

# **Quality Assessments by consumers in the Wine Industry**

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## **Preface**

The idea for this research stemmed from my love for wine. How consumers value a product, what they perceive and how they cope with their lack of information are interesting subjects to investigate. And what product is more beautiful, complex and divers than wine? In my opinion, the outcome of this study will explain the recent success of some upcoming wine countries since they are more aware of who determines the value in the market and what certain consumers want. I distinguished between two groups of wine consumers, because I believe that they differ significantly and should not be considered as the same target group. I hope that it will give some insights to the different wine shoppers and which qualities they value in wine.

In this preface I would like to thank the people that supported me during my research. First, I want to thank my thesis advisors Thijs Broekhuizen and Gerda Gemser. It was a pleasure of having Thijs as my first thesis advisor, since he worked with such a great enthusiasm and was always willing to explain me in detail how my research could be improved. My second advisor Gerda Gemser introduced me into the subjects of quality signals, value and selection systems. This was exactly what I would like to write about and therefore thanks for your guidance in this.

Secondly, I want to thank all the wine consumers who were willing to fill in my survey about wine and the shop managers and owners of the stores who let me perform my survey questionnaire.

Thirdly, I want to thank Truusje Cordes from the secretary office for recommending Thijs as a thesis advisor and making it all possible. As well I like to thank Theodora Antoniou, for helping me to improve my English writing style of my thesis. I also thank Marieke Meyerink for the valuable lessons in statistics and making me an expert in SPSS. Furthermore, I thank my friends for understanding that they had to miss me during dinners since I was spending my time in the University Library till late hours.

Additionally, I thank Olaf and Kees for the relaxing times and good conversations on Schiermonnikoog, and my fraternity and wine club for the late evenings and fine wines. Finally, a warm-hearted thank to my parents for their continuous support, their love, care and the effort they put into the maintenance of my sailing yacht when I wasn't there.

## **Abstract**

This thesis investigates whether fine and mass wine consumers differ in their use of signals to assess quality for both mass and fine wines. Based on an empirical study among 60 wine consumers, the use and importance of inherent (intrinsic) signals and non-inherent (extrinsic) signals are determined. The main intrinsic signals are sensory characteristics, appearance, age, pleasure and paradigmatic aspects. The main extrinsic signals are reputation of paradigmatic signals, certification, recommendations, promotion and price. The impact of perceived risk, knowledge, involvement, risk capital and drinking occasions are taken into account for wine consumers on their signal usage. This study also elaborates on the influence of different (pre-) selectors (peer, market, expert) on the valuation of certain quality signals of wine. The results show that intrinsic quality signals are mainly used by fine wine consumers and easy-to-determine extrinsic signals are particularly used by mass wine consumers.

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## **Introduction**

In 8000 BC, when men and women drunk the fruit of Dionysus they found themselves worshipping the God of Wine with festivals which ended in sacrifices and wild orgiastic events, known as the Bacchus mystic rituals (Homer, 1951; Euripides, 1981; Wiles, 2000). This does not probably occur in the minds of the modern shoppers, who do not need to learn the skill of wine making but simply pick up a bottle from a shelf. This choice is, however, a complex matter, since there is a wide variety of wine produced not only in Greece but, with a few exceptions, in all countries of the world. What benefits consumers' value in a wine is called quality but this is difficult to assess beforehand since wine is predominantly an experience good. Consumers evaluate the quality of a wine based on certain criteria, the quality signals, which help them in their external information search for a certain wine (Darby & Karni, 1973; Nelson, 1970).

When involvement, knowledge and risk capital increase then consumers are motivated to extend their search in order to reduce the risk of selecting a wine that does not fulfill their wants (Solomon et al., 2002). Risk is involved, for example, in the possibility of spending money on a wine that is not satisfactory, facing social embarrassment, or underperformance (Aqueveque, 2006; Jacobs, 2007; Lockshin & Hall, 2003). The choice of a fine wine carries these extra risks since these products are highly priced in comparison to mass wines. Careful selection, therefore, induces a higher search effort on the part of the consumer and also makes the role of experts necessary in helping consumers distinguish between high or low quality wines (Aqueveque, 2006; Solomon et al., 2002).

The present study focuses on the quality signals consumers use to assess the quality of wines by examining the importance mass and fine wine consumers attribute to quality signals in mass and fine wines (See Figure 1.1). The hypothesis is that fine and mass wine consumers are likely to differ in their use of signals for both types of wine. The importance of those signals for the valuation of mass and fine wines will also be tested for different drinking occasions.

Furthermore, the study examines the influence of actors on the selection system of the wine industry. The selection system in the wine market determines how a wine is valued by its actors and it can influence the importance of quality signals, such as awards. On the one hand, the mass wine market is dominated by market selection because the consumer decides on the criteria to evaluate the quality of a wine. On the other hand, for fine wines, experts are expected to play a more dominant role in the evaluation of its quality (Wijnberg, 2004). The results of the study are discussed to provide some insights in the topic and suggestions are made for further research.

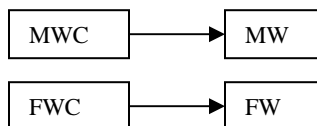
## 1.1 Research question

The main research question is:

*Which quality signals do consumers use to evaluate the quality of a mass versus fine wine?*

### Sub questions:

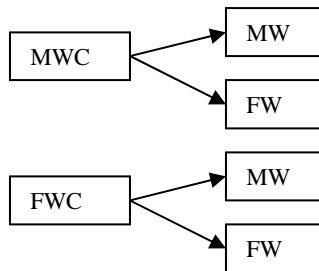
- Why do consumers use quality signals?
- What are quality signals and what types can be distinguished?
- What are the differences in the profiles (e.g. level of involvement, risk profile) between mass wine consumers (MWC) and fine wine consumers (FWC)
- How does occasion influence the importance of quality signals?
- Do MWC and FWC differ in the importance they attribute to quality signals for their corresponding wines? (See Figure 1.1)



**Figure 1.1: Mass and fine wine consumer research on mass and fine wine**

- What signals do MWC and FWC find important to assess the quality of a mass and a fine wine? And how does each group (MWC and FWC) attribute different importance weights to each type of wine? (See Figure 1.2)

- What is the influence of different selectors on the importance quality signals acquire in the wine industry?



**Figure 1.2: Differences between mass and fine wine consumer**

## 1.2 Research contributions

The mayor focus of the study is to provide an understanding of how different consumer groups value a wine prior to purchasing it. For the first time, wine consumers are differentiated primarily on the basis of the retail channel from which they usually purchase their wine. The two retail channels are the mass wine channel (supermarkets, convenience stores) and the fine wine channel (liquor stores, wine stores). The consumer groups are called, accordingly, mass wine (MWC) and fine wine consumers (FWC) and the wines they choose are called mass wine (MW) and fine wine (FW). The groups are further differentiated on the basis of multiple characteristics, e.g. perceived risks, involvement, knowledge, search effort and risk capital, which are new in wine quality signals research.

Secondly, the present study offers a comprehensive list of extrinsic and intrinsic quality signals which are used to test their importance for the MWC and FWC. Thirdly, MWC and FWC were asked in this study to rate the importance of extrinsic quality signals when they want to assess the quality of MW and FW. Consumers almost never buy their wine in one retail channel exclusively, and if one channel wants to attract another consumer group it is important to know what signals consumers use to evaluate quality in the store. This also makes it possible to realise that the use of quality signals depends on the type of consumer and not on the type of wine. Fourthly, the contribution of this paper is that it shows how differently the MWC and FWC rate MW and FW, respectively, according to the importance of the occasion for which the wine is purchased.

Last, the study investigates role of quality signals from market and expert selectors on MWC and FWC.

### **1.3 Research limitations**

This investigation addresses the importance and use of quality signals to infer quality and does not elaborate on the relation between the wine quality and purchase behavior. Additionally, the scope of the research is limited to still wine, excluding fortified and sparkling wines such as Port and Champagne. Another limitation is the relatively young population of the city centre of Groningen that is used as a sample. In general, younger people are expected to have less knowledge on wine than elderly.

### **1.4 Research outline**

Chapter 2 discusses the background of this research, introduces theories on consumer search and the usage of quality signals, and also a conceptual model followed by the hypotheses. Chapter 3 discusses the methodology of the research. Chapter 4 deals with the results and their discussion. Chapter 5 offers the conclusions and recommendations. The questionnaire of this research is listed in Appendix B.

## **2 Quality Signals in the Wine Industry**

This chapter introduces the theory which frames this study and, additionally, it evaluates previous research to build upon and formulate propositions. The first section describes the selection in the wine market. The second section introduces the process of consumers' decision making. The third section elaborates on the factors responsible for the consumer search. The fourth section explains how goods are classified as search, experience or credence goods. The fifth section explains how quality is evaluated. The sixth section differentiates intrinsic and extrinsic quality signals from which quality is assessed. Sections seven and eight sum up and explicate all the intrinsic and extrinsic quality signals for wine. Section nine stresses the importance of different signals, followed by the tenth section which describes the differences between MWC and FWC. After this theory the sections with the conceptual model and hypotheses follow.

### **2.1 The wine market and who determines quality**

Retailer, critics and consumers all have their share in the valuation of a wine through selection. Different forms of selection occur within the wine market. Consumers are the dominant market selectors since they have enough knowledge for the best option in wine. Peers and experts, who express their opinions and feelings in ways that are not in conformity with predefined criteria but more based on convenience, influence the consumer by informal recommendations. These peers and experts are called informal gatekeepers and they co-select products and persons for the consumer by word-of-mouth (WOM). Their co-selection is based on influences from their direct environment, including trends in the market (Jacobs, 2007). When an expert or peer with a special authority selects what the consumer buys, then this is called pre-selection. Juries, editorial boards and retail buyers are pre-selectors who do not act as private persons but within a set of predefined criteria for selecting wine. These criteria are usually imbedded into a selection systems' mental model and take care that formal gatekeepers pre-select along the prescribed and regulated pathways. The editorial board of a wine journal has to

work within the boundaries of its publishing house, within the rules of the readers' community. Governmental regulations or subsidies are also part of pre-selection to align the actors with their criteria. Although pre-selection may occur prior to the selection by the consumer, there is still room for personal preferences of the selector in his or her decision making process for wine.

The value of a product is the person's evaluation of the performance of a product based on perceptions of the received benefits and given sacrifice (Zeithaml, 1988). The perception of what is received and sacrificed varies across persons. Quality is the benefit component of value and is based on intrinsic and extrinsic quality signals (Zeithaml, 1988). The cost component of value is the monetary and non-monetary sacrifice. Determining the value of a wine prior to consumption is only possibly based on extrinsic quality signals when the consumer has not been confronted with the intrinsic qualities of the wine.

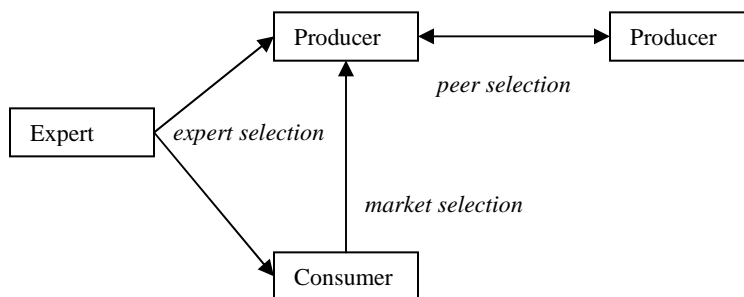
Three distinctive systems determine the value of a wine in the wine industry. Those three kinds of actors have an effect on the competitive process since different quality signals are of significant importance for their selection system (Gemser & Wijnberg, 2000). A selection system describes the relation between the selectors and the selected and how winners and losers can be differentiated (Gemser et al., 1995). There are three selection systems to be distinguished; market, peer and expert selection.

In market selection, consumers select their product or person with their own beliefs. They choose the product (or person) with the most desirable qualities based on their environment. In peer selection, the selectors are also the ones who get selected. Peer selection occurs in the academic world, when one academic evaluates the product of the other. In the wine industry this occurs among wine producers with mutually selected awards and when producers amongst each other decide the best grapes to grow. Peer influence occurs among consumers by WOM from consumers, friends, family, colleagues and opinion leaders (See Figure A1, Appendix A).

In case of expert selection, the selectors (i.e. experts) are neither the consumers nor the producers but experts influence the selection with their specialized knowledge. Expert selection occurs through recommendations from formal gatekeepers by reviews or ratings from wine writers, or by pre-selecting from retail buyers. A market can be dominated by one selection system but is mostly a mixture of selection systems (See

Figure 2.1). More selection systems are influencing the market, and since they are influencers, they have their share on the creation of value to a product. The dominant selection system however will determine the most important quality criteria and signals to assess quality for the market.

The wine market is dominated by market selection, since it are the consumer who take the purchasing decision in the end. The consumers are able to determine the quality of wine in the industry. Experts and peers are clearly taking part in the selection process, and they can create or destroy value in the consumers' purchasing decision with their influence. Recommendations from third parties and awards (quality signals) become more important when there is a fit between the dominant selection system and the recommending source (Gemser et al., 2004; Gilly et al., 1998). From the field of the movies industry, for example, research has shown that the mainstream consumers were more influenced by market-based awards, while the art house movie consumers were more influenced by expert-based awards (Gemser et al., 2004). Similar effects are expected for market-based recommendations and expert-based recommendations for the MWC and FWC, respectively. Market selection is the dominant design to determine quality of a product since it is the most credible source for the MWC. The MWC would hereby be more affected by WOM from friends, family and opinion leaders, while FWC would be more influenced by expert-based recommendations, such as those from wine critics, sales persons and expert-based awards. Expert influence is more visible in the group for FWC, since they enjoy greater source credibility than MWC.



**Figure 2.1: Selection systems in the wine market**

## 2.2 Consumer decision making

The decision making process generally starts with need recognition. This state occurs when the consumer identifies a degree of discrepancy between the desired state and the actual state of affairs (Solomon et al., 2002). This need occurs through the interaction of individual differences such as needs, lifestyle and through the interaction with environmental influences such as social or situational encounters. The next step in decision making is the information search. Consumers use an information search to find out the performance of a product and its characteristics. They first conduct an internal search to retrieve information from their memory. This can be a past experience with the product (repeated purchase) or knowledge about it (Engel et al., 1994; Solomon et al., 2002).

Whether consumers will solely rely on their internal memory will depend on the amount of the knowledge they have available. First-time buyers are unlikely to possess enough necessary information for decision making. When there is not enough information available internally, then they generally start to search for external information (Solomon et al., 2002). The primary motivation behind an additional external search is the desire to make better purchasing decisions (Engel et al., 1994). Dealing with information from the information search implies the control of uncertainty or perceived risk (Bauer, 1967). Another motivation behind external search effort is the enjoyment of shopping for the products consumers feel involved with (Engel et al., 1994).

Not all consumers perform this rational decision making process. Many of them fall back on heuristics, or short-cuts to make decisions, because they are unable to deal with the complexity of all the alternatives and have limited knowledge about their alternatives (Simon, 1990; Solomon et al., 2002). People are in this aspect only partly rational and are, in fact, emotional and irrational in some of their actions..

The decisions for which external search effort is excluded are choices with a low involvement or risk, which are automatically made and characterized by routine purchasing decisions (Engel et al., 1994; Solomon et al., 2002). These decisions differentiate themselves with the simple decision rule of buying the same as last time which requires from consumers some minimal effort and energy for taking their purchasing decision (Engel et al., 1994; Solomon et al., 2002).

## **2.3 Amount of search: extensive versus limited search**

Consumers can start an extensive or non-extensive search and the amount of search performed by consumers is determined by perceived risk, product involvement, situational involvement, product knowledge, and risk capital of the consumer (Solomon et al., 2002). When these factors increase, then the importance of the purchase also increases (Zaichkowsky, 1988). The amount of search is positively associated with the importance of the purchase. The more extensive the search, the more likely it is for an individual to search and use quality signals (Solomon et al., 2002).

### **2.3.1 Perceived Risk**

Possible negative consequences of buying a product make the consumer perceive various risks. Five kinds of risk are identified which include both subjective and objective risk factors. The kinds of perceived risk are classified into monetary risk, functional/performance risk, physical risk, social risk and psychological risk (Kaplan et al., 1974; Solomon et al., 2002). Monetary risk refers to the risk consumers run to lose money. Obviously, this risk gets greater when a higher price has to be paid for purchasing wine. As a consequence, consumers who are sensitive to risk will get more involved in the product.

The other risks are all non-monetary risks such as functional or performance risk, which implies a fear that the product will not meet the needs of the consumer. Another risk is that of physical risk which concerns physical health and chance of being harmed by the product such as with allergies or unnatural additives. Social risk is caused by the possibility of getting negative evaluations from peers on the purchased product. An example of this social risk is receiving negative reactions from others when the wrong wine is brought to a dinner party. Consumers extend their search to reduce these types of risk; for example, asking relevant others what wine to buy may reduce performance risk and social risk. Lastly, there is the psychological risk to make decisions that are not in line with one's self concept. This makes the consumer feel insecure about the associations and status of the product. Examples are possible negative reactions from wine connoisseurs when bringing a branded Australian wine, or showing off with an expensive Bordeaux Grand Cru to impress others with the status of the product. Both monetary and

non-monetary risks compose the total sacrifice a consumer takes in purchasing the product.

### **2.3.2 Involvement**

Involvement is split into product involvement and situational involvement (Engel et al., 1994). *Product involvement* occurs when there are personal motivations in the form of needs, values and interests. A person's degree of involvement can range from a lack of interest, on the one hand, to an obsession, on the other (Zaichkowsky, 1988). At the end of high involvement are needs, values and interests which are very important for the consumer. When a product is needed or comes with a level of interest, then its relevance will induce higher involvement. Product classes also differ in involvement from country to country. While French consumers show a high product involvement for Champagne and find it an essential part of celebrations, Danish consumers on the other hand find the consumption of Champagne a rather excessive luxury and a sign of decadency. A higher product involvement makes the consumer spend an extensive amount of search effort on their purchase, because of the intrinsic motivation and personal interest in the product.

Whereas product involvement can be regarded as stable, *situational involvement* changes over time and according to context. This is seen in trends when initially the involvement for a certain product is initially high, but diminishes over time when the trend changes (Solomon et al., 2002). The occasion of drinking a wine influences a great deal the level of involvement. Two types of situational involvement can be distinguished: special occasions and everyday occasions (Gluckman, 1990). Special occasions are gifts, celebrations, dinner parties, restaurant meals, mealtime family gatherings or Christmas dinners. The selection of wines in such occasions requires a considerable amount of effort since they are used in a particular social environment and may pair a meal. Everyday occasions have a medium influence on involvement and these include meals at home, relaxing at home without meal, or drinks to take out on a picnic. These occasions demand a reasonable quality for a reasonable price, since it is for everyday use. All these occasions have an impact on the importance of quality signals and therefore influence consumer's purchasing behavior.

### **2.3.3 Product Knowledge**

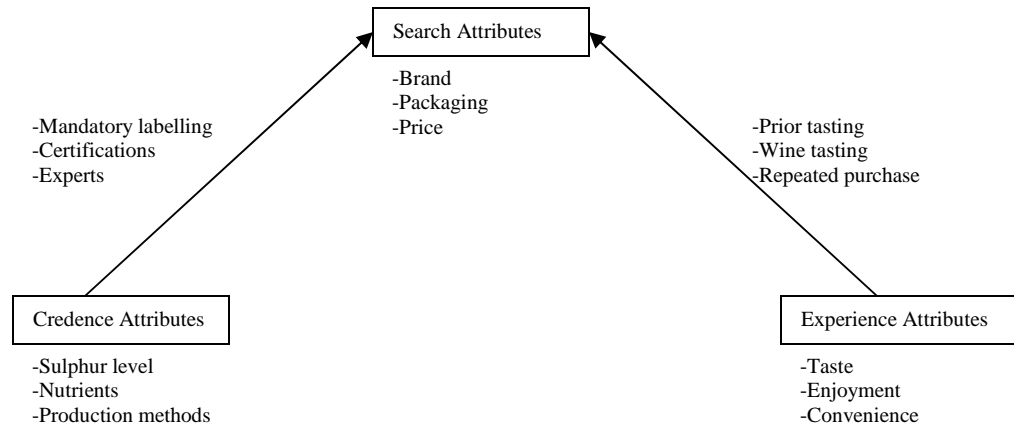
Consumers with greater product knowledge undertake a different information search than novices. Since experts identify relevant product information more easily, they engage in a selective search. This search is more focused than the search performed by consumers with little product knowledge, who rely more on general information. The amount of search however is the highest among consumers with moderate product knowledge. Novice wine consumers do not search a lot since, they may not feel capable of searching or do not even know what to search for (Engel et al., 1994). Experts are consumers who acquired knowledge about the product through familiarity and expertise. Familiarity is the amount of experiences with the product, and expertise is an extensive amount of knowledge about the product (Alba & Hutchinson, 1987). Consumers with lots of expertise are in benefit from their expertise and spend limited search time since they know what to look for. This also applies in repeated purchases, in which the knowledge through familiarity of the exact product limits the need for extensive search. The amount of search and product knowledge is therefore correlated with an inverted U-shaped relationship (Engel et al., 1994; Solomon et al., 2002). More knowledge leads to the use of more intrinsic signals of a product since they are better capable of interpreting the information (Lockshin et al., 2007).

### **2.3.4 Risk capital**

Risk capital influences how consumers respond to the perceived risk that comes with the purchasing decision. Risk is a personal belief that a loss will occur. The higher the certainty of a loss a person is willing to take, the more the person is a risk-taker if they accepts this risk. Those consumers have a higher need for stimulation and pursue adventure. Risk avoiders like to make safe consumer decisions. Risk capital is the intensity of risk the person is willing to experience. Consumers with a greater risk capital are prone to search for new wines and discover new flavors in wine (Conchar et al., 2004; Solomon et al., 2002).

## **2.4 Classification of goods and ease of assessing quality**

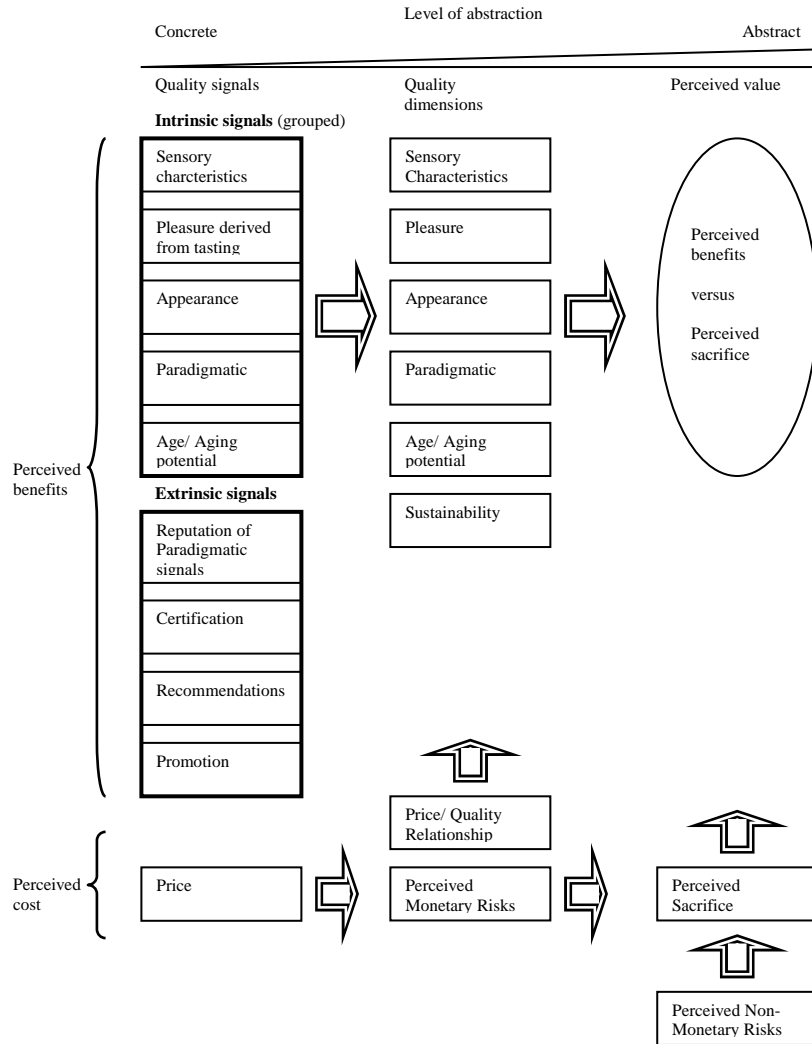
Goods can be classified into products with search, experience and credence attributes (Darby & Karni, 1973; Nelson, 1970). This distinction is based on how easy the quality of a product can be determined. Most goods are a combination of those three attributes, in which one of them is dominantly present. Search goods have attributes which can be assessed before purchase when consumers can easily determine the quality of a product. Price, label and origin are such attributes in typical search goods as compact discs or computers (See Figure 2.2). Experience goods have attributes which can only be evaluated after purchase and use. Experience attributes are sensory characteristics such as taste, smell and mouth feel which are very important in wine (Chaney, 2007; Oude Ophuis & Van Trijp, 1995). As a consequence of the product's experience characteristics, recommendations from different sources prior to the wine purchase are hereby of great importance (Nelson, 1970). Credence goods cannot be evaluated at all by the consumer, even not after purchase or after multiple consumptions. To determine the quality of those goods, second opinions and experts are be used. Credence attributes are sugar level, the amount of sulphur content or acidity level. Since the quality of wine can mostly only be determined after consumption, wine is classified as an experience good (Mahenc, 2004). Its characteristics make it then also difficult for consumers to infer its quality, since more of the information is not present before consumption. They try to deduce the quality therefore by using the available quality signals. The reliance on different associated quality signals in situations with incomplete information is called covariation. An example of covariation is the reputation of a brand to replace the taste of a wine. Covariation occurs when they associate higher level abstractions, such as the reputation, as replacements for lower level abstractions which deal directly with the taste or brand. Covariation can also associate experience and credence attributes with search attributes. This is also done by labeling regulations, to transform experience and credence qualities, such as alcohol content and region-of-origin, into search attributes (Bernues et al., 2002; Caswell & Mojduszka, 1996; Caswell & Mojduszka, 1996). Communicating quality signals and thus transforming them into search attributes will help consumers in their decision for the right good.



**Figure 2.2: Examples of transformation of attributes between search, experience and credence categories. Source: adapted from Grolleau & Caswell (2005)**

## 2.5 Quality dimensions and value of a wine

Perceived quality is the consumer's judgment about the benefits or performance of the product (Zeithaml, 1988). Perceived quality of a wine is based on a number of dimensions (See Figure 2.3). Those quality dimensions exist out of higher level abstractions from more concrete lower level quality signals (Zeithaml, 1988). Those lower level quality signals infer quality to the consumer by being highly associated with those higher level abstractions. Covariation occurs for example when consumers associate the quality of wine with the reputation of for example country of origin or grape variety (Solomon et al., 2002). The more concrete lower level quality signals differ across products but the higher level abstract dimensions are more general for a whole product category. The higher level abstractions of wine (See Figure 2.5) called quality dimensions and these are sensory characteristics, pleasure, appearance, paradigmatic, age/ aging potential and sustainability.



**Figure 2.3: Hierarchy of quality signals to the value of wine.**

**Source: adapted from Zeithaml (1988; Charters & Pettigrew, 2007)**

Paradigmatic quality signals covariate with the quality dimension of both sensory characteristics and appearance since they try to predict the wine's sensory capabilities and outer looks (Charters & Pettigrew, 2007). Awards covary with the sensory characteristics dimension as well as the pleasure dimension, since it raises status. Sensory characteristics, pleasure, appearance, paradigmatic and potential are the quality dimensions that define the perceived quality of wine (Charters & Pettigrew, 2007). Certifications of ecological growing and social responsibility are associated with the quality dimension of sustainability. Color, concentration, clarity and structure are the concrete/ lower level signals grouped under appearance. This dimension together with the

other quality dimensions make up the perceived benefits of a wine (Charters & Pettigrew, 2007). The consumer perceives value when the perceived quality of a product is combined with the perceived costs to obtain the product (Zeithaml, 1988). This tradeoff of benefits and costs are different for every consumer and for that reason more abstract than lower level abstractions, as is seen in Figure 2.2 (Zeithaml, 1988).

## 2.6 Intrinsic and extrinsic quality signals

Akerlof (1970) was the first author to describe the importance of quality signals. In his book he describes that on a market for lemons consumers have incomplete information about the quality of the lemons. When the consumer is unable to assess the quality of a good, then he or she will be unwilling to pay a higher price than the average price since he or she perceives all the goods to be homogeneous. To show the quality heterogeneity, a consumer should be able to collect signals of quality in the way that he or she will pay a higher price for a higher quality (Akerlof, 1970). Quality signals can be classified into intrinsic and extrinsic quality signals. Consumers use both intrinsic and extrinsic quality signals to make an assessment of the product quality. *Intrinsic quality signals* are *inherent* of the product and cannot be altered. *Extrinsic quality signals* refer to the product but are not part of the physical product and can be altered without changing the actual product. Which of those signals are more important in signaling quality depends on the product type. Wine is an experience product and evaluation of quality can only occur after consumption. Consumers need intrinsic signals which they cannot assess prior to consumption. In absence of any intrinsic quality signals consumers have to rely on extrinsic quality signals. Zeithaml (1988) distinguishes three situations in which *intrinsic quality signals* are more important to consumers than extrinsic quality signals. The first situation is during consumption because the intrinsic signals can then finally be experienced. A second situation is that of a repeated purchase when intrinsic quality signals become search attributes since the wine is consumed and consumers know or have experienced its intrinsic quality. A third situation in which intrinsic qualities are more important is when they have a predictive nature. Such a strong link is found that the color of red wine is linked to a perception of stronger taste compared to white wine or

Beaujolais wine with fruitiness compared. Intrinsic signals are perceived as more important than extrinsic signals since they are better in predicting quality for the consumer. This is however not true in case of insufficient information on intrinsic signals. Zeithaml (1988) also states that in three situations *extrinsic quality signals* are more significant to the consumer. This accounts for initial purchase situations when intrinsic quality signals are not available. A second situation is when the evaluation of intrinsic signals costs more effort and time than the consumer is willing to spend. Thirdly, when quality is difficult to evaluate, this can be the case for consumers with little or no experience with the product.

## **2.7 Intrinsic signals**

Intrinsic signals are perceived as more important than extrinsic signals when it comes to determining the perceived quality of wine after consumption (Charters & Pettigrew, 2003). Intrinsic quality signals for wine can be categorized into five categories (Charters & Pettigrew, 2006). The first category covers the somatic, olfactory and gustatory characteristics. These characteristics are also called mouth feel, smell and taste. Appearance is another group of intrinsic quality signals for consumers with signals such color, concentration, clarity and structure (Charters & Pettigrew, 2006; Lockshin & Rhodus, 2003; Northen, 2000). Age, year of harvest or aging potential are other intrinsic quality signal for consumers (Charters & Pettigrew, 2006; Dimara & Skuras, 2005; Gil & Sanchez, 1997). A fourth is called paradigmatic quality signals and collects all the influences of terroir on the wine. This category includes, country of origin, region-of-origin, grape variety, certifications, grape quality and terroir (Aqueveque, 2006; Charters & Pettigrew, 2006; Gil & Sanchez, 1997; Lockshin & Rhodus, 2003; Lockshin et al., 2007; Verdu Jover et al., 2004). Those paradigmatic quality signals are both intrinsic and extrinsic. As intrinsic signals they act as predictors of the wine's sensory characteristics, while acting as extrinsic signals they infer reputation and production location of the wine. Only grape quality and terroir are mentioned as the extrinsic signal controlled appellation. Intrinsic paradigmatic signals can be credence attributes for people who lack the expertise to assess wine quality. A fifth category signals the pleasure, convenience or enjoyment of drinking wine (Charters & Pettigrew, 2006; Northen, 2000; Oude Ophuis & Van Trijp,

1995). This category is highly correlated with the sensory characteristics. The pleasure category exists, with an exception for status, out of experience attributes since those quality signals can only be assessed after consumption. The sensory characteristics however can have both experience attributes as search attributes. For instance, after the quality signals of a wine have been experienced, they have become search attributes in the next consumer search for a wine if the consumer remembered its intrinsic characteristics. In the next search effort, these attributes are known in the consumer's internal memory and thus become search attributes in the purchase decision for a wine. The paradigmatic, age and appearance categories are also search attributes since they can be evaluated and experienced before the purchase.

### **2.7.1 Sensory characteristics of wine**

Sensory characteristics include gustatory, olfactory and somatic sensory of wine (Larmoyeur, 2004). Qualitative research on 60 consumers in Australia about their perception of wine quality during a blind wine tasting found sub-components of gustatory characteristics (Charters & Pettigrew, 2003). Consumers distinguished taste, smoothness, mouth feel and body, drinkability, structural balance, concentration, complexity and interest to be sub components. All refer to an organoleptic sensation. Taste was seen as a sub-component of gustatory and was together with balance the key component. Taste as it relates to primary flavor directly and balance as its chemical make-up with its relationship between bitterness, tannin, alcohol, acidity and overall intensity of flavors. Interest is the wine's ability to stand out from the rest, and have something that makes a wine unique or new in some way. Lockshin and Rhodus (1993) relate to those sensory characteristics with their wine style as an intrinsic signal. In this research the basic three sub-components gustatory, olfactory and somatic are used.

### **2.7.2 Appearance**

The appearance contributes to the overall quality of a wine (Charters & Pettigrew, 2006; Gonzales-Miret Martin et al., 2007). Appearance consists of color (red or white), depth of color, color change as the depth of wine increases, lightness of color and clarity. The depth of color or intensity is captured in the sub-component of concentration. Color is another parameter which reveals older wines when it is browning or even warns you

when it is too oxidized. It also reveals certain grape variety with a distinctive color such as a golden color for a white burgundy or shows you its concentration when the color is intense. Clarity is known as an indicator of safety for exposing winery hygiene or temperature changes. Clarity can also reflect wine makers skills and wine style when it is unfiltered or filtered. The structure of wine can furthermore disclose sugar level and alcohol percentage.

### **2.7.3 Age, vintage year, or aging potential**

Aging potential is the ability of a wine to improve with age. The ability to age can improve its sensory characteristic in the future. The ability to age for a wine depends on its tannins, acidity, alcohol and sulfites. The best vintage years give wines with a perfect balance between tannin, acidity and alcohol in them. Those wines will have better sensory characteristics and therefore higher auction prices. People also have the perception that older wines are better (Gil & Sanchez, 1997; Verdu Jover et al., 2004). Age is therefore a quality signal for consumers, although most wines are not made to age nowadays.

### **2.7.4 Paradigmatic signals**

The paradigmatic category consists out of components that reflect the taste of wine. Country of origin, region-of-origin, grape variety, grape quality, terroir, and certification of controlled appellation and sustainability are all components of this category (Charters & Pettigrew, 2006; Lockshin & Rhodus, 2003; Northen, 2000). The country-of-origin, region-of-origin and terroir leave their trace within the specific soil and also climate and grape quality are inherently connected to sensory characteristics of wine. Furthermore, country and region-of-origin have an effect on the wine production since they all try to achieve a specific style of wine. This style comes from terroir (natural endowments such as weather, soil, exposure of the vineyard) and technology (the way grapes are picked, pressed, types of barrels for fermentation, racking of wine, etc.) used in different countries and regions on the world. Some regions are conservative and leave everything to the grape; others use modern techniques and make their wine more or less in the cellar. These signals can be seen as extrinsic, but they are integral to the way wine tastes, and therefore also intrinsic (Charters & Pettigrew, 2003).

### 2.7.5 Pleasure

The category pleasure covers the psychological and social benefits derived from the consumption of wine. Wine is seen as a social drink with other people and therefore its purpose is to give pleasure on the first place. Pleasure relies on the immediate response after the sensory experience. Convenience and enjoyment are further aspects that a wine's intrinsic characteristics can give you (Oude Ophuis & Van Trijp, 1995; Charters & Pettigrew, 2006; Northen, 2000). The consumption or purchase of wine can also be seen as a status symbol for some consumers. Wine is considered as a sophisticated drink and therefore adds status to the consumer who consumes it. Lots of expensive Bordeaux, Burgundies and Champagnes go to consumers who enjoy its status more than its characteristics. An good example is the newly Chinese wine consumer who likes to mix €450 costing bottles of the famous Chateau La Tour with 7-up as a cocktail drink<sup>1</sup>.

### 2.8 Extrinsic signals

*Extrinsic signals* are related to the product but are not part of the physical product itself. Extrinsic signals are therefore promotional tools since they can be manipulated without changing physical product (Oude Ophuis & Van Trijp, 1995). Country and region-of-origin, grape variety / wine type, brand reputation, store reputation, certification of quality, harvest year or aging potential, controlled appellation, certified sustainability, recommendations from critics, WOM, sales persons, awards, advertisement and price are extrinsic signals (Aqueveque, 2006; Chaney, 2007; Geraud & Livat, 2007; Jacoby et al., 1971; Kennedy, 2007; Lockshin & Hall, 2003; Orth & Krska, 2002; Rao & Monroe, 1989; Verdu Jover et al., 2004). An example is the region-of-origin of Bordeaux with a century's long reputation for its wines. The region-of-origin of Bordeaux acts as a very powerful quality signal on the bottle of those wines. Some of these signals are also intrinsic in the sense they can be closely associated with the sensory characteristics of a wine. The region-of-origin of Bordeaux clearly has its influence on the taste of its wines with e.g. its region specific rules, grape quality and terroir which is covered by controlled appellation, maritime climate and different soil types. The signals with clear intrinsic and

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<sup>1</sup> [www.decanter.com/news/118826.html](http://www.decanter.com/news/118826.html)

extrinsic features are country-of-origin, region-of-origin, grape variety / wine type and certifications of controlled appellation and sustainability. All these signals together compose the marketing mix, and will be categorized into reputation of paradigmatic signals, certifications, recommendations, promotion, and price (See Table 2.1). The category of reputation of paradigmatic signals is composed of quality signals giving reputational information on the region and country, grape variety and wine type, brand, store image and harvest year or aging potential. The second category is for certification and deals with quality certifications on production and sustainability. Third category covers the recommendations coming forth from critics, WOM, sales persons and awards. The fourth category is for promotion and includes advertisement and packaging (Issanchou et al., 2000; Bredahl, 2004). Promotion by packaging is created by the functional and aesthetic elements of bottle design and label design. These signals are used by the consumer to infer quality from the information in the advertisement and on the packaging. The fifth category is for price and explains the influence of price on the consumer and a high price denotes a high quality.

**Table 2.1: Intrinsic and extrinsic signals for wines**

Intrinsic signals	Sub-components	Extrinsic signals	Sub-components
Sensory Characteristics	Gustatory Olfactory Mouth feel	Reputation of paradigmatic signals	Country-of-origin Region-of-origin Grape variety/ Wine type Brand reputation Store reputation Harvest year or aging potential
Appearance	Color Concentration Clarity Structure	Certification	Controlled Appellation Certified sustainability
Age	Harvest year Aging potential	Recommendations	Critics WOM Salespersons Awards
Pleasure derived from tasting	Convenience Enjoyment Status	Promotion	Advertisement Packaging
Paradigmatic	Country-of-origin Region-of-origin Grape variety Certification Grape quality Terroir	Price	Price

### 2.8.1 Reputation of Paradigmatic Signals

#### *Country-of-Origin*

Country of Origin refers to the associations people have from a certain country. This extrinsic quality signal is also perceived to be intrinsic to wine since quality of wine is related to the production and the environment (Charters & Pettigrew, 2003). The extrinsic side of it is that people make natural associations between countries and products based on product involvement, country familiarity and stereotypes (Usunier & Cestre, 2007). An example would be wine and France for many people. People who are not familiar

with a country's reputation on a product will use its halo in their purchasing decision. The consumer will deduct its quality from the stereotyped beliefs about the country-of-origin (Erickson et al., 1984; Maheswaran, 1994; Maheswaran, 1994). Country-of-origin is one of the most important signals to influence the consumer decision in the purchase of wine (Angulo et al., 2000). Furthermore the country of origin effect will be stronger for unfamiliar brands than for well-known brands (Cordell, 1992). In a research on watch manufacturers who decided to produce in Pakistan, instead of Germany, researchers found a decrease in market share for little known brands, while well-known brand were hardly affected by the poor reputation of Pakistan on this field (Cordell, 1992). Some countries have natural associations with a certain products such as again the example of wine and France. A good reputation as a wine country is used to infer the quality of wine. Countries such as Cuba, China, Uruguay or England will have greater difficulty to be recognized as a wine producing country.

#### *Region-of-Origin*

Region-of-origin is also part of the system of signals in which the value of the consumer depends on its perception of the signal. Although a country can be known for its wine, moreover it was a specific region which gave a country its wine image. Bordeaux, Burgundy and Champagne gave way to the international wine image of France, like Chianti to Italy and Rioja to Spain. Market recognition of wine regions caused European wines to be named both after their place of production and grape variety. An example of a regional brand is Bordeaux, but even within Bordeaux there are regional brands such as Pomerol and Margaux. In wine growing regions outside the traditional European wine growing regions (New World) there is also a tendency to classify more on regions since it is seen as an extra signal of quality from within the country itself. South African's region Stellenbosch, Australian's regions Margareth river, Coonawarra and Barossa, New Zealand's Marlborough, Chileans Colchagua, and Napa Valley and Oregon from the United States. Regions as Kentucky in the United States, and Rousse in Bulgaria have little or no reputation and enjoy difficulty in overcoming consumers' reservation towards these unfamiliar places.

#### *Grape variety/ wine type*

Extrinsic signals determining the type of wine all refer to sensory characteristics. Consumers try to use those signals by reading them from the label of the bottle to make a choice between the wide varieties of wines available. Signals acting as search attributes for the type of wine are the color of wine in the bottle, harvest year, grape variety, terroir and wine style on the label. Terroir has the biggest influence on the wine according to the French (Barham, 2002). Terroir is not just the soil but the complete ecosystem around the vines. This includes every influence from mother nature on the grape such as soil, climate, location, but also temperature, sun, length of the day, wind, moisture, rain and the availability of herbs or plants in the surroundings (Snyman, 2006; Clarke & May, 2006). For this reason, French people have wine regulations acknowledging regions and sub regions to distinguish wine types. In this view grape variety is subordinate. New World producers have a different view and they try to get the best out of the grapes with the newest farming and cellaring techniques. They were also the initiators of the successful mentioning of the grape variety on the wine label. This led the European producers to follow and mention the grape variety next to its origin. Since close to none terroir actors are mentioned on bottles, consumers tend to rely greatly on grape variety and for Europe also on the regions or known wine styles since for some regions grape variety are still unknown to the public. Wine styles can include the dry or sweet style, but also Reserve bottlings, which contains oak flavors and Ripasso as a double fermentation technique of the Valpolicella grapes (Corvina, Rondinella, Sangiovese and Molinara).

### *Brand reputation*

A brand has a good reputation when consumers expect this brand to make high quality products. When it is hard to examine a product's quality then consumers will rely on past quality performance of a brand, as an indicator of future performance (Shapiro, 1983). A good reputation makes it possible for brands to ask a higher price for their wines since it is conceived to have a high quality (Benjamin & Podolny, 1999). Affiliation with a good reputation of the region will even enhance the ability to ask a premium price (Benjamin & Podolny, 1999). Traditionally wine brands were small producers, but since wines sold in supermarkets became popular, large brands appeared. Those large brands add value to the consumer till a certain price point, and then small brands take over since they are not aimed at the taste of the big mass consumer. Those small brands are therefore favored

with the high involvement consumers, who are willing to pay a higher price for those wines (Lockshin et al., 2007).

#### *Store reputation*

The components merchandising, accessibility, reputation, in-store service, store atmosphere and promotions affect consumers perception of store reputation and affect their preferences for a store to buy wine (Thang & Tan, 2002). The image of a quality store facilitates more favorable attributes towards a product because it intends to have only quality products. Especially when consumers have little knowledge they tend to rely on the store reputation to make their quality judgments (Grewal et al., 1998). Consumers who add importance to personal gratification as can be seen in the intrinsic category of pleasure (convenience, status, enjoyment) value store attributes as class of clients, physical attractiveness of store, reputation of goods and brands more (Erdem et al., 1999). Consumers, who value personal gratifications less, do not attach much importance to this category.

#### *Age, vintage year, or aging potential*

Aging potential is the ability of a wine to improve with age. The ability to age can improve its sensory characteristic in the future and by this means increase its status. The ability to age for a wine depends on its tannins, acidity, alcohol and sulfites. The best vintage years give wines with a perfect balance between tannin, acidity and alcohol in them. Those wines will have better sensory characteristics and therefore higher auction price. People have the perception that older wines are better (Gil & Sanchez, 1997; Verdu Jover et al., 2004). Age therefore reflects the quality of a wine and contributes to its perceived reputation. Certain vintage years are greatly valued by high involved consumer since they tell something about the taste of the wine and its possible capabilities of improving prior to consumption. This quality signal therefore also plays a double role as intrinsic and extrinsic signal.

### **2.8.2 Certifications**

#### *Certification of controlled appellation*

Certifications are granted by hierarchical selection of institutions such as government agencies or professional organizations to meet predetermined standards (Jacobs, 2007). The information provided with this certification can be classified into three groups: factual certification, evaluative certification and warranty certification (Parkinson, 1975). Since a certification of quality for wine, such as organic or controlled appellation proofs its geographical origin or its obedience to certain regulations or production processes, it is seen as a factual certification. Certifications of quality can be a protected trade name used in relation to wine to identify a particular region in order to protect the consumer and producers who suggest delivering a certain quality. In Europe there is a long tradition of associating food products with particular regions such as Bordeaux with its wine or Parma ham from the province of Parma. In 1992, these protections entered European law under the name of Protected designation of origin, protected geographical indication and traditional specialty guaranteed<sup>2</sup>. WTO agreements try to protect the usage of geographical indications for wines in the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) among member states<sup>3</sup>. The source of wine is the most important aspect of wine in determining its price, positioning and promotion in sales channels. Grapes from reputational regions sell for two or three times more than those regions with a lesser reputation. An example is that the grape prices of Napa Valley grapes are three times higher than those of Sonoma Region in California (Marshall, 2007).

#### *Certification of sustainability*

This certification considers factual certifications such as ecological and social responsible certificates. The reason is that consumers consider many issues important which cannot be experienced directly. They have to rely on judgments of others that the product contains such a quality attribute. Advertisement regulations make it difficult to communicate such a health attribute directly but through clever signaling through a certification the producer or retailer can inform the consumer about its characteristics. Health concerns and social responsibility make consumers increasingly more social and environmental conscious. Consumers now demand green wines which have to be produced using socially and environmental practices. New regulatory forms have

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<sup>2</sup> [http://ec.europa.eu/agriculture/foodqual/quali1\\_en.htm](http://ec.europa.eu/agriculture/foodqual/quali1_en.htm)

<sup>3</sup> [http://www.wto.org/english/tratop\\_e/trips\\_e/t\\_agm3b\\_e.htm#3](http://www.wto.org/english/tratop_e/trips_e/t_agm3b_e.htm#3)

appeared with a focus on health, food and environment. Eco-labeling and fair trade logos make these practices more visible to wine consumers. Various instances make sure that producers live up to the eco standards they prescribe. Environmental friendliness can be shown through organic and biodynamic wine growth. Social responsible wineries can proof their goodwill towards fair payments with fair trade logos.

These green certifications assure the minimal use of chemicals, the practical use of water, energy, recycling, or worker safety and social responsible worker payments (Marshall, 2007). Certifications are different between each country and wineries have to pay to get a certification on their wines. Inside and outside the EU, there are international companies such as Ecocert, Skal and SGS operating which have their own standards but most of them comply with this EU regulation, and are thus accepted in the EU (Rosenthal Duminy, 2004). The Fair trade certification mark is given by the Fair trade labeling organization for small farmers in the developing world that facilitate sustainable development and guarantees that the producers and workers get a better price for their grapes<sup>4</sup>. All these certifications serve as signals of “social” value for consumers (Renard, 2005).

### **2.8.3 Recommendations from third-parties**

#### *Critics*

Ratings and reviews are given by wine critics. Their rating and review is subjective and depend on their personal taste preferences<sup>5</sup>. These ratings and reviews by experts are sometimes considered by consumers to be an objective measure of quality (Aqueveque, 2006). A reviewer or rater whose palate closely matches yours will enjoy high source credibility. But once wines gather a good review or rating; expect to pay a higher price. Reviews are critic’s articles in which tasting notes are accompanied by personal opinion on the particular wine. The market is influenced greatly by reviews of critics as Robert Parker, Jancis Robinson, Oz Clarke and for the Netherlands Hubrecht Duijker, Harold Hamersma and Nicolaas Klei (Lecocq & Visser, 2003; Lecocq et al., 2005). People like to be influenced by the opinion of critics but it is questionable if they influence the total wine market. Some critics accompany their review with a ranking to make them

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<sup>4</sup> <http://www.Fairtrade.net/introduction.html>

<sup>5</sup> [http://newworldwine.suite101.com/article.cfm/the\\_awesome\\_power\\_of\\_wine\\_ratings](http://newworldwine.suite101.com/article.cfm/the_awesome_power_of_wine_ratings)

comparable. Wine ratings are reviews accompanied by a scoring system thus offer the potential to anyone to understand these scores, unlike tasting notes which deal with the jargon of “hints of violets and subtle tannins”. Those ratings and reviews enable new wine producers to make a name quickly and consumers to compare wine ratings with each other<sup>6</sup>. Examples of scoring systems are the 100 point system used by Robert Parker and the Wine Spectator or the 20 point system used by the Dutch Perswijn Magazine<sup>78</sup>. Many wine producers, wine merchants, brokers, auction houses and retailers include wine writers scores to market their wines. The influence of those ratings cannot be understated since many fine Bordeaux producers wait for Robert Parker’s ratings before setting their release prices. A good rating will automatically mean a higher demand and consequently a higher price for a wine<sup>9</sup>.

### *WOM*

WOM is the communication of information from one person to the other by verbal means or by messages (Solomon et al., 2002). This especially includes recommendations given face-to face, over the phone, text messages or on the web by web logs or profile pages such as Hyves (Ferguson & Keating, 2006). This form of signaling is highly valued since the communicating person is speaking honestly and is therefore more likely to persuade others into doing something. With the increase of social groups on the internet, WOM has become an important signal since it facilitates consumers to share their opinions (Liu, 2006). WOM is one of those signals of quality between consumers (Kennedy, 2007). Satisfying WOM signals can, in the long run, cause herd behavior in which consumers select the same on basis of the same signals, resulting in a trend. These consumer signals can be distributed online and offline. Online distribution is filled with consumer panels and opinions using blogs and forums. The ease of producing and spreading WOM is greatly enhanced by the internet.

The consumers judge which of the candidates will be awarded in a prize system such as a rating. Consumers who are asked the most about certain products and influence consumers the most are called opinion leaders. They are highly interconnected in

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<sup>6</sup> <http://www.wine-searcher.com/wine-scores.lml>

<sup>7</sup> <http://dat.erobertparker.com/info/legend.asp>

<sup>8</sup> <http://www.perswijn.nl/index.php>

<sup>9</sup> <http://www.wine-searcher.com/html/montauk.html>

communities and are valued for their unbiased opinions and hands-on experience. They get contacted when friends need information about a product. These opinion leaders give recommendations to new consumers and cause a WOM ripple effect (Gremler & Brown, 1999).

*Sales people*

Sales people provide guidance at the purchase of wine. They influence people’s quality perceptions and their willingness to buy. Knowledgeable sales people may draw attention to product attributes that people are unfamiliar with (Makgopa, 2005). The sales people are increasingly supported with endorsement of third parties on shelves and displays. Those endorsements have to convince the consumer that the product is recommendable (Engel et al., 1994). The expertise of salespersons also leads to an increased sale since consumers use their competence and credibility when making a purchasing decision. A salesperson with good expertise is likely to have a significant influence on consumer purchasing (Woodside & Davenport, 1974). This quality signals is similar to WOM in the way it behaves as a personal message, although it can be defined as commercial (See Figure 2.3).

	Commercial	Non- commercial
Non personal	Advertisement	Certifications/ Awards
Personal	Sales people	WOM

**Figure 2.3: Categorization of messages (Solomon et al., 2002)**

*Award*

Wine exhibition awards or medals are an important source of information for consumers, since they enjoy high levels of visibility, since they are showed with small round stickers on the wine bottle. Wine producers intentionally subscribe for those wine exhibitions to promote their wines. Wine exhibition awards and medals belong to the group of

recommendations since they provide specific evaluative opinions from wine experts (Orth & Krska, 2002). Understanding wine certifications helps the interpretation and enhances an appropriate purchase. Wine exhibition awards and medals are important for producers and retailers since they communicate superior quality to the consumer. Consumers tend to rely on the awards and medals of products, instead of carefully considering the other available information (Orth & Krska, 2002). The effect of an award has a greater influence when it fits with the dominant selection system (Gemser et al., 2008). High involved consumers therefore increase their purchasing when a wine carried a golden wine award sticker (Lockshin et al., 2007). On those wine exhibitions wines get awarded a gold, silver or bronze medal. Wine exhibitions take place all over the world. There are regional exhibitions, national, and international ones, all having a different reputation, but experts promote the winning wines based on predetermined standards. Those experts can be producers, traders, sommeliers or restaurant managers but since tasting is blind, they are ought to be objective and rely on intrinsic qualities only.

#### **2.8.4 Promotion**

##### *Advertisement*

Advertising is necessary when it comes to distinguishing good and bad quality when the differences are relatively small (Makgopa, 2005). Advertising the quality of a wine will result in higher purchase intentions (Castleberry & Resurreccion, 1989). Not communicating quality or the communication of low quality will result in lower purchasing intentions. But when the quality of a product is higher, advertisement should use specific quality signals otherwise purchasing intentions will be even lower than the ones without any advertisement. Non specific quality signals are words as "premium quality", and specific quality signals are for instance Grand Cru certifications (Castleberry & Resurreccion, 1989).

##### *Packaging*

Packaging is an important signal on the quality perception on wine (Verdu Jover et al., 2004). The two elements responsible for this quality signal are bottle design and label design. The assumption is that an elegant design and an attractive bottle and label have an influence on the wine quality. One can use the heuristics that an excellent wine has a

good quality label and bottle. Coloring, pictures and the use of a foreign language all have their impact on the perceived quality of a wine (Gluckman, 1990). Wines from Mouton Rothschildt, are not only known for their quality of wine but also for their famous illustrations on the labels from painters such as Joan Miro and Pablo Picasso (Meltzer, 2007). Labeling is seen as one of the most important sources of information for the consumer. The front label is used to convey the most basic information/ search attributes such as country, wine style or grape variety and the impression of the wine occasion it is made for. A traditional label will give other impressions as a bright colored kangaroo on the front. The back label is used for more detailed information about its exact origin, or wine and food pairing advice.

The bottle design is another element that gives the consumer certain impressions. Consumers identify the Bordeaux originating 75cl glass bottles as the dominant design for wine (Gluckman, 1990). Some wine regions differentiate themselves with slight changes in the shape, for instance the wider bottle for Burgundy or the amphora for Italian white Verdicchio. Radical designs are not that easily accepted by consumers or by the retailer, since for the last the shelf spaces must cope with the strange format.

### **2.8.5 Price**

Price plays a dual role in the consumer's decision making process (Dodds et al., 1991). On the hand it represents the monetary amount that has to be sacrificed when they purchase a product. On the other hand it acts as a quality indicator to the consumer. A higher priced product will then be sensed as better quality compared to a lower priced alternative. When price is perceived as a cost it represents the component of objective price of the product and the perceived price. The perceived price is the price as it is encoded by the consumer which is transformed and encoded as cheap or expensive (Zeithaml, 1988). Perceived or subjective price variances occur among individual persons whereas objective price variances take place between products of the same perceived quality and different stores. The degree to which price is used as a quality indicator depends on four conditions. The first condition is the availability of other quality signals. When intrinsic quality signals are available, when the brand or store reputation is known, consumers do not use price as a quality signal (Gardner, 1970; Stafford & Enis, 1969; Zeithaml, 1988). A second condition to use price as a quality signal is the presence of

price variation within the product class. When products differ little in price, price does not act as a quality indicator. A third condition is that consumers are able to detect quality heterogeneity within a product class. When consumers perceive quality homogeneity then they are unable to use price as a quality signal other than just sacrifice. A fourth condition is that consumers are aware of product prices. Consumers unaware of those are unable to infer quality from price. A fifth condition is that consumers are able to identify quality variations in group of products (e.g. salt). This condition again deals with the ability to distinguish products from each other. The greater the price variations, the higher the tendency to use price as a quality signal. Studies have found out that the category of wine has a high price quality relationship. Here price is often used as a quality signal (Gardner, 1970; Zeithaml, 1988). Other product categories with a positive link between price and quality were perfume and durable goods. Additional studies also confirmed that a higher knowledge and involvement also reduced price as a quality signal, favoring other available signals such as the intrinsic signal of grape variety (Zaichkowsky, 1988; Dodds et al., 1991).

## **2.9 Importance of quality signals**

During the information search of the purchasing process, consumers first determine which quality signals to judge the alternatives (Engel et al., 1994; Solomon et al., 2002). Consumers may differ in their use of and reliance on quality signals. They rank certain quality signals in importance (Belch & Belch, 2001). Groups differ in use of and reliance on quality signals. That is why this research takes significant differences of importance of signals into account between two consumer groups and two categories of wine. Consumers will decide on basis of the important quality signals what products are to be considered.

## **2.10 Mass wine versus fine wine**

FW differ from MW with their higher product quality and price level. In order to differentiate the different MW and FW and their corresponding consumers, this paper makes a distinction on basis of where the wine has been bought. The different retailers

are categorized into MW and FW stores on several factors. The first differentiation is the ability to sell alcoholic beverages above 15%, with an exception for wine, according to the Dutch law and regulations<sup>10</sup>. One of the regulations is that stores which primarily sell other than alcohol related products are not allowed to sell alcohol above 15%, with an exception for wine<sup>11</sup>. These stores are convenience stores and supermarkets, in which occupies a small amount of the total assortment (Suurmeijer, 2007). Supermarket and convenience stores use high volume wines, brands, price discounts and a large number of stores to sell their wine (Unwin, 1991). Those stores target the big mass and carry most MW. These MW stores simplifies the consumer choice by adding branded wines, shelf talkers with tasting notes, bottlenecks and point-of-sale material (Caputo, 2002). MW wine stores are for example Hema, Albert Heijn, Jumbo and Aldi. Stores which are primarily focused on alcohol products are called liquor stores according to Dutch law<sup>12</sup>. Since these stores are focused on one specific product category, they can classify themselves with a premium assortment focused on the FW, from smaller producers. Factors that distinguish MW and FW is it attendance on different price levels. Average prices for wine are in liquor stores also twice as high as for wine in supermarkets and convenience stores (Ac Nielsen, 2000). This group of wine is also growing despite the fact that it lacks the marketing budgets of the ones available at the mainstream group (Cholette & Castaldi, 2005). FW stores are for example chain stores as Mitra, Gall&Gall, Henri Bloem, but also independent wine stores such as Hein Post, Druivelaar and Jos Beeres in Groningen.

## 2.11 Conceptual Model

The conceptual model displays that the use of intrinsic quality signals depends on the availability of a tasting or prior consumption of a wine (See Figure 2.4). In situations other than prior experiences with a wine, consumer have to rely on extrinsic quality signals only to infer the quality of a wine. Multiple signals are used simultaneously in the information search and their use and importance is investigated for two different consumer groups. The conceptual model suggests that the use of quality signals by MWC

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<sup>10</sup> <http://wetten.overheid.nl/cgi-bin/deeplink/law1/title=Drank-%20en%20Horecawet>

<sup>11</sup> <http://wetten.overheid.nl/cgi-bin/deeplink/law1/title=Drank-%20en%20Horecawet>

<sup>12</sup> <http://wetten.overheid.nl/cgi-bin/deeplink/law1/title=Drank-%20en%20Horecawet>

and FWC differs extensively for lower level quality signals. When some extrinsic quality signals are expected to be more important for MWC then they are highlighted in the conceptual model with red, and when they are expected to be more important for FWC then they are highlighted with blue (See Figure 2.4).

Factors of involvement distinguish the use of different quality signals for both consumer groups. MWC are expected to use brand reputation, store reputation, WOM, advertisement, packaging and price to infer quality. The reason for this is that it is expected that MWC lack the involvement and knowledge to assess quality from lower level quality signals. FWC are likely to use country of origin, region-of-origin, grape variety/ wine type, harvest year or aging potential, certification of controlled appellation and sustainability, critics, sales persons and awards to assess the quality of a wine. They are able to use these lower level signals with the quality dimensions of wine through covariation. FWC are more inclined to listen to the advice from sales persons, for example, since they enjoy high source credibility. The higher the expertise of the information source is, the more homophily there is with FWC, and this results in more source credibility (Gilly et al., 1998). Expert recommendations are given by critics, sales persons and awards.

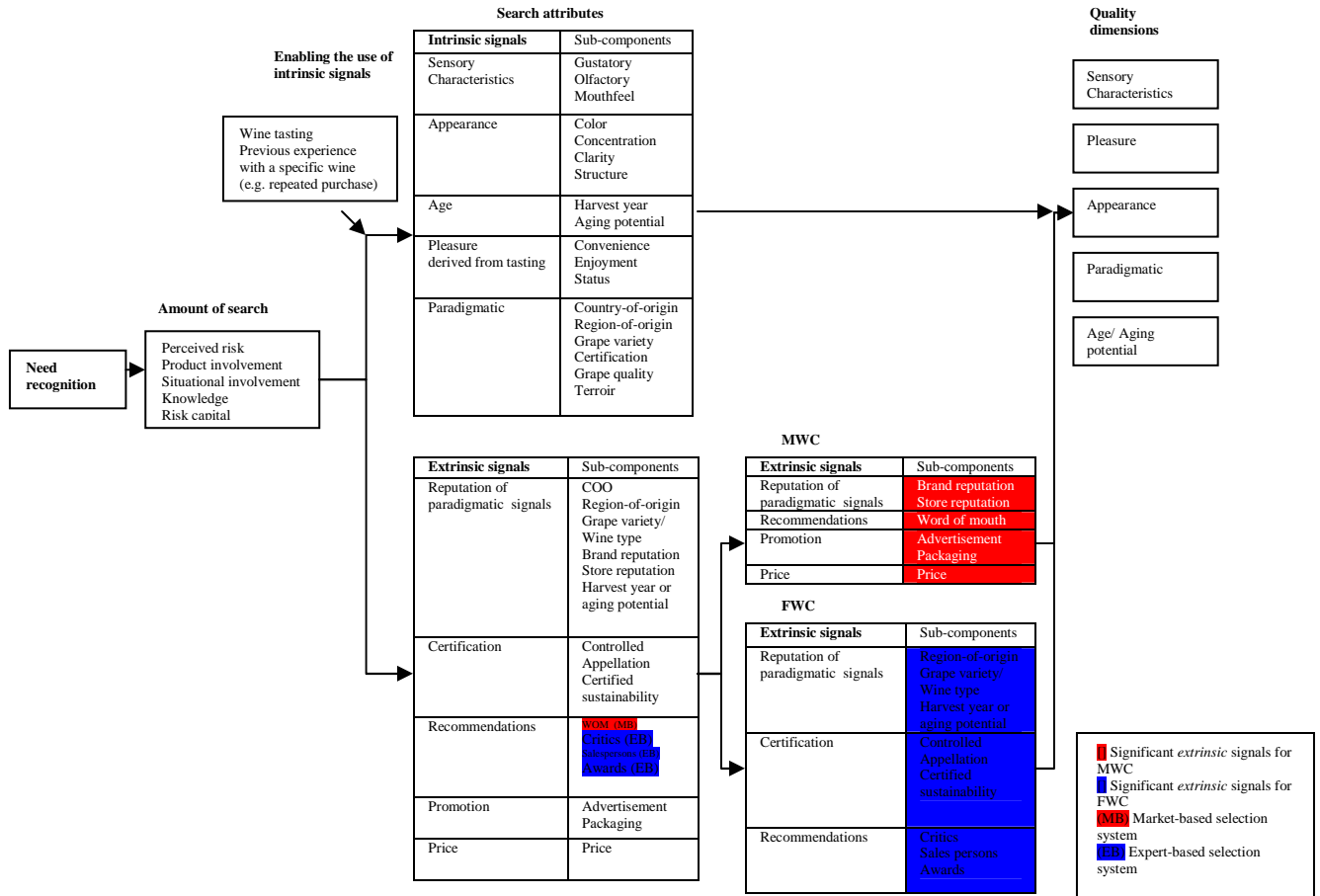


Figure 2.4: Conceptual model

## 2.12 Hypotheses

The hypotheses are based on the different use and importance in quality signals for both FWC and MWC.

### *Consumer profile & search effort*

It is expected that wine quality will be more important for FWC than for MWC since the former take the effort to go to a special wine store. The importance of the purchase comes with involvement, knowledge, capital and search effort (Solomon et al., 2002; Zaichkowsky, 1988). Consequently, these factors are expected to be higher for FWC compared to MWC. The profile and search effort is measure for MWC for both MW and FW, and the same for FWC on both FW and MW (See Figure 1.2). This ends in a hypothesis stating:

### *Consumer profile hypothesis*

H1: FWC will be more *involved*, will be more *knowledgeable*, have higher *risk capital* and will *search* more extensively compared to MWC.

### *Situational involvement hypothesis*

H2: Both MWC and FWC will make more extensive use of quality signals when the situational involvement/importance of occasion gets higher.

Consumers with *knowledge* about a product use more intrinsic information about the product since they are more capable of interpreting this information (Lockshin et al., 2007). Furthermore it is expected that FWC are able to relate extrinsic quality signals with intrinsic qualities.

### *Intensity of signal usage*

H3: FWC will use more extrinsic quality signals compared to MWC.

H4: FWC will use more intrinsic quality signals compared to MWC.

Factors of *Involvement, knowledge, risk capital* and *search effort* separate the intensity of different quality signals for both consumer groups. MWC are expected to use abstract signals as brand reputation, store reputation, WOM, advertisement, packaging and price to infer quality, since those signals are easy to determine (Lockshin et al., 2007). Therefore they rely more stronger on specific extrinsic quality signals instead of concrete lower level signals (Rao & Monroe, 1988).

#### *Reputation*

H5: The quality signal *brand reputation* will be less important to FWC than to MWC.

H6: The quality signal *store reputation* will be less important to FWC than to MWC.

The impact of a recommendation on the receiver depends on homophily between the source and receiver. With greater homophily the source is seen as more credible and consequently its signal becomes more important (Gemser et al., 2004; Gilly et al., 1998). MWC are likely to feel more homophily with their friends, family and acquaintances than FWC will feel. FWC are more likely to depend on their own knowledge than to depend on others' recommendations.

#### *Recommendations from WOM*

H7: The quality signal *WOM* will be less important to FWC than to MWC.

MWC find advertisements more important since advertised brands are often the known brands and the advertisement reflects the reputation of the brand and consequently covariate with intrinsic qualities. MWC can easily understand this information and determine the popular brands (Engel et al., 1994).

#### *Advertisement*

H8: The quality signal *advertisement* will be less important to FWC than to MWC.

Packaging is another reputational signal, which suggests that a nice bottle or label will give an indication for good intrinsic qualities (Aaker, 1991; Charters & Pettigrew, 2006).

### *Packaging*

H9: The quality signal *packaging* will be less important to FWC than to MWC.

Price becomes more important when other extrinsic and intrinsic signals are absent. This is a quality signal which relates to intrinsic qualities and suggests that a higher price goes together with a higher quality (Gardner, 1970; Zeithaml, 1988). Since MWC are unable to interpret a large share of quality signals it is expected that price will be an important quality signal for them.

### *Price*

H10: The quality signal *price* will be less important to FWC, than to MWC.

My second part of the hypotheses is based on idea that FWC have more expertise and would therefore use the reputation of paradigmatic quality signals and expert recommendations more than MWC. This knowledge and involvement helps them to relate lower level quality signals such as paradigmatic signals, with intrinsic product qualities.

Paradigmatic signals are used more frequently and have a higher significance for FWC since they are more knowledgeable and involved in the product since it requires knowledge and involvement to be acquainted with these detailed signals (Rao & Monroe, 1988). The use of region-of-origin, grape variety, harvest year or aging potential, wine type, region-of-origin, are found to be related with product involvement and/ or knowledge and therefore expected to be used significantly more by FWC (Dimara & Skuras, 2005; Geraud & Livat, 2007; Lockshin et al., 2007; Makgopa, 2005; Quester & Smart, 1998; Zaichkowsky, 1988).

*Country of origin*

H11: The quality signal *country of origin* will be more important to FWC than to MWC.

*Region-of-origin*

H12: The quality signal *region-of-origin* will be more important to FWC than to MWC.

*Grape variety/ wine type*

H13: The quality signal *grape variety/ wine type* will be more important to FWC than to MWC.

*Harvest year or aging potential*

H14: The quality signal *harvest year or aging potential* will be more important to FWC, than to MWC.

Controlled appellation and certified sustainability are certifications and require a higher knowledge and involvement on wine to be understood, and are therefore expected to be used significantly more by FWC (Dimara & Skuras, 2005; Verdu Jover et al., 2004).

*Controlled appellation*

H15: The quality signal *controlled appellation* will be more important to FWC than to MWC.

*Certified sustainability (ecological/ social responsible)*

H16: The quality signal *certified sustainability* will be more important to FWC than to MWC.

Consumers' wider wine knowledge will induce more homophily with expert recommendations from awards, sales persons and critics (Gilly et al., 1998; Sayman et al., 2002). Moreover, a greater knowledge of the source compared to the receiver will make recommendations more influential. FWC and experts as wine critics, sales persons or juries handing out awards are standing closer to each other, compared to MWC and thus benefit from greater homophily.

### *Critics*

H17: The quality signal recommendations from *critics* will be more important to FWC than to MWC.

### *Sales persons*

H18: The quality signal recommendations from *sales persons* will be more important to FWC than to MWC.

### *Awards*

H19: The quality signal *awards* will be more important to FWC than to MWC.

### *Development of hypotheses for the influence of the selection systems*

Market-based recommendations are likely to influence the MWC since there is a fit between the recommending source and the market selected wine market. Recommendations from WOM from friend, family and acquaintances are therefore likely to influence the MWC (Gemser et al., 2008; Gilly et al., 1998).

### *Influence of WOM on the selection system of consumers*

H20: The market-based recommendations from *WOM* will be less important to FWC than to MWC.

Expert-based recommendations, however, are expected to influence the FWC to a stronger degree since they enjoy higher source credibility due to higher involvement and knowledge. The effect of an award has a greater influence when it fits with the dominant selection system (Gemser et al., 2008). Expert recommendations from wine critics, sales persons and awards will be regarded as valuable quality signals by FWC, compared with MWC (Gemser et al., 2004; Gilly et al., 1998).

### *Influence of critics on the selection system of consumers*

H21: The expert-based recommendations from *critics* will be more important to FWC than to MWC.

*Influence of sales persons on the selection system of consumers*

H22: The expert-based recommendations from *sales persons* will be more important to FWC than to MWC.

*Influence of awards on the selection system of consumers*

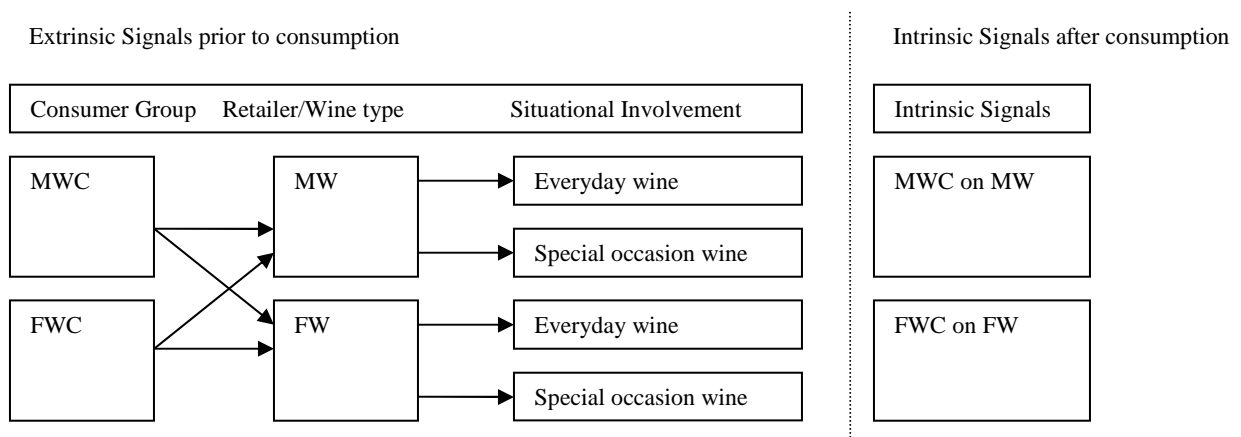
H23: The expert-based recommendations from *awards* will be more important to FWC than to MWC.

### 3 Research Methodology

This chapter outlines the plan of action followed in this research and the research methods employed. First the research instruments are addressed, followed by the data gathering, analysis, and the procedure for testing the hypotheses.

#### 3.1 Research Instrument

A self-administered questionnaire is used to gather the data. The questionnaire entails 105 variables to measure 9 constructs for the MWC and FWC. Respondents have to express their perceived risk, knowledge, product and situational involvement and risk capital, as well as the importance of the use of quality signals for MW and FW quality assessments. As such, differences between the use of signals between MWC and FWC can be determined. Each construct is measured by multiple variables in order to account for measurement error. The constructs for both MW and FW were asked in a similar way to facilitate comparison. The constructs were measured on a 5-point Likert scale. This scale puts all the constructs on a continuum ranging from very low (1) to very high (5).



**Figure 3.1: Which extrinsic/ intrinsic signals are being researched?**

### **3.1.1 Perceived risk**

Perceived risk refers to the amount of uncertainty that is experienced by a consumer when they need to choose wine. All consumers are asked to answer the questions on perceived risk for both MW and FW. Five items were used to measure perceived risk. The items identify a number of risk dimensions to account for the perceived uncertainty. The dimensions identified are monetary risk, physical risk, functional risk, social risk and psychological risk (Kaplan et al., 1974; Solomon et al., 2002). The perceived risk will be related to the amount of search that is performed by the consumer.

### **3.1.2 Involvement**

Involvement is measured for both the product and the situational and refers to the time and effort that is spent choosing a wine. When wine is important for a person or for the occasion then time and effort are the non-monetary costs to be made. Three items were used to measure the construct of involvement (Zaichkowsky, 1988; Gluckman, 1990).

### **3.1.3 Knowledge**

Knowledge refers to the expertise and familiarity with wine (Alba & Hutchinson, 1987; Solomon et al., 2002). Familiarity with wine is measured by using the probability that at least one bottle of wine a week is consumed. Expertise is measured by inquiring how often people are asked for advice about wine and by their own rating of their knowledge of wine.

### **3.1.4 Risk capital**

Risk capital relates to the individual risk profile of a consumer. The tendency to seek or avoid risk is measured with this construct. This construct influences the perceived risk by the consumer. Three items were used to measure the risk capital (Conchar et al., 2004).

### **3.1.5 Extrinsic quality signals**

The extrinsic quality signals are measured four times; one time for FW and one time for MW, and for MW and FW with a special occasion. This is done to measure the influence of situational involvement/ importance of the occasion (See Table 3.1). Every MWC and FWC has to indicate its use of quality signals when they consider a MW or FW they have never tasted before. Respondents were asked to rank 15 variables (extrinsic quality

signals) for their weight on their quality assessment. The variables measured were country of origin, region-of-origin, grape variety, brand reputation, store reputation, harvest year or aging potential, controlled appellation, certified sustainability, recommendations from critics, awards, sales persons and WOM, advertisement/promotion in the store, packaging/ appealing bottle/ label, and price (Aqueveque, 2006; Chaney, 2007; Geraud & Livat, 2007; Jacoby et al., 1971; Kennedy, 2007; Lockshin & Hall, 2003; Orth & Krska, 2002; Rao & Monroe, 1989; Verdu Jover et al., 2004).

### **3.1.6 Intrinsic quality signals**

The intrinsic signals are here measured for MW and for FW. Consumers have to rank the importance of 19 variables (intrinsic quality signals) for the quality assessment of their corresponding wine. The variables measured are gustatory (taste), olfactory (smell), mouth feel, color, concentration of color, clarity of the wine, structure, age, harvest year, aging potential, pleasure derived from the effect of alcohol, enjoyment, status/allure, country-of-origin, region-of-origin, grape variety, quality, certification and terroir (weather/ soil/ sun exposure).

**Table 3.2: Scale items**

Scale	Item number	Item	Source of measure
Perceived Risk	PR1	Risk of paying too much	(Kaplan et al., 1974)
	PR2	Risk of the negative effect of a wine on your health	
	PR3	Risk of underperformance of a wine	
	PR4	Risk of social embarrassment	
	PR5	Risk of not feeling the status of a wine	
Involvement	Inv1	The importance of wine in my life	(Zaichkowsky, 1988; Gluckman, 1990)
	Inv2	Reading about wine	
	Inv3	The wine is for a special occasion	
Knowledge	Kn1	I frequently open a bottle of wine	(Alba & Hutchinson, 1987; Solomon et al., 2002)
	Kn2	I know about the wine regions	
	Kn3	Third parties ask me advice about wine	
Risk Capital	RC1	I enjoy trying different wines	(Conchar et al., 2004)
	RC2	I like to discover new tastes in wine	
	RC3	I am prepared to buy a case of old wine with a high risk of bad wines	
(4x) Extrinsic quality signals for mass and fine wine for everyday and special occasion	PAR1	Importance of country-of-origin	(Aqueveque, 2006; Chaney, 2007; Geraud & Livat, 2007; Jacoby et al., 1971; Kennedy, 2007; Lockshin & Hall, 2003; Orth & Krska, 2002; Rao & Monroe, 1989; Verdu Jover et al., 2004)
	PAR2	Importance of region-of-origin	
	PAR3	Importance of grape variety	
	PAR4	Importance of brand reputation	
	PAR5	Importance of store reputation	
	PAR6	Importance of harvest year/ aging potential	
	CER1	Importance of controlled appellation	
	CER2	Importance of certificates of sustainability	
	REC1	Importance of wine critics	
	REC2	Importance of awards	
	REC3	Importance of WOM	
	REC4	Importance of sales persons	
	PRO	Importance of advertisement	
	PRO	Importance of packaging	
PRIC	Importance of price as a signal		
Intrinsic quality signals	SENS	Importance of gustatory/ taste	(Charters & Pettigrew, 2006;

		Importance of olfactory/ smell	Lockshin & Hall, 2003; Northen, 2000)
		Importance of mouthfeel	
	APPE	Importance of color	(Charters & Pettigrew, 2006; Northen, 2000)
		Importance of concentration	
		Importance of clarity	
		Importance of structure	
	AGE	Importance of age	(Charters & Pettigrew, 2006; Dimara & Skuras, 2005; Gil & Sanchez, 1997)
		Importance of harvest year	
		Importance of aging potential	(Charters & Pettigrew, 2006; Northen, 2000; Oude Ophuis & Van Trijp, 1995)
	PLEA	Importance of convenience	
		Importance of enjoyment	
		Importance of status	(Aqueveque, 2006; Charters & Pettigrew, 2006; Dimara & Skuras, 2005; Gil & Sanchez, 1997; Lockshin & Hall, 2003; Lockshin et al., 2007; Verdu Jover et al., 2004)
	INPAR	Importance of country-of-origin	
		Importance of region-of-origin	
		Importance of grape variety	
		Importance of certification	
		Importance of grape quality	
		Importance of terroir	

### 3.2 Data gathering & analysis

In order to examine the quality signals consumers use for MW and FW, a survey of wine consumers was designed and carried out. A statistical analysis is performed on a sample of 60 wine consumers, recruited in different wine stores, namely MW and FW stores. As such, the differences between the quality signals used in the decision making process for the MWC and FWC could be retrieved. A survey approach was adopted, using questionnaire-based face-to-face interviews and an online questionnaire. The questionnaire-based face-to-face interviews were held in several liquor stores in the city of Groningen. A total of 60 respondents filled in the questionnaire. The data were collected in May 2008 and the number of respondents was approximately of equal size for MWC and FWC. Normally MWC account for more than two-third of the total wine drinking population but in order to compare the differences between the groups statistically, groups of equal size were chosen.

In this research six different scales are used with questions created by the author (See Table 3.2). The respondents' data is inserted into SPSS. Using SPSS, the different preferences for quality signals between the consumer groups who purchase FW and MW is compared, as well as the influence of the different factors like perceived risk, involvement, knowledge, risk capital and amount of search on signal usage.

### **3.3 Statistical testing**

Several analyses will be introduced to research the data, in the following order (Table 3.3). The first procedure describes the analysis of basic characteristics of both consumer groups. This research makes a distinction between MWC and FWC during each analysis. The next analysis checks the internal consistency of the questions measuring constructs in the questionnaire. Unreliable items are advised to be left out to higher the overall consistency of the scales. Additionally an exploratory factor analysis is performed to reduce a large number of variables into a smaller number of factors and to check the validity of the scales. This analysis will exposes the latent structure or identifies clusters of correlating factors. This is done to validate a scale or propose a new scale by demonstrating that several variables correlate on the same factor and to drop items which have a lower cross loading on another factors. The reliability of the new factors is investigated by Cronbach's alpha for their internal consistency. The third procedure is the item analysis to describe the item means, deviations, and significance of the measured differences between the groups.

**Table 3.3: Research procedure**

Stage	Analysis	Purpose
1	Frequency analysis	Investigation of respondent characteristics
2	Reliability analysis with Cronbach's Alpha and Factor Analysis	Investigation of internal consistency of the items in the scales. Exploration of loadings; removal of items with low loadings and high cross loadings Assessment of number of potential factors. Assessment of reliability (Cronbach's alpha)
3	Item Analysis	Investigation of item means and standard deviations Investigation of the significance of the differences between the groups

## 4 Results and Discussion

This chapter consists of 7 parts. The first section will focus on the characteristics of both consumer groups. A total of 60 respondents filled in the questionnaire on quality signals, in which they answered where they often bought their wines. In the following sections the reliability of the scales are checked and an item analysis is performed. The last sections deal with the differences between MWC and FWC and the influence of selection systems in determining quality in the market.

### 4.1 Stage 1: Frequency analysis of respondent characteristics

Table 4.1 summarizes the respondent characteristics of the MWC and FWC. These consumers are differentiated by a background question asking to categorize themselves as a buyer of mainly MW (supermarket/ convenience store) or FW (liquor store/ wine store). 29 Respondents identified themselves as mainly MW buyers, versus 31 FW buyers. For the subsequent analyses, the sample is separated into two groups of respectively 29 MWC and 31 FWC. Gender distribution was equal for MWC but unequal for FWC, where men dominated the sample of respondents with 77% against 23% female consumers. Overall one is seen that the groups of respondents in the age groups below 35 years are highly represented in this research, this due to the relative young population in the centre of Groningen and their enthusiasm to cooperate in this research.

**Table 4.1: Profile of the MWC and FWC**

Socio-demographic variables		MWC N=29		FWC N=31	
Gender	Male	14	48%	23	77%
	Female	15	52%	7	23%
Age	16-24	10	41%	8	26%
	25-34	12	45%	13	42%
	35-49	1	3%	3	13%
	50-64	2	7%	5	16%
	65 plus	2	3%	1	3%

## **4.2 Stage 2: Reliability analysis of scales with Cronbach's Alpha**

The reliability of the scales was tested using Cronbach's alpha. Cronbach's alpha is used to measure the internal consistency reliability of each of the scales in the questionnaire. Cronbach's alpha measures how well a set of variables measures a single construct. Cronbach's alpha co-efficients range from 0 to 1 and describe the reliability of multi-point formatted questionnaires or scales. Values of 0.70 or higher are preferred and a value of 0.50 to 0.70 needs a critical look. When the value of the Cronbach's alpha is below 0.50, then the scale is not acceptable and generally an item is dropped (Nunally & Bernstein, 1994). Most of the scales met the minimum required level of 0.70 for *perceived risk for fine wine*.

The scale measuring the *perceived risk for mass wine* has a correlation coefficient of 0.65 which means that the items correlate enough with each other and the scale can be seen as marginally reliable. No question has to be deleted to increase the correlation within the scale. The tested scales were reliable as indicated by the Cronbach's alpha.

## **4.3 Stage 2: Factor analysis for profile scales**

The items of the scales were put to an exploratory factor analysis with principal component analysis and Varimax factor rotation, with the scree plot to make out the amount of factors to be extracted.

### **4.3.1 Factor analysis for perceived risk**

Perceived risk for MW and FW were both taken together in the analysis and resulted in 4 factors. The items of both scales measuring perceived risk for MW and FW show the same relations. Monetary and functional risk show strong relations for both types of wine. For FW this even includes the item of psychological risk. Furthermore correlations are found between the perceived risk of getting physically harmed (Physical risk) by a MW and FW. The factor analysis shows that the perceived risks for both MW and FW are perceived the same.

#### **4.3.2 Factor analysis for involvement, knowledge, risk capital and search effort**

A two component factor analysis measures a KMO of 0.835, which is very good. The factors included 66.5% of the total variance. The items of involvement, knowledge, risk capital and search effort are closely related. The first factor found strong relations between knowledge, risk capital and search effort. The second factor accounted for involvement. Only one item had a stronger cross loading with the first factor. This item involved the relation between reading about wine and involvement, which seemed to have a stronger link with knowledge, risk capital and search effort in the first factor.

#### **4.4 Stage 3: Item analysis for means and significance**

Individual item analyses were carried out to investigate the means and the standard deviation of each item investigated. Each respondent was asked to evaluate both the MW and FW, so the results are shown separately. The respondents themselves were also categorized as MW or FW drinkers. The two consumer groups are shown separately paired with their results for MW and FW for all research stages. The pools of 105 pairs of variables were checked for significance, just as they were checked in the previous stage for their reliability and validity in their corresponding scale.

##### **4.4.1 Mean differences between FWC and MWC**

###### *Overall perceived risk*

When all the perceived risks such as monetary risk, physical risk, functional risk, social risk and psychological risk are combined into one variable its unweighted mean does not differ significantly between MWC and FWC (See Table 4.2). FWC and MWC differ significantly in their functional, social and psychological perceived risk. MWC are significantly more afraid of spending too much money for a wine, are afraid of underperformance and are also more concerned about their social group disliking it. FWC perceive fewer risks with the exception of psychological risk, which means that they are more sensitive to the fit between the image of the wine and their lifestyle. The groups do not differ significantly in the consequences of monetary and physical risk of wine. When both consumer groups are purchasing a MW then the FWC is particularly sensitive for the psychological risk of the MW (See Table 4.3). When we turn it around and both

groups are going to buy a FW, than the MWC experience more monetary risk for a FW than the FWC does. This seems very logical since they are familiar with their own wine delivering retailer.

**Table 4.2: Statistics on perceived risk**

Mean Perceived Risk	Consumer Group	Wine Type	N	Mean	Mean Difference	Sig. (2-tailed)
Overall score	MWC	MW	29	2.20	-0.16	0.31
Overall score	FWC	FW	31	2.04		
<b>Items scores compared</b>						
PR1: Monetary Risk	MWC	MW	29	2.55	<b>-0.65**</b>	0.02
	FWC	FW	31	1.90		
PR2: Physical Risk	MWC	MW	29	1.41	0.14	0.53
	FWC	FW	31	1.55		
PR3: Functional Risk	MWC	MW	29	2.83	<b>-0.44*</b>	0.09
	FWC	FW	31	2.39		
PR4: Social Risk	MWC	MW	29	2.41	<b>-0.54**</b>	0.03
	FWC	FW	31	1.87		
PR5: Psychological Risk	MWC	MW	29	1.79	<b>0.69**</b>	0.02
	FWC	FW	31	2.48		

\*P<0.10; \*\*P<0.05; \*\*\*P<0.01 about 60 wines

**Table 4.3: Significant differences in perceived risk of FWC and MWC on the same wine type**

Mean Perceived Risk	Consumer Group	Wine Type	N	Mean	Mean Difference	Sig. (2-tailed)
<b>Significant items:</b>						
PR5: Psychological Risk	MWC	MW	29	1.79	<b>0.72**</b>	0.02
	FWC		31	2.52		
<b>Significant items:</b>						
PR1: Monetary Risk	MWC	FW	29	2.63	<b>-0.73*</b>	0.08
	FWC		31	1.90		

\*P<0.10; \*\*P<0.05; \*\*\*P<0.01 about 60 wines

*Involvement*

The involvement of each group shows how involved they are (See Table 4.4). The importance of wine and the will to read about it is a lot higher among FWC. Both groups often buy wines for special occasions, and FWC buy significantly most often a wine for a special occasion. Overall, a significant higher involvement is seen among FWC, compared to MWC.

**Table 4.4: Statistics on involvement of MWC and FWC**

Mean Involvement	Consumer Group	N	Mean	Mean Difference	Sig. (2-tailed)
Overall involvement	MWC	29	3.26	<b>1.04***</b>	0.00
Overall involvement	FWC	31	4.30		
Items for involvement					
Inv1: Product Involvement: The importance of wine in my life	MWC	29	2.83	<b>1.33***</b>	0.00
	FWC	31	4.16		
Inv2: Product Involvement: I like reading about wine	MWC	29	2.38	<b>1.59***</b>	0.00
	FWC	31	4.07		
Inv3: Situational Involvement: I often buy wine for a special occasion	MWC	29	4.10	<b>0.44**</b>	0.03
	FWC	31	4.55		

\*P<0.10; \*\*P<0.05; \*\*\*P<0.01 about 60 wines

### *Knowledge*

Table 4.5 summarizes the degree of knowledge for each group. The amount of knowledge FWC have is significantly higher than that of MWC. FWC get significantly more frequently asked for advice than MWC. FWC also score high on consumption frequency and knowledge on wine regions, although not significantly different from MWC.

**Table 4.5: Profile of the MWC and FWC**

Mean Knowledge	Consumer Group	N	Mean	Mean Difference	Sig. (2-tailed)
Overall knowledge	MWC	29	2.53	<b>1.56***</b>	0.00
Overall knowledge	FWC	31	4.09		
Items for knowledge					
Kn1: I frequently open a bottle of wine	MWC	29	3.72	<b>0.80*</b>	0.06
	FWC	31	4.52		
Kn2: I know about the wine regions	MWC	29	2.31	<b>1.85***</b>	0.00
	FWC	31	4.23		
Kn3: Third parties ask me advice about wine	MWC	29	1.55	<b>2.03***</b>	0.00
	FWC	31	3.68		

\*P<0.10; \*\*P<0.05; \*\*\*P<0.01 about 60 wines

### *Risk capital*

The risk capital of each group shows how capable the group is in dealing with the perceived risk or likes to experience risk by trying out new wines (See Table 4.6). FWC are capable of bearing a significant higher risk capital than MWC. A big and significant difference between MWC and FWC is found when buying blind a case of old wines, with a high risk of bad samples. This resulted in a difference for FWC that are more willing to take this risk. FWC have a higher risk capital and are therefore more prone to expose themselves to risk compared to MWC.

**Table 4.6: Statistics on risk capital of MWC and FWC**

Mean Risk Capital	Consumer			Mean Difference	Sig. (2-tailed)
	Group	N	Mean		
Overall Risk capital	MWC	29	2.20	1.47***	0.00
Overall Risk capital	FWC	31	3.67		
Items for Risk Capital					
RC1: I enjoy trying different wines	MWC	29	3.93	0.49*	0.06
	FWC	31	4.42		
RC2: I like to discover new tastes in wine	MWC	29	3.34	0.82***	0.007
	FWC	31	4.16		
RC3: I am prepared to buy a case of old wine with high risk of bad wines	MWC	29	1.86	1.34***	0.00
	FWC	30	3.20		

\*P<0.10; \*\*P<0.05; \*\*\*P<0.01 about 60 wines

### *Search effort*

FWC spend significantly more effort in their purchasing decision (See Table 4.7). The result displays the difference in effort that is put into buying a wine for both consumers groups. FWC spend much more time in picking a bottle of wine, this can be explained by their higher involvement and knowledge for wines that we have seen in the results above.

**Table 4.7: Statistics on search effort of MWC and FWC**

Mean Search Effort	Consumer Group	N	Mean	Mean Difference	Sig. (2-tailed)
Overall Search effort	MWC	29	2.36	1.54***	0.00
Overall Search Effort	FWC	31	3.90		
Items for Search Effort					
SE1: I spend a lot of time in the store when I want to buy a wine	MWC	29	2.38	1.46***	0.00
	FWC	31	3.83		
SE2: I put much effort into buying a wine	MWC	29	2.35	1.62***	0.00
	FWC	31	3.97		

\*P<0.10; \*\*P<0.05; \*\*\*P<0.01 about 60 wines

*Profile of the MWC and FWC*

MWC score lower on involvement, knowledge, search effort, risk capital and higher on perceived risk. Next there is a strong relation between involvement and knowledge. Another relation is shown between risk capital and knowledge and search effort (See Figure 4.1). A higher knowledge is positively associated with a higher risk capital and with greater search effort (See Table 4.8).

**Table 4.8: Correlations between the profile factors of MWC and FWC on their corresponding wine**

		Involvement	RiskCapital	Knowledge	Searcheffort	Perceived Risk for MW
Involvement	Pearson Correlation	1	.081	.690***	.090	-.041
RiskCapital	Pearson Correlation	.468***	1	.377**	.909***	.218
Knowledge	Pearson Correlation	.905***	.354*	1	.354*	-.043
Searcheffort	Pearson Correlation	.462***	.859***	.401**	1	.249
Mean Perceived Risk for FW	Pearson Correlation	-.359**	.127	-.401**	0.65	1

Note:

- a. Correlations above the diagonal represent those from MWC on a MW, and those below the diagonal FWC on a FW.
- b. \*P<0.10; \*\*P<0.05; \*\*\*P<0.01 (2-tailed) on 29 MWC and 31 FWC

FWC are different from MWC since involvement, risk capital, knowledge and search show a stronger correlation. Their involvement and resulting knowledge does lower their perceive risk on FW. Although they perceive less risk, their knowledge and involvement makes them willing to take more risk and put search effort in trying out new wines (See Figure 4.2). Hypothesis H1 is supported since FWC score significantly higher on involvement, knowledge, risk capital and search effort compared to MWC (See Table 4.8). While MWC are less involved, they do not like to spend as much time to try out new wines, possess less knowledge and are less able to spend effort in their purchasing decision, FWC score very high on these factors. These characteristics of FWC make them more confident in buying wines and lower their perceived risk which may therefore result in a similar level of overall risk. This result is seen as negative correlations of those factors with perceived risk.

*The influence of occasion on the significance of quality signals for MWC and FWC*

Overall, the more important the occasion gets, the more weight both consumer groups put on paradigmatic signals, signals about reputation and quality certificates obtained by the wine (See Table 4.9). More specifically, the reputation of a brand, store and quality certificates become more important quality signals when the occasion gets more important, although FWC rate them a lot higher overall. FWC do differ in the sense that a recommendation from an award for a FW gets more important to them when the occasion becomes more important. Similarly, MWC are more persuaded by sales persons. FWC put less weight on advertisement/ promotions of a wine when the occasion gets more important. MWC have the same reaction on price as a quality signal and rely less on it when the wine gets more important. Overall, MWC and FWC find quality signals more important when the everyday occasion changes into a special occasion. This supports hypothesis H2.

**Table 4.9: Influence of occasion on quality signals**

Quality Signals	Occasion	MWC				FWC			
		Mean	N	Mean Difference	Sign. (2-tailed)	Mean	N	Mean Difference	Sign. (2-tailed)
Country-of-origin	Everyday	3.43	28	0.32**	0.03	3.94	31	0.13	0.33
	Special occasion	3.75	28			4.07	31		
Region-of-origin	Everyday	2.50	28	0.18	0.20	3.81	31	0.32***	0.00
	Special occasion	2.68	28			4.13	31		
Grape variety	Everyday	2.89	28	0.18	0.20	3.81	31	0.13	0.26
	Special occasion	3.07	28			3.94	31		
Brand reputation	Everyday	2.82	28	0.26*	0.09	3.48	31	0.17	0.34
	Special occasion	3.18	28			3.65	31		
Store reputation	Everyday	2.36	28	0.54**	0.03	3.65	31	0.22	0.18
	Special occasion	2.90	28			3.87	31		
Harvest year or aging potential	Everyday	2.14	28	0.32***	0.00	3.23	31	0.38*	0.06
	Special occasion	2.46	28			3.61	31		
A quality certificate such as Appellation Contrôlée	Everyday	2.39	28	0.54***	0.00	2.90	31	0.52***	0.01
	Special occasion	2.93	28			3.42	31		
Quality certificates for biological dynamic viticulture and fair trade	Everyday	2.04	28	0.17*	0.06	2.55	31	0.19*	0.08
	Special occasion	2.21	28			2.74	31		
Recommendation of a wine critic such as Robert Parker or Nicolaas Klei	Everyday	2.43	28	0.03	0.83	2.94	31	0.13	0.26
	Special occasion	2.46	28			3.07	31		
Recommendation by an achieved award	Everyday	2.68	28	-0.04	0.82	2.77	31	0.33**	0.03
	Special occasion	2.64	28			3.10	31		
Recommendation by friends, family and acquaintances	Everyday	4.07	28	0.22	0.26	3.58	31	-0.03	0.82
	Special occasion	4.29	28			3.55	31		
Recommendation by the sales person	Everyday	2.79	28	0.50*	0.09	3.87	31	0.20	0.14
	Special occasion	3.29	28			4.07	31		
Advertisement/ promotion of wine in the store	Everyday	3.46	28	-0.21	0.30	3.52	31	-0.33*	0.08
	Special occasion	3.25	28			3.19	31		
Packaging: Appealing bottle/ label of a wine	Everyday	3.32	28	0.00	1.00	2.61	31	-0.22	0.13
	Special occasion	3.32	28			2.39	31		
The price	Everyday	4.10	28	-0.35**	0.02	3.61	31	-0.13	0.47
	Special occasion	3.75	28			3.48	31		

\*P<0.10; \*\*P<0.05; \*\*\*P<0.01 about 60 wines

#### 4.4.2 Differences in use of quality signals between FWC and MWC for their corresponding wine type

##### *Extrinsic quality signals*

MW and FW signals are valued differently by their corresponding consumers (See Figure 1.1). The mean of the MW for everyday occasion is compared to the mean of FW for everyday occasion. Not only the difference is in our interest but also the overall value

consumers put on the relevant signals. In table 4.9, MWC use price as the most important signal to measure quality, followed by recommendations from WOM, advertisement and country-of-origin. FWC value country-of-origin, region-of-origin, grape variety, brand and store reputation the highest and they make use of more available signals than MWC. The use of the paradigmatic signals, reputation and recommendation and price is significantly different between the two groups (See Table 4.10). MWC depend their evaluation on only a few quality signals. When one takes the significant differences into account then MWC make significant more use of WOM advices from friends and family, tend to assess a higher quality on a wine with an attractive package and use prices to infer its quality. MWC rely more strongly on WOM (H7), packaging (H9) and price (H10) compared to FWC, and these hypotheses are therefore supported (Mean differences are significant  $P < 0.05$ ). However, the hypotheses about the greater significance of brand reputation (H5), store reputation (H6) and advertisement/ promotion (H11) for MWC are not supported ( $P < 0.05$ ). Brand reputation and store reputation had a significant greater effect on FWC compared to MWC, and is therefore significant in the opposite direction (H5-H6).

Of all the extrinsic signals, the MWC use 3 significantly more than FWC, but the FWC uses 7 significantly more than the MWC in their quality evaluation. FWC use significantly more extrinsic quality signals, compared to MWC, and this supports H3.

The following signals are in order of appearance significantly more important to FWC than to MWC; region-of-origin, store reputation, recommendations by sales persons, harvest year or aging potential, grape variety, brand reputation, country-of-origin. Therefore hypotheses H11-H14 and H18 are supported. Recommendations from critics and quality certificates for appellations and sustainability are just not significant with the 90% significance interval but with an 85% interval and were in the expected direction. Only recommendations from awards and the advertisement of a wine in the store are valued the same by MWC and FWC. Hypotheses H15-H17 and H19 are not supported. Advertisement is for both groups a very important quality signal and paradigmatic signals are used by the FWC more significantly compared to MWC, what was expected on basis of the literature.

**Table 4.10: Statistics on extrinsic quality signals for MWC on MW and FWC on FW for an everyday occasion**

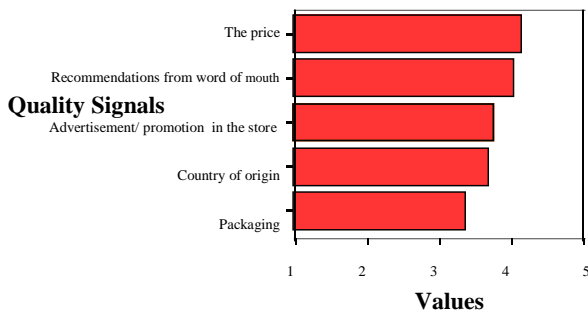
	Consumer Group	Wine type	N	Mean	Mean Difference	Sig. (2-tailed)
Country-of-origin	MWC	MW	28	3.43	0.51*	0.06
	FWC	FW	31	3.94		
Region-of-origin	MWC	MW	28	2.50	1.31***	0.00
	FWC	FW	31	3.81		
Grape variety	MWC	MW	28	2.89	0.91**	0.01
	FWC	FW	31	3.81		
Brand reputation	MWC	MW	28	2.82	0.66**	0.02
	FWC	FW	31	3.48		
Store reputation	MWC	MW	28	2.36	1.29***	0.00
	FWC	FW	31	3.65		
Harvest year or aging potential	MWC	MW	28	2.14	1.08***	0.00
	FWC	FW	31	3.22		
A quality certificate such as Appellation Contrôlée	MWC	MW	28	2.39	0.51	0.11
	FWC	FW	31	2.90		
Quality certificates for biological dynamic viticulture and fair trade	MWC	MW	28	2.04	0.51	0.12
	FWC	FW	31	2.55		
Recommendation of a wine critic such as Robert Parker or Nicolaas Klei	MWC	MW	28	2.43	0.51	0.13
	FWC	FW	31	2.94		
Recommendation by an achieved award	MWC	MW	28	2.68	0.10	0.75
	FWC	FW	31	2.77		
Recommendation by friends, family and acquaintances	MWC	MW	28	4.07	-0.49*	0.07
	FWC	FW	31	3.58		
Recommendation by the sales person	MWC	MW	28	2.79	1.09***	0.00
	FWC	FW	31	3.87		
Advertisement/ promotion of wine in the store	MWC	MW	28	3.46	-0.05	0.86
	FWC	FW	31	3.52		
Packaging: Appealing bottle/ label of a wine	MWC	MW	28	3.32	-0.71**	0.03
	FWC	FW	31	2.61		
The price	MWC	MW	28	4.11	-0.49*	0.07
	FWC	FW	31	3.61		

\*P<0.10; \*\*P<0.05; \*\*\*P<0.01

### *Ranking extrinsic quality signals*

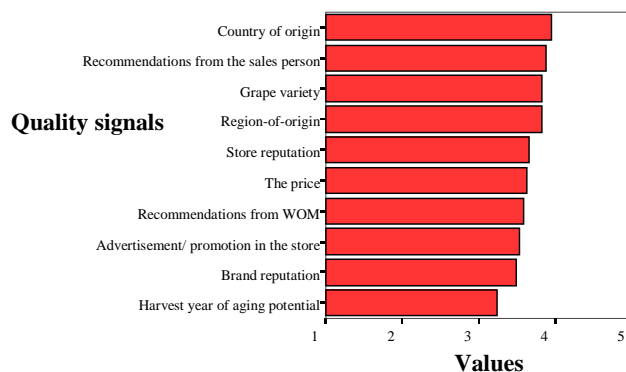
MWC consider the following 5 signals as important to judge the quality of a wine: price, WOM, advertisement/ promotion, country-of-origin and packaging (See Table 4.11). They rated these signals above average 3 on the Likert-scale. These abstract signals can be valued easily since no knowledge is needed to value their importance.

**Table 4.11: The most important extrinsic quality signals for MWC on MW**



FWC, on the other hand, use more concrete lower level signals to decide for the quality of a wine (See Table 4.12). They have the knowledge to value the meaning of these concrete signals themselves. Resulting in the use of twice as much quality signals with paradigmatic signals as country-of-origin, grape variety, region-of-origin, harvest year, reputation of the brand and store and recommendations derived from WOM, sales persons and advertisement/ promotion of a wine and also price. Especially the role of the sales persons is more important for FWC, than it is for MWC. For everyday wine, price is also an important signal for FWC although MWC use it as their most important signal to assess a wine's quality.

**Table 4.12: The most important extrinsic quality signals for FWC on FW**



*Intrinsic quality signals*

Not surprisingly, the intrinsic signals of taste, smell and mouth feel score highest among both MWC and FWC when they rate the quality of a wine *after* consumption (See Table 4.13). While the FWC is active determining the quality on a wide variety of different quality signals, the MWC in contrary primarily drinks wine for the pleasure resulting

from alcohol and the social aspect. The outcome that FWC use more intrinsic signals supports hypothesis H4.

Significant differences in quality signal use are found on signals in the dimensions of paradigmatic signals (Country-of-origin, region-of-origin, grape variety, certification, grape quality, terroir) appearance (color, concentration, clarity, structure) and the ones which have to do with the age of wine (harvest year, aging potential). These signals score significant higher on FWC. The reason for this is the difference in knowledge and involvement between both groups, although surprisingly both consumer groups use paradigmatic signals (Country-of-origin, region-of-origin and grape variety, harvest year) to search for a wine and assess quality of it. The FWC tastes the differences between various intrinsic quality signals, and the MWC not, although he/ she does use it to assess the quality of a wine.

**Table 4.13: Statistics on intrinsic quality signals for both consumer groups**

	Consumer Group	Wine type	N	Mean	Mean Difference	Sig. (2-tailed)
Taste	MWC	MW	28	4.64	0.09	0.47
	FWC	FW	30	4.73		
Smell	MWC	MW	28	3.71	<b>0.62***</b>	0.01
	FWC	FW	30	4.33		
Mouthfeel	MWC	MW	28	4.21	0.25	0.22
	FWC	FW	30	4.47		
Color	MWC	MW	28	2.54	<b>0.96***</b>	0.00
	FWC	FW	30	3.50		
Concentration	MWC	MW	28	1.86	<b>1.40***</b>	0.00
	FWC	FW	30	3.27		
Clearness	MWC	MW	28	2.21	<b>1.11***</b>	0.00
	FWC	FW	30	3.33		
How it hangs in the glass	MWC	MW	28	1.86	<b>1.41***</b>	0.00
	FWC	FW	30	3.27		
Age	MWC	MW	28	2.18	<b>1.52***</b>	0.00
	FWC	FW	30	3.70		
Harvest year	MWC	MW	28	2.25	<b>1.62***</b>	0.00
	FWC	FW	30	3.87		
Aging potential	MWC	MW	28	1.86	<b>1.34***</b>	0.00
	FWC	FW	30	3.20		
Pleasure of the feeling wine gives	MWC	MW	28	4.18	-0.21	0.39
	FWC	FW	30	3.97		
Pleasure of socializing with wine	MWC	MW	28	4.14	-0.21	0.44
	FWC	FW	30	3.93		
Pleasure of the feeling that wine supports my image	MWC	MW	28	2.18	0.05	0.85
	FWC	FW	30	2.23		
Country-of-origin	MWC	MW	28	3.32	<b>0.81***</b>	0.00
	FWC	FW	30	4.13		
Region-of-origin	MWC	MW	28	2.60	<b>1.56***</b>	0.00
	FWC	FW	30	4.17		
Grape variety	MWC	MW	28	3.25	<b>1.05***</b>	0.00
	FWC	FW	30	4.30		
Grapes of high quality	MWC	MW	28	3.14	<b>0.82**</b>	0.02
	FWC	FW	30	3.97		
Certificates of production/ geographic origin/ ecological viticulture	MWC	MW	28	2.57	<b>0.66**</b>	0.03
	FWC	FW	30	3.23		
Terroir (weather, soil, hours of sun)	MWC	MW	28	2.71	<b>1.18***</b>	0.00
	FWC	FW	30	3.90		

\*P<0.10; \*\*P<0.05; \*\*\*P<0.01

### *Ranking the most important intrinsic quality signals*

Again there is a clear difference in the amount of signals used by MWC and FWC. MWC use eight intrinsic quality signals to evaluate quality from a wine (Signals scoring higher than 3 on the Likert-scale are considered as important). Sensory characteristics as taste, smell, mouth feel, the pleasure derived from drinking with others and the influence of country-of-origin, grape variety and high quality grapes are acquired from wine consuming. Eleven other intrinsic signals were seen as less important, since they score lower than 3 on the Likert-scale. The reason that MWC do not use all the intrinsic signals is likely because they do not have the expertise to acquire those from wine. They do not understand them well enough to infer quality of a wine. The only paradigmatic signals they consider slightly important are country-of-origin, grape variety and grapes of high quality. Apparently they start noticing the influence of those signals on the taste/ quality of a wine.

FWC determine the quality of a wine on all intrinsic quality signals except for the one that they are not affected by the feeling that it supports their image. All other intrinsic signals from sensory characteristics, pleasure derived from tasting, appearance, paradigmatic and age/ aging potential are used. The most important were the sensory characteristics and the paradigmatic, which will make these signals search attributes for this consumer group.

### **4.5 How MWC and FWC think differently about a Mass versus Fine wine for everyday**

MWC and FWC weight some signals differently when they decide to buy their everyday wine not from the supermarket but in the wine store. The research for MWC and FWC is done like displayed in figure 1.2. When MWC tend to assess quality from a FW store then reputation and the recommendation of the sales person become more important. WOM, packaging and price are less important quality signals for MWC in a FW store, compared to the importance of those in a MW store (See Table 4.13). Another reason is that MW stores hardly have a reputation on wine and sales persons are not educated in wine. The reputational signals and recommendation from experts replace the lack of

knowledge of MWC on wine to assess quality on FW from paradigmatic signals such as region-of-origin. In MW stores, MWC make use of other people's recommendations, packaging and price, since those are more easily retrieved.

**Table 4.13: Statistics on extrinsic quality signals for both consumer groups**

Quality Signals	Wine type	MWC				FWC			
		Mean	N	Mean Difference	Sign. (2-tailed)	Mean	N	Mean Difference	Sign. (2-tailed)
Country-of-origin	Mass wine	3.46	26	-0.00	1.00	3.65	31	<b>0.29**</b>	0.05
	Fine wine	3.46	26			3.94	31		
Region-of-origin	Mass wine	2.58	26	0.19	0.17	3.52	31	<b>0.29**</b>	0.02
	Fine wine	2.77	26			3.81	31		
Grape variety	Mass wine	3.00	26	-0.04	0.71	3.58	31	0.23	0.18
	Fine wine	2.96	26			3.81	31		
Brand reputation	Mass wine	2.92	26	-0.19	0.17	3.26	31	0.22	0.13
	Fine wine	2.73	26			3.48	31		
Store reputation	Mass wine	2.31	26	<b>0.73***</b>	0.00	2.74	31	<b>1.11***</b>	0.00
	Fine wine	3.04	26			3.65	31		
Harvest year or aging potential	Mass wine	2.12	26	0.07	0.33	2.71	31	<b>0.52***</b>	0.01
	Fine wine	2.19	26			3.23	31		
A quality certificate such as Appellation Contrôlée	Mass wine	2.44	25	0.12	0.27	2.84	31	0.06	0.66
	Fine wine	2.56	25			2.90	31		
Quality certificates for biological dynamic viticulture and fair trade	Mass wine	1.96	26	0.08	0.16	2.45	31	0.10	0.41
	Fine wine	2.04	26			2.55	31		
Recommendation of a wine critic such as Robert Parker or Nicolaas Klei	Mass wine	2.50	26	-0.04	0.83	3.10	31	<b>-0.16*</b>	0.10
	Fine wine	2.46	26			2.94	31		
Recommendation by an achieved award	Mass wine	2.77	26	-0.08	0.43	2.90	31	-0.13	0.38
	Fine wine	2.69	26			2.77	31		
Recommendation by friends, family and acquaintances	Mass wine	4.23	26	<b>-0.23**</b>	0.03	3.65	31	-0.07	0.54
	Fine wine	4.00	26			3.58	31		
Recommendation by the sales person	Mass wine	2.81	26	<b>1.15***</b>	0.00	2.84	31	<b>1.03***</b>	0.00
	Fine wine	3.96	26			3.87	31		
Advertisement/ promotion of wine in the store	Mass wine	3.50	26	-0.04	0.87	3.00	31	<b>0.52***</b>	0.01
	Fine wine	3.46	26			3.52	31		
Packaging: Appealing bottle/ label of a wine	Mass wine	3.27	26	<b>-0.23*</b>	0.06	2.45	31	0.16	0.17
	Fine wine	3.04	26			2.61	31		
The price	Mass wine	4.08	26	<b>-0.16*</b>	0.10	3.81	31	-0.20	0.14
	Fine wine	3.92	26			3.61	31		

\*P<0.10; \*\*P<0.05; \*\*\*P<0.01

FWC significantly tend to assess quality more in the FW store on country-of-origin, region-of-origin, store reputation, harvest year, recommendations from the sales person and advertisement/ promotion of the wine (P<0.05). These signals replace for them the need to use wine critics advices which they consider more important for MW (P<0.10).

They consider the quality of a FW store on its reputation, which is also co-determined by the skilled sales persons ( $P < 0.01$ ). Furthermore they use paradigmatic signals, from which they can abstract quality since they own the knowledge on the subject.

#### **4.6 The influence of different selectors on the quality assessment of wine**

Different selection systems play a role in the wine market. MWC are significantly more influenced by WOM than FWC (See Table 4.10). This confirms the hypothesized result (H20) that market-based recommendations are regarded as significantly more important for MWC than for FWC. Expert-based recommendations from critics, sales persons and awards should influence FWC significantly more than MWC. Only recommendations from sales persons are found to be significantly more important to FWC ( $P < 0.10$ ) than MWC. This confirms hypothesis H22. Recommendations from critics (significant for  $P < 0.15$ ) and awards were both found to be more important to FWC than for MWC, although not significant. Hypotheses H21 and H23 are for that reason not confirmed. Expert influence can be said to play a role in the FW market (although not significant), and market influence a significant role in the MW market.

#### **4.7 Summary of hypotheses testing for the MWC and the FWC**

All the hypotheses and their direction are shown in Table 4.14. The hypotheses are tested and supported if their outcome was in the right direction and at least more than 95% significant. When the outcome was significant in the negative direction than this is mentioned as not-supported but described as negatively supported under the column of direction of outcome.

**Table 4.14: Differences between MWC and FWC on profile and signal usage**

<b>Hypothesis</b>	<b>Direction</b>	<b>Direction Outcome</b>	<b>Hypothesis Outcome</b>
H1: FWC will be more <i>involved, knowledgeable</i> , have higher <i>risk capital</i> and will <i>search</i> more extensively compared to MWC.	Involvement, knowledge, risk capital, search effort FWC: More important	Positive	Supported
H2: Both FWC and MWC will make more extensive use of extrinsic quality signals when the situational involvement/importance of occasion increases	Extensive extrinsic signals for higher situation involvement: More Important	Positive	Supported
H3: FWC will use more extrinsic quality signals compared to MWC	Extrinsic quality signals FWC: More important	Positive	Supported
H4: FWC will use more intrinsic quality signals compared to MWC	Intrinsic quality signals FWC: More important	Positive	Supported
H5: The quality signal <i>brand reputation</i> will be less important to FWC than to MWC.	Brand reputation FWC: Less important	Supported in opposite direction	Not-supported
H6: The quality signal <i>store reputation</i> will be less important to FWC than to MWC.	Store reputation FWC: Less important	Supported in opposite direction	Not-supported
H7: The quality signal <i>WOM</i> will be less important to FWC than to MWC.	WOM FWC: Less Important	Positive	Supported
H8: The quality signal <i>advertisement</i> will be less important to FWC than to MWC.	Advertisement FWC: Less Important	Negative	Not-supported
H9: The quality signal <i>packaging</i> will be less important to FWC than to MWC.	Packaging FWC: Less Important	Positive	Supported
H10: The quality signal <i>price</i> will be less important to FWC than to MWC.	Price FWC: Less Important	Positive	Supported
H11: The quality signal <i>country of origin</i> will be more important to FWC than to MWC.	Country of origin FWC: More Important	Positive	Supported
H12: The quality signal <i>region-of-origin</i> will be more important to FWC than to MWC.	Region-of-origin FWC: More Important	Positive	Supported
H13: The quality signal <i>grape variety/ wine type</i> will be more important to FWC than to MWC.	Grape variety/ wine type FWC: More Important	Positive	Supported
H14: The quality signal <i>harvest year or aging potential</i> will be more important to FWC than to MWC.	Harvest year or aging potential FWC: More Important	Positive	Supported

H15: The quality signal <i>controlled appellation</i> will be more important to FWC than to MWC.	Controlled appellation FWC: More Important	Positive	Not-supported
H16: The quality signal <i>certified sustainability</i> will be more important to FWC than to MWC.	Certified sustainability FWC: More Important	Positive	Not-supported
H17: The quality signal recommendations from <i>critics</i> will be more important to FWC than to MWC.	Critics FWC: More Important	Positive	Not-supported
H18: The quality signal recommendations from <i>sales persons</i> will be more important to FWC than to MWC.	Sales persons FWC: More Important	Positive	Supported
H19: The quality signal <i>awards</i> will be more important to FWC than to MWC.	Awards FWC: More Important	Positive	Not-supported
H20: The market-based recommendations from <i>word of mouth (WOM)</i> will be regarded as less important for FWC than for MWC.	WOM FWC: Less Important	Positive	Supported
H21: The expert-based recommendations from <i>critics</i> will be regarded as more important for FWC than for MWC.	Critics FWC: More Important	Positive	Not-supported
H22: The expert-based recommendations from <i>sales persons</i> will be regarded as more important for FWC than for MWC.	Sales persons FWC: More Important	Positive	Supported
H23: The expert-based recommendations from <i>awards</i> will be regarded as more important for FWC than for MWC.	Awards FWC: More Important	Positive	Not-supported

## **5 Conclusions and Recommendations**

### **5.1 Conclusions**

This research analyzed how a sample of Dutch wine consumers' uses extrinsic and intrinsic quality signals to evaluate the quality of MW and FW also for different occasions. The main research question formulated was:

*Which quality signals do consumers use to evaluate the quality of a mass versus fine wine?*

This research question will be answered according to the formulated sub-questions.

*Why do consumers use quality signals?*

Consumers use quality signals to infer product quality. Wine is an experience good so people need to consume the product to assess its quality. In the absence of any intrinsic signals, such as no previous experience / no remembrance, they have to rely on extrinsic signals. Some of these quality signals act as heuristics (price, brand, packaging), to save time. By using quality signals, consumers try to maximize their benefits and minimize their sacrifice, which results from the monetary risk (costs) and non-monetary risk. The benefits can be assessed by the available quality signals.

*What are quality signals and what types can be distinguished?*

Quality signals are relevant guidelines for consumers to evaluate the quality of a wine. When the wine cannot be consumed or when it has not been tried before, then consumers try to deduce quality from associations with intrinsic qualities. For example, they can associate the taste of an aged wine with quality. Other associations can be made from extrinsic signals, and refer to a better (intrinsic) quality, such as the age or harvest year on the label of a wine, which can induce a good taste and with that, a good quality. Age/aging potential or harvest year, country of origin, region-of-origin, grape variety, certifications, grape quality and terroir overlap in the sense that they can act as an extrinsic signal and also as an intrinsic signal of quality. Taken as an extrinsic signal,

country-of-origin would relate to the reputation of the country in wine making, while as an intrinsic signal, it would refer to how origin influences the taste of the wine due to production or climate. Both intrinsic and extrinsic quality signals are used by the consumer to assess quality.

***What are the differences in the profiles (e.g. level of involvement, risk profile) between mass wine consumers (MWC) and fine wine consumers (FWC)?***

Starting with the MWC, one can conclude that they are less involved in wine selection, have less knowledge about wine and are conservative in trying out new wines compared to FWC. It seems that a large part of MWC uses routine purchasing decisions or heuristics to buy wine which also accounts for their low search effort. This behavior leads to limited quality signals use for the evaluation of the quality of wine. The signals used are easy-to-determine abstract signals such as extrinsic signals; price, brand and packaging. The most important intrinsic signals are also easy-to-determine such as taste, smell, mouth feel and the after effect of pleasure from socializing or drinking alcohol.

FWC can be differentiated from MWC since they differ in their scores on profile characteristics (e.g. perceived risk). They perceive risk similar to the MWC but enjoy taking more risk in order to try out wines and discover new tastes. The FWC possess greater knowledge, are more involved, and spend more time in searching for the right wine. They feel acquainted with the atmosphere in a FW store where they like to use as much quality signals as possible. FWC use quality signals more extensively compared to MWC. Almost all extrinsic and intrinsic quality signals are used by the FWC, which can be explained as they spend more time searching for wine.

To conclude, the value of a wine is different for MWC and FWC. Value is the combination of the perceived benefits and perceived sacrifice for the consumers. MWC perceive the benefits of a wine by fewer and different quality signals than FWC do. Also the sacrifice is different, since MWC experience more social and functional risk while FWC experience more psychological risk. The importance of psychological risk can explain afterwards the importance of reputational signals for FWC since psychological

risk is the risk of a miss fit between the products reputation and the consumer's own lifestyle.

***How does occasion influence the importance of extrinsic quality signals?***

When the situation of the wine purpose changes from an everyday occasion to a special occasions, than more extrinsic quality signal are used by the MWC and FWC. The importance of almost all extrinsic quality signals increase for both consumer groups such as with harvest year or aging potential, appellation and sustainability certifications. MWC regard the advice from a sales person higher and value price less when it is a special occasion. FWC on their turn value awards more in favor of advertisement/ promotion, when it is a special occasion.

***Do MWC and FWC differ in the importance they attribute to quality signals for their corresponding wines? (See Figure 1.1)***

*Difference between the use of extrinsic quality signals*

The use of paradigmatic signals, reputation, recommendations and price is significantly different between MWC and FWC. MWC find 3 signals more important for MW compared to FWC who find 7 signals more important for FW. MWC attribute significantly more importance to WOM, packaging and price of a MW, compared to FWC on a FW. Those are easy-to-determine signals for MWC during a purchase decision. FWC attribute significantly more importance to country-of-origin, region-of-origin, grape variety, brand reputation, store reputation, harvest year or aging potential and recommendation by the sales person. Interpreting those signals require more knowledge to covariate these lower level signals into higher level qualities.

Although it was expected that MWC will use reputation of a brand or store to abstract quality and will be influenced by advertisement/ promotions, the results were different. FWC attribute significantly more importance to the brand and store reputation. Advertisement/ promotion was valued the same for both consumers for their corresponding wine.

Surprisingly, the quality certificates of production which guarantee a certain quality to the consumer (controlled appellation and sustainability certificates) are of no

importance to the FWC for an everyday wine. The reputation of the country of origin is more important to FWC than the actual quality certifications.

*Difference between the use of intrinsic quality signals*

FWC uses 14 of the 19 formulated intrinsic signals significantly more than MWC. This great difference results from the fact that MWC only consider few intrinsic signals to be important for their quality evaluation. Except for the taste, mouth feel, pleasure of the effect of alcohol, socializing part and feeling that wine can support your image, all other intrinsic signals score significantly higher. Among the biggest differences between the two consumer groups are for example the influences of age, harvest year, aging potential, region-of-origin and terroir on the intrinsic qualities of wine. It can be said that FWC are better capable of relating intrinsic quality signals to the quality of wine.

***What signals do MWC and FWC find important to assess the quality of a MW and a FW? And how does each group (MWC and FWC) attribute different importance weights to each type of wine? (See Figure 1.2)***

*Most important extrinsic signals for MWC*

Some quality signals are not used differently and are for both groups very important. MWC attribute the most importance to 5 extrinsic quality signals for assessing the quality of a MW (Score higher than 3 on the Likert-scale). In order of importance these are; Price, WOM, advertisement/ promotion, country-of-origin and packaging for determining the quality of a wine. MWC use those easy-to-determine quality signals since they are not able to link most extrinsic signals to intrinsic qualities. This also explains why only 5 of the 15 signals are valued as important to them, while FWC consider more signals important.

### *MWC evaluating a FW*

When MWC try to evaluate a FW than they will attribute significantly more importance to sales persons, store reputation, and less to price, packaging and WOM.

### *Most important extrinsic signals for FWC*

FWC attribute the most importance to 10 extrinsic quality signals for assessing the quality of a FW (Score higher than 3 on the Likert-scale). In order of importance these are; country-of-origin, recommendations from the sales person, grape variety, region-of-origin, store reputation, price, recommendations from WOM, advertisement/ promotion, brand reputation and harvest year or aging potential. Recommendations from the sales person, not only differs significantly in importance between both consumers groups but is attributed as a very important quality signal for FWC. The same applies to the paradigmatic signals (e.g. country of origin, harvest year or aging potential), which can more easily be interpreted by FWC since they possess the knowledge to relate these concrete lower level quality signals into intrinsic qualities.

### *FWC evaluating a MW*

When FWC evaluate the quality of a MW then they will attribute significantly less importance to paradigmatic signals such as country-of-origin, region-of-origin, store reputation, harvest year or aging potential, and recommendations from the sales person and advertisement/ promotion. Surprisingly they will value recommendations from wine critics more in the MW store.

### *Intrinsic quality signals*

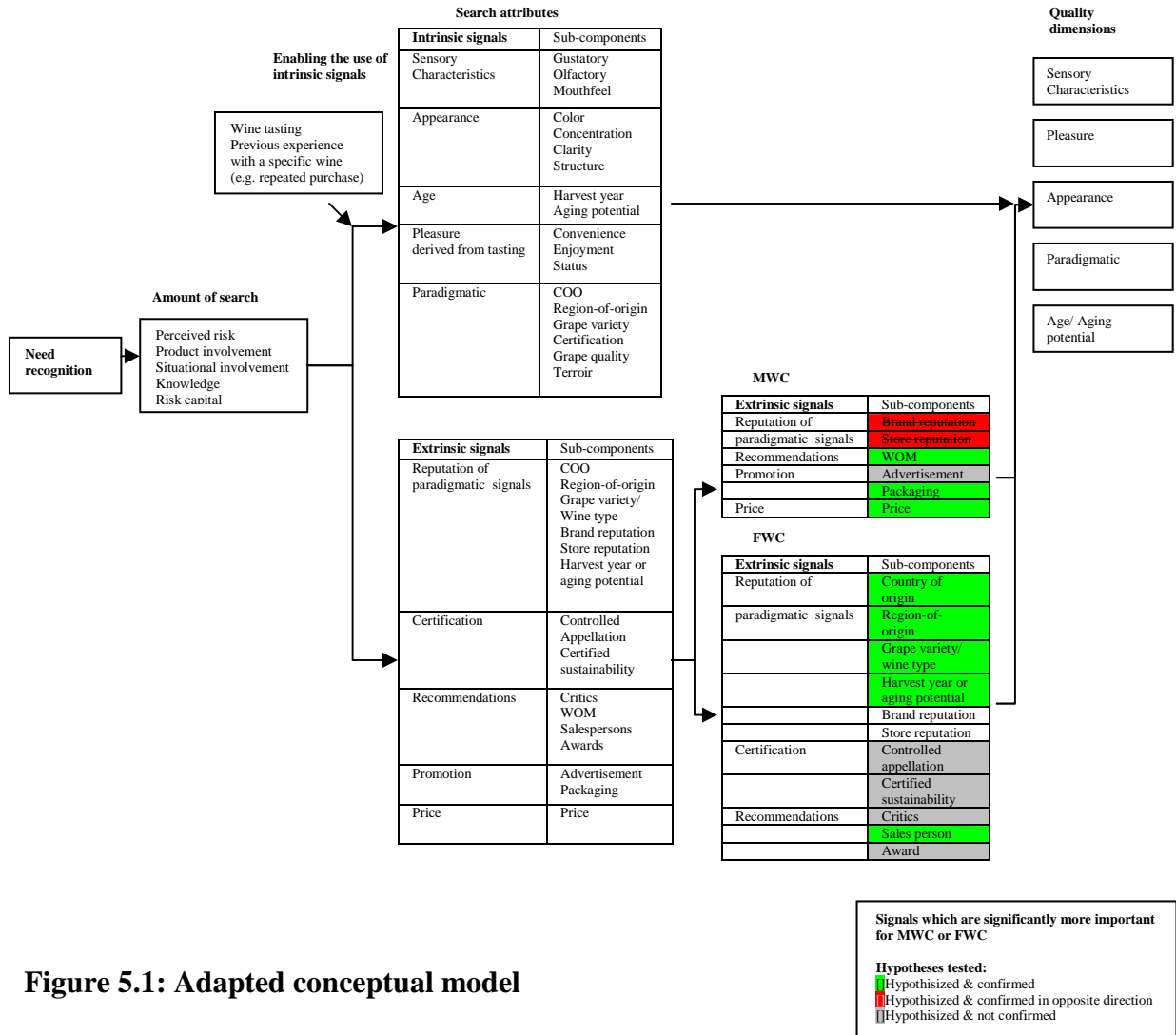
MWC only use 8 of the 19 intrinsic signals (Scores above 3 on the Likert-scale) for a quality evaluation during/ after consumption, with only a few rated as very important. The signals used are the basic intrinsic quality signals which have to do with the sensory characteristics of wine and the pleasure wine gives you during consumption. However, FWC use all 19 intrinsic quality signals consistently to assess the quality, which can be explained by their higher knowledge, involvement, risk capital and search effort. Surprisingly the MWC do use country-of-origin as an extrinsic signal during the purchasing decision, but hardly during the intrinsic evaluation. The easy-to-determine

intrinsic and extrinsic quality signals are used by MWC during evaluation since they do not possess the knowledge to interpret them compared to FWC.

***What is the influence of different selectors on the importance quality signals acquire in the wine industry?***

*Selection system theory*

Market-based recommendations from WOM have a significant greater effect on the quality assessment for MWC than to FWC. MWC value the opinion of friends, family and acquaintances higher than FWC do, although both consumer groups regard this quality signal as important for assessing the quality of a wine. The hypotheses on expert-based recommendations are not all supported but were in the right direction. Expert-based recommendations from awards (not significant), critics (not significant) and sales persons (significant) do influence FWC more than MWC. The hypotheses on expert-based recommendations are partially supported by the results; expert-based recommendations from awards, critics and sales persons do influence the FWC more than the MWC.



**Figure 5.1: Adapted conceptual model**

## 5.2 Recommendations

### 5.2.1 Recommendations for retailers

Quality signals can help consumers make the right choice of wine. Retailers can support consumers' decision making by ensuring that all important quality signals are available. Retailers also benefit from the insights they get from the consumers about how they value certain quality signals, since this way they can improve their service towards the customer with a more balanced product assortment or valuable service.

It can be wise for retailers to support the MWC with their choice of wine with a sales person since they perceive risk of picking the wrong wine, which will not satisfy

their environment and will turn out to be a waste of money. Wine in MW stores should clearly communicate what the wine tastes like or with what it will perfectly suit, while accompanied with an attractive price for its purpose. MW stores should understand that MWC choose everyday wine primarily on the basis of easy-to-determine signals (in order of importance); price, recommendations from WOM, advertisement/ promotion in the store, country of origin and packaging. This means that price signals greatly influence the expected quality of a MW. The assortment on the shelves could be categorized on price, country-of-origin or on taste for MWC. For FWC the shelf spaces could be managed using more complex determinants such as paradigmatic signals as country-of-origin, region-of-origin, grape variety or harvest year. The wines interesting for MW stores are the ones which come together with some promotion from the producer and with an attractive packaging. Considering the current research MW stores (Supermarkets and convenience stores) should therefore not try to upgrade consumers to a higher segment. There is a great danger in educating MWC since this will raise the need for wines with better intrinsic qualities and other signals which are valued by FWC such as advice from sales persons.

FW stores have to treat consumers with expertise, when these consumers are willing to spend more time in finding a wine and are willing to take the risk of trying out new wines. Although they possess a lot of expertise themselves, FWC value highly expert's recommendations, such as the advice of a sales person. FW stores should therefore take care of good wine educations for its sales persons. The sales persons are than able not only to recommend the right wine but also to match the wine with the lifestyle of the FWC, which is very important for them (seeing their perceived psychological risk). Skillful sales persons and an assortment with wines possessing good intrinsic qualities from brand with a good reputation will build up a good store reputation.

Besides brand reputation and sales persons its store reputation is an important quality signal for FWC. Since FWC are able to link extrinsic signals with intrinsic qualities, tasting wine will help them in their decision making process since they can assess its intrinsic qualities directly and later retrieve the information from their internal memory. FW stores can support this by giving wine tastings or give the ability to taste a wine before purchase.

A surprising finding is that certifications of production (e.g. controlled appellation) or sustainability (e.g. Ecocert) do not affect the FWC at all when they buy a wine. Country-of-origin, region-of-origin, grape variety, brand name and harvest year on the wine label have greater effect on the quality assessment of FWC. The choice of taking a wine in the assortment should therefore be made on its reputation of delivering good intrinsic quality, the reputation of its country and region and not just on its quality certificates. Recommendations by promotion/ advertisement to support a wine also help FWC take a particular wine into consideration. Price is still among the most important signals but since FWC use almost all available signals, especially paradigmatic signals, and they do not base their choice on price alone.

### **5.2.2 Recommendations for wine producers**

MW producers should find the right price level for their wine and be aware that the reputation of the country-of-origin, the packaging of the wine and its promotion/ advertisement gives the consumer their quality perception prior to consumption. The wine should communicate its purpose precisely, include food pairings, inform about its intrinsic qualities to remove any risk of buying the wrong wine, and prevent the possibility that their social environment will dislike it.

Since MWC are not capable of assessing all intrinsic qualities, there is an opportunity to focus solely on the intrinsic qualities that matter to MWC; taste, smell, mouth feel and the pleasure of socializing and after effect of the alcohol. Casella's winery does this with their Yellow Tail wine by leaving everything out that the MWC cannot perceive or does not want such as acidity, real oak maturation and they add some extra sweetness to make it smoother (Casella, 2005). This allows them to make some serious cost reductions and they satisfy their target customer even more. They understood that complexity from terroir, grape variety, aging or region-of-origin, etc, is less important to MWC and can be left out.

Secondly, quality perception can be enhanced by a good marketing campaign with promotion within the store and viral marketing to stimulate WOM recommendations. The last is a very important source of recommendation for MWC, also because they are sensitive that their social environment will dislike the wine they purchased.

FW producers should create a product with good intrinsic quality since this is very important for FWC, and encourage tasting the product. Good intrinsic qualities make sure that the wine gets a good reputation and this is especially important for FWC. Secondly, country-of-origin, region-of-origin, brand reputation and harvest year or aging potential are used to evaluate quality, but again certifications of production (e.g. controlled appellation) and certifications of sustainability (e.g. Ecocert, Fair trade) are of secondary importance. Thirdly, FW producers should make sure their wine comes in a retailer network with stores of a good reputation and with effective sales people since this is what their FWC value and the perceived quality of a wine is co-determined by the reputation of the retailer. Fourthly, a marketing campaign with advertisement/ promotion within the store and viral marketing to enhance WOM would have the same positive effect on both FWC and MWC.

Concluding, I would like to comment that in my opinion FWC are focused on certifications of quality (Appellation controlee, ecological production, Fair trade) and critics' and award recommendations but this research states that WOM and sales persons are more important to assess the quality of a wine, even for the FW market.

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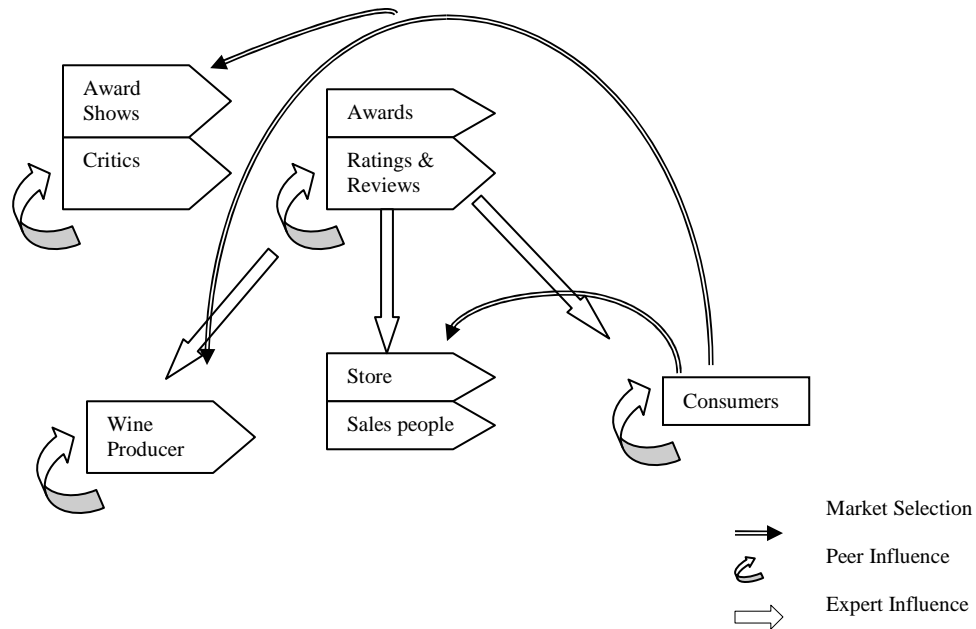
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## Appendix A



**Figure A1: Selection Systems in the Wine Industry**  
 Source: adapted from Jacobs (2007)

Table A1: MW and FW distinguished

	<b>Mass Wine</b>	<b>Fine Wine</b>
Intrinsic quality	Simple	Complex
Important extrinsic quality signals	country of origin, brand reputation, store reputation, word of mouth, advertisement, packaging and price	Country of origin, region-of-origin, harvest year or aging potential, grape variety, brand reputation, store reputation, WOM, sales persons, advertisement/ promotion
Abstractness of the quality signals used	Abstract high level	Concrete lower level
Reason	Low involvement	High involvement

## **Appendix B**

### **Questionnaire Mass and Fine Wine**

#### **Instructions**

How would these questions apply to you?

Most questions are made to be answered with:

- 0 very low
- 0 low
- 0 mediocre
- 0 high
- 0 very high

The purpose is to give one answer to each question

This survey is part of my Master Thesis Strategy and Innovation at the Faculty of Business Administration in Groningen. Your information will be used in a discrete way that your name will not be used in the research itself.

## Achtergrondinformatie

Naam:

Leeftijd:

Geslacht:

## Vragen

### Risico's

Welke volgende risico's ervaar je als je een supermarkt wijn gaat kopen?

	Totaal niet mee eens	Gedeeltelijk niet mee eens	Geen mening	Gedeeltelijk mee eens	Totaal mee eens
1 Ik ben bang dat ik als ik wijn koop, een miskoop doe, en geld verspil.	0	0	0	0	0
2 Ik ben bang dat wijn een negatief effect heeft op mijn gezondheid (hartproblemen, overgewicht, allergie)	0	0	0	0	0
3 Ik ben bang dat de wijn niet zo goed is als gehoopt	0	0	0	0	0
4 Ik ben bang dat de wijn niet in de smaak valt bij mijn relatie/vrienden/kennissen	0	0	0	0	0
5 Ik vind het belangrijk dat de wijn bij mijn zelfbeeld past (status/ aanzien)	0	0	0	0	0

Welke volgende risico's ervaar je als je een slijterij wijn gaat kopen?

	Totaal niet mee eens	Gedeeltelijk niet mee eens	Geen mening	Gedeeltelijk mee eens	Totaal mee eens
6 Ik ben bang dat ik als ik wijn koop, een miskoop doe, en geld verspil.	0	0	0	0	0
7 Ik ben bang dat wijn een negatief effect heeft op mijn gezondheid (hartproblemen, overgewicht, allergie)	0	0	0	0	0
8 Ik ben bang dat de wijn niet zo goed is als gehoopt	0	0	0	0	0
9 Ik ben bang dat de wijn niet in de smaak valt bij mijn relatie/vrienden/kennissen	0	0	0	0	0
10 Ik vind het belangrijk dat de wijn bij mijn zelfbeeld past (status/ aanzien)	0	0	0	0	0

### Product en situatie betrokkenheid

	Totaal niet mee eens	Gedeeltelijk niet mee eens	Geen mening	Gedeeltelijk mee eens	Totaal mee eens
11 Wijn is belangrijk is mijn leven	0	0	0	0	0
12 Ik vind het lezen over wijn erg leuk	0	0	0	0	0
13 Voor een speciale gelegenheid koop ik vaak wijn	0	0	0	0	0

### Kennis uit gebruik en deskundigheid

	Totaal niet mee eens	Gedeeltelijk niet mee eens	Geen mening	Gedeeltelijk mee eens	Totaal mee eens
14 Ik koop geregeld een fles wijn	0	0	0	0	0
15 Ik weet van verschillende regio's wat voor wijnen zij produceren	0	0	0	0	0
16 Mijn vrienden/ kennissen/ collega's vragen mij regelmatig advies over wijn	0	0	0	0	0

## Risico profiel

	Totaal niet mee eens	Gedeeltelijk niet mee eens	Geen mening	Gedeeltelijk mee eens	Totaal mee eens
17 Ik vind het leuk om regelmatig andere wijnen te proberen	0	0	0	0	0
18 Ik vind het leuk om elke keer nieuwe smaken te ontdekken in een wijn	0	0	0	0	0
19 Ik ben bereid een kistje met oude wijn te kopen waarbij het risico dat ze niet goed zijn hoog is	0	0	0	0	0

## Intensiteit van de zoektocht

	Totaal niet mee eens	Gedeeltelijk niet mee eens	Geen mening	Gedeeltelijk mee eens	Totaal mee eens
20 Ik besteed veel tijd in de winkel bij het kopen van een wijn	0	0	0	0	0
21 Ik doe veel moeite om een fles wijn uit te zoeken	0	0	0	0	0

## Extrinsieke kwaliteitssignalen van wijnen uit de supermarkt voor een speciale gelegenheid

Stel dat u een wijnfles in de *supermarkt* wilt kopen voor een *speciale gelegenheid* (bijv. Kerstmis). Uw vrienden komen langs en u wilt ze een goede wijn voorschotelen. Geef aan in hoeverre u het eens bent dat deze signalen belangrijk zijn **voor uzelf** om de kwaliteit van een wijn te bepalen voordat u deze geproefd hebt

	Totaal niet mee eens	Gedeeltelijk niet mee eens	Geen mening	Gedeeltelijk mee eens	Totaal mee eens
22 Reputatie van informatie op het wijnlabel:					
Land van herkomst is belangrijk voor kwaliteit	0	0	0	0	0
De regio in het land is belangrijk voor kwaliteit	0	0	0	0	0
De druivensoort is belangrijk voor kwaliteit	0	0	0	0	0
De reputatie van het merk is belangrijk voor kwaliteit	0	0	0	0	0
De reputatie van de winkel is belangrijk voor kwaliteit	0	0	0	0	0
Het oogstjaar of rijpingspotentieel is belangrijk voor kwaliteit	0	0	0	0	0
23 Certificaten die een wijn heeft:					
Appellation Contrôlée e.a. is belangrijk voor kwaliteit	0	0	0	0	0
Certificaten voor biologisch (dynamische) wijnbouw en fair trade zijn belangrijk voor kwaliteit	0	0	0	0	0
24 Adviezen van derden:					
Ik laat mij wel eens leiden door wijn critici zoals Robert Parker of Nicolaas Klei	0	0	0	0	0
Ik laat mij wel eens leiden door de gewonnen awards door een bepaalde wijn	0	0	0	0	0
Ik laat mij wel eens leiden door adviezen van vrienden/familie/ kennissen op gebied van wijn	0	0	0	0	0
Ik laat mij wel eens leiden door adviezen van de wijnverkoper	0	0	0	0	0
25 Promoties:					
Ik laat mij wel eens leiden door promoties van wijn	0	0	0	0	0
Ik laat mij wel eens leiden door de mooie fles/label van een wijn	0	0	0	0	0
26 Prijs:					
Ik gebruik de prijs vaak als indicator voor de kwaliteit van de wijn	0	0	0	0	0

### Extrinsieke kwaliteitssignalen van wijnen uit de slijterij/ wijnspecialzaak voor een speciale gelegenheid

Stel dat u nu een wijnfles in de *slijterij/ wijnspecialzaak* wilt kopen voor een *speciale gelegenheid* (bijv. Kerstmis). Geef dan aan welke signalen er nu voor u belangrijk zijn.

	Totaal niet mee eens	Gedeeltelijk niet mee eens	Geen mening	Gedeeltelijk mee eens	Totaal mee eens
27 Reputatie van informatie op het wijnlabel:					
Land van herkomst is belangrijk voor kwaliteit	0	0	0	0	0
De regio in het land is belangrijk voor kwaliteit	0	0	0	0	0
De druivensoort is belangrijk voor kwaliteit	0	0	0	0	0
De reputatie van het merk is belangrijk voor kwaliteit	0	0	0	0	0
De reputatie van de winkel is belangrijk voor kwaliteit	0	0	0	0	0
Het oogstjaar of rijpingspotentieel is belangrijk voor kwaliteit	0	0	0	0	0
28 Certificaten die een wijn heeft:					
Appellation Contrôlée e.a. is belangrijk voor kwaliteit	0	0	0	0	0
Certificaten voor biologisch (dynamische) wijnbouw en fair trade zijn belangrijk voor kwaliteit	0	0	0	0	0
29 Adviezen van derden:					
Ik laat mij wel eens leiden door wijn critici zoals Robert Parker of Nicolaas Klei	0	0	0	0	0
Ik laat mij wel eens leiden door de gewonnen awards door een bepaalde wijn	0	0	0	0	0
Ik laat mij wel eens leiden door adviezen van vrienden/ familie/ kennissen op gebied van wijn	0	0	0	0	0
Ik laat mij wel eens leiden door adviezen van de wijnverkoper	0	0	0	0	0
30 Promoties:					
Ik laat mij wel eens leiden door promoties van wijn	0	0	0	0	0
Ik laat mij wel eens leiden door de mooie fles/ label van een wijn	0	0	0	0	0
31 Prijs:					
Ik gebruik de prijs vaak als indicator voor de kwaliteit van de wijn	0	0	0	0	0

### Extrinsieke kwaliteitssignalen van wijnen uit de supermarkt voor alledag

Stel dat u in de *supermarkt* een gewone wijn koopt voor *alledag*. Geef aan in hoeverre u het eens bent dat deze signalen belangrijk zijn **voor uzelf** om de kwaliteit van een wijn te bepalen voordat u deze geproefd hebt.

	Totaal niet mee eens	Gedeeltelijk niet mee eens	Geen mening	Gedeeltelijk mee eens	Totaal mee eens
32 Reputatie van informatie op het wijnlabel:					
Land van herkomst is belangrijk voor kwaliteit	0	0	0	0	0
De regio in het land is belangrijk voor kwaliteit	0	0	0	0	0
De druivensoort is belangrijk voor kwaliteit	0	0	0	0	0
De reputatie van het merk is belangrijk voor kwaliteit	0	0	0	0	0
De reputatie van de winkel is belangrijk voor kwaliteit	0	0	0	0	0
Het oogstjaar of rijpingspotentieel is belangrijk voor kwaliteit	0	0	0	0	0
33 Certificaten die een wijn heeft:					
Appellation Contrôlée e.a. is belangrijk voor kwaliteit	0	0	0	0	0
Certificaten voor biologisch (dynamische) wijnbouw en fair trade zijn belangrijk voor kwaliteit	0	0	0	0	0
34 Adviezen van derden:					
	0	0	0	0	0

	Ik laat mij wel eens leiden door wijn critici zoals Robert Parker of Nicolaas Klei	0	0	0	0	0
	Ik laat mij wel eens leiden door de gewonnen awards door een bepaalde wijn	0	0	0	0	0
	Ik laat mij wel eens leiden door adviezen van vrienden/familie/ kennissen op gebied van wijn	0	0	0	0	0
	Ik laat mij wel eens leiden door adviezen van de wijnverkoper					
35	Promoties:					
	Ik laat mij wel eens leiden door promoties van wijn	0	0	0	0	0
	Ik laat mij wel eens leiden door de mooie fles/label van een wijn	0	0	0	0	0
36	Prijs:					
	Ik gebruik de prijs vaak als indicator voor de kwaliteit van de wijn	0	0	0	0	0

### Extrinsieke kwaliteitssignalen van wijnen uit de slijterij/ wijnspecialzaak

Dezelfde vraag als hiervoor maar dan voor wijn voor *alledag* uit de *slijterij/ wijnspecialzaak*.

Geef aan in hoeverre u het eens bent dat deze signalen belangrijk zijn **voor uzelf** om de kwaliteit van een wijn te bepalen voordat u deze geproefd hebt

		Totaal niet mee eens	Gedeeltelijk niet mee eens	Geen mening	Gedeeltelijk mee eens	Totaal mee eens
37	Reputatie van informatie op het wijnlabel:					
	Land van herkomst is belangrijk voor kwaliteit	0	0	0	0	0
	De regio in het land is belangrijk voor kwaliteit	0	0	0	0	0
	De druivensoort is belangrijk voor kwaliteit	0	0	0	0	0
	De reputatie van het merk is belangrijk voor kwaliteit	0	0	0	0	0
	De reputatie van de winkel is belangrijk voor kwaliteit	0	0	0	0	0
	Het oogstjaar of rijpingspotentieel is belangrijk voor kwaliteit	0	0	0	0	0
38	Certificaten die een wijn heeft:					
	Appellation Contrôlée e.a. is belangrijk voor kwaliteit	0	0	0	0	0
	Certificaten voor biologisch (dynamische) wijnbouw en fair trade zijn belangrijk voor kwaliteit	0	0	0	0	0
39	Adviezen van derden:					
	Ik laat mij wel eens leiden door wijn critici zoals Robert Parker of Nicolaas Klei	0	0	0	0	0
	Ik laat mij wel eens leiden door de gewonnen awards door een bepaalde wijn	0	0	0	0	0
	Ik laat mij wel eens leiden door adviezen van vrienden/familie/ kennissen op gebied van wijn	0	0	0	0	0
	Ik laat mij wel eens leiden door adviezen van de wijnverkoper	0	0	0	0	0
40	Promoties:					
	Ik laat mij wel eens leiden door promoties van wijn	0	0	0	0	0
	Ik laat mij wel eens leiden door de mooie fles/label van een wijn	0	0	0	0	0
41	Prijs:					
	Ik gebruik de prijs vaak als indicator voor de kwaliteit van de wijn	0	0	0	0	0

### Intrinsieke kwaliteitssignalen

Heeft u wel eens vaker dezelfde voor uzelf wijn gekocht? Indien ja, geef dan aan welke signalen een rol spelen de beoordeling van deze wijn. Indien nee, ga verder naar vraag 47.

	Totaal niet mee eens	Gedeeltelijk niet mee eens	Geen mening	Gedeeltelijk mee eens	Totaal mee eens
42 Smaak/reuk/gevoelsfactoren:					
Ik beoordeelde de wijn op de smaak	0	0	0	0	0
Ik beoordeelde de wijn op de geur	0	0	0	0	0
Ik beoordeelde de wijn op het mondgevoel (zacht/ drogend/ zuur)	0	0	0	0	0
43 Uiterlijk van de wijn in het glas:					
Ik beoordeelde de wijn op kleur	0	0	0	0	0
Ik beoordeelde de concentratie van de kleur	0	0	0	0	0
Ik beoordeelde de helderheid van de wijn	0	0	0	0	0
Ik beoordeelde hoe de wijn in het glas hing	0	0	0	0	0
44 Leeftijdsinvloeden op de smaak:					
De leeftijd van de wijn was van invloed op de smaak	0	0	0	0	0
Het oogstjaar was van invloed op de smaak					
De wijn had rijpingspotentieel	0	0	0	0	0
	0	0	0	0	0
45 Plezier dat voortkomt uit het drinken van wijn:					
Het lekkere gevoel dat wijn mij geeft	0	0	0	0	0
De gezelligheid van wijndrinken	0	0	0	0	0
Dat de wijn mijn zelfbeeld versterkt	0	0	0	0	0
46 Invloeden op de smaak hebben:					
Land van herkomst	0	0	0	0	0
Regio van herkomst binnen het land	0	0	0	0	0
Druivensoort	0	0	0	0	0
Druiven van hoge kwaliteit	0	0	0	0	0
Certificaten van productie/ geografische herkomst en biologische (dynamische) landbouw	0	0	0	0	0
Terroir (weer/ bodem/ zonuren)	0	0	0	0	0
47 Ik koop vaak mijn wijn bij					
	0	0	0	0	0

supermarkt slijterij/ wijnspeciaalzaak

### Tot slot

4 Wat bepaalt voor jou de kwaliteit van een wijn?

8

.....  
 .....  
 .....

**Hartelijk dank voor je medewerking!**

