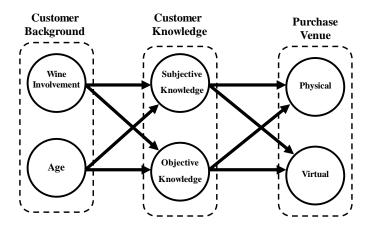
Wine on the Spot: Product Knowledge and Purchase-Venue Choice

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Extended Abstract

The study examined consumer selection of purchase-venues for wine. Specifically, the study proposes and tests a model of the relationships between wine consumers' characteristics and consumer choice of purchase-venue. Wine consumer characteristics included customer background (age and involvement in wine) and customer knowledge (subjective and objective). Choice of purchase-venue was physical shopping venues (restaurants, bars, grocery or liquor stores) versus virtual shopping venues (mail order or Internet). The figure below presents the relationships among these constructs that were tested

A Model of Wine Purchase Venue Choice



Notes:

- 1. \$ spent are divided by income category, hence relative
- 2. All relationships are hypothesized to be positive

Measures:

The **shopping venues** used in this study are delineated in terms of physical shopping venues (e.g., restaurants, grocery stores where shopping is done in person) and virtual shopping venues (e.g., ordering from catalogs and websites). **Customer knowledge** was assessed in two forms, objective knowledge and subjective knowledge. *Objective knowledge* was measured with four questions involving factual information about wine. *Subjective knowledge* was measured as a reflective construct with three indicators: "How much do you feel you know about wine?"; "Compared to your friends and acquaintances, how much do you feel you know about wine?"; and "Compared to a wine expert, how much do you feel you know about wine?" The **consumer background** characteristics were product involvement and age. The indicators of **product involvement** were "unimportant /important, means nothing to me/means a lot to me,

insignificant/significant, does not matter to me/matters to me." Consumer **age** was operationalized as a single item measure - number of years since the respondent was born.

Sample:

The data were collected from U.S. households through a telephone survey. Qualified participants were those who (a) were 21 years of age and older, (b) consumed wine and (c) had consumed wine within the past 12 months. Trained interviewers made 14,821 random telephone calls, reaching 5,650 respondents. Of the 923 qualifying participants, 54% agreed to participate. The final sample consisted of 502 competed interviews.

Results:

The data were analyzed using structural equations modeling (LISREL 8.54). The results indicate that subjective product knowledge is positively related to the use of virtual shopping venues. Conversely, objective knowledge is positively related to the use of physical shopping venues and negatively related to the use of virtual venues. Product involvement and age are positively related to both subjective and objective knowledge. In addition, both product involvement and age have indirect and positive relationships with venue choice.

Customer Background Customer Knowledge Purchase Venue Subjective Knowledge N.S. Physical Objective Knowledge Virtual

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Contributions:

The results indicate that shoppers with more self confidence (subjective knowledge) may feel less need for the support that is often available in physical venues. This also supports the view that objective knowledge is an indicator of information processing capacity and that consumers with high levels of objective knowledge are likely to feel more comfortable in physical retail venues where there is often a very large amount of information about wines available to be processed. On the other hand, the negative relationship between objective knowledge and the use of virtual shopping venues may reflect the net effect of the strength of the relationship between age and objective knowledge and the previous finding reports that older consumers are less likely to use online retailing in general. Since websites represent a relatively new channel of distribution, it may not have become commonly known and used, especially among older people who are less likely to use the internet at all.