Consumer preferences of rosé wine: an analyses trough the Best-Worst method

Paola Corsinovi
Department of Business Economics, University of Verona, Italy
LICOS, Centre for Institutions & Economic Performance, KU Leuven, Belgium- PhD Visiting
paola.corsinovi@univr.it

Davide Gaeta
Department of Business Economics, University of Verona, Italy
davide.gaeta@unvr.it

Armando Maria Corsi
Ehrenberg-Bass Institute for Marketing Science – University of South Australia
armando.corsi@unisa.edu.au

Purpose: *Most of the studies on consumer behaviour towards wine focused on red or white wine consumption. However, recent market trends are showing a growing interest towards rosé wine. However, little is known about what drives consumer preferences for rosé wine and what the profile of rosé wines consumer is. This works aims at filling this gap, by offering a managerial oriented, yet useful overview of the elements driving the choice in the retail and the on-premise channels.*

Design/methodology/approach: *A Best-Worst questionnaire previously developed in a twelve-country study by Goodman (2009) has been used to collect data from a convenience sample of 317 respondents located in North-Eastern Italy, an area where the production and consumption of rosé wine is historically stronger. Socio-demographic data and information on stated purchase habits towards rose wines completed the questionnaire.*

Findings: *The research evidences the informational and promotional gap rose wines have compared to red and white wines. Rosé is mostly chosen where is produced and known. Consumers do not choose to buy a wine because they have read about it. They want to try something different, match it with food when they are at restaurants and they tend to read information on shelves in a retail setting.*

Practical implications: *This is the first study using the BWS method for the analysis of choice drivers of rose' wines. Findings from this research provide information to help the design of successful rosé wine business marketing strategies for different wineries.*

Key words: Best-Worst scaling, Italy, On-premise, Retail, Wine choice.

1. INTRODUTION

The present research aims at understanding the attributes able to drive consumer choices towards rosé wines in the in the retail or the on-premise setting. Our goal is to identify significant differences between segments of the population, so as to give marketers a powerful tool to develop efficient marketing strategies in the specific case of rosé.

Rose wines have been penalised for a long time. One of the worst beliefs about rosé is the idea that these wines are made by mixing white and red wines, as several producers and restaurateurs tended to mix it in the past to obtain an awful pinkish coloured wine[1]. The lack of market data about rosé wines in Italy confirms that this wine is partially undervalued against other types. In 2010 world production of rosé wine has reached 25.3 million hectoliters. This value represents 10% of the world wine production. The production structure of Italian rosé wines in 2010 was characterized by an increase of 10% in volume compared to 2009 (AGEA, 2012). In particular, the trend in the last two years shows an increase in the Geographical Indication wine and sparkling wine and a reduction in the production of wine Denomination of Origin. The 40% of the production is located in the Puglia region (South), followed by Veneto, Lombardy (6%) in the north and Tuscany, Emilia Romagna (Centre)[2]. In front of a large production of this wine, does not meet an adequate level of consumption data. In France, rosé wine has reportedly eclipsed white wine, at least in volume terms, accounting for one in five bottles sold domestically. The Provence Region represents the specialised producing areas that cover the 6.5% of world production.

Europe represents more than 65% of rosé world wine consumption. The *Observatoire mondiale du Rosé,* showed that in 2010, the major states of rosé wine consumers were France 33%, USA 14%, Germany 7%, Italy 6%, etc. France is the first world importer of rosé (28%), followed by UK 24% and Germany with 13%. Similarly the major exporting countries are represented by Italy with 36 %, Spain 26%, USA 10%. The New world countries as Australia, Chile, and South Africa accounted for 10%. According to this data, the world of rosé is still unknown to the academic sector. Among the different goals that inspired this research there is the unusual fact that in Italy, the general lower consideration of rosé wines than the other wines. Typical market research investigated about wine and their different habits but both in literature that in the market the information about production and consumers profile of rosé are main missed and unclearly.

The authors decided to apply the Best Worst (BW) method to investigate the influence on consumer choice for rosé wine. It has become popular and recognized as one of the most reliable in this field, especially in wine marketing research (e.g. Casini *et al.*, 2009; Cohen, 2009; Mueller *et al.*, 2010a) both across the country that in italian consumption.

The work is organised as follows. First, a literature review summarising the main wine choice drivers in the retail and on-premise setting will be presented. This is followed by a description of the methodology and sample. We will show the main results of the research followed by suggestions for producers to effectively market rose wines to the Italian population. Limitations and avenues for further research close up the work.

2. LITERATURE REVIEW

The literature about the way consumers purchase wine in both the retail and on-premise setting is now days very wide. Many authors have experimentally shown the extent at which eating habits and preferences are constructed under the influence of different consumption occasion and the social groups they are exposed to. As shown by Goodman (2008, 2009), much of the literature on attribute importance in wine marketing is based on surveys, where consumers respond to questions about the

---

[1] The rosé wine production is obtained by the fermentation of red grapes, except for some base wines used for the sparkling wines where the bland grapes (with and red) is allowed before the fermentation.

[2] AGEA (Italian Agency for payments in agriculture) and Infocamere (company of commerce chambers) Database.

values of various intrinsic and extrinsic attributes. It is possible to explain this behaviour by considering that when consumers make choices, they are concerned with an enormous amount of information such as varietals, brand labels, and grocery retailers' indications. In a recent paper, Lockshin and Corsi (2012) provided the status report about the most relevant research published about the methods of investigation and their critically application in the recent of wine consumer behaviour. The authors argued that consumers' purchasing behaviour is affected by a range of different factors, which lead to differences in the way consumers approach wines.

In relation to the retail setting, articles focused on retail stores measuring intended purchasing as influenced by personal characteristics (involvement), or purchasing context (price or tasting promotion). The studies of Lockshin *et al.* (2009), Goodman (2009) identified price, grape varietal, region of origin, food and wine pairing information and promotion, sensory descriptions, and awards as key wine list elements. Along with price promotions, wines are often offered for tasting, because consumers report they like to know how a wine tastes before buying it. Lockshin and Knott (2009) measured the effect of free wine tastings on sales before. Orth and Bourrain (2005) looked at the influence of ambient scent on wine buying behaviour and more pleasant scents increased variety seeking and curiosity motivated behaviour. This had effects on the importance of the standard elements consumers use in deciding which wine to buy, such as label colour, taste and grape variety.

Lockshin and Corsi (2012) argued that consumers seem to be less confident when purchasing wine in a restaurant than in a store. In the on-premise purchasing, previous research focused on where on premise (restaurants, bar, café) wine consumption behaviour and preferences are the primary purpose. Consumers generally look for recommendations, and when they don't receive them from the waiter/sommelier or other people at the table, they try to remember what was tried in the past or read about. In choosing a wine, price and region are the two most important drivers, while the role of food-matching suggestions is still debatable.

One of the most important works that has investigated about consumer preferences of wine in Italy, was made by Casini *et al.* (2009) that applying the Best Worst Scaling (BWS) method, which already proved to be very successful for the study of consumer preferences, especially in cultural comparison across different States (Cohen *et.al.*, 2003; Lee *at.al.*, 2007). The authors identified the thirteen most influential attributes for the choice of a wine in both the retail and the on-premise setting, part of which have been indicated in the Goodman *et.al.*(2005). The data from Italy suggested that the main important attributes in the retail channel were previous experience, personal recommendations, and the taste of the wine. On the other side food matching, having tried a wine before, and having read about a wine are the three most important elements in on-premise behaviour, while the alcohol content and the availability in half bottles are the two least important choice drivers. The authors also found some differences in respondents' preferences based on age, involvement level, and the geographical part of Italy they were from. It is important to know that all these attributes has different impact on demographic variables like age, different income levels or involvement and frequency on consumptions. These socio-demographic variables are necessary to define customer segments that have distinct wine preferences, habits and behaviour (Seghieri *et. al.*2007).

3. METHODOLOGY

The present work uses the BW method to investigate the preferences of Italian consumers towards rosé wines. BWS uses consumer choices of the best and worst or most and least important items in a set, which are usually concepts or written attributes, in a designed study to create a ratio-based scale (Muller *et. al.* 2010). The questionnaire is divided in two parts. The first includes socio-demographic and consumption habits, while the second is actually represented by the BW section. The choice sets are designed according to a balanced incomplete block design (BIBD) with thirteen attributes, each appearing four times across the different choice sets (Goodman et al., 2009). Each

choice set consists of four attributes, out of which the respondents are asked to choose the attribute, which influences their choice the most and least. Researchers prepared two different versions of the questionnaire: the first asked respondents to choose the elements driving the choice of rose wines in a restaurant, while the second sought information about the attributes influencing the choice of a rose wines for a meal with his/her friends (for the on-premise format), or for a dinner at home with his/her friends. The BW score (Goodman, 2009) is calculated from the data, by subtracting the total number of times each attribute is selected as the worst to the number of times it is selected as the best. This value is then divided by the number of respondents who took part to the survey and the frequency of appearance of each attribute in the experiments, thus obtaining a standardised BW score, which is comparable across studies and samples. The results are referred to as a "level of importance". Each attribute has a coefficient (number), which is an true representation of its value to the consumer. The nature of the method and resulting analysis means the numerical score is not just a rank order, but shows the degree of preference and can be compared between countries and segments to indicate similarities and differences. As shown in the in the literature, the BWS method has many advantages: for example it is free from individual scale usage bias and infers a ratio level importance scale that allows for comparisons across consumer segments (for detailed review see Cohen *et.al.* 2009).

4 SAMPLE

Researchers collected a total of 317 questionnaires from a convenience sample located in two distinct geographical areas. The first in the north of Italy between the provinces of Brescia and Mantova (Lombardy Region); Verona and Vicenza (Veneto Region). Both Lombardy and Veneto Region have a producing and consuming tradition of rosé wines. Franciacorta DOCG sparkling wine (from Brescia Province) and Bardolino Chiaretto DOC (from Verona Province) represents two of the most famous rosé wines produced in these area. Questionnaires were collected from March to April 2012 through "*face to face*" interview and during wine testing and seminar meeting organized in these areas. The sample was divided in two different groups based on the retail and on-premise channels. Among these, the mainly consumer profile regarding the age (18-39, 40-55, over 55 years old), the level of involvement in wine and dining (low involved, medium involved and high involved) and the frequency of drinking (low frequency drinkers and high frequency drinkers)[3].

Table 1. Respondents by categories

Variables	Levels	Number of respondents	
		Retail n. response	*On-Premise n. response*
Total	317	163	154
Age	18-39	124	108
	40-59	32	38
	Over 60	7	8
Wine Involvement	Low involvement	9	6
	Medium involvement	61	60
	High involvement	93	88
Dining Involvement	Low involvement	13	14
	Medium involvement	85	84
	High involvement	65	60
Frequency of drinking	Low	9	16
	High	154	138

---

[3] Casini *et.al.* 2009, in order to specify the concept of involvement, were considering the people regarding the interest people devote to wines and dining habits. The group with scores ≤ six points were classified as ''low involved'' consumers, from 7 to 11 ''medium involved'' and above 11 points as highly involved in wine. Consider the frequency, the authors showed that the respondents who drink wine more than once a week have been grouped in high frequency drinkers, while who consume wine less often have been consider in the low frequency group.

Table 1 shows the number of responses per category in both of distribution channels regarding the first part of questionnaire among general consumers information and their level of involvement.
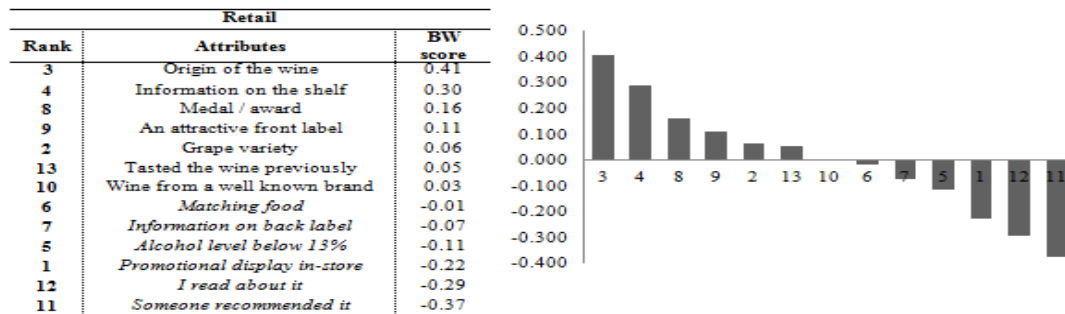
5. RESULTS

Results show that 83% of respondents know rosé as wine produced with special production techniques: only 17% have mistakenly informed about the nature of the product, including an 11% see this wine as a product of mixing, while another 6% consider it a red wine discoloured. Most of them, consider that this wine came from Italy (83%) and 17% outside (for example, France, Australia and Chile).
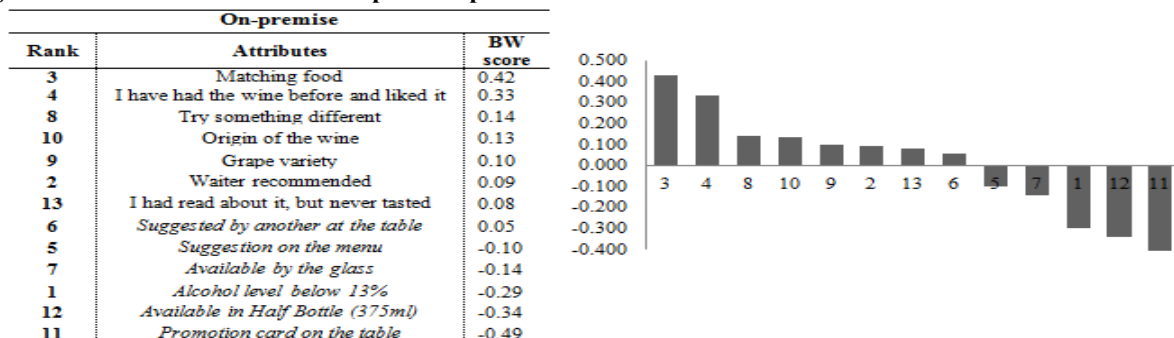
5.1 Choice drivers of rosé wine

As described above, the second part of this study looked at the impact of choice drivers during the purchasing rosé wine in a restaurant than in a store (Retail and On-Premise). The BW analysis for both the retail (Figure 1) evidenced that the main two attributes driving the choice were the "origin of the wine" and "information on the shelf". On the other side there seems to be little concern about medal/awards and an attractive font label. Consumers tend to buy what they already tried; they can select it in any case, whether the product was promoted or not. The alcoholic level of the wine is another attribute, which deserves limited attention. An interesting aspect to underline from these results is that the choice attributes as "I read about it" and "Someone recommended it" does not seem to be an important element for the choice of rosé wine. These results are in contrast with what Casini et.al 2009, found concerning the importance of retail segment attributes. The consumers give a very high importance to previous experiences with a wine (Rank 13), matching food (Rank 6) and gives less influence by "Alcohol level" (Rank 5) and "Promotion display in store" (Rank 1).

Figure 1. BW attributes for the Retail preferences

Rank	Attributes	BW score
3	Origin of the wine	0.41
4	Information on the shelf	0.30
8	Medal / award	0.16
9	An attractive front label	0.11
2	Grape variety	0.06
13	Tasted the wine previously	0.05
10	Wine from a well known brand	0.03
6	Matching food	-0.01
7	Information on back label	-0.07
5	Alcohol level below 13%	-0.11
1	Promotional display in-store	-0.22
12	I read about it	-0.29
11	Someone recommended it	-0.37

The answers regarding the on-premise segment (Figure 2) show that the main two attributes that drive the choice were "Matching food" and "I have had the wine before and liked it" in the on-premise preference.

Figure 2. BW attributes for the On-premise preferences

Rank	Attributes	BW score
3	Matching food	0.42
4	I have had the wine before and liked it	0.33
8	Try something different	0.14
10	Origin of the wine	0.13
9	Grape variety	0.10
2	Waiter recommended	0.09
13	I had read about it, but never tasted	0.08
6	Suggested by another at the table	0.05
5	Suggestion on the menu	-0.10
7	Available by the glass	-0.14
1	Alcohol level below 13%	-0.29
12	Available in Half Bottle (375ml)	-0.34
11	Promotion card on the table	-0.49

At the same time, "Try something different" and "Origin of the wine" seem to be relatively influential. However consumer choices do not seem to be affected by the "Available in half bottle" and the "Promotion card on the table". This one is not common in Italy, so people are not used to choosing a wine following promotional cues like in other country.

It is strange to observe that the possibility to have a wine available in half bottles (ml 375) is not important. It has to be considered that new and more restrictive drink driving laws favour the decrease of alcohol intake in on-premise locations. Compare to Casini et al. (2009), it is interesting to note that the first two attribute and the last two attributes (Best and worst) are the same. However, differently from this study, the third positive attribute was "I had read about it, but I never try" followed by "Region".

6. MANAGERIAL IMPLICATIONS AND CONCLUSIONS

This study had the objective of the first survey on the consumption of rosé wines in Italy with the methodology of the Best Worst, already applied previously. The research was carried out among the Italian population between March and April 2012. The interview is characterized by 62 % male and 38% female. Among of these, the 54% of male and 34% of female consumed rosé wine, while 8% of males and 4% of females said they had never eaten before. From consumption habits point of rosé consumers profile prefers the sparkling rosé 62%. The 51% of the sample consumed less than a month ago (February 2012), during the lunch or dinner at home, with his/her friends.

The main attributes driving the choice of rose wines in retail and on premise channels, are the origin of the product and the nformation and matching on food and try to same different. From this point of view, it is important to say that the origin of the wine justifies consumer's choices. Rosé is a product that is consumed where it is produced and known. Consumers do not choose to buy a wine because they have read about it, they want to try something different, and they want to match it with the food they have at the restaurant. Shelf information is important is also an important choice driver in the retail setting.

These results confirmed our research choice also the gap of information and promotion in rosé wine fields. Nevertheless, this work has limitations. The data collected is not a large of representative sample to enable generalizations, the results shown in tables above provide the interests and know in rosé wine typologies and consumption. This is a convenience sample and it is not possible to extend the results to the entire population. Researchers have carefully selected the attributes to put in the survey, according to what literature found so far. However, it is not possible to state with certainty that these are the 13 most important attributes that influence rosé wine choice behaviour. This indicates that we do not know the effective correspondence with the purchase.

Since we view this as a first exploratory step into the use of discrete choice experiments for the study of wine menu creation, we see the study of menu planning as a future research venue once the results are validated. Further research is needed to examine the deeper needs identified in this study, for example verify if our consumer stated to be the most important elements the choice of rosè wine actually represents the main purchase drivers both in the retail and on premise sector; what sort of information is actually sought, what weighting of importance is attached to various origins of the wine, what cues are there in various brand names.

7. REFERENCES

Casini, L., Corsi A.M. and Goodman, S. (2009), "Consumer Preferences of Wine in Italy. Applying Best Worst Scaling", International Journal of Wine Business Research, No.21, pp.64-78.

Cohen, S.H. and Neira, L. (2003), ''Measuring preferences for product benefits across countries: overcoming scale usage bias with maximum difference scaling'', ESOMAR 2003 Latin America Conference Proceedings, Amsterdam.

Cohen, E., D'hauteville, F. and Sirieix, L. (2009), "A Cross-Cultural Comparison Of Choice Criteria For Wine In Restaurants". International Journal of Wine Business Research, No.21, pp. 50-63.

Goodman (2009), "An International Comparison of Retail Consumer Wine Choice", International Journal Of Wine Business Research", Vol. 21, pp.41-49.

Goodman, S., Lockshin, L. and Cohen, E. (2006), Using the Best-Worst method to examine market segments and identify different influences of consumer choice, *3rd International Wine Marketing Symposium Proceedings*, (CD-ROM), Montpellier, July

Goodman, S., Lockshin, L. and Cohen, E. (2008), "Examining market segments and influencers of choice for wine using the Best-Worst choice method", Revue Internationale des Sciences Sociales –Special Wine Marketing Edition, January.

Goodman, S. Lockshin, L., Cohen, E., Fensterseifer, J., H. Ma; F. d'Hauteville, L., Sirieix f , U. Orth g, Casini L., Corsi A., Jaeger S., Danaher, P., Brodie R., Olsen J., Thach L., Perrouty J.-P. (2008), International Comparison of Consumer Choice for Wine: A Twelve Country Comparison. *4th International Conference of the Academy of Wine Business Research,* Siena, 17-19 July, 2008.

Goodman, S., Lockshin, L. and Cohen, E. (2005), Best-Worse Scaling: A Simple Method to Determine Drinks and Wine Style Preference, *2nd International Wine Marketing Symposium Proceedings*, Sonoma CA., July 8-9, 2005.

Lee, J.A., Soutar, G.N. and Louviere, J. (2007), ''Measuring values using best-worst scaling: the LOVexample'', Psychology & Marketing, Vol. 24 No. 12, pp. 1043-58.

Lockshin L. and Corsi A.M. (2012), "Consumer behaviour for wine 2.0: A review since 2003 and future directions". Wine Economics and Policy (In press-Author's Accepted Manuscript).

Lockshin, L. and Knott, D. (2009), "Boozing Or Branding? Measuring The Effects Of Free Wine Tastings At Wine Shops". International Journal Of Wine Business Research, 21, 312-324.

Orth, U. R. and Bourrain, A. (2005), "Ambient Scent And Consumer Exploratory Behaviour: A Causal Analysis", Journal Of Wine Research, Vol. 16, pp. 137-150.

Mueller, S., Osidacz, P., Francis, I. L. and Lockshin, L. (2010), "Combining discrete choice and informed sensory testing in a two-stage process: Can it predict wine market share?" Food Quality and Preference, N.21, pp.741-54.

Seghieri, C., Casini, L. and Torrisi, F. (2007), "The wine consumer's behaviour in selected stores of Italian major retailing chains", International Journal of Wine Business Research, N.19, Vol. 2, pp. 139-51.