Wine tourism in Champagne: a solution to increase the value of a standard quality product

David Menival, (corresponding author), Reims Management School, 59 rue Pierre Taittinger, 51100 Reims, France, Tel: +33 3 26 77 52 32. david.menival@reims-ms.fr

Steve Charters, Reims Management School, 59 rue Pierre Taittinger, 51100 Reims, France, Tel: +33 3 26 77 47 47. stephen.charters@reims-ms.fr

Abstract

Wine tourism is currently a key issue for the European wine industry. Whilst substantial research has been carried out into wine tourism in the new world (e.g. Carlsen & Charters, 2006; Charters & Ali-Knight, 2002; Dodd, 1997; Getz & Brown, 2006; Mitchell, Hall, & McIntosh, 2000) much less has been done in Europe. Currently, however, there is growing interest in wine tourism in Europe and notably in France. It is increasingly important in debates about the future of wine businesses and is often considered a good way to attract new buyers. However, this development is less significant in the most reputable regions like champagne. On the one hand, some consider that the image provided by tourism cannot reflect the prestige and reputation of such great wines. On the other hand, while demand exceeds supply, the producers of champagne think of wine tourism in terms of increased sales and thus consider it has little purpose for them, due to their great success since 2001. However, both these approaches ignore the possible enhancement of the product’s image, an aspect of wine tourism which was demonstrated in the new world several years ago (Getz, 1999, 14). This paper focuses on the potential impact of tourism in adding to the value of champagne. We assume that tourism-related activities can increase perceptions quality and may result in a possible price increase for a bottle of standard quality wine. To check this, we used two studies. Each was exploratory – one qualitative, the other quantitative. One focused on the producer and the other on the consumer – and whilst each was wider than merely examining wine tourism, that topic was covered (inter alia) in each project. The first one showed that there is a 'psychological price ceiling' for providers who wish to avoid a decrease in sales. The second study collected information on the consumer’s willingness to pay for a bottle of standard quality champagne as well as perceptions of several tourism activities in the Champagne-Ardenne region. From these data, we examined the link between a willingness to pay under and over the producer’s psychological price ceiling. So we assumed that this relationship can be influenced by the interaction of several tourist activities. From a binomial logistic analysis using a forward method, we show that the willingness of buyers to move from under to over the psychological price ceiling can be improved when the interaction with visits to cellars, accommodation, restaurants, age and average income is positive, so long as the buyer is a foreigner. In the same model, if the accommodation and age are considered in isolation the impact is negative. These results allow us to confirm the idea of a positive impact of wine tourism on the value of champagne but only through the interaction of several activities and demographic variables. The obtained model shows a good fit with a Nagelkerke R square of 0.404 and could be used as a first step to highlight the use of wine tourism to enhance the value of standard champagne rather than merely the quantity of sales.

Key word: Wine tourism, willing to pay, value of champagne.
References


