How to build a compelling wine tasting experience to create territorial value

AAWE 11th Annual Conference
Agenda

- Background & Literature Review
- The Research
- Main Results
- Conclusions & Managerial Implications
Background & Literature Review
Many different brands

Fragmented market, resulting in low brand recognition (Andrew 2002);

Natural relationship between wine and territory

Consumers are more willing to use the wines’ geographical origin as a tool to evaluate the quality of wine during the purchase process (Rocchi 2000; Orth 2010).

The presence of a country-of-origin label can be a powerful tool in increasing the involvement of consumers while selecting wines (Rodriguez-Santos and Grunert 2011).
THE WINERY EXPERIENCE

The **Perceived Quality of Wine Tasting** results from the **combination of many different elements** each of which plays a role in establishing the overall experience.

It is fundamental to **implement a valuable experiential approach** in all the different elements of the experience (Leighton 2007).
ELEMENTS OF THE EXPERIENCE

Interaction with winery staff

- **Friendliness** from the staff on top of a good service (Hall 2007);
- Authenticity of the experience which is only guaranteed if the **staff is trained** to tell the story of the brand and the product (Hall 2007);
- A discovering process in which **staff and visitors collaborate** to jointly try and discover elements of the wine world (Mitchell and Hall 2006).

Winery atmosphere

- The **cellar door** is often the first contact consumers have with a winery and its wines (O’Neill and Charters 2000);
- "A complete sensory experience that includes taste, smell, touch, sight and sound" (Gets 2000);
- The winery environment, attractiveness and smells are positively impacting on **visitors’ attitudes** (Dodd and Bigotte, 1997).
Wine provides a contribution to the value of a territory as a destination, by supporting the creation of a **destination brand** (Heath 2002; Ritchie and Crouch 2003).

Every name, symbol, logo, word, mark or graphics that both identifies and differentiates the destination.

**Winescape**: union of a landscape with the wine product (Bruwer and Alant 2009; Boatto and Bianchin 2011).

- **Three elements to proper define a winescape**: grapes, wine-related activities and wine tasting infrastructures (Telfer 2000).
- **Further identified components** include elements such as: customer service, wine education and visitors’ interaction (Byrd, Canziani et al. 2016).
The travel and tourism industry has become a major contributor to the gross national product of many nations, with tourism marketing becoming a widely recognized practice for both public and private sector organizations.

A good theory of tourist motivation must consider the total needs of travelers and not limit its focus to one need, must be also able to manage dynamic changes within individuals and society.

In an increasingly competitive international tourism market with emerging new destinations, tourist destinations can gain a competitive edge through repeated visits (Reid and Reid 1993; Oppermann 2000; Lau and McKercher 2004).

Studies show that tourist satisfaction has a positive effect on the probability of new visits to the same destination or to recommend it to others (Brady and Robertson 2001; Caneen 2003; Petrick 2004; Yoon and Uysal 2005; Alegre and Cladera 2006; Um, Chon et al. 2006; Alegre and Cladera 2009).
WILLINGNESS TO BUY REGIONAL PRODUCTS

- Wine tourism is the greatest way to raise the **awareness of the specific wine brand** (Day 1996; Dodd and Bigotte 1997);

- The winery experience is also a point of sale and contact with potential and actual customers:
  
  the main objective should be to engage customers both in an immediate buying action but also connecting in order to make it easier for them to be able to buy the regional products once back home (Dodd 2000; Mitchell and Hall 2006).

- The **perceived quality of wine tasting during the visit** at the winery is even more important if considering that customers would be tasting wines that, if they enjoyed enough, could be bought before leaving the winery (Mitchell and Greatorex 1989). This aspect is also important since usually people in traditional stores are not allowed to taste wine before buying it, thus choosing a wine is commonly a risky decision.
The Research
**Purpose:** to understanding which is the role of a Perceived Quality of Wine Tasting in increasing the flow of tourism and the brand image of a region according to the winery atmosphere and staff.

**Methodology:** survey based interviews to people who had visited a winery in one of the three following regions:

- La Rioja – Spain;
- Mendoza – Argentina;
- Franciacorta – Italy.
THE RESEARCH MODEL

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DESIGN AND SETTING

Sampling

- **420 respondents** (54.8% males and 45.2% females)
- **Age**: 27.6% of the sample is between 18 and 29 y.a., 32.4% between 30 and 41 y.a., 22.9% between 42 and 53 y.a., 15% between 54 and 65 while only 2% represents a population over 65 y.a.

- **7 main topics**:
  - Socio-demographic information
  - Winery atmosphere
  - Interaction with winery staff
  - Perceived Quality of Wine Tasting
  - Territorial Brand Image
  - Willingness to buy Regional Products
  - Tourists Destination Value

Statistical analysis

- Statistical Package for the Social Sciences Program (**SPSS**) version 21 was used for the statistical analysis;
- An early investigation of the sample composition was made through **descriptive statistics**;
- In order to test the mediating role of Perceived Quality of Wine Tasting variable, the "**four steps**" methodology was adopted;
- **Regression analysis** are also performed in the light of gender variable tested as moderator.
Main Results
Cronbach’s alpha coefficients were performed to test the reliability of each variable of our model. Test scores exhibit a good internal consistency reliability with all Cronbach’s alpha higher than 0.8 as shown in table.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Cronback’s Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Winery Atmosphere</td>
<td>0.886</td>
</tr>
<tr>
<td>Interaction with Winery Staff</td>
<td>0.953</td>
</tr>
<tr>
<td>Perceived Quality of Wine Tasting</td>
<td>0.912</td>
</tr>
<tr>
<td>Willingness to Buy Regional Products</td>
<td>0.871</td>
</tr>
<tr>
<td>Tourists Destination Value</td>
<td>0.803</td>
</tr>
</tbody>
</table>

The study uses **simple regression analysis** to examine our hypothesis by considering age, gender and education level as control variables.
## Regression analysis

<table>
<thead>
<tr>
<th></th>
<th>Variables</th>
<th>Beta</th>
<th>R²</th>
<th>t</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1a</td>
<td>Winery Atmosphere to Territorial Brand Image</td>
<td>0.377</td>
<td>0.150</td>
<td>8.302</td>
<td>24.560</td>
<td>0.000</td>
</tr>
<tr>
<td>H1b</td>
<td>Winery Atmosphere to Willingness to Buy Regional Products</td>
<td>0.440</td>
<td>0.198</td>
<td>9.991</td>
<td>34.317</td>
<td>0.000</td>
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<tr>
<td>H1c</td>
<td>Winery Atmosphere to Tourists Destination Value</td>
<td>0.522</td>
<td>0.278</td>
<td>12.493</td>
<td>53.520</td>
<td>0.000</td>
</tr>
<tr>
<td>H2a</td>
<td>Interaction with Winery Staff to Territorial Brand Image</td>
<td>0.380</td>
<td>0.154</td>
<td>8.420</td>
<td>25.227</td>
<td>0.000</td>
</tr>
<tr>
<td>H2b</td>
<td>Interaction with Winery Staff to Willingness to Buy Regional Products</td>
<td>0.457</td>
<td>0.215</td>
<td>10.530</td>
<td>38.026</td>
<td>0.000</td>
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<tr>
<td>H2c</td>
<td>Interaction with Winery Staff to Tourists Destination Value</td>
<td>0.526</td>
<td>0.284</td>
<td>12.684</td>
<td>55.136</td>
<td>0.000</td>
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<tr>
<td>H3a</td>
<td>Winery Atmosphere to Perceived Quality of Wine Tasting</td>
<td>0.673</td>
<td>0.468</td>
<td>18.744</td>
<td>121.768</td>
<td>0.000</td>
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<tr>
<td>H3b</td>
<td>Interaction with Winery Staff to Perceived Quality of Wine Tasting</td>
<td>0.695</td>
<td>0.501</td>
<td>20.076</td>
<td>139.319</td>
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<td>H4a</td>
<td>Perceived Quality of Wine Tasting to Territorial Brand Image</td>
<td>0.429</td>
<td>0.191</td>
<td>9.645</td>
<td>32.674</td>
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<tr>
<td>H4b</td>
<td>Perceived Quality of Wine Tasting to Willingness to Buy Regional Products</td>
<td>0.563</td>
<td>0.318</td>
<td>13.780</td>
<td>64.523</td>
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<tr>
<td>H4c</td>
<td>Perceived Quality of Wine Tasting to Tourists Destination Value</td>
<td>0.594</td>
<td>0.354</td>
<td>14.944</td>
<td>76.116</td>
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</table>
Components of the wine experience are identified as main and recurrent value drivers which positively affect the perception of the territory.

A mediation role of the Perceived Quality of Wine Tasting items is confirmed.

The moderator role of gender is partially confirmed: the winery atmosphere elements appears to be more relevant in influencing women, whereas in case of the winery staff attitude the moderating role of gender is refused.
Conclusions & Managerial Implications
Results fully confirm the existence of a **virtuous cycle between the territory and its local products** and the **positive economic return** of that relationship in terms of:
- Territorial Brand image;
- Willingness to buy regional products;
- Tourists destination value.

The **winery experience** as:

- The greatest way to raise the awareness of the specific wine brand
- Additional point of sale and contact with potential and actual customers
- A way to get feedback from consumers

The **winery experience** can play an fundamental role in reinforcing not only its own brand but also the territorial brand value.
Conclusions & Managerial Implications (2)

- Collaboration of **different stakeholders**, both public and private;
- Developing **not only wines and wineries**, but also many other elements of the region that work as facilitators of the experience;
- Communicating to the visitors that a wine region is **attractive as a whole**.

The creation of **wine routes** is one of the most effective way to promote the above-mentioned collaboration among the different actors involved in the development of a wine tourism regional brand.

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CHEERS!

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