Identifying the Characteristics and Behavior of Advocate Segments in New Wine Regions

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Extended Abstract

The current study examines local residents' attitudes towards local wines in an emerging wine region. By using the market segmentation approach, the developing wine market was segmented based on consumer attitudes towards regional wines. Attitudes were operationalized through three variables selected as criteria for segment formation: (a) assessment of local wines; (b) recommendation of local wines to others; and (c) rating of quality of local wines.

Sample and Procedures

U.S. households were contacted through a telephone survey center. The specific purpose of the study was to assess attitudes of local residents in an emerging wine region. For the purposes of this study, "local residents" were defined as residents of the state. Therefore, only telephone numbers with the state of Texas area codes were included in the survey. Specifications for the survey participation included individuals who (a) were 21 years of age and older, (b) consumed wine, and (c) consumed wine within the past 12 months. The twelve month time frame helped screen for respondents' involvement with wine and frequency of usage.
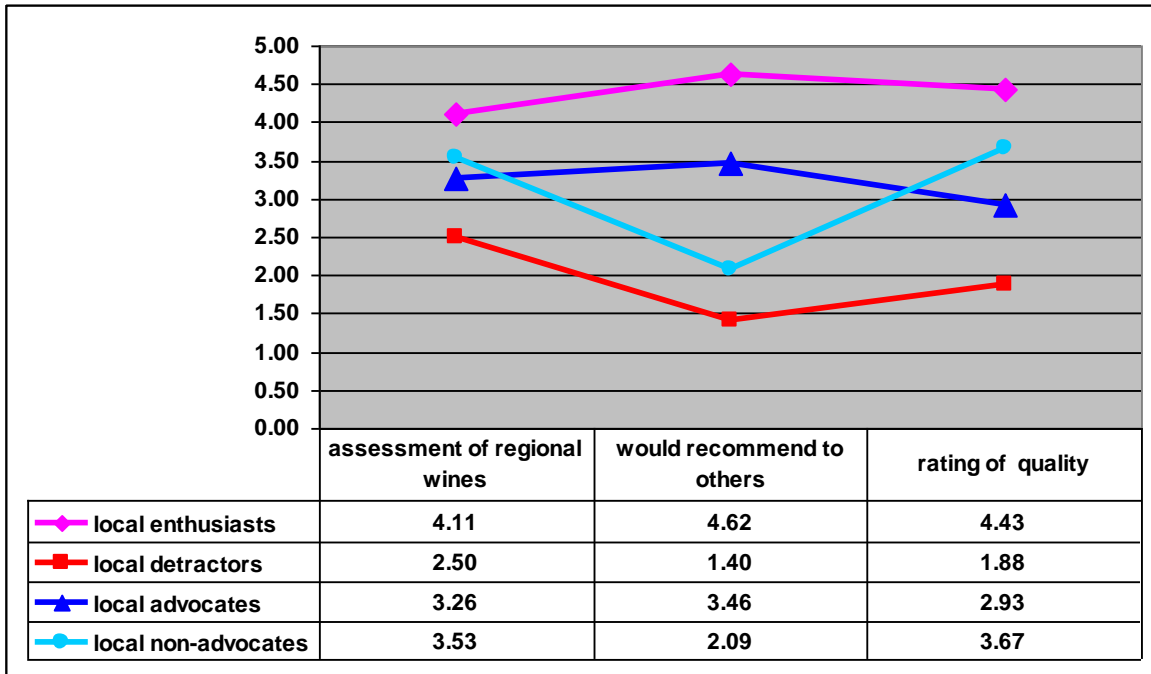
Trained interviewers dialed 14,821 random telephone numbers, reaching 5,650 respondents. Of the 923 qualifying participants, 54% agreed to participate. The final sample consisted of 502 competed interviews.

Measures

The **assessment of local wines** was measured as a reflective construct, where the instruction statement, *"Texas wines are,"* was followed by seven indicators on a 5-point Likert-type scale, "of good value; good quality; well-known; appropriately priced; better than expected; widely available, and not advertised enough" (reverse-coded), anchored between *1* (strongly disagree) and *5* (strongly agree). The factor solution and a high level of inter-item consistency ($\alpha = .81$) warranted the construction of a composite measure by averaging the rating scores across the seven items. **Recommendation of local wines** to others was measured by a single-item measure, "How likely are you to recommend Texas wines to others", with ratings on a 5-point scale response from *1* (very unlikely) to *5* (very likely). **Rating of quality of local wines** was also measured by a single-item measure, "Please rate the quality of Texas wines on a scale of *1* to *5*, where *1* means "poor quality" and *5* means "excellent quality."

Results

The *K*-means clustering algorithm was applied to classify the respondents into a user-specific number of clusters. Four clusters that resulted from the cluster analysis were statistically different from one another based on the variables used to create segments. Each cluster was thereafter given a descriptive name based on the means of the variables that constituted consumer attitudes towards local wines. The clusters were labeled, respectively, (1) *"local enthusiasts"*; (2) *"local detractors"*, (3) *"local advocates"* (4) *"local non-advocates"*.

	assessment of regional wines	would recommend to others	rating of quality
local enthusiasts	4.11	4.62	4.43
local detractors	2.50	1.40	1.88
local advocates	3.26	3.46	2.93
local non-advocates	3.53	2.09	3.67

Enthusiasts were named as they had a very favorable assessment of local wines, perceived the quality to be very good and would recommend local wines to others. The *detractors* group did not rate local wines highly and were unlikely to recommend them. The final two groups were similar in terms of assessment and quality rating, but differed with respect to their willingness to recommend local wines to others. Therefore, they were labeled *advocates* and *non-advocates*, respectively.

Contributions
The study sets the starting point in identifying various consumer segments in a newly developing wine market. The findings show distinct groups of local consumers. The characteristics of these groups indicate that there is one strong group (*local enthusiasts*) that is enthusiastic about local wines, purchases these wines on a regular basis, and appear to be especially interested in blush/rose and sweeter wines. The local wine industry should capitalize on this segment and attempt to provide products that meet their needs as they are potentially a very loyal consumer group. The second group, *detractors,* appears to be a very different cluster. Local products are likely to be seen by this group as less of a fit with their social image. Of particular interest was the difference in recommendation behavior between two of the clusters – local *advocates* and local *non-advocates*. Despite the similarity in attitudes, local *advocates* are willing to recommend the regional wines to other people, while *non-advocates* would not recommend them. It is particularly unfortunate for local wineries to have local people believe that the wine quality is good, but to also be unwilling to recommend the wines to others. However, we currently know very little about why some people are more willing to provide recommendations than others. A better understanding of how information is transferred from one person to the next will assist marketers in their efforts to establish new products or introduce new brands or regional wines.