Study of young people's wine consumption habits at the Corvinus University of Budapest

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SUMMARY FINDINGS, CONCLUSIONS, RECOMMENDATIONS

The Hungarian wine market has been undergoing continuous transformation, one of the principal reasons of which is Hungary's European Union membership since 2004. The main disadvantage coming from the membership is that foreign wines are no longer rare curiosities but they are present to an extent that they disturb the market and constitute significant competition (in addition to the substituent products of the wine) for the domestic wines. The current economic crisis may also present various risks to the industry, such as a drop in consumption or the increase in the consumption of foreign wines with a good price/benefit ratio. Since I consider it important to preserve the market dominance of the Hungarian wines in the domestic market, I did not address the issue of domestic wine consumption habits on a theoretical level, but also conducted a questionnaire-based study in this field. My analysis focused on the wine consumption habits prevailing in the domestic market. I particularly tried to compare Hungarian and imported wines based on the judgments of the respondents.

My research found that domestic wines had a disadvantage in terms of marketing, but their quality and cost/benefit ratio is judged to be higher than that of foreign wines. The students of the Corvinus University of Budapest are not susceptible to wine marketing because they consider other factors when selecting a wine. Foreign wines have better marketing, but the members of the group I examined prefer domestic wines, as my third hypothesis indicates. The research findings indicate that Hungarian wines are more competitive for the students.

METHODOLOGY OF THE RESEARCH

The survey was made with the help of questionnaires (in a hybrid form; CAPI, PAPI) between full-time course students of Corvinus University of Budapest. In this way, there was obtained information on their wine consumption of habits. The biggest advantage of this quantitative research form is the reliability. At the same time its disadvantage is, that not representative.

The young persons may have got into the sample who were enrolled for an active half-year in any periods of 2007/2008, 2008/2009 or in the autumn semester of the 2009/2010 school year in Corvinus University of Budapest.

From the hundreds of sent out questionnaires were sent back from 231 in valuab-

le form. In the procedure of data registration the respondent inclination was about 60%. There was important aspect, that the gender and faculty of asked should have been in a proportion in the sample just like they were represented actually in March of 2009 on the university. After coding into the database, the representativeness with definition of confidence interval of 95% was examined. Z statistics was applied, instead of the usual Chi-square, so that it should be able to examine each single category separately. For the coding of data of questionnaires it was used both, dummy coding and additive coding equally. Data-input into the Excel happened in a form that the whole Excel sheet should have been importable into SPSS 14.0 version. Hypotheses and results of the survey.

MARKETING OF WINE

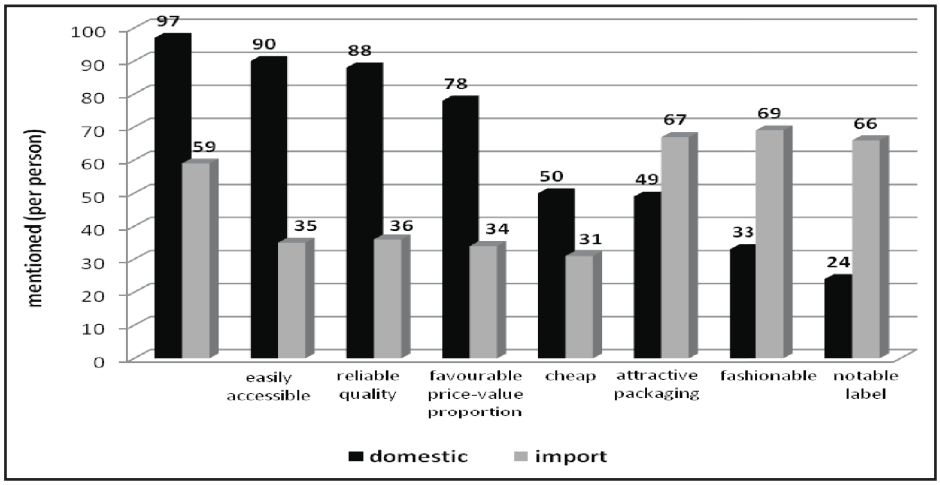
H1 *Advertisement of domestic wine is inappropriate, the domestic marketing activity is weak compared to that of the import wine.*

There is 9.3% from the reported 231 students who do not consume wine. Not all wine consumers drink import wines as well. It can be remarkable, that approximately every second reported consume import wine (43.9% of asked people consume only Hungarian wine.)

There was asked those students, who consume import and domestic wine equally, to remark characteristics which characterize domestic and import wine according to their opinion. Respondents characterized domestic and import wine with 8 characteristics equally (Fig. 1).

Figure 1

The comparison of the characteristics of the domestic and the import wines



Source: own editing

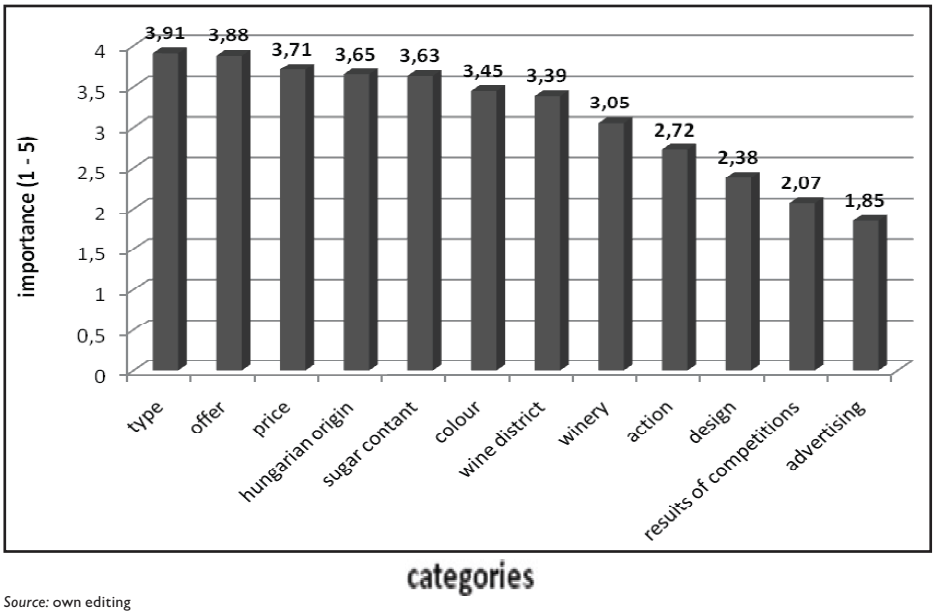
We can see the difference between the characteristics of Hungarian and import wines according to the graph. The young persons' value judgment indicates that they can draw a distinction between the domestic and the foreign products unambiguously. Our country has a benefit in the following factors: tastiness, easy accessibility, reliable quality, favourable price-value relation, cheapness. At the same time there are factors in which our wines does not enjoy benefit: attractive packaging, chic, attracting tag.

There was important aspect to chart which features are determinate in wine purchase for students of Corvinus Univer-

sity of Budapest. The respondents had to estimate on a scale with 5 grades how important the listed twelve factor were. The following answers were perceptible (Fig. 2).

Figure 2

The importance of the electoral viewpoints based on the young persons' answers



Source: own editing

We can see based on the graph, the more important the factors, the higher value they have, in this way the most important viewpoint is the type of wine (3.91). Design is only 10. and the advertisement is the last one. From that results we can draw a conclusion that although the Hungarian wine have a disadvantage in the look of the marketing factors, it is not proved a powerful mistake from the viewpoint of the Corvinus young persons because wine is not selected based on this aspect. They rather pay attention to the opinion of other ones, kind of wines, their price and sugar content. At the same time, this question has to be taken into consideration, since it's possible that, there can be a group of respondents who the marketing of wine is important for. The price was 3. so it can be possible that they aspire to the appropriate price-value relation.

HOW DO WE SELECT FROM WINE?

H2 *Young persons take emphasize on prices when wine is bought for themselves and the indirect characteristics of wine are only secondary viewpoint.*

The price is an important point of view in making of purchase decision, but how large value the consumers think?

The Corvinus students answered the question that they spend HUF 1255 on a bottle of wine in case of own consumption averagely. If the wine would be given as a gift the respondents are willing to sacrifice HUF 2000 averagely for it.

From the difference between the some population sample was taken from and from the received results it can be deduce that the „flock effect" is present among young persons. „Flock effect" means that what one do, the other one makes it in the

young community. This effect prevails in this survey as well, so acquaintances' recommendation is important very much in selecting from wine.

In the aspect of price is an important viewpoint where wine is bought. The respondents were asked to remark where they purchase wine from most frequently, as in hyper-, supermarkets, cash & carries, smaller food stores, wine specialist's shops, wine-cellars, concerned-on-wine-retail. There were 3 alternatives given as answers, so the respondents could remark that they bought wine on given place regularly, occasionally or never. Based on the respondents we may establish that the most of Corvinus students unambiguously buy wine in hiper-, and supermarket. Presumably the reason of it, is that there are wide range of assortment and wine is cheaper than other where. Difference was noticeable in gender in case of hypermarkets, as there women buy wine more often.

The young persons' reservation price can influence where wine is bought. Reservation price of costumers of hyper-, supermarkets are compared with food store customers' reservation price is roughly HUF 250 lower ($p<0.01$), so this approximately HUF 1000. Customers of wine-cellars are willing to give for a bottle of wine maximum averagely ~ HUF 1420 ($p<0.01$), while the highest reservation price is at those who buy wine in a wine specialist's shop (~ HUF 1600, $p<0.1$).

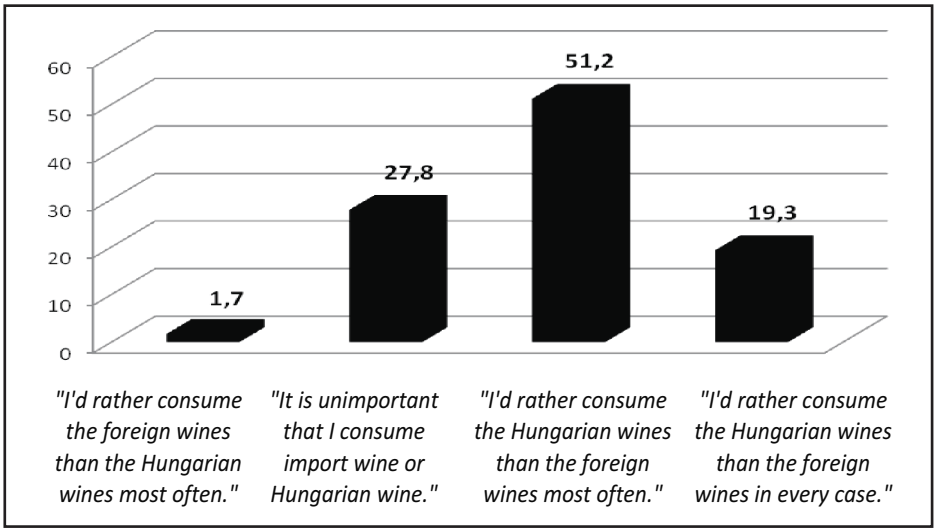
DOMESTIC VS. IMPORT WINE IN THE MIRROR OF QUALITY

H3 *The young persons prefer domestic wine to foreign wine since according to their value judgment Hungarian wine are rather associated with more relaible quality.*

From respondents altogether 118 students consume import wine as well, for whom it was put additional questions on the import wines relevantly. That survey was also about how judgment of the foreign wine relates to that of domestic wine. Question was that whether the domestic, or import wine it is taken rather (Fig. 3).

Figure 3

Approach to Hungarian and foreign wine
„Please mark the statement which is truth in your case!"



Source: own editing

Among every 4 respondents 3 respondents prefer Hungarian wine to import wine. Only approximately 1.5 per cent prefer foreign wine to domestic wine. On all of them from among four respondents three people like the Hungarian wine better, rather than the import wine, and one and a half percentages declared that he likes the products of the foreign countries better hardly merely. This result can be attributed – setting out from the Fig. 1 –, that the young persons to the Hungarian wine a more reliable quality was associated in most cases. This result due to the fact that (Fig. 1) according to young persons' value judgment Hungarian wines are rather associated with more relaible quality.

SEGMENTING IN THE WINE CONSUMPTION

H4 *Young ladies like sweet red wine the most, men rather like dry white wine*

There may be important in the Hungarian wine market's preliminary survey, that which target groups (young women, young men) what kind of wine consume with pleasure.

Wine consumers were asked which wine types they like according to colour and sugar content in the questionnaire. The issue was examined breaking down into genders.

It turned out that young persons like the wine with extreme sugar content (dry, sweet), the sweet wine are liked with the largest delight. This fact means that according to every second asked's opinion sweet wine guide the ranking unambiguously. Every second woman likes the sweet wine most, and in this category roughly more than 10 percentage points are their benefit compared to the men's. In the semi-sweet category men are represented higher by 9 percentage points. We may not experience significant differences in the look of drierwines.

The issue was examined in the function of colour of the wine, similarly to the analysis above. Students of Corvinus consits of two groups (white wines and red wines liking). Women rather like red wine, while the white wines stand near to the young men.

The Table 1 shows the differences between the wine consumption habits.

Table 1

The interaction between genders, colour of the wine, its sugar content

Colour of the wine	Dry		Sweet	
	Woman	Men	Woman	Men
White	9	15	25	19
Red	18	11	32	19

Source: own editing

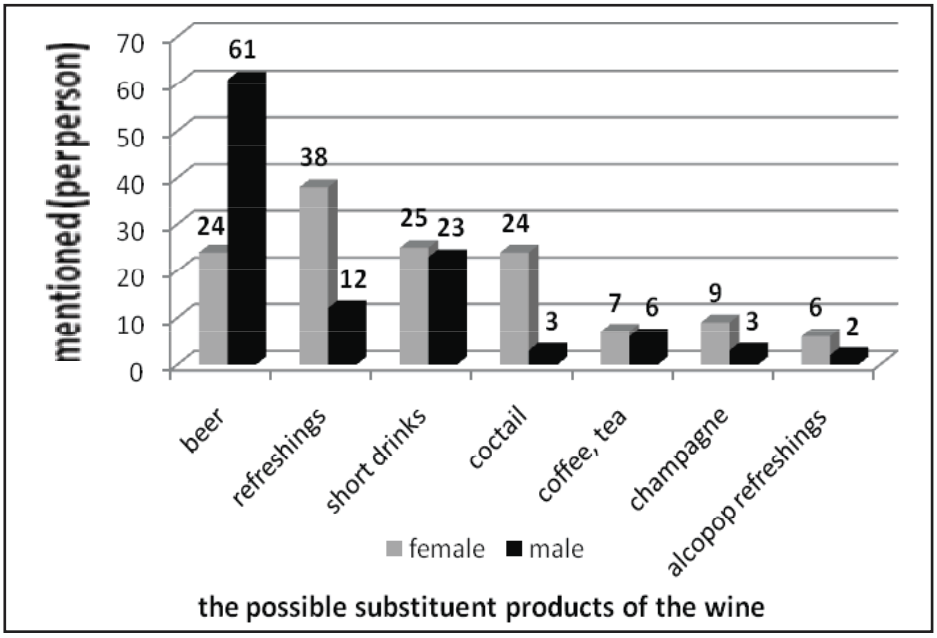
All in all, men consume more wine than woman only in case of white dry wines, while at further 3 types mentioned above, consumption of woman is more significant. Conclusion may be drawn for only that 4 types of wine since the table didn't content the semi-dry, semi-sweet, and the rosé wine. The reason of it was that graph can be seen above, shows well, that the respondents consume little proportion from types of wine mentioned before, and the majority like the extreme sugar-containing and colour wines.

H5 *The primary substituent product of the wine is the beer at the men, at the women is the cocktails*

Depending on the frequency of wine consumption there is a need for substitution more or less. I asked the students in case they do not drink wine what the substitution product is. In the Fig. 4 it can be seen the substitution products of wine chosen by the students in respest of their sex.

Figure 4

Products competing with the wine (broken into sex)



Source: own editing

In accordance with my expectations the beer is the most important substitution product of wine for men, but in case of women the soft drinks are preferred.

It can be stated that the behaviour of men is totally different from the behaviour of women in matter of substitution of wine. The most typical substitution product of wine is the beer, but for the women it is only a second rate substitution product. For the women the most important substitution product of wine are the soft drinks, but these beverages have got minor importance for men. The short drinks are in the second place among the substitution products independently the sex.

THE „CHANNELS" OF WINE CONSUMPTION

H6 *The young consume wine the most frequently in places of entertainment and restaurants.*

In my questionnaire I asked the students where and how often they drink wine. They answered that they consume wine the most frequently in parties and the less frequently on wine tours. The answers can be seen in the Fig. 5.

Figure 5

Where do the young consume wine?



Source: own editing

In the Fig. 5 the importance of places can be seen on the basis of frequency of wine consumption. During my research I did the analyse for men and for women as well, but I have not found significant difference in respect of neither order and proportion.

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