

COVID-19 and the Wine Industry: How the Pandemic Changed the Daily Lives of Industry Workers and Influenced Wine Sales

Kendal Kooreny

University of California, Davis

Introduction

The wine industry has been greatly altered since COVID-19 was declared a pandemic in March of 2020.

Since the pandemic began, the industry has faced significant challenges, including changes in wine sales (in terms of earnings, sales methods, and products sold), disruptions to daily routines of industry workers, and adjustments in companies' marketing strategies to accommodate consumer's changing preferences and priorities.

The wine industry has had to adjust to the changes caused by the pandemic while remaining relevant to consumers; however, while sales and employment figures have provided quantitative data, there has yet to be qualitative data that demonstrates the effects of the pandemic on the wine industry.

This research sought to illuminate exactly how COVID-19 has impacted the people of the wine industry and how these adjustments, even after the conclusion of the pandemic, are projected to influence the industry in the long term.

This research primarily focused on the California wine industry, specifically Napa and Sonoma.

It should also be noted that this area of research continues to evolve as the situation progresses.

Materials and Methods

For primary research, I created and distributed a survey, which was completed by 30 people currently working in the wine industry. I also conducted interviews via Zoom with 8 individuals who work in the wine industry. For privacy purposes, identities of interviewees will be anonymous. Survey results are depicted in Figures 1-5. For secondary research, I utilized the internet and library databases to collect quantitative information regarding the pandemic and the wine industry.

Figure 1. Survey results indicating the degree of change in wine industry workers' daily routines.

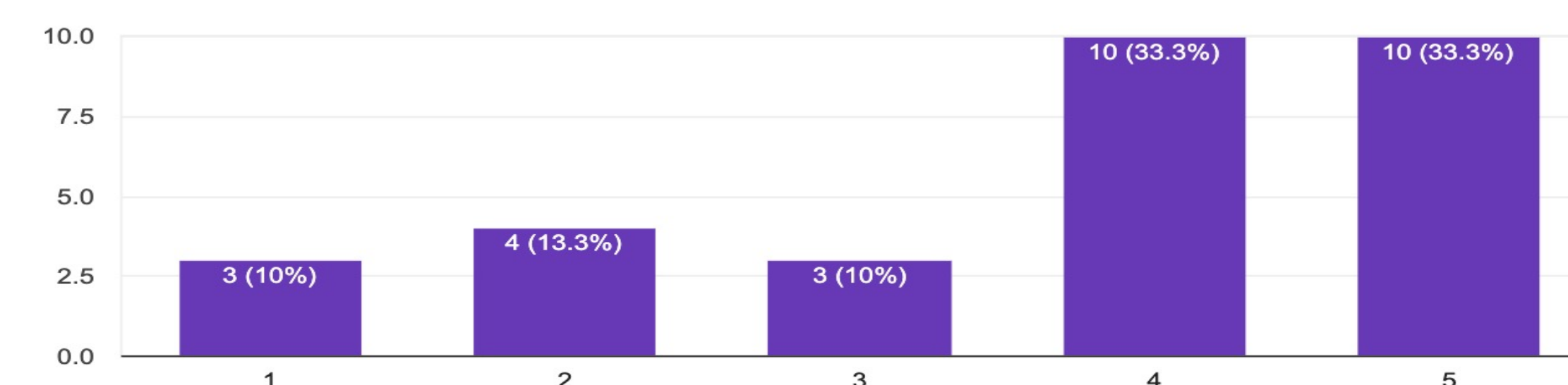


Figure 1 indicates participants' level of agreement or disagreement (on a scale from 1 to 5) with this statement: "My average workday has changed as a result of the pandemic." Most respondents agree (4) or strongly agree (5) that their average workday changed because of the pandemic.

Figure 2. Survey results showing a noticeable workplace changes during the pandemic

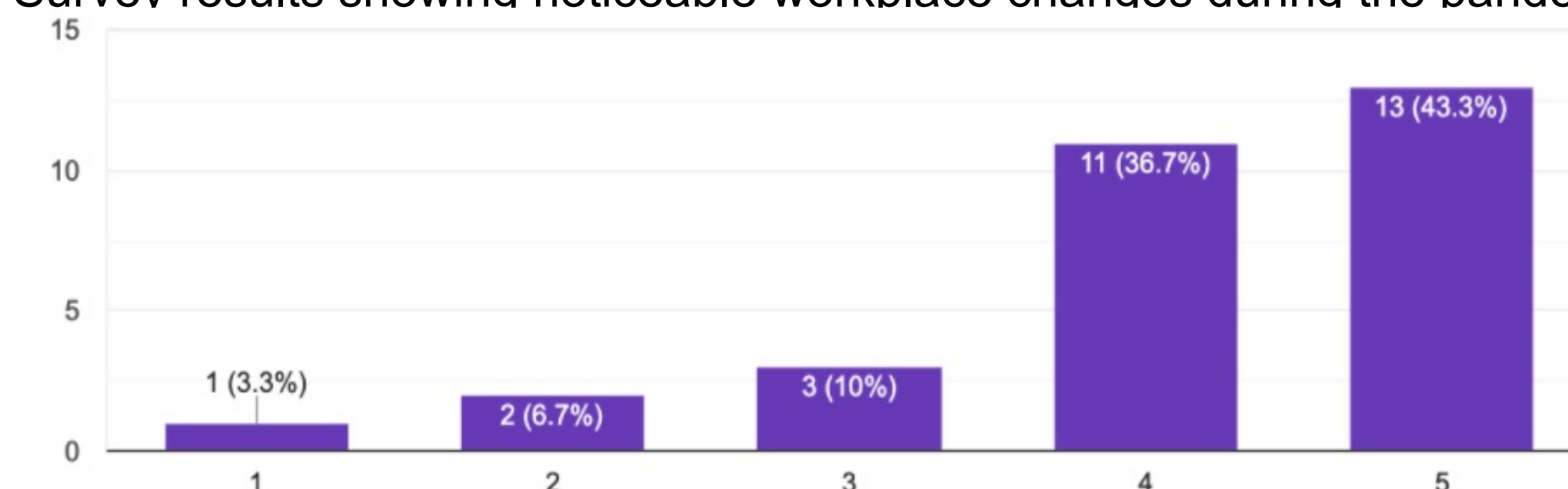


Figure 2 displays participants' agreement or disagreement (from 1 to 5) with this statement: "I have experienced noticeable changes in my company since the pandemic (e.g., changes in job roles, employment structure, operations)." Most survey respondents agree (4) or strongly agree (5) that they experienced changes in their workplace during the pandemic.

Figure 3. Changes in wine sales during the pandemic

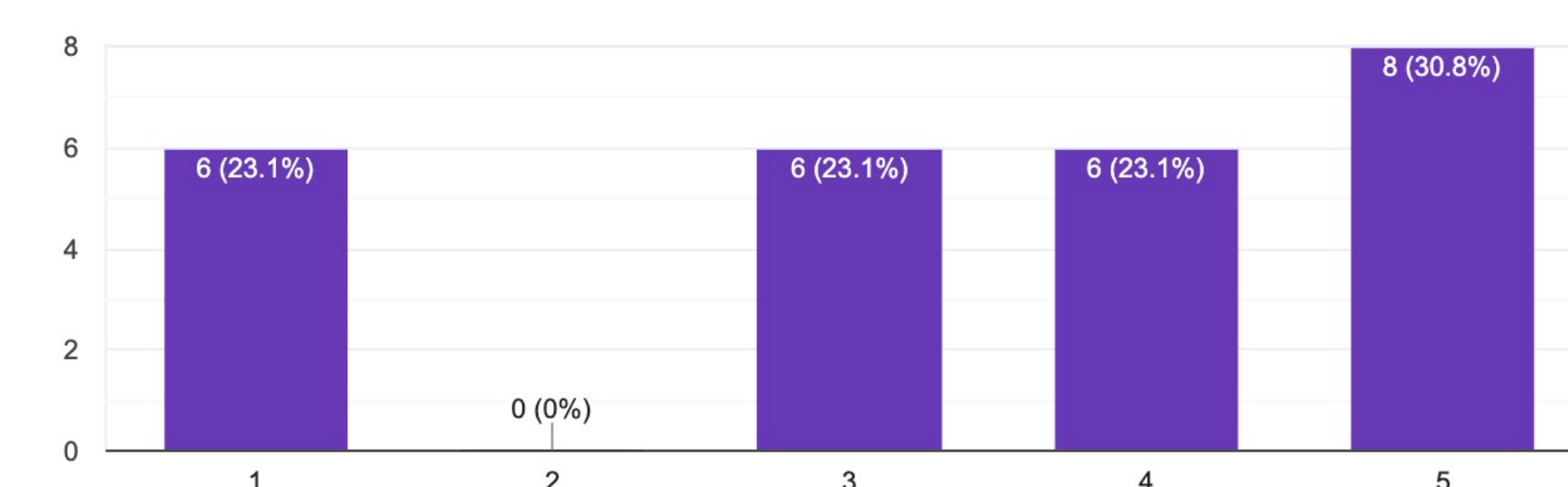
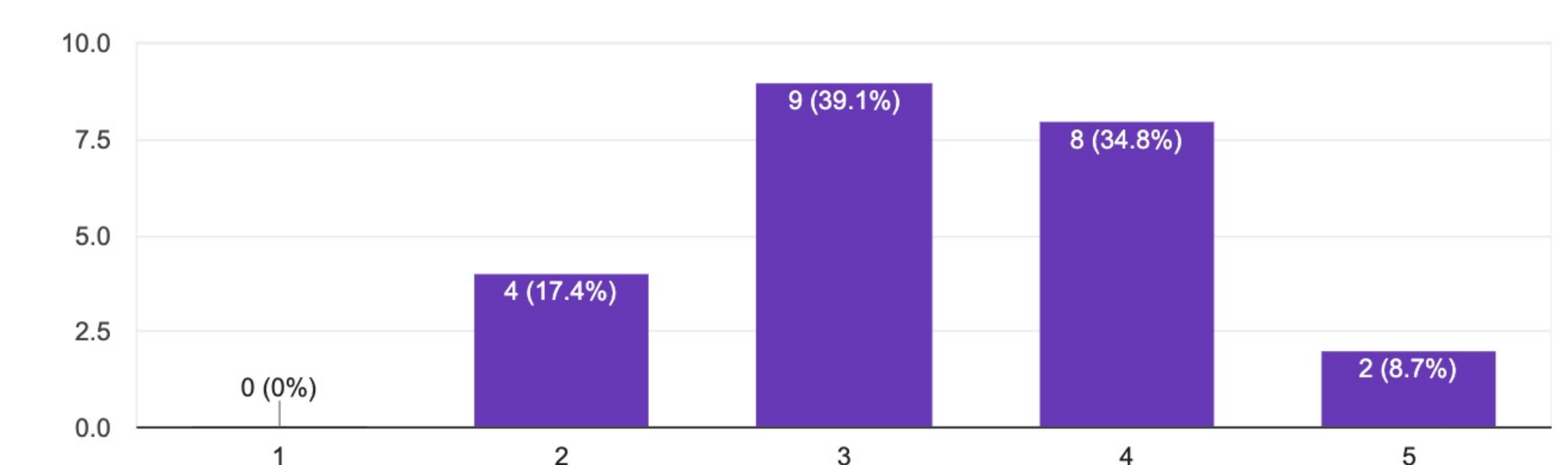


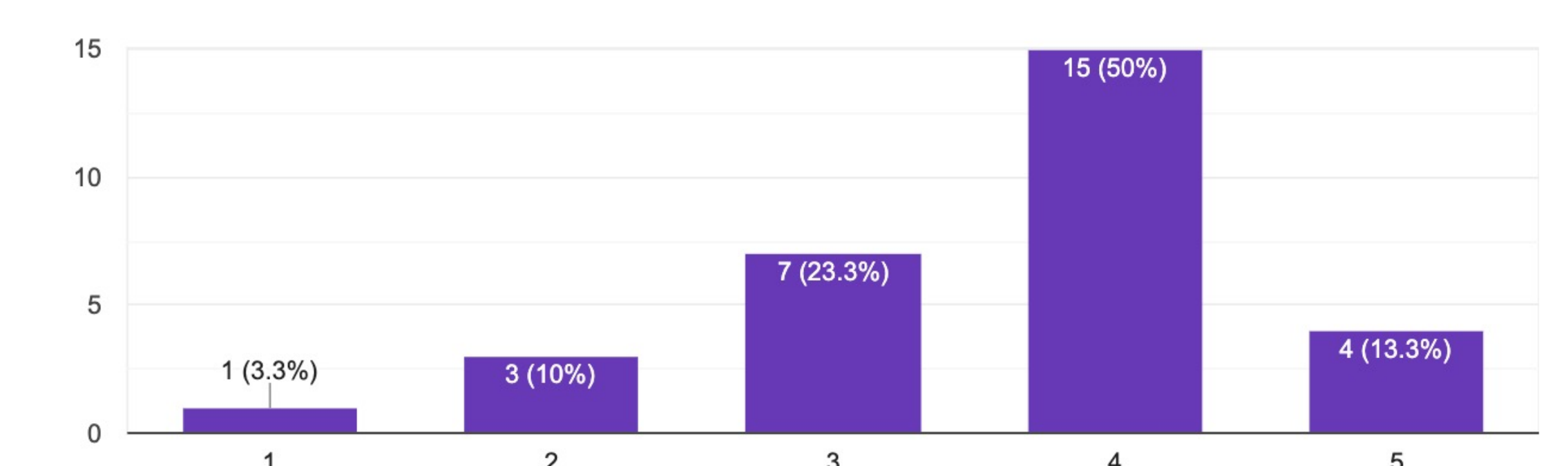
Figure 3 shows participants' level of agreement (from 1 to 5) with this statement: "My company has experienced a change in wine sales since March of 2020." 14 respondents agree (4) or strongly agree (5), while 6 respondents strongly disagree (1). 26 of 30 respondents answered, which can be attributed to not all employees working for companies that sell wine.

Figure 4. Nature of the changes in wine sales since March of 2020



In Figure 4, respondents described the changes in wine sales their company experienced during the pandemic. A "1" indicates sales significantly decreased, and "5" indicates sales significantly increased. "3" means sales roughly stayed the same. This question received 23 responses, which can be attributed to not all employees knowing the nature of the company's changes in sales and not all employees working for businesses that sell wine. Results show sales roughly stayed the same since March of 2020.

Figure 5. Predictions for long-term changes in the wine industry as a result of the pandemic



In Figure 5, survey respondents were asked to indicate their level of agreement on a scale from 1 (strongly disagree) to 5 (strongly agree) with the following statement: "I foresee the wine industry changing greatly in the long term because of the COVID-19 pandemic." The majority (19 of 30) respondents agreed (4) or strongly agreed (5) that the wine industry would change greatly in the long term as a result of the pandemic.

The results of interviews and secondary research indicate an overall increase in DtC (direct to consumer) sales, e-commerce, off-premise retail sales (including liquor stores, wine shops, and grocery stores and excluding restaurants), and virtual tastings and events. There is also now a larger emphasis on business email communications and newsletters, social media posts, and phone calls.

Conclusions

The trends discovered in this research are predicted to continue after the pandemic. Consumers have become accustomed to the ease of delivery and online wine shopping, which will continue to affect the daily lives of industry workers and the marketing strategies of companies. This research has continuously evolved and will continue to do so; thus, this should continue to be researched in order to understand the depth of the pandemic's influence on the wine industry and the people who work in it.