

New York: Majority of Consumers Oppose Wine in Supermarkets, Study Reveals

Consumers and small wine stores would be losers if proposal is approved

Source: University at Buffalo School of Management

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A survey of wine drinkers conducted by the University at Buffalo School of Management has found that 54 percent say they are opposed to a New York State proposal to sell wine in supermarkets.

In a survey of more than 5,000 households, 42 percent of those opposing wine sales in supermarkets cited "negative impact on small businesses" as their reason for doing so. Other reasons included reduction of wine selection (19 percent), likely end of personalized services (15 percent), end of a unique shopping experience at specialty stores (11 percent), perceived unfairness of competition (8 percent), potential for abuse/unhealthy buying behavior due to wider availability (7 percent) and loss of jobs in a troubled economy (4 percent).

Of those who support the proposal, 87 percent favored it for shopping convenience. Another 10 percent anticipated a decline in the price of wine, and 5 percent favored it because it promoted greater competition.

"Unlike other studies that have surveyed the general population, all of the participants in this study were actual consumers of wine," says Arun Jain, Samuel P. Capen Professor of Marketing Research in the UB School of Management.

According to the co-authors of the study, Jain, Ram Bezawada and Gary Pickering, survey participants included both men (38 percent) and women (62 percent) representing all age, income and education groups. Jain and Bezawada are co-directors of the school's Research Group in Integrated Marketing (RIM). Pickering is a professor of biological sciences and psychology/wine science at Brock University in St. Catharines, Ontario.

In general, support for wine sales in grocery stores was greatest among the young, who are more pressed for time and favored convenience. Older households tended to oppose the selling wine in supermarkets.

When asked how the availability of wine in supermarkets would impact how much wine they purchase, 70 percent of participants said they would buy the same amount, while 17 percent anticipated purchasing more wine and 13 percent said they would buy less.

"These findings are important because proponents of this proposal claim that wine sales, and therefore tax revenues, will increase greatly if wine is sold in grocery stores, but the truth is that there will be little change," Jain says.

"In the end, approval of the proposal to sell wine in supermarkets will be detrimental to smaller wine stores because they cannot make the volume purchases of a large supermarket chain," Jain says. "In addition, grocery stores do not have enough shelf space to carry an extensive selection, and their employees are not as knowledgeable about wines, so what the consumer may gain in competitive pricing will be offset by the loss of variety and expertise."

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