Padua 2017 Abstract Submission

I want to submit an abstract for:
Conference Presentation

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Keywords
Millennials; wine; consumer; innovation; focus group; face-to-face interview; cluster; regression; packaging; health; sensorial attributes; sale.

Research Question
To identify perceptions, attitudes, intentions to buy and acceptability of Italian Millennial consumers’ towards innovative attributes in wine product

Methods
Data collection: qualitative survey (focus groups), followed by quantitative analysis (face-to-face interviews with Qualtrics instrument).
Data elaboration: multivariate analysis (factor analysis and multivariate regression with SPSS).

Results
Italian Millennials are conservative and skeptical. Promising wine innovations for Senior-Millennials are packaging (mono-portion, bundle) and health (low-calorie). Junior-Millennials are price-sensitive preventing expected companies margin-maximisation and risk-management due to innovation.

Abstract
Millennial consumers’ attitude towards innovative wine products
Introduction and objective
Wine consumption trends are undergoing significant changes that may turn in opportunities for the wine industry. There is increasing attention towards wine and wine receives a wide media coverage with a debate open to the vast public, not just for connoisseurs. There is increasing trends towards the use of high technologies in the wine production process, so to ensure higher-quality products that meet consumers’ healthy and sustainable demands. The consumption of some typologies of wine is booming, especially sparkling wine. Extra-EU markets are increasingly welcoming wine with lower alcohol and calories, pleasing women’s palate and desires. The interest towards sustainability-oriented and health-oriented wine is increasingly explored (Pomarici et al. 2014; Samoggia, 2016), so to better understand consumer’s perception of these food and beverage cross-category innovations. Wine product formats and packaging are evolving, strongly expanding its wine-by-the-glass options, but also box wine, small six pack bottle wines, wine in a bag and the “wine in a can”. New formats are of interest for both the big retailing, the shops, bars and restaurants. Again, the consumer is aiming at receiving increasing information about the wine, from the ingredients to the production process, should it be organic or biodynamic (Castellini et al., 2016). This information enriches the wine label with details. Another interesting trend is the new flavoured product, as for beer, that in 2015 achieved +27% of new beers put on the market. Many of these innovations target young consumers, such as Millennials, as the food and beverage industry increasingly looks at Millennial
consumers to expand its market, including wine industry. According to the literature (Thach and Olsen, 2006; Lancaster and Stillman, 2002) people born between 1977 and 2000 are considered Millennials. Yet industries have not fully understood how to effectively approach them, as this group of consumers presents peculiarities in the favourite wine product attributes. Food industry needs to know how to approach millennials, considering some consumption specificities these consumers are showing. Millennials have exhibited to have one of the most varied tastes in wine drinking history, are de-branded, like sexy labels, look for value and want to enjoy. Yet, it is the consumer segment that searches new food and beverages proposals and is expected to be more significantly open to innovative attributes of wine. Millennials are beginning to change the wine industry, with expectations of variety and uniqueness. Furthermore, in developed markets, conspicuous consumption is out, with personal appearance and wellbeing taking priority, especially for young consumers. Thus, the aim of this study is to identify intentions to buy, perceptions, attitudes and behaviour of Italian Millennial consumers’ concerning innovative wine products. Italian young adult consumers can be one of the most promising innovation-oriented consumer group, despite they are exposed to family and societal consumption habits rooted in tradition and terroir.

Methodology
Materials
Wine Innovation categorisation through literature review
According to the literature (Yoo et al., 2013; Thach and Olsen, 2006), the following groups of innovative elements have been surveyed: flavour and colour, environmental characteristics, healthy/nutritional/dietary aspects and sales factors (packaging, distribution channel and information availability). The literature review is important in this field because many research have already been completed on wine sector and wine products attributes, as well as the target group of the research. Thus, past results will allow to better focus the present study about Millennials supporting both the group definition and the elements investigated. Furthermore the large part of past research covered US or Australian Millennials. Italian consumers might show different perceptions and attitudes towards wine innovation.

Method
The research will interview Millennial consumers with qualitative and quantitative techniques, with adequate representation of “junior” (18-25 year-old) (JM) and “senior” (26-35 year-old) (SM) Millennials.
First phase: The first part of the data collection consists in a qualitative research carrying out some focus groups. This step is crucial as it could reveal innovative aspects and issues that then will be surveyed during the quantitative phase. Exploratory focus groups are used to get insight into a still undefined topic, with the aim to find the most relevant variables to explore to then incorporate in the successive quantitative research phase. Participants of the focus group were recruited through chain-referral sampling, with study subjects recruiting future subjects from among their acquaintances. The 2 focus groups took place in the premises of the Department of Agricultural Sciences of the University of Bologna in December 2016. Focus group participants included about 10 people each and were divided into two groups: JM with an age between 18 and 25 years old and SM 26-35 years old. Focus groups were moderated by the authors and the focus group observers were the three interviewers activated for the second phase. The collected information were used, together with literature review findings, to identify the most important attributes and themes to include in the questionnaire survey. The discussion was addressed in order to gain information about wine’s consumption habits, preferences, attitudes and perceptions. In particular, after Welcome and opening, the moderators opened an unstructured discussion among participants to elicit feedbacks on existing wine products bought and/or consumed, frequency of wine consumption, occasion of consumption, wine purchasing channels, price, wine innovation ideas. Then focus group moderators stimulated participants’ discussion and exchange of views asking to express opinions over proposed wine product additions and modifications. Example of proposed innovations are: Packaging (Mono-portion, Multi mini bottles, Bundle products, etc.), Coloured, Spiced and flavoured wine, Health benefit (Low calorie, Low alcohol, health-claimed), Sustainability.
Second phase: The second part of the data collection based on a quantitative survey with a closed-ended questionnaire used to collect data from around 450 wine consumers. Respondents were interviewed face-to-face in different places: retailing, wine shops, bar, restaurants, malls, city centre and wine festivals. Before starting the questionnaire interview, a screening of the consumers was carried out, in order to collect the responses only by wine consumers (drinking wine at least once a month) and by those with the right age (over 18 year old, as it is the legal drinking age in Italy, and under 35 year old). The questionnaire includes a first section based on CAGE screening test to explore problem drinking and potential alcohol problems. Questions are: Have you ever thought you should cut down your drinking? Have you ever felt annoyed when people have commented on your drinking? Have you ever felt guilty or badly about your drinking? Have you ever had an eye opener first thing in the morning.
to steady your nerves or get rid of a hangover? The second section applies the newly developed Wine Neophobia Scale (WNS) (Ristic et al., 2016). This is an eight item scale completed with a 9-point scale, anchored from strongly disagree to strongly agree. This section aims at assessing respondent’s wine neophobia, that is testing the fear of eating new or unfamiliar wine, as well as assessing individual’s level of sensation-seeking, meaning a person’s willingness to try new things and take risks. Following sections aim at surveying wine consumption habits, intentions to buy new and innovative wine products, attitudes towards innovative wine characteristics, price expectations over different typologies of wine innovations and a conclusive socio-demographic section. Questionnaire will be first tested with interviews and then the items identified as unclear or not important will be revised. Questionnaire administration will take place in January-February 2017.

Data elaboration: Gathered data will be statistically elaborated in order to point out the consumers wine neophobia, followed by the consumer perception for each kind of wine innovation, the willingness to try new wine proposals and what kind of innovation. Multivariate regression aims at analysing the socio-demographic influence on the different wine innovation propensities emerged (Chang et al. 2016).

Conclusions
Research results will bring interesting managerial implications. Global wine market, including Italy, is characterised by a large oversupply of wine products, many brands of origin or trademarks and the competitiveness is high and increasing (Thach and Olsen, 2006; Gillespie, 2005; ...). Since the beginning of millennium some experts suggested to find new consumer target instead of continuing to make pressure on the usual consumers. In this situation, it is fundamental to know what consumers are looking for and their opinions and perceptions of the product characteristics. Talking about millennial generation as new potential target of wine consumption it is necessary to survey their desire and interests in terms of wine products innovative elements. By doing a detailed characterisation of these consumers and their further investigation over their willingness to pay, wine industries will gain the information and data necessary to set a strategy to improve customers satisfaction and acquire competitive advantage on the market. Prospective and interesting elements will be relevant also for the foodservice industry, in particular the upcoming restaurant chains, such as fast casual, where innovation-oriented food, as possibly wine products, are promising.

References

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Introduction and objective

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