Bordeaux 2016 Abstract Submission

Title
What Wine Shoppers Decide Before They Enter and What They Notice In-store

I want to submit an abstract for:
Conference Presentation

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Keywords
Wine shopper behaviour, planning behaviour, shopping list, mental path to purchase, brand planning

Research Question
Which aspects of wine shopping are decided prior to store entry and which are decided in-store. What role does marketing effort play in these decisions.

Methods
800 exit interviews with wine shoppers leaving 12 retail stores covering a range of wine retail formats, supplemented by 34 depth interviews with wine shoppers conducted in-store in Australia.

Results
Wine shopping is a habitual behavior with many aspects habitual and pre-planned. Much marketing effort is screened out. Competitions and Gifts With Purchase have especially low impact.

Abstract
This empirical research examines the decision-making wine shoppers undertake both prior to and upon entering a store. We document the extent of store, category, and brand planning as well as the role marketing efforts such as catalogues, competitions, bonus stock and gifts with purchase (GWT) play in the wine shopper’s decision process. The findings reflect that wine shopping is akin to other retail tasks consumers undertake, such as grocery shopping, and is characterized by routine and habitual behaviour. The importance of physical availability and ease of recognition in-store for a brand to maximize chances of being bought is discussed and the resources marketers give to efforts such as competitions and GWT, which are largely ignored, are questioned.

The data come from 800 exit interviews with wine shoppers leaving 12 retail stores covering convenience,
destination, eat street and fine wine retail formats supplemented by 34 depth interviews with wine shoppers conducted in-store. In all surveyed stores, the full range of marketing promotional efforts was present. A strength of this research is that the data was obtained temporally close to the behavior of interest, this is valuable as wine shopping involves complex in-store navigation, brand proliferation, and multiple marketing stimuli, all of which may be difficult for a respondent to recall when not in-situ or with the passage of time.

The overall findings show clear generalizable patterns of shopper behavior and similarity of findings across store formats.

Wine shopping is a habitual behavior that shoppers are experienced in. It is viewed as a necessary “chore”, only a little bit more exciting than grocery shopping. This makes sense given that most (six in 10) trips are for ‘everyday drinking’ items, with only two in 10 for a ‘special occasion’ and two in 10 for a ‘friend/event/gift/restaurant’ occasion. Wine shopping is also a relatively low involvement task for the majority, with only four in 10 wine shoppers claiming “high” wine involvement.

Six in 10 shoppers said they shop once a week or more frequently, with eight in 10 shoppers having a repertoire of three or fewer stores. Only 5 in 100 shoppers claimed to be new to the retailer they were interviewed at, again highlighting the frequent and habitual nature of wine shopping. Convenience is the overriding reason for store choice, at 64%, with the next most stated answer being “general perceptions of low prices” at a much lower 9%. Service was only mentioned by 3% as a reason for store choice.

For the particular shop the person was interviewed at, 78% said the shopping trip was pre-planned while 22% were shopping on impulse. Of those that had pre-planned, the vast majority had already also planned the store they would visit (84%), reflecting the repertoire nature of store choice.

Catalogues and advertisements did not play a role in-store. 99% of wine shoppers entered the store without an ad or catalogue and did not pick one up in-store. Trade ads only drove 5% of claimed reasons for visiting that particular store. This is not to say such marketing effort does not have a role to play in forming perceptions of price for an outlet, but it does call into question their influence on specific brand choice at the point of purchase.

Shoppers decide on some key aspects of wine shopping prior to entering the store. The research found that wine type (cask/bottle), occasion (everyday, special event, gift) and wine style (red/white/sparkling) are highly preplanned. All three had 85% or more respondents deciding these aspects prior to their shop. Having purchasing planned to the brand level was less common at 58% of respondents. An important finding is that 74% of shoppers could only name three or fewer ‘regular’ wine brands, unaided. It appears that shoppers work by recognition of brands rather than recall in-store. Physical availability and easy in-store recognition are critical and unnecessary label or stock placement within store changes should be avoided.

One in five shoppers can be influenced to increase their in-store purchases, with the rest claiming to have bought the amount planned for that trip. Of these 20% buying more than planned, unit trade-up occurred because of price specials or bonus stock (42%) rather than GWP or competitions (a low 2%). These marketing efforts do not shift the amount of purchasing.

Much marketing effort is screened out. Almost six in 10 (57%) of shoppers recalled no promotions from the store they just exited. The most recalled marketing effort was shelf tickets (37%). All other efforts were recalled by less than 10% of respondents with GWP (3%), competitions (1%) and catalogues (1%) having very low cut-through.

The efforts directed to GWP are further called into question with the finding that 92% of wine shoppers said they did not think about GWP in their decision making that day, less than 1% purchased a GWP, and only two in 10 said it is an influence in a year’s worth of shopping.
Competitions are much the same with less than 1% purchasing wine with a competition that trip. Only 13% said competitions were an influence in a year’s worth of shopping trips.

These findings expand researchers’ understanding of the incidence of wine shopper planning behaviour. The research also identifies the habitual nature of wine shopping and how much marketing effort is screened out and ignored.

This understanding of wine shoppers can help marketers in shopper influence, brand building and trade relations. Particularly, it calls into question the resources marketers give to competitions and GWP which, in the main, are a burden to retailers and have little impact on shoppers.