year before, and their consumption continues to grow, even as the industry's overall sales volume slows.

"(Millennials) are part of this generation that could be our salvation," New York Wine & Grape Foundation president Jim Trézise said while moderating the Unified session entitled "Changing Trends in Changing Times."

What is a millennial?

Wine marketers think of millennials as the generation of young people who started reaching drinking age around the turn of the millennium—in other words: those currently between the ages of 15 and 32. At 70 million strong, millennials are the largest generation of Americans since the baby boomers born between 1946 and 1964.



A Wine Market Council survey found

HIGHLIGHTS

- Studies show that the young people of the huge millennial generation accept wine as a part of everyday life, and they are drinking more of it each year.
- Millennials are skeptical of commercial advertising, and respond more enthusiastically to recommendations from peers and social networks.
- Savvy marketers have already begun to adopt online communication forums such as Facebook, and craft their messages accordingly.

Researchers describe millennials as being civic-minded team players with an affinity for technology. They're suspicious of commercial messages and tend to rely more on the recommendations of friends and social networking sites. They gravitate toward things they perceive as authentic, not contrived or over-hyped.

members of the millennial generation were most likely to have visited a wine bar within three months.

Carol Phillips, president of the market research and branding consulting firm Brand Amplitude, said, "I think they're a fascinating generation....Already we've seen what they

can do as a generation with the (2008 presidential) election, and I think they are going to make a mark, just like the boomers did."

On the downside, at least from the perspective of a wine label looking to build a loyal customer base, millennials are never completely satisfied. They're always looking for the next "best" thing--whether it is a new gadget, a new job or a Canadian ice wine they've never tried.

According to Amy Hoopes of [Wente Vineyards](#) in Livermore, Calif., who belongs to the age group herself, you have just three seconds to engage a millennial. So without further ado:

Why millennials are pivotal

In a survey that asked whether respondents were drinking more wine in 2008 than they did the year before, millennials reported a net gain of 46%, said Gillespie, whose Napa Valley-based Wine Market Council (WMC) commissioned the consumer tracking study. Other age groups didn't come close to hitting the same number. Millennials also were the most likely to belong to a wine club--in the WMC study, 20% said they were members of such a group--and 38% of millennials reported that they'd visited a wine bar within three months of the survey, as opposed to 26% of Gen Xers, 13% of baby boomers and 7% of those age 63 and over, Gillespie said.

But in spite of millennials' obvious affinity for wine, and their wealth of disposable income (fewer than 41% of Americans under age 35 are homeowners, according to 2008 figures from the U.S. Census Bureau), wineries haven't been paying a whole lot of attention to millennials, making the assumption that wine is a taste that appeals to an older, more discerning palate.

And that's where there's room for improvement.

Making contact

For all of the statistics indicating that millennials are going to buoy the wine industry, many advertisers are still perplexed as to how to reach them.

Courtney Cochran, founder of Los Angeles-based Your Personal Sommelier, said the web is full of opportunities that foster connection with millennials, whether through Facebook (which claims to have more than 175 million active users), MySpace (110 million users, but losing web traffic to Facebook), Twitter (a mini-blog that lets users send 140-character reports to contacts), or networking groups such as Wine 2.0 and the OpenWine Consortium. Best of all, joining most of these sites is free.

"I run some promotional campaigns, and Facebook is one of the most profitable places," Gillespie said. Facebook allows advertisers to buy space based on demographics and areas of interest, meaning that wineries and retailers can target users likely to buy wine and maximize their dollars spent. "You can fish where the fish are," he said.

Also, with more than 4 million Americans turning 21 each year, it's the perfect time to launch a

marketing campaign with your millennial audience in mind. "You've got wine drinkers in the pipeline, if you will," Gillespie said.

Making wine fun

Until recently most Americans viewed wine as something they saw on the table at holiday parties and fancy restaurants. Beer was the everyman's drink, and wine was for special occasions.

"A luxury approach does not work for millennials. Even if they have a lot of money, they do not see themselves as being wealthy," said Phillips, the Stevensville, Mich.-based marketing and branding executive. "You're better off thinking of it as something they've earned or something that's necessary. (Millennials) see an iPhone as being necessary, not a luxury."

Phillips points to Fat Bastard as a label that appeals to millennials, because its marketing persona is fun rather than fancy. Online, the label offers several ways for millennials in the U.S. to connect with the French winery. The Fat Bastard website contains links to contests and promotions, has a place where you can share your own Fat Bastard story, and also includes a blog, or online diary, though it is updated infrequently.

According to The Winery Website Report, more than 170 wineries maintain a blog to let consumers know what is happening at the winery between planting and bottling. Since most wine isn't available for purchase until years after crush, blogging can be a great way to keep loyal customers apprised of progress in the latest vintage, as well as to promote new offerings and connect with anyone who can't make a visit to your winery. Above all, a blog or e-newsletter keeps your wine in the consumer's mind, even when he or she isn't drinking a glass.

"Your highly involved wine consumers read wine blogs--the people who are really, really into wine," said Sonoma State University professor Liz Thach. To appeal to a larger segment of the millennial generation, consider the video blog, especially if you have a particularly funny or eccentric idea to share, Thach recommended. "Once a millennial stumbles upon it, they'll send it to their friends. It's what we call 'Wine 2.0.' It's relationship-based, and a different style of marketing they really adapt to."

Everyone's a critic

In addition to marketing, the advent of online social networking is redefining the landscape of enology experts and wine media, too. Unlike editors at big consumer wine magazines, who require writers to prove themselves before agreeing to publish their work, anyone can start a blog that blasts his or her opinions for all of cyberspace to read. And who's to say that's a bad thing? Some very knowledgeable wine bloggers draw thousands of unique visitors to their websites daily, and as Cochran said, "If you have 20,000 people reading your blog every day, but you have no expertise in the subject, does it matter?"

According to Jo Diaz of Diaz Communications, millennials are poised to blow the top off the proverbial glass ceiling of the wine hierarchy. "They don't go out and buy a glossy magazine" that tells them everything they're supposed to think about wine, Diaz said of millennials. "In my generation, we picked up Spectator, we picked up *Enthusiast*, we picked up Parker, and we still do." But this generation takes recommendations from friends, blogs, social networking sites and Twitter.

So, what are all the wineries waiting for? After joining Facebook, members can start a page for their winery ([facebook.com/advertising/?pages](https://www.facebook.com/advertising/?pages)), then encourage friends and associates to become a "fan" of it. Such fan sites can explode in popularity, and they're a great place to advertise events to loyal customers who may not be members of your wine club. Duplin Winery of Rose Hill, N.C., for example, uses the site to promote the Muscadine Harvest Festival to its more than 2,500 fans on Facebook.

Best of all, after one person has become a fan of your winery, the news is broadcast to his or her contacts. The update may compel them to visit the site themselves and look into your brand, opening the window to future sales and a new customer base.

Face-to-face: always in style

In spite of all the wonderful ways that technology has made it easy to connect with young people learning about wine, there is no substitute for real human contact. According to Thach, who interacts with millennials every day as a university professor, hosting an event can be a great way to introduce this generation to your brand. If your winery's viticultural area isn't a hotbed of 20-somethings, consider holding a tasting at a wine shop or other venue in an urban area.

According to Hoopes, Karl Wente (who at age 31 is a millennial himself) has championed the effort to further connect music and his family's 125-year-old winery, already known for its outdoor summer concerts. Recently Wente launched the website *Discover the Wine, Discover the Music* (wentevineyards.com/discover), which posts the winemaker's thoughts on why certain Wente wines pair well with singles he hand-picks for the site.

Millennials value individuality and authenticity, Hoopes said, so reach out and just be yourself. After all, if this generation is going to drink wine, shouldn't it be yours?

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