

CASE 2
BAN 620 - DATA MINING

Group 2

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MARKET STREET WINE CASE STUDY

SUMMARY:

This case study examines a wine shop – Market Street Wine in Charlottesville, Virginia established in 1979 and it's always evolving market trends. The store has relied on in-store purchases, local events, and word-of-mouth marketing to attract a loyal customer base. In recent years, shifting consumer preferences and external influences, such as the rise of natural and organic wines, have reshaped the wine landscape in the U.S. Additionally, the COVID-19 pandemic has driven changes in purchasing behaviors. Amid these trends, the new owners Richards and McQuade of Market Street Wine are exploring strategies to engage a broader audience.

The below is our attempt at answering their questions:

a. Reviewing the wine trends locally in Charlottesville and globally, what would customers be open to trying?

A review of wine trends in Charlottesville and globally, based on Market Street Wine data, identifies two main customer segments: experienced customers and millennials. Experienced customers traditionally prefer high-end wines like Bordeaux, Burgundy, and Champagne, but due to COVID-19-related import restrictions, they have shown openness to trying similar alternatives. Research into these wines' characteristics allowed us in identifying suitable replacements. Millennials, on the other hand, lean towards natural, organic wines priced under \$20, particularly rosé and sparkling wines, which have become more popular in recent years. With limited availability post-COVID, millennials are also open to alternatives, aligning with their preference for affordable, natural options.

Here is the list of alternative wines for experienced customer:

Burgundy Alternatives:

J Vineyards & Winery 2013 Bow Tie

Lynmar 2016 Monastery Pinot Noir

Bordeaux Alternatives:

Pamplin 2017 Red IQ Red

Airfield Estates 2018 Dauntless Red

Champagne Alternatives:

Hermann J. Wiemer 2009 Blanc de Blanc

Château Frank 2009 Brut Methode Champenoise

Brunello Alternatives:

Snowy Peaks 2016 Élevé Red (Grand Valley)

Oak Mountain 2014 Estate Merlot (Temecula Valley)

Barolo Alternatives:

Firestone 2016 Cabernet Sauvignon (Paso Robles)

Lava Cap NV American River Red Cabernet

Rhône Alternatives:

Fulkerson 2016 Estate Rosé (Finger Lakes)

Delta 2020 Brut Rosé Sparkling (California)

For millennials, here are alternative wines that align with preferences for natural, organic, under \$20, rosé, or sparkling options:

Hawk 2020 Grenache Rosé

Quady North 2018 Rosé of Cunoise

Carol Shelton 2021 Wild Thing Rendezvous Dry Rosé

Left Coast 2018 Queen Bee Bubbly Sparkling

b. Are there wine-producing regions more easily available in the US that wine drinkers might be interested in?

Based on the case study, wine drinkers interested in natural, organic, rosé, and sparkling wines will find California, Oregon, New York, and Washington to be the most prominent U.S. wine-producing regions for these categories.

California stands out with over 1,750 options, offering the widest variety across all four types.

Oregon and New York follow, each known for a strong presence of organic and rosé wines.

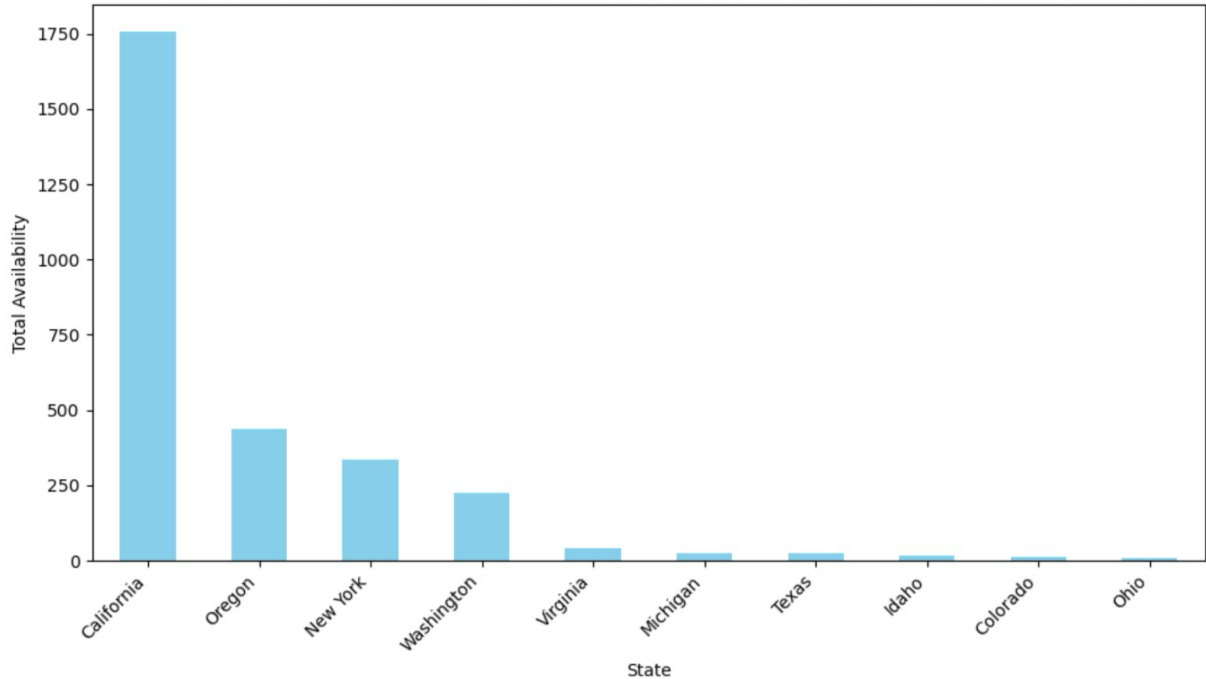
Washington also provides a notable selection across these categories.

For those seeking these specific wine characteristics, California and Oregon offer the most accessible and diverse choices, making them top destinations for wine enthusiasts.

Summary of wine-producing regions in the U.S. by characteristic:

	Natural	Organic	Rose	Sparkling	Total
winery_state					
California	31.0	153.0	1094.0	479.0	1757.0
Oregon	67.0	19.0	213.0	137.0	436.0
New York	2.0	1.0	209.0	124.0	336.0
Washington	0.0	5.0	193.0	27.0	225.0
Virginia	0.0	0.0	33.0	9.0	42.0
Michigan	0.0	0.0	7.0	18.0	25.0
Texas	0.0	0.0	21.0	3.0	24.0
Idaho	0.0	0.0	13.0	3.0	16.0
Colorado	0.0	0.0	11.0	1.0	12.0
Ohio	0.0	0.0	3.0	7.0	10.0
Tennessee	1.0	0.0	4.0	2.0	7.0
New Jersey	0.0	0.0	5.0	2.0	7.0
North Carolina	0.0	0.0	0.0	5.0	5.0
Pennsylvania	0.0	0.0	3.0	1.0	4.0
Massachusetts	0.0	0.0	2.0	2.0	4.0
Minnesota	0.0	0.0	1.0	2.0	3.0
Nebraska	0.0	0.0	1.0	2.0	3.0
Missouri	0.0	0.0	2.0	0.0	2.0
New Hampshire	0.0	0.0	2.0	0.0	2.0
Maryland	0.0	0.0	0.0	1.0	1.0
Maine	0.0	0.0	0.0	1.0	1.0
Iowa	0.0	0.0	0.0	1.0	1.0
Indiana	0.0	0.0	1.0	0.0	1.0
Illinois	0.0	0.0	1.0	0.0	1.0
Florida	0.0	0.0	1.0	0.0	1.0
Arizona	0.0	0.0	1.0	0.0	1.0

Top 10 U.S. Wine-Producing States by Availability of Natural, Organic, Rosé, and Sparkling Wines



c. Could they find good ones at the popular price point of under \$20?

To identify quality wines under \$20, we focused on selecting wines from Market Street Wine's dataset that meet key quality indicators by filtering three specific columns: *points*, *badges*, and *designation*.

The “badges” column highlights wines awarded as *Best Buy*, *Stellar Selection*, or *Editor's Choice*, each of which signals high quality.

The “points” column could be a good indicator that provides additional insight into the wine's quality, helping us prioritize wines with solid ratings.

Lastly, the “designation” column offers a unique identifier, revealing specific vineyard sources or distinctive winemaking methods. For instance, designations such as *Run Dog Vineyard* or *3 Generations* could signify vineyard origins or specialized winemaking techniques that may appeal to buyers. By combining these factors, we curated a list of wines under \$20 that balance affordability with quality, catering to value-conscious customers who seek standout options without compromising on taste.

d. Are there any specific wines, wine styles, or vineyard regions they should consider?

Wine Styles:

To determine wine styles that might interest U.S. consumers, we focused on rosé wines, reflecting their recent rise in popularity. Given the preference for Provencal-style rosés—known for being dry, fruity, and mineral—we filtered the dataset for wines labeled as “rosé” with these characteristics. So, the below are the wines the owners should consider given the fact that Provencal style Roses have rose in popularity.

	title	dry	fruit	mineral	\
7336	Efeste 2016 Oldfield Estate Rosé (Yakima Valley)	1	1	1	
8804	Wagner 2016 Rosé of Cabernet Franc (Finger Lakes)	1	1	1	
18015	Big Table Farm 2017 Laughing Pig Pinot Noir Ro...	1	1	1	
18735	Andrew Murray 2017 Espérance Curtis Vineyard R...	1	1	1	
20773	Picayune 2018 Hay Penny Rosé (Mendocino County)	1	1	1	

	wine_style
7336	Rose
8804	Rose
18015	Rose
18735	Rose
20773	Rose

Vineyard Regions:

The COVID-19 pandemic led to significant supply chain disruptions, creating an opportunity for wines from lesser-known regions to fill the void left by traditional European and Californian wines. Notable regions that gained attention during this time include Washington, Oregon, and New York, particularly the Finger Lakes region. Additionally, there was a growing interest in wines from Idaho, Colorado, Ohio, and Virginia. This shift allowed local wines to gain traction in the market.

In Washington state, consider the vineyard regions of Columbia Valley (WA), Walla Walla Valley (WA), and Yakima Valley (WA). Oregon is home to numerous natural wine producers; be sure to explore Willamette Valley, Dundee Hills, and Eola-Amity Hills. In California, notable regions include Contra Costa County, Central Coast, Sta. Rita Hills, Santa Barbara County, Anderson Valley, Mendocino County, Russian River Valley, Sonoma, Howell Mountain, Napa, Adelaida District, and Templeton Gap District. In New York, the Finger Lakes region is also worth exploring. Lastly, in Virginia, the Monticello AVA vineyard region is worth a look.

e. Which other current wine trends and strategies should they explore?

Strategy1 for Local Community: Reviving the tradition of Friday Night Wine Tastings at Market Street Wine will be an ideal strategy to reengage the local community. These tastings are historically known for creating enjoyable, memorable experiences therefore they can even now serve as a event that highlights the store's diverse wine selection while building a lively social atmosphere. By this, Market Street Wine can appeal to both seasoned wine enthusiasts and curious newcomers, creating a regular event that fosters a sense of community and encourages in-store visits.

Strategy2 for Global Community: For more global community and to effectively capture the attention of millennials, who are becoming a growing demographic in wine purchasing, Market Street Wine could expand its marketing strategy to focus on social media channels, particularly Instagram. Millennials tend to favor approachable, relatable content over grand, traditional marketing messages, and they frequently engage with influencers and lifestyle content online. Up to this point, As Market Street Wine has relied on word-of-mouth and minimal local radio advertising, which has served them well in building a local reputation. However, by leveraging social media platforms, they could significantly expand their reach and brand recognition.

Apart from the above, focusing on popular wineries that actively invest in influencer and social media marketing can significantly enhance their appeal to millennial consumers. Below are few top wineries that are currently doing so.

- Williams Selyem: Exclusive, direct-to-consumer rare wines with a loyal, traditional following.
- Kendall-Jackson: 250K+ Instagram followers, eco-friendly focus, NBA wine partner for millennial appeal.

- **Domaine Serene:** Showcases Oregon vineyard experiences, attracts younger wine tourists.
- **La Crema:** Engaging lifestyle-focused content, Sonoma events, appealing to younger audiences.

f. Prepare a story that presents the results of your analysis to the store owners.

The below is our story directly addressing the store owners:

Richards, McQuade, let's take a moment to appreciate the legacy of Market Street Wine. Since 1979, it's been more than just a wine shop; it's been a local treasure. As Charlottesville's oldest wine store, you've built a loyal community through word-of-mouth, in-store purchases, and a personal touch. However, the wine world—and your customers—are changing, and we're excited to share a few insights and strategies to ensure Market Street Wine continues to thrive for years to come.

After reviewing the latest wine trends in Charlottesville and across the globe, we've identified a clear shift in customer demographics and preferences. Traditionally, many of your customers have been experienced wine enthusiasts, who would prefer classic choices like Bordeaux, Burgundy, and Champagne. But supply chain disruptions and shifting tastes have broadened their horizons, making them more open to exploring lesser-known but equally remarkable wines.

At the same time, a new wave of millennial customers is emerging, with an interest for natural, organic wines and a strong preference for affordable options, particularly rosé and sparkling varieties. This younger crowd is driving the demand for wines that align with sustainability and affordability.

To tap into this dual market of seasoned enthusiasts and adventurous millennials, we've explored two main strategies that we believe can elevate Market Street Wine's brand and offerings.

First, let's talk about bringing back the beloved Friday Night Wine Tastings. These tastings have been more than just a chance to sample wine—they're a local tradition. By reviving these events, you're inviting both old friends and new faces into a space where they can share a relaxed, communal experience. Not only does this enhance community ties, but it also offers a perfect opportunity to highlight different wine selections in an interactive way.

Just, imagine hosting evenings that introduce your customers to up-and-coming U.S. vineyards or unique styles of natural and rosé wines, creating an approachable entry point for newer enthusiasts and something special for the long-time patrons.

The second strategy is designed with your growing millennial audience in mind: utilizing the power of social media. Up until now, you've done incredibly well relying on local radio spots and word-of-mouth, but expanding into social channels like Instagram could attract millennials who are avid followers of lifestyle influencers and interactive content. These customers are far more

likely to respond to relatable, engaging stories rather than traditional advertising. By sharing photos, behind-the-scenes snippets, and stories from your tastings, you're inviting this digital-savvy audience to discover Market Street Wine's unique selection and inviting atmosphere, even if they aren't physically in the store yet. Apart from this you could also focus on investing in popular wineries that have strong social media marketing to appeal to the new age customer base.

With these strategies—one rooted in tradition, the other in modern digital outreach—Market Street Wine can continue to serve your community with the same dedication it's known for, while evolving to capture the attention of today's consumers. We believe this balance between old and new will help Market Street Wine thrive, carrying forward a legacy that's both time-honored and adaptable.