



Can Digital Social Networks enhance the online selling of Burgundy wine?

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Abstract

The purpose of this article aims at presenting the results of an exploratory qualitative study conducted with 12 wine growers from Burgundy (France) about the potential of Digital Social Networks (DSN) such as Facebook to sell wine.

The methodology we have adopted for this preliminary work is based on an exploratory study administered to 12 wine growers from Burgundy.

The findings show that the use of DSN as a selling medium remains almost nonexistent. Unknown or perceived as taking too long to put into application, this feature is not attractive to interviewed wine growers who do not use them for e-commerce purposes but are nevertheless interested in incorporating them in their strategy.

The practical implications are that wine growers should maybe consider more seriously the potential of using DSN in conjunction with their websites, in order to 1) promote and 2) distribute their wine.

Key words: Wine, Digital social network, Supply chain management, Global positioning system, E-commerce

1. INTRODUCTION

With more than 7 million results produced by Google from the input of the two words "purchase" and "wine", it is easy to understand how difficult it is for a wine grower "to exist" on the Internet. However, while traditional direct marketing may seem intrusive if it is unpleasant, "*social networks represent a new channel to reach the customer*" according to Dey (2010).

The main aim of this paper is to show how the use of Digital Social Networks (DSN) may prove lucrative for a wine grower but also for a consumer. The wave of communications, whether in marketing or information systems, which praise DSN suggests potential, especially for wine growers. It allows, for example to imagine that it would be possible to come forward quicker and reach a broader range of the general public than by using current popular search engines. Networks created by a producer, a regional association of producers or by an association of producers of a specific grape variety would allow them to sell their wine to a broader market. This would be possible thanks to the shared use of a DSN network to reach geographic areas underserved or badly served by physical distribution. Indeed, the distribution could be faster. In practice, the consumer receives a price identical to the one which would have been obtained by going directly to the producer. He may also not only benefit from a circle of friends that may receive an order and store it - the principle of geographical location -, but also get very competitive rates with a shipment's price lower than that in traditional commerce. Today the shipment of a 75 cl bottle of wine costs approximately 1 Euro, which amounts to 25 Euros for a box of 24 bottles (Chateauonline, 2010). Even if prices decrease with larger quantities, the shipment of wine bottles still remains very expensive.

The purpose of this paper is to evaluate, through the analysis of interviews conducted as part of an exploratory study administered to wine growers from Burgundy, how DSN can contribute to a growth in wine sales in addition to those generated normally on the Internet.

Firstly, we will discuss DSN and in particular Facebook. We will then explore the theme of wine sold on the Internet, before presenting the results of our analysis. We will try to establish how wine producers could apply the use of DSN to their businesses. This will allow us to anticipate their ability to use tools that are often not part of their daily lives. A projection method taken from the questionnaire used during the exploratory study, allows us to assess what the producers would do when using DSN, by highlighting the possibilities offered by this type of platform. The guide allows the producer to anticipate activity, thanks to the use of a DSN dedicated to the wine, a region or domain of production in order to increase sales. Results are discussed before presenting the conclusion, limits and future areas of research.

2. DIGITAL SOCIAL NETWORKS AND E-COMMERCE OF WINE

Few studies have investigated the area of the online wine retail market. Lynch and Ariely (2000) focused on cost cuttings in the search for information and the impact of the latter on the consumer sensitivity regarding prices. Stenger (2005), using the work on perception from Hatchuel (1995), adapts the latter to the sales of wine online. Gallen and Cases (2007) demonstrate by studying consumer behavior, that the main obstacle for online wine shopping remains the inability to see the product concretely. Pelet (2010) explains in his exploratory study based on three groups of interviewees, consumers, cellar-men and wine-growers, that different perceptions of a bottle of wine sold online can exist. The author shows that everyone gives a varied importance to the elements of foreground (color, text, image) or to the elements of background (presence of the guarantee of wine quality, name of the proprietary etc.) of a

bottle of wine. There is no detail in the literature which explains how a wine grower could increase wine sales by linking their website to one or several DSN.

Schummer (2001) argued that while e-commerce applications aimed at easing the process of shopping by simulating real world experiences, these applications unfortunately did not include social factors in their simulation. This seems even more important as it has been showed that 90% of shoppers preferred to communicate while shopping according to the author. It could then be appreciated by a DSN user after having discovered he was online at the same time, if a friend recommended him to visit a wine grower from a county he knows very well. The potential benefits of DSN for generating sustainable profits need further demonstration when used in conjunction with e-commerce websites. To succeed in producing profits in the highly competitive DSN environment, organisations of all sizes and existing e-commerce must develop the technical expertise necessary for the creation of an effective “DSN-e-commerce website” tandem/partnership.

A recent study based on a comparison of five commercial sites (CDiscount, Fnac, La Redoute, Price Minister and Amazon.fr) shows that confidence is based on six factors (INIT, 2010): site quality, security of transaction, communication, customer support, social presence and online community. A wine grower, always anxious to strengthen his image of credibility, integrity and benevolence (which correspond to the three levers creators of the trust construct), could thus have the incentive to make his site live through the use of social networks. He can also choose to create his own virtual community to reinforce trust with potential customers, since trust is essential on the Internet. Context-aware applications such as DSNs enhance the interactive communication of members of a community. They enable users to control a remote display board in virtual space or to vote anonymously (Want *et al.*, 1995). Lamming *et al.* (2000) argued that providing users with an easy method to exchange information appropriate to their setting has enriched communication between users.

The focus of this paper concerns the sale of wine through DSN. These can facilitate the linking of the producer to the consumer. They can offer tools for registered connoisseurs in order to facilitate contact with the Global Positioning System to find possible points of control for wine storage. These are managed by the members' trustees' guarantor for the storage conditions for the other members of the network. There is also the producer's catalogue, easily accessible by clicking from the social network to the e-commerce website. It presents the available supply and other features which are relatively simple to install. This type of site also allows the wine grower to modify the wine catalogue at any time. DSN therefore presents some advantages, in parallel with traditional commerce. At a time when the Internet no longer seems to be excluded from communications strategy and selling brands, DSN counts as one of the indispensable tools to integrate and control, especially for the wine business.

Free for the most part, easy to use, rich with ever increasing innovative functions, they attract attention, arouse interest, and sometimes provoke a desire to push for action, with applications linking the DNS page to the e-commerce website. In 1967, Milgram showed that there are, on average, six intermediates between any two random people in the world: this is the “*small world phenomenon*” (Milgram, 1967). Based on this interesting theory and thanks to technological developments, DSN emerged online in 1997 with Sixdegrees, followed by the launch of Friendster and Skyblog in 2002, LinkedIn and MySpace in 2003 and Youtube, Yahoo 360 and Facebook in 2005. Windows Live Spaces and Twitter made their appearance in 2006 (InternetActu, 2008). DSN have become the most popular destinations on the Internet in recent years (Gil-Or O., 2010).

On a social level, DSN present an interface allowing users to develop a social event. It was already constitutive of the Castells' network society by 1988 (Castells, 1988). These networks create these social networks by using various services offered on specific sites. DSN can be defined as services on the Internet that allow people to build a public or semi-public profile as

part of a defined system. Members can create a list of users with whom they share a connection. It is also possible to consult the relationships and connections developed by other members within the system. The nature of these relationships varies from one site to another. This contributes to the uniqueness of DSN, which enable people to meet new people but also to articulate and make visible their social networks. We will discuss the difference, which is important to define, between *weak ties* and *strong ties*. Weak links (professional links and / or acquaintances) seem more useful than strong ties (family members and / or friends) to locate individuals that are far away (Balagué and Fayon, 2010).

Content generated by users, representative of Web 2.0, is created and shared online by non-professional media. Today, millions of users around the world use these websites in their everyday life. The following facts demonstrate why it may be useful to examine social networks in relation to electronic commerce:

- 3/4 of Americans use social networking technology (Bernoff *et al.*, 2008);
- 2/3 of the total Internet population visit DNS (Nielsen, 2009);
- DNS have now become the fourth leading Internet activity - behind personal emails (Nielsen, 2009);
- Time spent on DNS is growing three times faster than that spent on the Internet in general, accounting for almost 10% of the time spent on the Internet (Nielsen, 2009).

Social media are democratising communications which lead Murdoch to state in 2009: *"Technology is moving away from editors, publishers, the establishment and from the media elite. Now it is people who have control."*

All figures related to social networks show how the Internet is widely popular for entertainment use (Youtube), culture (Wikipedia), communication (Twitter) or "all in one" (Facebook). Belonging to a DNS is therefore one of the phenomena of global consumption since 2008.

2.1. Objectives of social networks

The objective of DNS for a company mainly consists in gaining visibility and credibility in order to become popular. The ability to develop business opportunities, build relationships with customers based on objective factors such as knowledge of the customer's job (and remain "friends" on DSN) allows specific messages to be targeted. Although not all members of such networks systematically inform the field about their work when registering, some do. This is especially applies to professional interests and hobbies, which may then be used by the advertiser to provide targeted messages.

A company on a social network site can become visible; access other networks that initially invested, in reference to theory Milgram's theory (1967). The main benefits to the organisation are to identify and contact relations of relations. Where e-mailing and Customer Relationship Management tools enable direct customer contact with each person on a file, social networks multiply the possibilities, inherent with the Internet, to transmit information. Expectations can be high from the head of a company, whatever its size is. It may seek to develop its business, while seeking new partners. The ability to create new contacts, find new investors or new shareholders regardless of the size of the company is thus afforded by the mere introduction of a page on a DSN or by the development of a DSN owned by the company. The very simple use of DSN provides details on a profile whenever a page is displayed during which the search members carry through the integrated search engine.

The flexibility offered on DSN to create groupings of members also called "*hubs*" or "*fan groups*" promotes, through the creation of meetings around predefined themes, a finer target for trade on DSN. Participation in "clubs of discussion" on topics of interest enables the Internet user to share findings and experiences (Balagué and Fayon, 2010). Thousands of

hubs exist, consisting of a few dozen to several thousand members. Correspondence is mostly in "*places*" where it is possible to become known by members with similar interests, with the view to develop business opportunities. The very low cost of creating a page on a DSN (basic functions cost less than 10 Euros per month for a normal use of available services), has encouraged an increasing number of companies to integrate DSN in their strategy. A study has shown that a fan of a particular brand on a DSN was more likely to buy it and recommend it to others on the network (Chadwick Martin Bailey iModerate & Research Technologies, 2010).

However, such a strategy is not without weaknesses. It is therefore important to learn how to use a DSN to better identify customers and decide where a company's presence is relevant. The potential to leverage the platforms and the time necessary to spend on DSN can not be excluded from the strategy of establishing a DSN. Furthermore, a DSN is not an electronic marketplace designed to connect businesses to one another: it is a social network, that is to say, a network of people. The risk is straight forward as when the company is exposed to its customers DSN can cause over exposure, whether small or large. This can lead to some adverse consequences, for example positions of personal staff in respect of goods or services of the company. Creating, developing and maintaining a social network can quickly become time consuming. Therefore, a company choosing to invest in a DSN must be prepared to devote time to update its profile and monitor online activity in hubs. A job board dedicated to these special functions could be considered, depending on the size of the company.

2.2. Compelling reasons for considering DSN for a company

A company seeking to establish itself on DSN has three important reasons to focus on this phenomenon:

- DSNs have boomed since 2005, representing a new phenomenon in society that is increasingly accessed by the market (Bernoff *et al.*, 2008);
- DSNs present such a change in the organisation of society through increased network interconnections that it is important to get involved;
- DSNs finally emerged as a new non-media communication tool which is rather qualitative since they allow end targeting.
- DSNs are where the people are...

According to Boyd (2007), if social networks have integrated numerous technical capacities, their backbone still lies on profiles. The latter present an articulated list of "friends" from users of the system. The profiles correspond to single pages where you can create a virtual existence. They are generated from the questionnaires provided after joining a social network (age, place of living, interests etc.). Most sites encourage users to post a photo, to personalise the profile. Visibility varies from site to site and is up to the users' discretion. The structural variations around visibility and access to the profiles represent a primary means for networks to differentiate themselves from each other. Users are urged to identify other users of the system with which they have a relationship. Most social networks require a confirmation for two-way linking of "*friendship*." Thanks to their ease of use, DSNs can help shoppers provide positive ratings and recommendations about the goods of a vendor on its public DSN's page, an action which would be rewarded of course. The collaborative tagging evocated by Kim *et al.*, (2010) as a filtering method would also permit the recommendation of particular web pages on a social bookmark website such as Del.icio.us for example.

Some sites offer the chance to improve the profile by adding multimedia content or by modifying the appearance. Other sites allow users to add application modules as in the case of Facebook with its "*Application Programming Interface*" "API" which includes a set of

functions, procedures or classes made available to computer programs by a software library, an operating system or service. This particular function appears to be very relevant in the selling of wine.

2.3. The "maps" needed for Global Positioning System

In store purchasing offers the customer the advantage of being able to touch and handle the products itself and to learn by questioning the sellers. It also offers direct access to goods. But the Internet also has its benefits: it provides a multitude of options to the consumer, which can be advantageous if the product is already known, allowing a personalised service to be offered. However, the seller will find increased competition and thus increased pressure on prices. Consequently, to break into e-commerce, it is vital that companies take into account the disappearance of geographical boundaries in their distribution networks which were previously more local. It is therefore essential for the supplier to provide an efficient method of distribution accompanied by a varied range of products, based on an updated database of customer information (Boulaire and Balloffet, 1999).

An API Type "map" can be an asset in the sale of wine: this is the Global Positioning System. As well as the fact that DSN can offer a vast selection of languages so that users around the world can interact with the platform, it is possible to locate geographically the members through the available API, which is very simple to install: it is already easy for a consumer to locate the place of wine production and it will be even easier for consumers to find other people who reported on their page where they live in relation to the producer. Indeed, DSNs can facilitate the linking of the vendor to the consumer. They can offer tools for registered connoisseurs in order to facilitate contact through the GPS or location-based applications to find possible points of purchase (Figure 1). Points of purchase or points of interest in general and related information are managed by fans or friends/followers. The latter represent people who are trusted by others on a DSN.

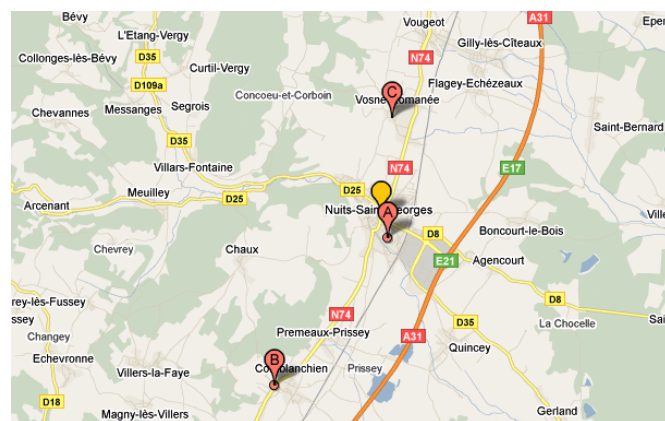


Figure 1 : Example of GPS use on DSN where flags show possible points of purchase

The world we live in is increasingly being stretched by networks of relationships. A and Z come from different places within a country, however, they have a mutual friend C. Or maybe A knows B, B knows C, and perhaps C knows Z. It would be interesting, if A loves wine from a particular region, and if C goes to this region to buy the following weekend, as he also likes this drink, he brings a box of 6 bottles for A. A and C do not know each other but they met on a social network for "fans" of wine from the same region, through B, who although does not appreciate the wine is still friends with A and C on the DSN site. Thereby, thanks to the creation of a community of consumers who receive goods for other clients in exchange for trade privileges, the wine grower can expect higher wine sales. The traditional method of

delivering wine has its drawbacks, such as restricted hours could now be removed. The establishment of a social network in partnership with e-commerce websites, which list the clients who can receive and retain goods, allow the producer to maintain this trade which often creates logistical problems with electronic commerce. This could change the way wine producers operate.

Bulk orders also significantly reduce logistics costs, but may also be less expensive, thanks to group discounts. These depend on the volume ordered but also from the commercial gesture of the wine grower. Everyone wins because the seller centralises all controls. There is only one relay from his DNS. This incurs less cost, and buyers also pay less. The trustees may receive trade benefits such as discounts, samples or private offers from the e-commerce website or producer through DNS for each approved order. Each customer must have previously created a profile on the social network or on the page of an existing DSN. Location and preferences of e-commerce website can be indicated upon registration. An availability schedule is provided for the buyer to collect their orders. When purchasing, the consumer indicates his or her social network identifiers, and a list of potential ‘catchers’ is proposed. The customer chooses the ‘catcher’ living closest or the most reliable based on online ratings. The producer is then noted receipt, as the “depository”. This system would allow the consumer to obtain the wines at prices identical to those in the estate while greatly reducing transport costs for the wine grower. It would help to increase sales and cover underserved areas in terms of physical distribution. This system is made possible by a Global Positioning System interface available on the DNS that allows a view of the location of all the experts acting as custodian for the other network members. Meanwhile, word-of-mouth rapidly increases the size of the community of connoisseurs. Before presenting the methodology of the study, the following figure summarises the steps necessary to set up an alternative distribution network through DNS (figure 2).

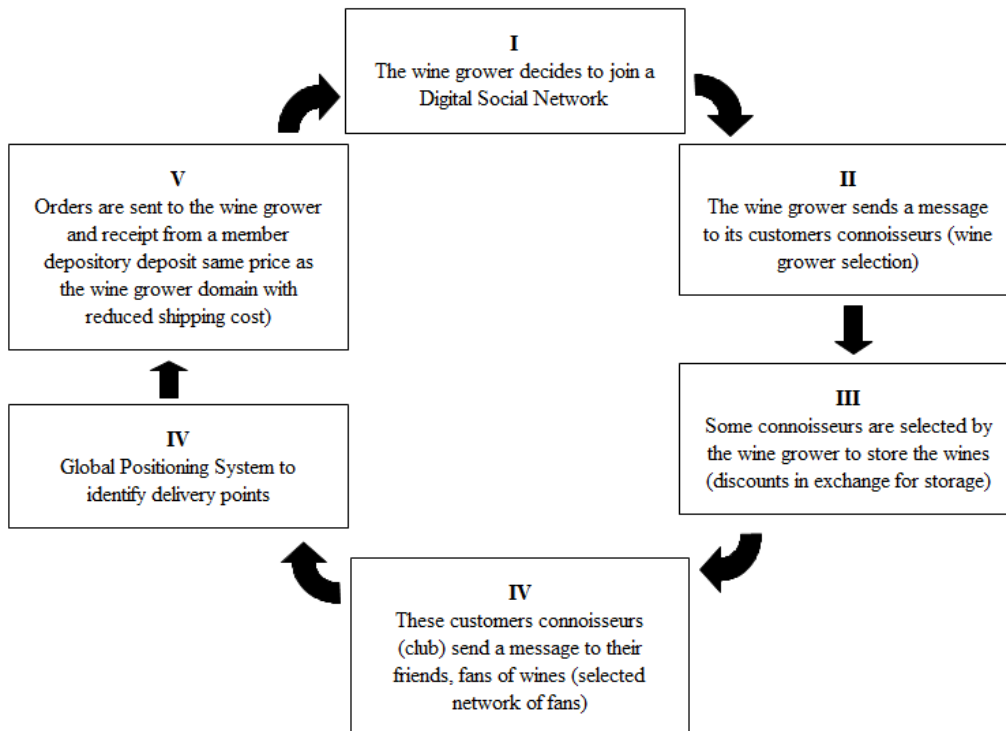


Figure 2: steps to establish a network of alternative distribution through digital social networks

3. METHODOLOGY

The objective of this paper is to present an exploratory study conducted with 12 wine growers from the Burgundy region, in France. They have been chosen according to their yearly production, their online presence with the Google search engine, the name of the estate, the main wine appellations they produce, their gender, their Internet expertise, their age and the average price in Euros of their wine (details are in Appendix 2).

They were selected in order to obtain a homogeneous sample in terms of sub-categories. We asked if these DNS were known to them, and if so, if they thought about including them in their business strategy.

A qualitative analysis based on interviews has been conducted for various reasons. Firstly, according to our knowledge, no research has yet been undertaken on the selling of wine using DSN. Secondly, it is quite rare to find literature on wine growers, retail methods, especially in an online context.

In an attempt to obtain information from wine growers, this exploratory analysis has been conducted from an interview guide on the following topics:

1. Are wine producers and consumers ready to use these tools to take advantage of better rates, cheaper shipments, and other features related to the possibilities offered by such systems?
2. Which tools are required to enhance the design of these features?

To follow the criteria of data saturation (Mucchielli, 1991, p.114), we interviewed 12 people. The interview guide was structured and opened. It permitted us to obtain interviews based on topics linked to the experience of the producers regarding wine and Internet. Once each interview was transcribed, which in general lasted 40 to 66 minutes, a 100 pages verbatim corresponding approximately to 8 hours recording was then obtained.

The qualitative data have been analyzed thanks to a table which summarises the results from our respondents, where each construct referred to a “1” weight. Each respondent corresponded to a proper table file where all the questions extracted from the interview guide were written in a first time. If a construct appeared once reading the retranscription of a respondent’s interview, a “1” figure was notified in a *result* column. In a second time, we grouped the “result” columns of all our respondents in the final table in order to understand precisely what the answers meant, with any respondents. This corresponded to an alignment of 12 columns, providing or not “1” figures. Rows in this table indicated the different themes issued from the interview guide. Topics and words related to a precise field appeared in a “result” column, showing the weight of each construct. It finally permitted us to formulate assumptions linking answers and respondent’s profiles. Thus, each construct had a weight in a first table, made of rows with or without “1” figures. Another table served to concatenate the 12 files in a summary one, enabling us to use the “1” columns to add rows and finally write the results obtained thanks to the addition of “1” figures.

4. RESULTS

The interviews with the wine growers asked about their Internet and social network use, online shopping, their vision of the online marketing of wine and the factors encouraging them to buy and return to a site. We have achieved the following results:

4.1. Theme 1: Determination of a strategy and goals

Among the respondents interviewed, we noted that their use of Internet communication was by e-mail and information searches. 42% of respondents admitted using the Internet every

day. Only 33% of respondents reported making use of digital social networks. The main reasons are for the creation of customer contacts and increased communication with them. Wine growers could also benefit from the use of DSN in order to send their wine in a property where owners would then distribute the production to the fans living close to them. An interviewee said for example that he knew someone in Alsace where he usually sends around 300 to 600 bottles. This Alsatian wine grower's friend come in Burgundy to collect the wine after receiving the bills from the people interested in the wine he came for. He then sells the bottles when going back in Alsace and get the money from his relatives, who would be called friends on a social network for example. *"In order to thank him, we offer him 6 or 12 bottles depending on what he sold"*. Here is a perfect description of what could be encountered from the use of DSN for wine growers.

4.2. Theme 2: Understanding the market

The respondents use the Internet primarily for their travel arrangements (payment of hotel rooms, train or plane tickets), the purchase of books and/or the use of banking services. Wine is not really mentioned since one member of the panel only recognizes buying wine online. It seems quite logical since their neighbours are wine producers. However, DSN should be considered more importantly since 50% of online adults with at least some college experience use these sites, compared with 43% of such adults with a high school degree or less (Lenhart *et al.*, 2011). DSNs have boomed since 2005, representing a new phenomenon in society that is increasingly accessed by the market (Bernoff *et al.*, 2008). Among adult profile owners, Facebook is currently the social network of choice; 73% of adult profile owners now maintain a profile on Facebook, 48% of all adult profile owners have a profile on MySpace and 14% of profile owners use LinkedIn as of September 2009 (Lenhart *et al.*, 2011). For a respondent, cellar men are here for this particular job: selling over the Internet, which means that if someone starts to sell wine at a low price, it is an unfair competition. *"They must live, anyone has a job that should be protected"*. Another respondent explained that what he expected was *« the critical tasting, the quality of a dialogue with connoisseurs, what they think of this, how they found that, what is their idea about wine »*. Finally, a wine grower added that *"the word of mouth was probably what made his customers turning up in his cellar"*. We can easily reinforce the use of DSN in his case, since one of the main asset of this technology lies on the capacity to build word of mouth, thanks to the peer comments of fans, followers, or friends.

4.3. Theme 3: alignment and matching with the favourite channels of the company

Few wine growers interviewed agreed to the use of social networks (4 out of 12 only). They use it mainly to create customer contacts, communicate or organise tastings . As part of their business, 25% see no use of DNS to sell wine. The reason maybe lies in the fact that wine growers from Burgundy mainly sell their product to customers in advance (allocation) or directly to the final client at the estate. The reputation of the wine is so important in this region that most of its production is sold in advance. Therefore, DSN may be useful for young wine growers/producers that may not be already known to customers (mainly through the publication of main critics). Foreign customers may also find DNS relevant in their search of French wine from Burgundy in order to get a lower price in comparison with the traditional "brick" wine shop. The problem according to a respondent being that *"what is expensive for the wine buyer and for the seller too, lies on the supply chain management"*. Another respondent said that he never buys any wine without tasting it first. *"I do it 7 days a week myself"* has he added.

4.4. Theme 4: Creating content that is both educational and unusual

4.4.1. Sub-Theme 1: The atmospheric elements of commercial sites

50% of the surveyed wine growers think that DNS are useful at a professional level but none seem to see an absolute necessity. Some of them even add that selling authenticity over the Internet is useless. « *Authenticity by internet? It's zero, it's a mirage* ». Other respondents expect the website to be “*clear, neat, precise, without bullshit everywhere, with a simple way of writing, and a good readability furthermore.*” Another adds that “*the interface of the website should not be overloaded, and shouldn't display too much colors*”.

4.4.2. Sub-Theme 2: Emotions and the feelings on a social network dedicated to wine

Each interviewed wine grower seems to have raised concerns over some difficulties in describing feelings associated with a digital social network dedicated to wine. The notions of pleasure, and other questions related to anxiety (fear, anxiety) have been mentioned. This seems normal since most of the wine growers who have been questioned don't spend too much time on the Internet. They therefore don't feel any specific state like someone involved on a particular website, with an interest to obtain a particular information or service from this medium.

4.5. Theme 5: Identification and assistance to prescribers and fans of the brand

Among the factors that influence people to buy on one site over another, convenience and ease of use are heavily emphasised and appear more important than price. Few wine growers interviewed spontaneously mentioned the conditions of deliveries among these factors (2/12 only). The wine growers who have been interviewed mainly host their customers in their cellar when they come to taste and buy their wine. They thus don't send their heavy and fragile product using postal services for financial concerns, and also because their customers prefer to visit them once a year for example. It is considered like a touristic visit in this situation, this is why there is no reason why not meeting their dear customers.

When asked about what makes them spend more time on one website than another, attachment to the qualities of the website becomes even more apparent since 50% are influenced by the ergonomics of the site, facility, clarity and simplicity but also design, since 25% say stay longer on a site whose colours are harmonious. The informative aspects of a site are less frequently mentioned but still have some followers (17%).

When little was mentioned of what influenced a purchase on the Internet in general, conditions of supplies seem to be an important topic when it comes to loyalty because it is one of the answers some questions raised at the “*In your opinion, what made you return to an ecommerce website?*” And “*What are the factors that encourage or discourage you to revisit a particular site?*”

4.6. Synthesis of results

This qualitative analysis gives us an idea of the wine world relations vis-à-vis the Internet. Several types of profiles are observed: first the non-trained individuals or refractory to the Internet who do not use it, individuals ideologically resistant to the Internet and/or social networks but to use it for business or convenience and individuals open to new technologies.

4.6.1. "Each to his own."

One of the main reasons hindering the use of the Internet as a professional tool is the lack of time. Some also believe that it is not for them.

4.6.2. "There are people who have invested a lot of money trying to sell wine over the Internet, they have not recovered their investment."

The sale of wine on the Internet is undeveloped and growers feel uncomfortable to develop it because they are unconvinced of the return and see some risk.

About half of those surveyed said they shop on the Internet and a third acknowledge use of social networks. The wine represents a very small share of online purchases, only one respondent acknowledges do so from time to time. Most respondents appear suspicious vis-à-vis e-commerce in wine.

4.6.3. "Hearing about authenticity on the Internet makes me jump"

In terms of DNS, barely half the growers surveyed see it as a professional utility and none of the twelve see it as an absolute necessity. Despite some difficulty in expressing feelings vis-à-vis social networks, we could see the concepts associated with anxiety (fear, anxiety), questioning and rarely enjoyment. This suggests that the theme of trust is a key issue. *"The concept is neither perverse nor unhealthy, we have our freedom to communicate, the problem is that there may be too much information."*

Few wine growers interviewed spontaneously mentioned delivery conditions among the various factors that influence them to buy from a commercial site rather than another. However, these conditions of delivery seem to be an important topic when it comes to loyalty because it is the answer most questions raised during the exploratory study. *"In your opinion, what makes you come back to an e-commerce website?"* and *"What are the factors that encourage or discourage you to revisit a particular site?"*

5. CONCLUSION

The quest for visibility of a wine producer is a complex problem on the Internet. The growth of electronic commerce in general and the sale of wine via the Internet in particular heightens this complexity. The rapid evolution of web technologies and changing consumer behavior vis-à-vis e-commerce websites, as well as the increasing number of consumers connecting to Digital Social Networks (DNS) often lead to new ways of selling.

This paper has presented the results of an exploratory qualitative analysis conducted with wine growers, on their perception regarding the possibilities offered by the actual most popular DNS, Facebook. It shows the limited interest or lack of understanding on the part of producers from a given region of DSN as a business model: Burgundy would have to establish its own DNS in parallel with a wine producer's website to distribute their wines through a network of customers capable of storing wines for other network members.

The main challenge of this research was to show how the use of Digital Social Networks (DSN) may prove lucrative for a wine grower but also for a consumer. The results of the exploratory analysis prove that despite the strengths offered by DNS thanks to application programming interfaces tools, wine growers from Burgundy are still reluctant. Whether they are used to their actual system and do not want to change or they believe that their wines, famous for their quality and price, cannot be sold with the use of digital networks. Further analysis needs to be conducted with different wine growers, maybe ones that are less famous

than those interviewed for the analysis. Other regions should be analysed since a lot of Burgundian estates are very small (less than 10ha).

The emergence of networks disrupts the traditional practice of marketing by enabling more exchanges and closer proximity to the customer. This type of intercommunication becomes paradoxically more impersonal. This is maybe another reason why DNS are not seen as a new way of selling: they are not seen as close to customers as a visit to the cellars in Burgundy, which represents a unique experience for the consumer.

More than a means of communication, DNS become a real means of prospecting and generating customer loyalty as they can create a lasting bond between the brand and the customer. On the other hand, by removing the privacy of certain conversations, they are sometimes a wealth of information for companies when customers look at the word of mouth of a product, brand, or trend, and thus be more wary of what is said. Wine growers from Burgundy are maybe too small to be interested in what is said about their wine online. As long as they sell, they may not pay attention to fashions.

Social networks are the ideal ground for viral marketing where companies can then create a phenomenon of "buzz" (a mechanism designed to cause noise, word of mouth around a product offering or service) during their campaigns around a brand or product. When they are dedicated to wine, social networks can have multiple interests for producers: to inform visitors about the area, the grape, tasting notes, etc., communicate with them, be more interactive, or organising events for the sale of wine.

It could be useful to use different channels to get interest from the use of DSNs and GPS, without hurting customer's trust towards the brand, by protecting data related to his privacy. For example, an advertisement for a wine grower or for a particular wine, situated on a newspaper which contains a QR code, a specific matrix barcode (or two-dimensional code), readable by dedicated QR barcode readers and camera phones, which offers access to an online video, can lead consumers from online to offline media.



Figure 2 : a QR code can favorize the visit of an e-commerce website

It is therefore interesting to make prospects or customers turning up to the cellar thanks to the use of this type of technology. This is especially important, considering that recent figures show an impressive growth of mobile use: Cell phone adoption is nearly ubiquitous especially in young population, with 75% of teenagers and 93% of adults aged 18-29 having a cell phone, with 55% of the latter group accessing the internet wirelessly from their cell phone. (Lenhart *et al.*, 2011). The evolution of mobile communications has triggered an increase in the use of mobile devices, such as mobile phones, to conduct mobile commerce (m-commerce) on the mobile Web (Venkatesh *et al.* 2003, Ngai and Gunasekaran 2007). And most of these future consumers use DSN and mobile at the same time: these websites are reasons for choosing these models of mobiles, an important reason to be present on them for wine growers.

In summary, the existence of social networks dedicated or not to wine making, may help consumers to be more careful and have more consideration for a proper wine grower, but mainly for young or unknown ones. DNS would therefore be a real opportunity for producers wishing to improve their wine reputation.

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APPENDICES

Appendix 1: Interview Guide

Abstract

The focus of this work concentrates on the sale of wine via the Internet through online social networks like Facebook. These can facilitate links between the producer and the consumer. They offer registered members a tool to help find locations and points of control for potential wine storage, they can access the producer's catalogue and other features which are relatively simple to install. This also allows the wine producer to intervene at any time to modify the wine catalogue. Social networks provide benefits and can improve sales in parallel with traditional commerce.

Through an exploratory qualitative study conducted among wine growers, we present the possible uses for sale on social networks and their understanding of such systems. The results, limitations and future directions will enable us to conduct the subsequent confirmatory analysis.

Terms of Service

- No respondent:
- Date:
- Location (home, work or other please specify):
- Beginning of the interview: End of interview:

Beginning of the interview

Thank you for accepting to spend the time to help me conduct this study. The purpose of the interview on social networks is to explore the possibility of an online link between wine producers (growers, cooperatives, etc.) and consumers of wine (or friends of consumers). I invite you to talk freely and spontaneously, all information is interesting.

1. Introductory phase: Internet use in general

Could you tell me about your Internet use?

- Email:
- Information Retrieval:
- Purchase:
- Sale:
- Chat:
- Other: (Specify)

How often do you connect to social networks on the Internet?

Why do you use these social networks: Create customer contacts, communicate with them, to write on the wall of your friends, find new friends to communicate with, etc.?

2. Phase centering on e-commerce

Now I would like you to remember your past visits to vendor's sites for Internet shopping. By "commercial sites", I mean sites that offer products such as books, music CDs, DVDs, cars, travel, hotels, air tickets, train tickets, banking etc..

Can you remember a visit to a particular site to search for product information or to purchase a product?

- What did you think of this site in general?
- What use are social networks like Facebook to you?

3 Phase of deepening

Theme 1: representations of social networks

- What do you think of social networks in general?
- What represents to you a useful social network for your business, as a producer of wine?
- How do you use the latter as part of your business?

Theme 2: Emotions and the feelings on a social network dedicated to wine

- Could you describe the feelings you would associate with a social network dedicated to wine?
 1.
 2.
 3.
 4.
 5.
 6.

7.
8.
9.
10.

Thank you for reading the text that follows:

"As a producer of wine, I log onto my social network site dedicated to wine, contact an expert to offer membership to *the "club of wine connoisseurs"*, present my catalogue, and ask if the customer agrees to take delivery of orders placed through my social network or via my website. In this way, the other club's fans can retrieve their orders at a time and location convenient to them. The expected command, stored in a place of trust (with a member of the club). The customer can be assured that the wine is stored in a place of trust, as it has been verified with a member of the club. In return, as a wine grower, I offer a box of my best vintage every year or a discount on any order of their choice to the member storing the wine. Thanks to the geographic location application, installed on the social network, the ability to display the locations of club members is provided. The social network allows the company to put any new contacts into direct contact with other club members (for deposits or purchase). In this way, anyone interested in buying a product from my catalogue via my social network can be reassured that they can pick up their order at any time and within 10 km from their place of residence. I undertake to provide the same rates as those offered for purchases directly from my vineyard. In this way I can reach more people, with more features than an e-commerce website, through the establishment of a more economical and efficient logistics system, due to its accessibility. Friends of my friends have formed a community, *"the club of wine connoisseurs"*, which promotes the delivery of goods (bottles or cartons of wine) under conditions that the consumer feels comfortable with. So I can sell more goods and send a higher stock to any given location, without having to pay as much as if I used the services of a carrier."

(To read several times if necessary)

Your opinion?

- Have you experienced anything similar to these statements?
- If yes, could you tell me about an experiment of this kind involving a social network?
- In your opinion, what did you have experienced these states?

Theme 3: Background to the approach

- What have you bought on a particular site and not another?
- What makes you spend more time on one site over another?
- What makes you return to a merchant's site?
- What are the factors that encourage or discourage you to revisit a particular site?

Theme 4: the perception of the authenticity of a wine shop on a website

- What evokes the notion of authentic wine for you?
- What makes you think that a wine is authentic when you buy a bottle
- In-Store?
- On an e-commerce website?

- **What are the signs / information which indicate the authenticity of wine when you buy online?** (Please quote the following for each proposal)
 - Label:
 - The colour of the label?
 - The presence of a castle or an image reminiscent of the region (cluster, leaf, vine?)
 - The information herein (vintage, appellation, name of owner-grower, serial number ...?)
 - Other?
 - The shape of the bottle?
 - The cons label?
 - The collar?
 - Other?
- **What do you expect, as a wine professional when you're on a wine merchant's website, to convey an image of authenticity or to promote a local wine?**

Concluding phase

- To summarise, what would make you say, after visiting a social network site: *"I visited a really good site that gives me the urge to become a member, to buy and explore it further"*?
- The ideal social network?

Information about you

- Sex:
- Do you have a computer at home:
- Do you have a home Internet subscription: **(Broadband / dial-up)**
- Age: () less than 18 years, () between 18 and 30 years () between 30 and 40 years () more than 40 years.
- Education:
- Occupation:

Your actions and statements have been observed and recorded: you can rehear your interview and if desired obtain its removal or destruction.

Appendix 2: respondents attributes

	Wine prices bigger than the market price	Wine prices closed to the market price
Junior (<45 years old)	<ul style="list-style-type: none"> • C de B (F G, employee, and de N, shareholder) • Chateau Chorey (B G, owner) 	<ul style="list-style-type: none"> • Maison B (D B, négociant) • Domaine H et G B (F, son of the owner) • Domaine B-M (J-L, employee) • Domaine M C (D, owner) • Maison P et R (G G, son of the owner) • Domaine M (V, wife of the owner)
Senior (> 45 years old)	<ul style="list-style-type: none"> • L M-B (wife of the owner) • J G (owner) 	<ul style="list-style-type: none"> • Domaine T V <ul style="list-style-type: none"> ○ T (owner) ○ E (wife of the owner)

	Name of the interviewed people	Name of the estate	Average price in euros	Age	Web 2.0 & Internet Expertise	Gender	Profile	Date of the meeting	Main wine appellation produced
1	L M-B	Domaine L	6-118	55-65	-	F	Wife of the owner	25th July	Vosne-Romanée
2	V T	Domaine T V	7-36	45-55	-	M	Owner	27th July	Pommard
3	V E	Domaine T V	7-36	45-55	-	F	Wife of the owner	27th July	Pommard
4	M V	Domaine R M	8-40	35-45	-	F	Wife of the owner	28th July	Vosne-Romanée
5	J G	Domaine J G	8-100	45-55	-	M	Owner	28th July	Hautes- Cotes de Nuits
6	C D	Domaine M C	6-30	35-45	Blog	M	Son of the owner	2 nd August	Saint-Aubin
7	B	Domaine H et G B	6-45	25-35	Facebook	M	Son of the owner	31st August	Saint-Romain
8	J-L	Domaine B-M	6-43	18-25	High	F	Employee	31st August	Meursault
9	B D	B	20-50	35-45	Average	M	Négociant	2th September	Beaune/ Corton
10	B G	Chateau C	15-60	35-45	-	M		3rd November	Beaune Premier Cru
11	G G	Maison P et R	7.5-8	25-35	High	M		3rd November	Crémant
12	F G et de N	Ch de B	19-100	35-45	Average	M & F		4th November	Savigny-les-Beaune