

An Exploration of the use of 'Extraordinary' Experiences in Wine Tourism

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Abstract

Wine Tourism has been defined as 'travel for the purpose of experiencing wineries and wine regions and their links to the Australian lifestyle. Wine Tourism encompasses both service provision and destination marketing.' (The Western Australia Wine Tourism Strategy, 2000). Both the wine and tourism industries achieved high levels of growth within Australia in the 1990s, and as invisible exports are significant contributors to the GDP.

On the demand side, successful wine tourism is dependent on successful marketing. This involves attracting the wine tourist and selling wine. There has been much generic literature written on services marketing and wine marketing. However, with few notable exceptions, the marketing of wine particularly has tended to provide a legion of examples of 'me-too' marketing - minor packaging and branding changes, tastings, cellar tours and the like, have been used to shift brand preference in an arena in which the customer actually seeks variety. There is limited literature available that examines in any depth the role and importance of effective wine marketing and knowledge of tourist behaviour in the wine tourist market. This exploratory paper focuses on examining wine as an experience and investigating the staging of 'extraordinary experiences' at the winery. It attempts to address these important areas of inquiry within the context of experiential marketing and offers winery operators and managers examples of how to differentiate their products in an increasingly competitive wine market.

Introduction

The degree of consumer involvement in products and services is often seen to be a key determinant in the purchasing decision making process for these offerings. As a result, involvement has been studied by marketing academics and practitioners alike, albeit with different motivations. Involvement is the level of perceived personal importance and/or interest evoked by a stimulus within a particular situation (Zaichkowsky, 1995). Involvement can range from low to high, and is generally determined by how important consumers perceive the product to be. Simply, the more important a consumer perceives a product or service to be, the more involved he or she will become with that product. The issue of involvement is a critical one for marketers and the challenge is to turn what is essentially a low involvement product into a high involvement purchase.

Wine is an unusual product in that it can straddle a spectrum of involvement for most consumers. Wine can be seen to be a low involvement product for some consumers - someone who needs a cup of red wine to prepare a beef dish is hardly likely to consider issues such as variety, vintage or origin. On the other hand, for the collector and connoisseur contemplating a fine red for a special occasion, wine becomes a very high involvement purchase indeed with much time and attention devoted to descriptors such as variety, vintage and origin. Issues such as winemaker, packaging, history and a range of other information also assume importance. Wine is also an information intense product, one that requires a considerable amount of information to describe it completely (Watson et al, 1999). From a marketing perspective this enables marketers to differentiate their offerings by adding information to the product

Despite the product's information intensity and potential for high involvement, it could be argued that few wine marketing efforts stand out as having achieved greatness. The marketing of wine has tended to concentrate on minor packaging and branding changes to shift brand preference in a vastly competitive area.

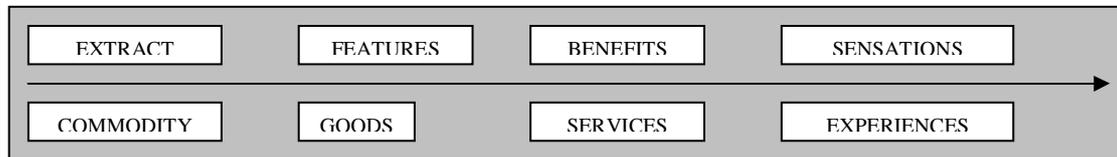
The Evolution of the Experience Economy

While most economies, industries and individual firms have moved beyond a commodity or agrarian economy, the majority still find themselves bogged down in a branded goods environment, or a service milieu. The problem with branded goods, such as wine, is that in an age of product parity, competition becomes so fierce that margins erode disproportionately. Likewise, when all competitors deliver excellent service, and when technology and not people increasingly produces services, the margins in service firms also come under pressure. This is increasingly relevant in the Wine Industry. Advanced use of technology in the wine making process has resulted in improved wine quality and improved training and knowledge at the cellar door has resulted in higher levels of service. No longer therefore can the wine industry compete on wine quality and service quality alone.

Core competencies for commodity companies are extracting, for goods companies its creating features and for service organisations its delivering benefits. Pine and Gilmore (1998) challenge the traditional features and benefits approach to marketing, adding a further dimension of 'experiences' to the continuum. Experiences are seen

to enhance the environment in which clients purchase and/or receive the service by layering on inviting sensations and attempting to engage clients to turn the service into a memorable event (see Figure 1).

Figure 1 – Experience Economy Continuum



It is contended that in the experience economy, firms who stage experiences, regardless of the industry in which they operate, will be those enjoying superior returns. Staging a memorable and compelling experience is what the customer values most and is what in a competitive industry, such as wine, will ultimately differentiate your product.

Experiential marketing

Experiential marketing is taking off as a way of engaging and firmly fixing the service encounter in the consumer’s mind. Schmitt (1999) states the limitations of traditional marketing when trying to appeal to today’s desire driven consumer. He says that the key to successful marketing is to convey your product so that potential consumers can sense, feel, act and relate to your brand. Mitchell in McLuhan (2000) expands this idea describing how experiences are the basis of most things memorable; harnessing the power of the emotions and senses, reinforcing marketing and helping cut through the noise in a cluttered marketplace. He highlights four different ways to engage and entertain consumers and differentiate the experience: Novelty Value, Large Scale Events, Sampling Opportunities and Sensory Experiences. These will be applied to wine tourism and examined later in this paper.

Experiential excellence therefore involves:

- Understanding and defining everyone who will experience the brand, including the retailer and your own employees the consumer
- Ensuring that the experience you create is truly sensory: how does your brand feel, look, sound, taste and smell?
- Checking that it is entertaining, educational, escapist and aesthetically engaging: without these key elements you can’t provide a complete experience
- Being harsh: is your brand experience unique and will it create memory points for consumers?
- Asking yourself if the experience will have a positive impact on the value of your brand and why? Consumers will ultimately pay more for experiences.

Zarem (2000) confirms and expands the above to say that the way to attract, engage and create loyalty from today’s customers lies in what he describes as the ‘E’ Factor which involves emotion, engagement and entertainment.

Extraordinary Wine Experiences

Arnould and Price (1993) develop this further, coining the term “extraordinary experience” to describe a personal, memorable experience that a consumer can have with a product or a service. Intensity and the relational mode of the experience differentiate these concepts from one another and from an ‘ordinary’ experience. The term used by Arnould and Price (1993), also entails a "sense of newness of perception and process" (Privette 1983, p. 1366; see also Abrahams 1986). Extraordinary experiences are therefore triggered by unusual events and are characterized by high levels of emotional intensity and experience (that is, the extraordinary experience is a personal/unique and memorable/enduring one).

Distinguishing characteristics of extraordinary experiences therefore include the following:

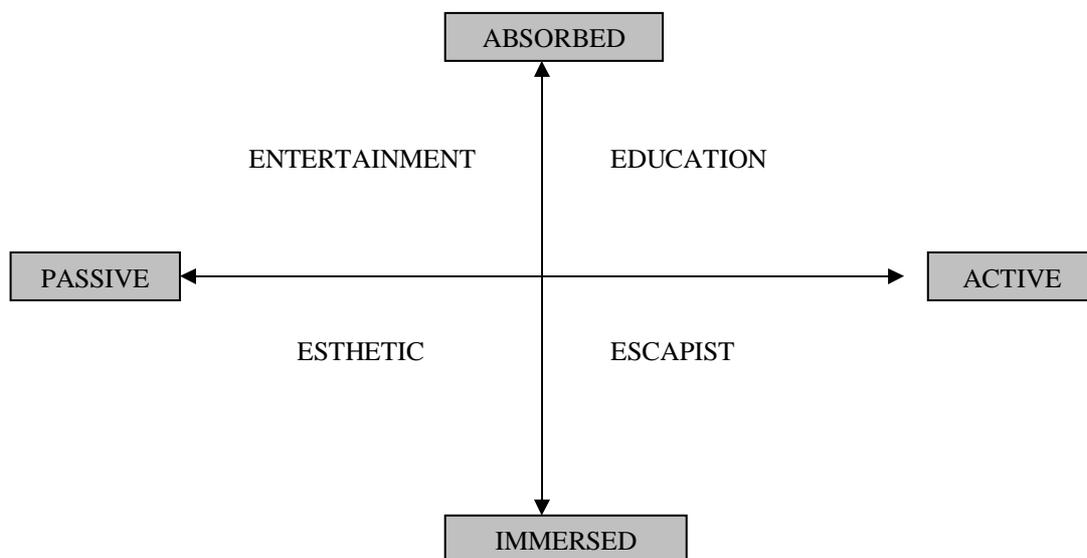
- *Expectations*: these are likely to be vague and subjective making them challenging for consumers and producers to predict;
- Extraordinary experiences are *spontaneous* and *unrehearsed*;
- *Performance*: a prevailing view is that satisfaction can be described with a summary index of a products service performance against various attributes, however satisfaction with extraordinary experiences is emergent across the temporal frame of the experience and can be interpreted within the broader narrative of the consumer’s life.

Experiences Model

Using the work of Arnould and Price (1993), Pine and Gilmore (1998) and Schmitt (1999) the following experiences model can be developed. (Figure 2)

The axis describe how experiences can range from active (hill walking) to passive (listening to a classical concert) and also allow the consumer to go from being absorbed to immersed in the experience. Zarem’s (2000) ‘E’ Factor of entertainment, aesthetic and escapist can be also placed on this model with the added inclusion of the educational component of the experience.

Figure 2: The Experiences Model



Wine as an experience.

If wine is to be seen as an experience it needs therefore to comply with McLuhans' (2000) earlier points on how to engage and entertain customers and also be able to evoke Zarem's (2000) 'E' Factor.

The Wine Spectator (August 31, 1997) stated, "As anybody who loves wines knows, the regions where the finest wine is made are special places - even magical. And most everybody who loves wine wants to see where the magic is being made." Few people would deny the emotional attachment associated with wine and where it is produced.

Wine can also be seen to embody the four stages on the experience economy continuum (figure 1):

- The *commodity* version would be the wine casks distributed widely and sold at low cost in bulk. As twenty companies produce 97% of the country's wine this would constitute the majority of Australian wine produced, (WAWTS 2000).
- Branded *goods* would include the plethora of different varietals and origins that, along with their varied packaging, line the shelves of bottle shops offering boundless choice and little differentiation.
- In 1994, about 10% of international visitors to Australia made a visit to a winery, an increase of 20 per cent on the previous year (Rueberto, 1996). Thus the winery needs to position itself as a *service* provider that is more than an outlet for sampling wine. Successful wineries engage in other activities such as dining, galleries and retail outlets, events and festivals. The winery can therefore be seen as a service establishment and wine purchased there can incorporate this service cost being often more expensive than at the retailer.
- Then comes managing the *experience* and this is what wineries are becoming more involved with and experienced at, wine is no longer just an alcoholic beverage - it aims to evoke the E Factor discussed earlier and the shrewd winery operator will capitalise on this. So how can a winery stage experiences?

Effectively staged wine experiences

In order to engage the customer experiences must be **memorable**. Sandalford Wines in the Swan Valley in Western Australia (WA) is capitalising on the opportunity to make a visit to Sandalford a memorable one through its \$6 million dollar investment in Wine Tourism. A key component of the Sandalford experience is its tour product, which through the use of overhead walkways and platforms allows visitors to experience a 'behind the scenes' tour of the redeveloped winery. The tour also incorporates exclusive wine tastings of old vintages and allows consumers to learn about Sandalford's history in their theatre. As the tour is the first of its kind in WA it creates a memorable experience in the customer's mind that will hopefully translate to increased purchase of Sandalford wines.

As well as being memorable the experience must also have enduring **novelty value** that is not trite or unauthentic. This is evident in some of the unusual activities that wineries are engaging in - Helicopter Rides (Wildwood Winery, WA), flight and dinner packages (Leeuwin Estate, WA) and Film Festivals (Sequoia Grove, California).

Events are seen as a critical way to engage and entertain customers and also to extend market coverage by attracting different market segments through different targeted events. Events can also maintain the profile of a wine region in key markets and assist in differentiating wineries and wine regions in a competitive market environment. For example, Horgan (in Dowling and Carlsen 1999) decided that wine, food and the arts would be the marketing identity for Leeuwin Estate and has developed a highly successful annual concert series to complement the Leeuwin identity. The annual Leeuwin Concert evolved as a means to promote the estates wine to the broader market, generating a sense of familiarity with the product. The concerts are also sold out in hours of the tickets being released and the enormous national and international publicity generated by the concerts serves as a creative way to establish the wines identity.

The inclusion of events and festivals in marketing, branding and promoting wine regions has become so important that now practically every winery and wine region throughout the world hosts a wine festival and/or wine tourism event.

Wine can also benefit from the unrivalled **sampling opportunities** that are provided at the cellar door. This provides an excellent opportunity to build up relationships with customers and it is important that the winery employs knowledgeable and friendly staff to handle the cellar door experience effectively. Wine and Food Events such as 'Spring in the Valley', an annual gastronomic event in the Swan Valley, WA offers the opportunity over a weekend to sample core wine and related products and extend the brand to different market segments.

The final concept of experiential marketing focuses on the use of touch, taste and smell to enhance the more obvious visual route thus providing a total **sensory experience**. Nowhere is this more evident than at Kendall Jackson Winery in the Sonoma Valley, California. They have developed a sensory garden in the grounds of the winery that allows the customer to taste different varietals whilst being in the presence of the different wine descriptors such as redcurrants, plums and damsons for red wine tasting. Thus the tasting becomes a complete sensory overload as well as being an educational experience and leaves the consumer with an extremely positive association with the place and its wines.

Direction for Research

This paper explores some of the key marketing concepts surrounding the term 'extraordinary experiences' and aims to set them in the context of wine tourism.

It is evident that the relevance of this framework needs to be developed and tested further and their relationship with the high levels of growth within the wine and tourism industries, alluded to earlier, explored. Further empirical evidence is needed on the nature of these experiences in a wine tourism setting and their association with wine purchasing behaviour and customer relationships.

Focus groups and in depth interview data from the wine and tourism industries will hopefully enrich the interpretation of these concepts. Together with quantitative

consumer generated data, it is hoped that these will be significant in explaining the perception of 'extraordinary experiences' and relationship between client expectations and satisfaction in the wine tourism market.

Conclusion

Creating experiences is therefore the new weapon to differentiate your product and instil it in the minds of consumers. Because of the competitive nature of the wine tourism industry, winery managers and operators need to use the winery as a performance space for staging memorable experiences, such as those above that educate, engage and entertain in an aesthetic environment.

Producers and managers, such as those discussed earlier, who stage memorable experiences (that will stay with the consumer longer than product features and service benefits) will be able to use wine as a vehicle to enable them to charge more, create an image and identity, promote innovation and establish a connection with their consumers

Pine and Gilmore (1998) welcome us to the experience economy and wine, as a product steeped in experiences due to its rich content and interactive nature, is a significant part of this new economy. Those wine tourism businesses that are successful in creating a brand experience with consumers through the use of experiences will be the ones that survive and are profitable in a fiercely competitive environment.

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