An investigation into the relevance and acceptance of green wines in South Africa: a marketing perspective

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Abstract

Sustainable and environmentally friendly practices have become an increasingly important purchasing consideration across different industries and sectors. Situated in the particularly fragile Cape Floral Kingdom, green practices are specifically relevant to the South African wine industry. Green practices could potentially be utilised as an important part of wineries’ marketing strategies.

This study investigates the relevance and acceptance of green wines in South Africa, with an emphasis on the relevance to and acceptance by wine consumers. The consumer relevance of green certification, as well as other green practices, such as organic and biodynamic production, green packaging and donations to environmental causes, were evaluated. Furthermore, the research includes insights into consumers’ perceptions of the quality, taste, trendiness and health aspects of green wines.

A literature review was undertaken to establish the role of greening in the context of consumer purchasing considerations. This was supplemented by an investigation of the wine purchasing environment, which entailed observations at different wine retailers in the Western Cape, as well as a focus group including some of the most prominent green wine producers in South Africa.

Based on the findings, a survey was conducted among South African wine consumers. While the study of the wine purchasing environment was regarded as exploratory, the questionnaire follows a more focused approach, with delimited objectives.
A non-probability sampling method was used, specifically targeting existing wine drinkers. The self-completion method was used for this study, through an online survey website: www.greenwinesurvey.co.za. The website was distributed through a number of blogs and websites, which are frequented by wine drinkers and in many cases emailed to wine drinkers by means of RSS-feeds and blog subscriptions.

A total of 203 responses were originally recorded, but after data treatment, a total of 191 valid respondents were registered on the questionnaire database (N = 191). The majority of these respondents (80%) were from the Western Cape, followed by Gauteng and KwaZulu-Natal.

While the evaluation of the closed-ended questions pertaining to demographic data was limited to descriptive statistics such as frequency counts, bar charts and cross-tabulation of gender and age, the analysis of the Likert scales enabled more advanced statistical testing. The data was analysed using descriptive and inferential statistical methods.

The analyses showed that while greening is indeed recognised by the consumer as a cue that shapes their choices, its importance is relatively low compared to that of other conventional cues.

Significantly, the study revealed that certification – the strategy that is most often applied in South Africa – does not necessarily carry the weight that warrants the effort that is currently expended on this and that other alternative greening efforts could be more effective. Both the literature review and study of the wine purchasing environment indicate that there is a strong emphasis on certification as a means of promoting or differentiating green products. Despite the effort that is put into these certification schemes, consumers attribute only moderate significance to the two largest South African green wine certification schemes: BWI and IPW.

While more respondents were familiar with BWI than IPW, both certification schemes were not viewed as significant as were other greening strategies, such as recycled packaging or donations to green causes.

Terms relating to green production methods, namely “organic” and “biodynamic”, were viewed as slightly more significant than the abovementioned certification
schemes, but they were also less significant than what literature and the emphasis in the purchasing environment had suggested.

Packaging made from recycled material, low sulphur levels and donations to green causes were, however rated as the favoured initiatives and could be viewed as more viable green marketing strategies, from a customer-centric point of view.

The future significance of wine merchants and retailers in maintaining or even regulating green wine standards was strongly acknowledged by both wine consumers and producers. This suggests that green credentials might become mandatory requirements for wines to be sold by certain retailers, who effectively become the environmental gatekeepers of the wine trade.

The survey indicated that there is significant consumer support for dedicated shelf space for green wines, even though observations in the purchasing environment indicate that this is the exception – with green wines currently presented among their conventional counterparts.

It was found that most consumers are genuinely concerned about the environment and that this is also reflected in their purchasing decisions. The survey showed that this is, however, unlikely to result in higher prices for green wines. Even though consumers are aware that it does not cost less to produce green wines, they are not particularly keen to pay more for these wines. This supports the notion of the producers, who projected that only a small niche market will be willing to pay more, solely for a wine’s green attributes. It seems likely that certain green attributes will become a prerequisite for shelf space, instead of being only a differentiating factor among other conventional products.

Consumer demographics proved to be an important determinant regarding the relevance of greening as a purchasing consideration, with females attributing more significance to this purchasing factor. By gaining insights into which green initiatives are favoured by consumers, while also understanding which segments of the market are more likely to purchase a green wine, this research could play a valuable role in optimising marketing strategies for green wines.

In the view of planning future marketing strategies, there was overwhelming agreement with the notion that greening will play a bigger future role in wine
consumer purchasing decision – a view that certainly warrants further research and serious consideration from wine marketers and producers in general.