

Abstract

The wine industry represents a vast and diverse market with a wide array of available wines. Understanding the factors that influence consumer choices when selecting a particular wine is essential. This study investigates the significant attributes in the selection of a wine bottle and examines whether their importance varies depending on the setting: hospitality, retail, or online. Additionally, this study explores strategies to influence the decision-making process of consumers.

The topic of this study was chosen due to my current endeavour of opening a wine bar and shop named 'Die Weinbar' in Bilthoven, Utrecht, The Netherlands. Given that Die Weinbar will be selling wine in various contexts—online, in a physical store, and within the bar—it is crucial to understand the key attributes that matter in each setting. This knowledge will enable Die Weinbar to effectively influence wine sales across these different environments.

People make numerous decisions daily, many of which do not require conscious thought. However, wine selection necessitates greater cognitive engagement. Decision-making involves three brain regions: the primitive brain, the mammalian brain, and the neocortex. The neocortex, responsible for rational cognition, plays a pivotal role in Kotler's five-stage decision-making model. This model outlines the stages involved in decision-making: problem recognition, information search, evaluation of alternatives, purchase decision and post-purchase behaviour. This study focuses on the third stage of evaluation of alternatives to determine how companies can influence this stage to favour their offerings.

In the twenty-first century, wine has become a luxury product enjoyed mainly on special occasions, leading to production outpacing consumption. Major wine markets like France, Italy, and Spain have seen a significant decline in per capita consumption. This shift has transformed wine marketing, with producers focusing on varietal wines, organic options, innovative packaging and new labelling. Strategic distribution channels with hotels and restaurants have become essential. The rise of e-commerce has empowered consumers with more information, making them less brand-loyal and more influential. Consequently, understanding customer preferences and placing the customer at the forefront of marketing strategies is essential.

Multiple studies were compared to identify important attributes in different environments. In hospitality settings such as restaurants and bars, wine selection is influenced by limited choices on the wine list, social interactions with staff, and previous experiences. Key factors affecting decisions include grape variety, region of origin, and food pairing, with awards and price also playing significant roles. Consumers in these settings tend to prefer quality wines over basic or bulk options.

In retail environments, such as supermarkets and specialized wine shops, the vast array of options can pose a challenge for the consumer. Important factors influencing purchase decisions include prior tasting experience, recommendations, grape variety, region of origin, brand, awards, price, and wine style.

Online shopping for wine is driven by the convenience of doorstep delivery, a wide range of options, competitive prices, and the ability to research and compare products. Online consumers tend to make larger purchases, spend more per bottle, consume wine more frequently, and are generally younger compared to in-store shoppers.

To examine different wine attributes in various environments, the study employs a questionnaire. This questionnaire was distributed electronically to collect data on wine purchase preferences across different environments. Participants were asked to rate the importance of various wine attributes—grape variety, region, price, wine-food pairing, awards, wine description, brand, and vintage—using a five-point Likert scale. This approach aims to provide comprehensive insights into consumer preferences and inform effective marketing strategies for companies which sell wine.

The survey received 224 responses, nearly evenly split between men and women, predominantly aged 30-65 and of Dutch nationality. The respondents purchased wine from various environments, with supermarkets

being the most common, followed by wine shops and restaurants. Online purchases were the least popular, with 25% of the sample never buying wine online.

Analysis reveals that grape variety, region, price, and wine description significantly influence wine selection across all environments, although to varying degrees. Awards are consistently rated as the least significant factor, contradicting some previous studies.

In the hospitality environment, wine-food pairing emerges as the primary attribute in the selection of a bottle of wine, while awards are ranked as the least significant factor. Additionally, grape variety, region, and price exert notable influences on wine selection within this setting. Conversely, attributes such as wine description, vintage, and brand exhibit comparatively lesser impacts in a hospitality context.

In a retail setting, respondents identified price as the most influential factor when selecting a bottle of wine. Conversely, vintage was deemed the least important attribute. Grape variety, region, wine description, and wine-food pairing were recognized to exert some level of influence. Brands and awards were perceived to have less impact on the choice of wine.

A notable initial finding in this segment of the study is that nearly a quarter of the sample had never purchased a bottle of wine online. Due to the significance of this subgroup, their responses were excluded from the data analysis to ensure it was not unduly influenced by respondents without online wine-purchasing experience. Among consumers with experience, price and grape variety emerged as the most influential attributes in their selections. Conversely, awards were rated as the least important factor for online wine purchases. The results also indicate that region and wine description exert some degree of influence on the choice of wine bottle. Although vintage and brand have less influence compared to price and grape variety, it still holds more influence compared to awards. Overall, the distribution of attribute importance appears to be more evenly spread online.

In conclusion, consumers' wine choices in hospitality, retail, and online environments show both similarities and differences in the importance of various attributes. The data collected indicates that price, region, and grape variety are consistently significant across all settings, while awards are the least important. Therefore, it is essential for wine sales to primarily focus on these key attributes.

When zoomed in on the different environments, distinct priorities emerge. In hospitality settings, wine-food pairing is the most important attribute, followed by price, grape variety, and region, with awards being the least influential. In retail environments, price is the most critical attribute, and vintage the least important, reflecting consumers' high price sensitivity. Online, price and grape variety are the most influential factors, with awards holding the least influence.

By tailoring their strategies to emphasize the most relevant attributes in each setting, companies can better align with consumer preferences and potentially increase wine sales. In hospitality, the focus on enhancing the experience through knowledgeable staff and pairing recommendations can drive higher sales and customer satisfaction. In retail, addressing price sensitivity with value-oriented promotions and educational materials can attract budget-conscious shoppers. Online, leveraging competitive pricing and detailed product information can capture a broader market.

Overall, a nuanced approach that considers the unique dynamics of each sales channel will enable companies to effectively influence wine choices and maximize their market potential.

Despite providing valuable insights, this study has limitations that affect the interpretation and generalizability of its findings. The sample size of 224 respondents is too small to represent the entire population of the Netherlands, and the sampling method may have led to demographic biases. Additionally, relying on self-reported data introduces social desirability and recall biases. The study's specific timeframe also does not account for seasonal variations in wine purchasing behaviour and changing consumer preferences. Acknowledging these limitations allows future research to address these issues and build on the findings for a more comprehensive understanding of consumer behaviour in wine selection.

June 9, 2024

Marleen Hegeman