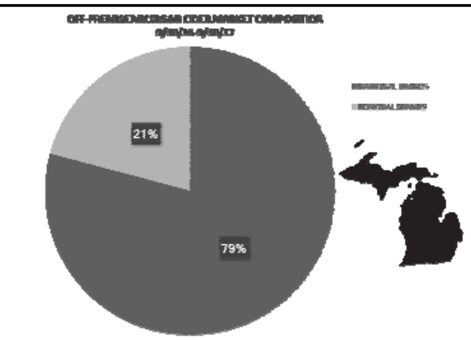
# Hard Cider

**Where:** Grand Gallery (main level) Room D
**Moderator:** Emily Pochubay, MSU Extension

| | |
|---|---|
| 9:00 am | Cider: The Big Tent - An Update from USACM<br>• Michelle McGrath, United States Association of Cider Makers, Portland, OR |
| 9:40 am | A Shared Cider Industry Vision: Perspectives from the NW Cider Association<br>• Emily Ritchie, Northwest Cider Association, Portland, OR |
| 10:20 am | Crafting A Cider Comeback: First Steps to Identifying Cider Drinkers<br>• Trey Malone, Agricultural Food And Resource Economics Dept., MSU |
| 11:00 am | Session Ends |

# Trends in the hard cider market place and ongoing projects of the association to support the industry

**Michelle McGrath**
United States Association of Cider Makers




| 52 WEEKS - Week ending 9/30/17 | | |
|---|---|---|
| OFF-PREMISE | $ | $% Change vs Yr Ago |
| National Cider Brands | $ 361,531,927 | -13.0% |
| Regional, Local Cider Brands | $ 114,269,650 | 36.0% |
| TOTAL | $ 475,801,576 | -4.8% |

| 52 WEEKS - Week ending 9/09/17 | | |
|---|---|---|
| ON-PREMISE | $ | $% Change vs Yr Ago |
| National Cider Brands | $ 608,000,692 | -5.8% |
| Regional, Local Cider Brands | $ 203,005,780 | -0.9% |
| TOTAL | $ 811,006,472 | -4.6% |

High-level analysis of changes in US cider market. Data from an indepth report commissioned by the United States Association of Cider Makers from Nielsen, LLC and Nielsen CGA. Full reports will be released to members.

# Crafting a Cider Comeback: First Steps to Identifying Cider Drinkers[1]

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Department of Agricultural, Food, and Resource Economics
Michigan State University

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Extension Specialist
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**Description of the Pilot Survey**

The pilot survey was comprised of 139 participants who participate in the Mechanical Turk survey pool. These participants received a nominal fee for this participation, and the survey took approximately 8 minutes, 52 seconds to complete. The demographics are not completely representative of the American consumer, which makes these results only a starting place. For example, 86% of the sample identified as White/Caucasian and only 18 participants had only a high school diploma or GED. Furthermore, 60.5% of the sample was 25 to 34 years of age. To complicate findings from the pilot survey further, only 12 participant were from Michigan, which makes most of our sample less likely to respond to an appeal to Michigan local food culture.

[1] This study is entirely based on preliminary pilot data. These figures are only meant as a means of generating conversation.

Figure 1 displays a heat map based on a question from the survey that asked participants to identify what portion of the Blake's Hard Cider can was most important for their purchasing decision. Blue represents the fewest number of clicks, while red represents the highest number of clicks. This pilot study suggests that the single most important aspect on this can for purchasers was the alcohol content, followed by the product name and the cider company name.


**Figure 1.** Please click the location on the label you consider most important for your hard cider purchasing decision.

Figure 2 displays average responses from a sliding scale question that asked how much participants might be willing to pay for different packaging.  Because of the small sample size and hypothetical nature of the question, few of the prices were statistically different from one another.  However, the pattern suggests that consumers are likely to be willing to pay more for increases in variety.

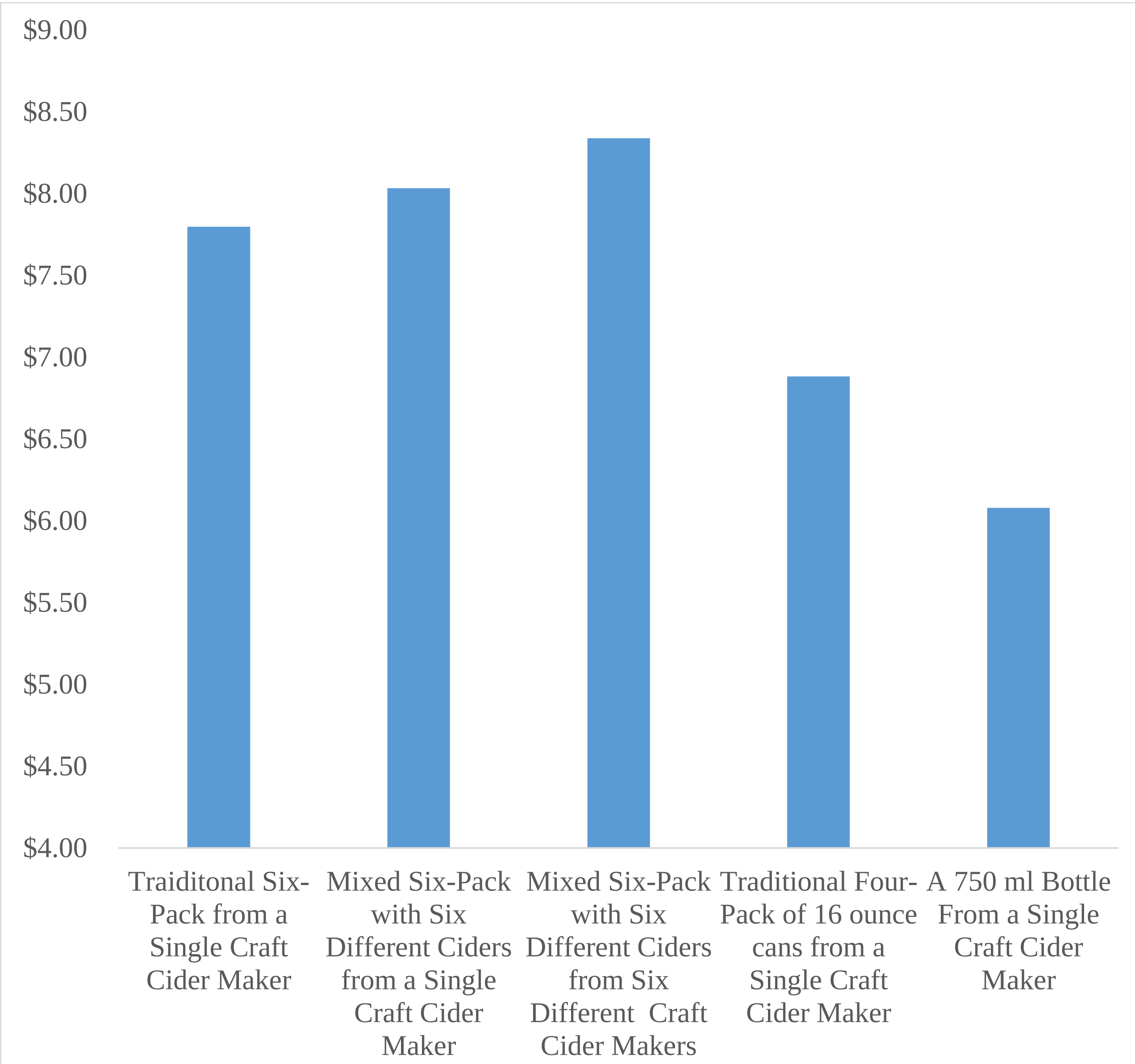


**Figure 2.** Average Stated Willingness-to-Pay for Different Craft Cider Packages

Figure 3 displays the agreement of participants with various statements about cider. Subjective knowledge about the product was somewhat normally distributed, with the majority of participants having a neutral opinion of their cider knowledge. The majority disagreed with the statement that all cider tastes the same, but a surprisingly large number of participants were unsure about the gluten content of all ciders. Participants generally agreed that they would prefer to buy a local cider to a cider from a national hard cider label. Finally, most participants agreed that they generally only drink ciders in the fall.

Figure 4 displays the results from a question about what bottle labels people prefer. Prior to the study, we photographed the available labels at Horrock's in Lansing, MI. We then asked each participant to identify what labels they liked and did not like. The most preferred cider label was the Gunga-Din bottle, with 73.11% of the sample indicating that they liked the label. Antrim County Hard Cider (69.75%), Michigan Brut (68.91%), and Michigan Cinnamon Girl (67.23%) followed this.

Figure 5 displays the results from a question about what can labels people prefer. We followed the same methodology as that stated in figure 4. The Blackberry Hard Cider (73.11%) label was most liked, followed by Trocken Dry (72.27%), Bot Hop (69.75%), and Smackintosh (61.34%). One participant noted, "I didn't really prefer any of the packaging, it all looks like advertisements for kids, not adults. They all look like sodas for kids."

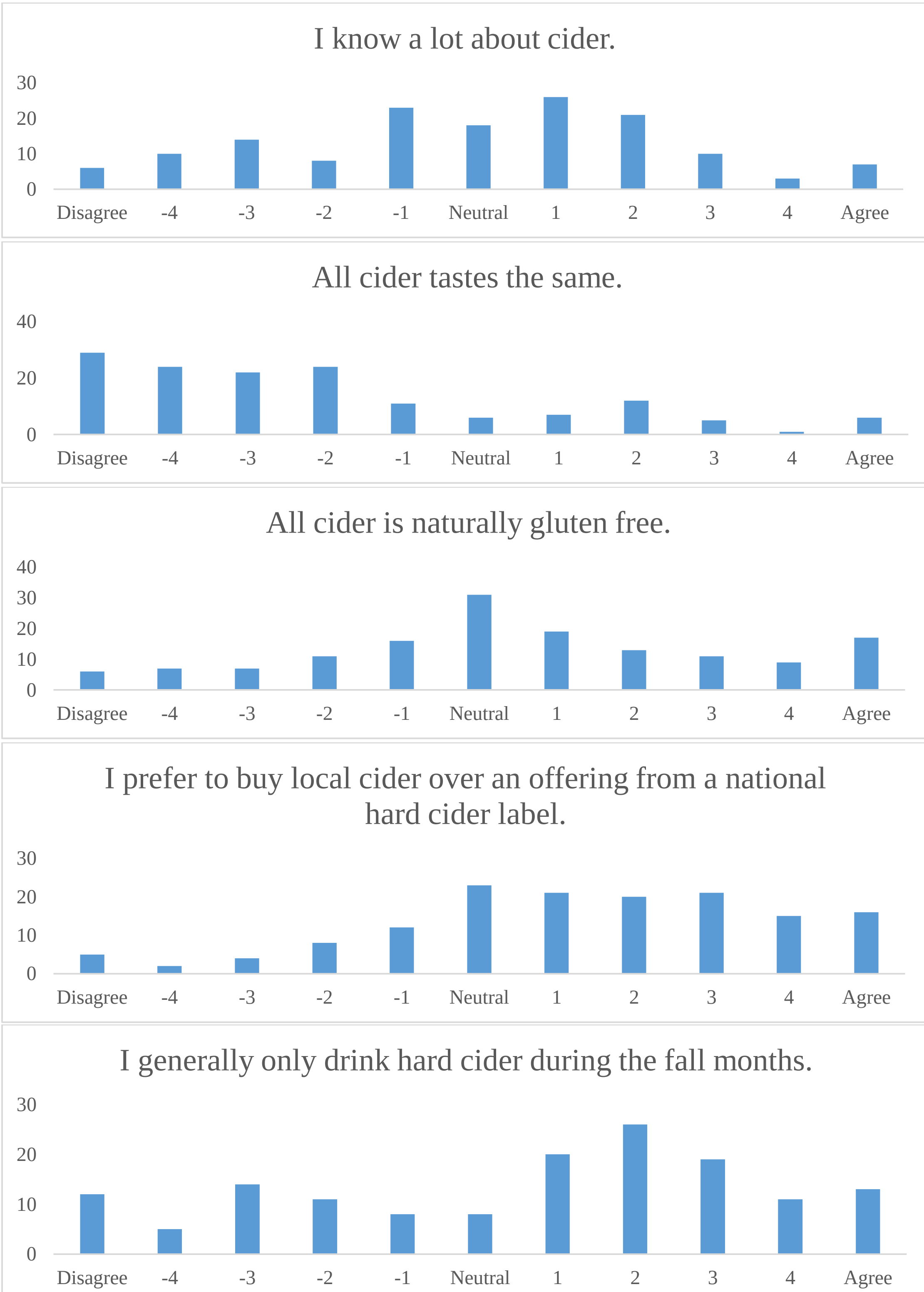


**Figure 3.** Agreement with Statements about Cider

| Maker | Style | Label | % Liked |
|---|---|---|---|
| St. Julian Wine Co. | Gunga-Din Cider |   | 73.11% |
| Left Foot Charley | Antrim County Hard Cider |   | 69.75% |
| Virtue Cider | Michigan Brut |   | 68.91% |
| Left Foot Charley | Michigan Cinnamon Girl Hard Apple Cider |   | 67.23% |

Notes: Top 4 preferred labels based on 14 options available at Horrock's in November, 2017.
Data based on pilot survey data collected on Mechanical Turk with a sample size of 119 participants.

**Figure 4.** Four Most Preferred Michigan Bottle Labels

| Maker | Style | Label | % Liked |
|---|---|---|---|
| Sierra Rose Cellars | Blackberry Hard Cider |  | 73.11% |
| Farmhaus Ciders | Trocken Dry |  | 72.27% |
| Soul Squeeze Ciders | Bot Hop |  | 69.75% |
| Tandem Ciders | Smackintosh |  | 61.34% |

Notes: Top 4 preferred labels based on 16 options available at Horrock's in November, 2017.
Data based on pilot survey data collected on Mechanical Turk with a sample size of 119 participants.

**Figure 5.** Four Most Preferred Michigan Can Labels

A common hypothesis is that the spike in gluten aversion might be driving increases in gluten sales. Figure 6 displays the relationship between a constructed gluten aversion scale and the frequency of hard cider consumption (1 is never, 7 is daily). There appears to be a slight correlation between the frequency of cider consumption and gluten aversion, although the relationship is unclear. Regardless, the slightly positive line suggests that this question merits further consideration.

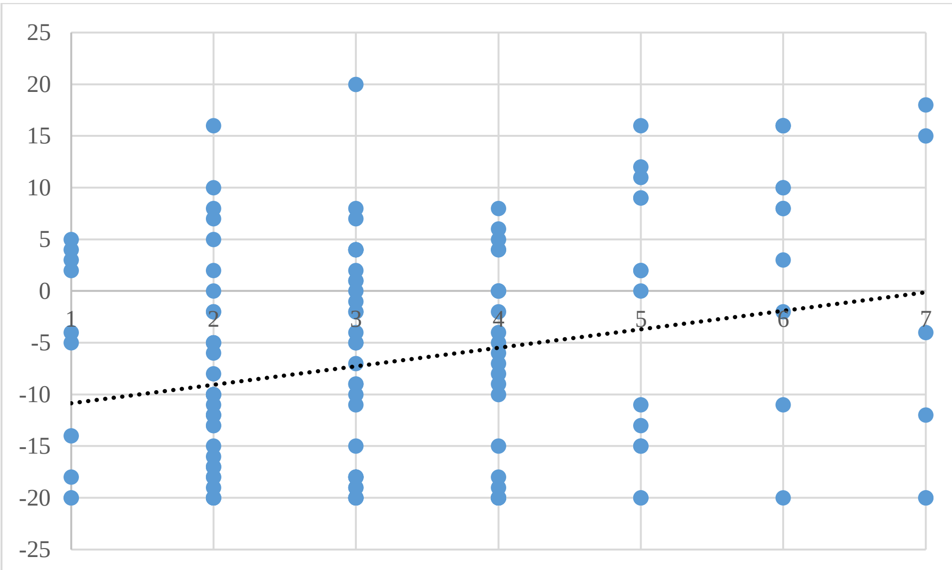


**Figure 6**. Relationship between Gluten Aversion and Frequency of Hard Cider Consumption

Table 1 displays results from a question that asked participants to rank each of the characteristics in terms of how important they are in their choice of hard ciders.  Alcohol content was the most important characteristic, followed by price and sweetness.  For this pilot study, the least important characteristic was the location of the cider maker.

**Table 1.** Rank of the Characteristics Consumers Say is Most Important to Their Cider Choice

| **Rank** | **Alcohol content** | **Price** | **Sweetness** | **Name of the cider maker** | **Type of Apple** | **Name of the cider** | **Art on the label** | **Bitterness** | **Location of the cider maker** |
|---|---|---|---|---|---|---|---|---|---|
| 1 | 40 | 21 | 20 | 10 | 7 | 6 | 4 | 4 | 4 |
| 2 | 14 | 23 | 30 | 7 | 7 | 8 | 6 | 13 | 8 |
| 3 | 15 | 19 | 23 | 6 | 15 | 7 | 13 | 14 | 4 |
| 4 | 15 | 23 | 18 | 14 | 12 | 14 | 7 | 5 | 8 |
| 5 | 4 | 4 | 3 | 4 | 10 | 6 | 3 | 5 | 5 |
| 6 | 1 | 2 | 4 | 5 | 4 | 5 | 5 | 8 | 9 |
| 7 | 3 | 2 | 2 | 5 | 6 | 6 | 12 | 2 | 5 |
| 8 | 3 | 5 | 1 | 7 | 5 | 7 | 5 | 3 | 7 |
| 9 | 1 | 3 | 1 | 8 | 2 | 5 | 7 | 6 | 9 |

Table 2 displays results from a question regarding hard cider-packaging preferences at a bar or at a liquor store. In both instances, participants suggested that they preferred bottles to the alternatives. Participants explained their preferences for bottles with statements such as, "I like a bottle. Cans leave tinny taste", "A bottle feels better than a can", "I personally have the opinion that glass containers provide better taste", and "Bottles seem to be larger and I like the different shapes of the bottles cider comes in."

**Table 2.** Packaging preferences

| | **Bar** | **Liquor Store** |
|---|---|---|
| Bottles | 87 | 90 |
| Cans | 15 | 15 |
| Draft | 29 | 6 |
| Never | 13 | 8 |