

Research summary on the use of Terroir as a wine purchasing cue

Eléments de recherche sur l'utilisation du concept de Terroir comme critère d'achat du vin par les consommateurs

WILSON Damien, JOURJON Frédérique*

Ecole Supérieure d'Agriculture d'Angers, Laboratoire GRAPPE, 55 Rue Rabelais,
BP 30748, 49007 Angers Cedex 01, France.

*Corresponding author: f.jourjon@groupe-esa.com

Abstract

Due to the current challenging nature of the global wine market, and recent growth in number and strength of competitors from non-traditional wine producing countries, European wine producers are focussing on the potential to develop a competitive advantage through the concept of *terroir*. However, there are noteworthy challenges to this particular marketing strategy, not least of which is that despite wine industry members' understanding of it, the consumer's comprehension of *terroir* is unknown.

As such, a research project was developed to investigate what the consumer understands of *terroir*, and how the concept is applied for wine. This stage of the project found that the range of explanations of *terroir* were various and extensive, but most descriptions could safely be categorised into two components proffered by the wine sector, of the place and practices that contribute to a wine's character. These two descriptions clustered effectively for consumers based on their experience and interest in wine, a concept also known as involvement. The results suggest that promotional appeals should be designed based on consumer involvement in wine. However, caution should be exercised before implementing any specific communication practices. These results stem from a non-representative sample of the population of France, thereby questioning the generalisability of the findings.

The next stage of this research should be to investigate the generalisability of these findings for the French market, with a view to expanding the scope, should the results support the findings from this study. As such, a group of French, and global collaborators have expressed their interest in adopting an emerging research methodology, called best-worst, which relies on the respondent ranking the importance of factors of wine purchasing. The project aims to realise the utility associated with *terroir* as a purchasing cue for consumers with different levels of involvement, with respect to other important factors of purchasing across different global markets, thus identifying an avenue of exploitation for the concept of *terroir* in both European, and export markets.

Keywords: Terroir, Consumers, Best-Worst Method, Involvement, Wine Purchasing Motivations

Mots clefs: *terroir*, consommateurs, 'best-worst method', engagement, critères d'achat

Background

As the primary selling tool, and point of difference for many of the wines of Europe, one would expect that communicating the concept of *terroir* would be a simple and logical process. However, a major challenge is that the concept of *terroir* is surprisingly difficult to define (Lichfield 1999). An approach to communicating this concept is to identify the common themes of consumer appeal to potential wine consumer segments (Stewart and Furse 1985; Schwerin 1986; Aaker and Maheswaran 1997). By using these themes as part of a communication strategy, the producer is armed with enough publicity to use a blanket approach to cover new consumers (Aaker 1999).

In order to identify these potential communication issues, we start with a review of what consumers consider important when choosing a wine (Lockshin 1998; Watanabe, Suzuki and Kaiser 1998). From this perspective, we highlight that the wine consumer uses a number of different cues in wine purchasing, primarily determined by two exclusive drivers as indicated in modern wine marketing

literature- the wine purchasing motivation and the consumer's level of involvement (Johnson, Ringham and Jurd 1991; Quester and Smart 1996; Lockshin, Jarvis, d'Hauteville and Perrouy 2006).

The purchasing motivation has become a popular measurement variable in questionnaire design (Olsen, Thompson and Clarke 2003; Morwitz and Fitzsimons 2004). For European wine producers, identifying how terroir is used as a purchasing motivator would appear to be a simple supplement in a questionnaire. However, it is important to first identify how the consumer interprets the concept of *terroir* based on varying levels of involvement, and in conjunction with different wine purchasing motivations.

When consumers select a bottle of wine for purchase, a number of different considerations can come to mind. We can base their decisions upon intrinsic and extrinsic cues in their evaluations and although each and every one of these considerations can be valuable in the final selection process, recent marketing research suggests that the most frequent cues for used for wine purchasing are region, brand and price (Hall, Shaw and Doole 1997; Spawton and Bourqui 1997; Lockshin, Rasmussen and Cleary 2000). Additional findings suggest that not only are these cues the most commonly used cues for wine purchasing, but the weight attributed to each cue varies in conjunction with the geographic market, and the consumer's level of interest in the category (Quester and Smart 1996; Olsen et al. 2003; O'Mahoney, Hall, Lockshin, Jago and Brown 2005).

Essentially, research has found that consumers vary their purchasing behaviour in respect to their particular purchase occasion, where they tend to vary the weights attributed to each purchasing cue (Young 1988; Lockshin et al. 2006). Such a finding is important. It shows that consumers behave similarly in closely grouped geographic markets, and that such a pattern can be modelled, with the potential to apply the model to other markets. If the marketer can identify the consumer's level of involvement, in any particular market s/he can estimate the weight of various purchasing cues used in wine selection.

A common purchasing cue in any market is the use of the region as an indicator of the consumer's interest in any wine (Rasmussen and Lockshin 2000; Lockshin and Hall 2003). Although the use of region varies in the weight attributed to the purchasing cue, the fact that the attribute is used in a range of different locations suggests that the cue's value in estimating purchasing behaviour requires further research. In European countries, the concept of region is taken even further. The French have taken the concept of region and used it as the prime wine attribute in all aspects of elevation, production and sales. This interpretation of region is known as *terroir*. Although the French do not have a mortgage on the concept of *terroir*, their adherence to the concept and protection of it borders on the sacrosanct.

Although the concept of terroir is nebulous, we have reason to believe it is sought after by consumers. Firstly, we know that highly involved consumers utilise more information and are interested in learning more (Lockshin, 2003) and are likely to consider price and region as being the most important selection cues (Tustin and Lockshin, 2001). Highly involved wine consumers are "promiscuous", which means they are highly unlikely to purchase the same wine after having purchased it. In contrast low involved consumer use risk-reduction strategies including, selecting a known brand, recommendations, advice from retail assistants, undertaking wine appreciation education, pricing, packaging and labelling, getting reassurance through trials such as tasting and samples. (Mitchell and Greatorex, 1989). Cross-national research showed that involvement is a better predictor of consumer choice behaviour for wine that demographics or nationality (Aurifeille et al 2003; Lockshin et al 2001). Clearly, the concept of involvement must be considered in any study on the value of terroir in wine purchasing.

Method

Given that terroir is little understood by the consumer, and that the consumer's degree of involvement in the product offers insight onto how the respondent appreciates the concept of terroir, it is logical to categorise respondents based on their degree of product involvement in wine, and then to evaluate each respondent's consideration of the existence of terroir for specific wines as part of their purchasing experience.

1. Through a post-hoc, qualitative evaluation of the cues used to evaluate the concept for wines of Anjou Village Brissac; a well-known and readily available wine style in the region in which the study will be conducted, and
2. To differentiate the wines' degrees of *terroirness* through consumer trials, using a best-worst method of analysis.

Given that the consumer uses and can evaluate the concept of terroir during the purchasing process, it is important to establish the degree of post-hoc evaluation of the terroir concept. Research has found that the consumer believes that better expressions of terroir are found from products of smaller firms. The more commercial in nature of the final product, the less credible the concept of terroir is likely to be applied to the product (Remaud 2003; Aurier, Fort and Sirieix 2005).

Primarily, it must first be determined whether the consumer does indeed evaluate terroir during consumption. Such an exercise is difficult to research, but there are a number of controlled experiments that can be implemented for this exercise. Thibault et al 2005, have shown that consumers can interpret specific characteristics from wine, and numerous authors have shown that wine consumers frequently use any number of indicators on the label to make their wine selection (Lockshin et al. 2006; Hollebeek, Jaeger, Brodie and Balemi 2007). From the first stage of the research it would be important to identify what indicator the consumer uses to evaluate this specific terroir

Given that the consumer is more likely to apply the concept of terroir to wines from smaller consideration sets, we will be designing consumer trials that will rely on respondents selecting the best and worst examples of Anjou Village Brissac terroir from a choice set of back-label descriptions for wines from Anjou Village Brissac, Anjou Rouge, Vin de Pays Vallée de la Loire and Vin de table. The descriptions will be written to best reflect the expression of wines from these different regions of distinction. A panel of winemakers covering these production areas will be involved in a modified Delphi method to decide on appropriate text for this study. Further, each description will be written on common labels so that respondents are not affected by the label. The order of exposure will also be randomised to reduce the impact of exposure effects.

The same respondents will be invited to sample these same wines, and to select the wines that best, and worst, represent their expectations of the terroir of Anjou Village Brissac. Although there is the potential that responses could be biased by exposing respondents to descriptive text before sensory sampling, this order reflects the order from buying, then consumption that the respondent is more likely to conduct, thus improving the external validity of the test. Secondly, respondents will not be informed of the correctness of their response, and will thus not have the opportunity to implement actual expectations of terroir into their sensory trial.

Applications of Findings

Primarily, the results from this research can be used to ascertain how well the respondent evaluates the concept of terroir during purchasing, and consumption of wines from a specific terroir. The results will provide a utility value for each category of consumer by their level of involvement and motivation for wine consumption.

These findings will be used to help develop appropriate marketing strategies both domestically and abroad, for wines that have the capacity to utilise the concept of terroir as a sustainable competitive advantage. Although France does not have complete control over the use of the word terroir, the reality is that consumers recognise the word's origin as French, presenting the opportunity to utilise 'first-mover' advantages in advertising strategy. Further, should other European countries be able to leverage the value of the word terroir, opportunities exist to expand the value of this research throughout the European Union.

Finally, it is expected that the methods developed for evaluating the consumer's understanding and application of the concept of terroir for wine can be applied for subsequent research on other foodstuffs, and in other geographical regions. As such, there is the potential to exploit intellectual property advantages for those who engage and assist in this research.

Reference List

- AAKER, J. L. (1999). "The Malleable Self: The Role of Self-Expression in Persuasion." *Journal of Marketing Research* **XXXVI**: 45-57.
- AAKER, J. L. and D. MAHESWARAN (1997). "The Effect of Cultural Orientation on Persuasion." *Journal of Consumer Research* **24**(3): 315-328.
- AURIER, P., F. FORT and L. SIRIEIX (2005). "Exploring Terroir Product Meanings for the Consumer." *Anthropology of Food*(4): 22.
- HALL, J., M. SHAW and I. DOOLE (1997). "Cross-Cultural Analysis of Wine Consumption Motivations." *International Journal of Wine Marketing* **9**: 83-93.
- HOLLEBEEK, L. D., S. R. JAEGER, R. J. BRODIE and A. BALEMI (2007). "The Influence of Involvement on Purchase Intention for New World Wine." *Food Quality and Preference* **18**: 16.
- JOHNSON, L. W., L. RINGHAM and K. JURD (1991). "Behavioural Segmentation in the Australian Wine Market Using Conjoint Choice Analysis." *International Journal of Wine Marketing* **3**: 26-31.
- LICHFIELD, J. (1999). "The Brand New French Revolution." 14 June. 2003, from 17 June.
- LOCKSHIN, L. (1998). "Involved or Not Involved?" *Australian and New Zealand Wine Industry Journal*: 302.
- LOCKSHIN, L. and J. HALL (2003). *Consumer Purchasing Behaviour for Wine : What We Know and Where We Are Going*. International Colloquium in Wine Marketing 2003, , Adelaide, University of South Australia.
- LOCKSHIN, L., W. JARVIS, F. D'HAUTEVILLE and J.-P. PERROUTY (2006). "Using Simulations from Discrete Choice Experiments to Measure Consumer Sensitivity to Brand, Region, Price, and Awards in Wine Choice." *Food Quality and Preference* **17**: 166-178.
- LOCKSHIN, L., M. RASMUSSEN and F. CLEARY (2000). "The Nature and Roles of a Wine Brand." *The Australia and New Zealand Wine Industry Journal* **15**: 1-8.
- MORWITZ, V. G. and G. J. FITZSIMONS (2004). "The Mere-Measurement Effect: Why Does Measuring Intentions Change Actual Behavior." *Journal of Consumer Psychology* **14**: 64-74.
- O'MAHONEY, J. Hall, L. LOCKSHIN, L. K. JAGO and G. BROWN. (2005). "Understanding the Impact of Wine Tourism on Future Purchasing Behaviour : Wine Tourism Experiences and Future Behaviour." 2006, from <http://www.unisa.edu.au/winemarketing/docs/winebehaviourreport.pdf> May 20.
- OLSEN, J. E., K. J. THOMPSON and T. K. CLARKE (2003). "Consumer Self-Confidence in Wine Purchases." *International Journal of Wine Marketing* **15**: 40-51.
- QUESTER, P. G. and J. SMART (1996). "Product Involvement in Consumer Wine Purchases: Its Demographic Determinants and Influence on Consumer Choice." *International Journal of Wine Marketing* **8**: 37-53.
- RASMUSSEN, M. and L. LOCKSHIN (2000). Demographics as a Segmentation Base for the Australian Wine Market. D. Wilson. Adelaide, University of South Australia.
- REMAUD, H. (2003). La Place Du Terroir Dans Les Stratégies Des Petites Entreprises Agroalimentaires. *Economies et Sociétés Série « systèmes agroalimentaires »*: 16.
- SCHWERIN, H. S. (1986). Persuasion Testing: One Researcher's Experience. *Copy Research: A Historical Retrospective*. B. Lipstein. New York, Advertising Research Foundation: 63-78.
- SPAWTON, A. and M. BOURQUI (1997). "Consumers Reactions to Risk Reducers." *Recherche* **97**: 3-17.
- STEWART, D. W. and D. H. FURSE (1985). "The Effects of Television Advertising Execution on Recall, Comprehension, and Persuasion." *Psychology and Marketing* **2**: 135-160.

WATANABE, Y., N. SUZUKI and H. M. KAISER (1998). "Factors Affecting Consumers' Choice of Beverages in Japan." *Agribusiness* **14**: 147-156.

YOUNG, R. (1988). "The Feminine Way to Buy Wine." *Decanter*: 22-23.