# EXPERIENCING A PLACE AND APPRECIATING ITS WINE: HOW DOES ATTITUDE TOWARD PLACE TRANSFER TO ITS PRODUCTS?

Albert Stöckl, University of Applied Sciences Eisenstadt

Andreas B. Eisingerich, Imperial College London

Omar Merlo, Imperial College London

## **INTRODUCTION**

Tourism is a multi-billion industry (by many measures the largest single industry in the world) and is growing globally. Nowadays customers have a large number of choices of tourist destinations, and these choices are continuously growing. A key question for any tourist region is then how to build and sustain strong and meaningful relationships with visitors, especially when the latter have an ever increasing number of choices and exhibit variety-seeking behavior. What is the best way to communicate with customers to build a bond? The current study considers customers attitudes regarding a region's attributes in terms of offering an experience that is high in perceived quality vs. high in pleasure elements, and how this translates into visitors' relationships with products from that region and the likelihood of recommending the tourist destination to others.

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#### THEORETICAL BACKGROUND

Our conceptual framework is illustrated in Figure 1. Based on hedonic and utilitarian theory (Hirschman and Holbrook, 1982), we posit that customers perform consumption behaviors based on two basic reasons, which are quality and pleasure driven. The study presented here investigates the idea of transferability of attitude toward a place on perceived value for money and its outcomes.

Our definition of quality and pleasure are based on a goal-based-approach. We argue that customers primarily consume products or services for two main reasons: Quality and Pleasing. "Quality" refers to the extent to which customers perceive a destination to be high on rational quality dimensions such as , while "Pleasure" refers to the emotional, aesthetic, experiential and enjoyment elements arising from visiting the destination (Alba and Williams, 2013; Batra and Ahtola, 1991, Chitturi et al., 2008, Chitturi et al., 2007, Eagly and Chaiken, 1993, Eagly and Chaiken, 1998). After evaluating a destination's quality and pleasure dimensions, customers will form an attitude pertaining to that place's value for money, and that value will in turn determine customers' wiliness to support products from

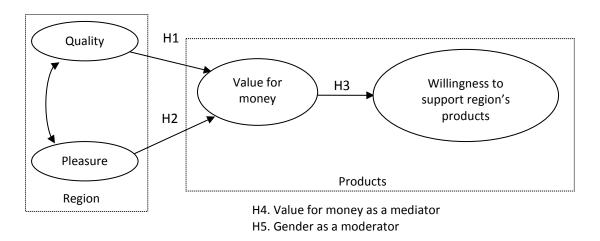


Figure 1. Region-to-Product Model

that region.

Salient Associations and Transferability of Attitude. Extant research suggests that attitude can transfer from one attitude object to another attitude object. One prominent example of the transferability of attitude is brand extensions. Both direct and indirect experiences with a brand (the attitude object) can determine a customer's attitude toward a brand. Dove, for example, positions itself as "Dove is not soap" because it contains ¼ moisturising cream. As a result, Dove's image is that of a nourishing soap bar. This message impacts the whole soap bar industry because Dove is a first mover with regard to adding new attributes to a soap bar. Also, the Dove brand was successfully extended into other categories, such as the hair care and skin care categories, where the attitude was successfully transferred. In a similar fashion, we posit that attitudes toward a region's attributes (Quality and Pleasure) can also transfer to the region's products. Much research has focused on attitude transferability

from products to products, or brands to brands. However, this is the first study to focus on transferability from places to products.

**Country-of-origin Effect.** Schooler (1965) argues that one of the problematic issues for international marketers is "foreignness" of the products or services, which can affect how the product is regarded in different countries. Verlegh and Steenkamp (1999) suggest that the country of origin can affect evaluations or biases against particular regions. For example, customers may display more favourable responses to a Swiss made watch compared to others. Country-of-origin effects are based on biases held toward a specific region. In contrast, the region-to-product effect derives primarily from associations between a region and its products. And these associations can take many forms, not just that of a bias.

Therefore, we hypothesise that attitudes toward quality and pleasure derived from visiting a specific region have a positive impact on perceptions of value for money of that region (Hypothesis 1 and 2). The higher the extent to which customers perceive a region to represent good value for money, the higher the willingness to support the region's products (Hypothesis 3). Finally, we also investigate the role of value for money as a mediator (Hypothesis 4) and gender as a moderator (Hypothesis 5).

## **METHODOLOGY**

We generated an extensive list of items to capture a customer's attitude toward a regions' attributes. Based on Orth and Tureckova (2002) 34 motivational, attitudinal and other variables representing cognitive and emotional states of mind with respect to "place experience" and "attitudes towards local products" were employed. According item batteries have been developed and successfully applied in previous studies by Zins (1999). The items tapped on a variety of aspects pertaining to a regions' attributes focusing on "value for money" and "willingness to support region's products". Previous batteries (Zins, 1999 and Orth & Tureckova, 2002) were adopted and, after initial pretesting, the factors were reduced to six items, which effectively capture the quality and pleasure aspects of a region. We tested these six items with 3323 customers, who voluntarily completed the questionnaire. To increase the robustness and generalizability of the scale, the data collection effort took place in 14 regions in 8 different countries. Specifically, customers from 14 wine regions were asked to answer whether they agreed or disagreed with a number of statements regarding the wine regions they had visited. All participants evaluated the items based on 7-point Likert-scales anchored by "strongly disagree" (1) to "strongly agree" (7). Pleasure was measured using a seven-point three-item Likert scale based on Mehrabian and Russell (1974). These included "happy" (1), "unhappy" (7); "pleased" (1), "annoyed" (7) and "contented" (1), "melancholic" (7).

## **RESULTS AND DISCUSSION**

**Measure Results.** Data were collected across 14 wine regions. The total respondents were 3323 and the completed and usable surveys were 1,111 in total. Forty-eight percent were male, and the average age was 42 years (s.d.= 14.90; range: 18-87). Fifty-two percent were

female, with an average age of 39 years (s.d.= 14.35; range: 18-86). Each respondent answered questions pertaining to one specific wine region (the region they visited). Before completing the survey, the respondents were asked how well they knew the wine regions. We wanted to capture the associations made between the destinations and the products of the region, by transferring the attitude toward a region's attributes and the attitude regarding the value for money from the regions.

We conducted a factor analysis resulting in two factors with two fixed factors. In order to confirm the robustness of the scale, we chose the items that loaded higher than .70 on their constructs or that displayed little cross loadings on other factors. Table 1 exhibits results from the varimax rotated factor pattern and loadings. The first factor consists of 3 items capturing the quality dimension of the regions. Three items explain the extent to which consumers evaluate the perceived quality of the regions they had visited. We named this factor as "Quality". The second factor stems from three items describing the pleasure and enjoyment experience derived from the visited region. We labelled this factor as "Pleasure".

We conducted two confirmatory factor analyses (CFAs) of the six remaining items, to confirm the two factor model of the region-to-product model. The first model allowed the two factors (Quality and Pleasing) to correlate (r = .74 and  $\chi^2(1) = 9.379$ ); the second model forced the two factors to be perfectly correlated ( $\chi^2(2) = 54.947$ ). The change in Chi-square  $\Delta\chi^{2(1)} = 45.568$ ; p<.000) reveals that the first analysis fits the data better, confirming the two-factor region-to-product model. In addition, we also tested the reliability of the two factors separately. The Conbrach's alpha among the three items of Quality and Pleasing suggest that both factors have good reliability ( $\alpha_{\text{quality}} = .718$ ,  $\alpha_{\text{pleasure}} = .686$ , respectively).

**Test of H1, H2, and H3.** To test the region-to-product model, we use structural equation modelling (SEM) with AMOS 21.0. The results confirm our hypothesis. Quality and Pleasure have a positive impact on perceptions of a region's value for money ( $\Upsilon$ = .27, p<.001;  $\Upsilon$ = .27, p<.001, respectively). Then we investigated the relationship between value for money and willingness to support a region's products, and the result confirm the hypothesized positive relationship ( $\Upsilon$ = .248, p<.001).

**Test of H4.** We adopted the steps recommended by Zhao et al. (2010) and Baron and Kenny (1986) to test the mediation effects. In addition to testing for indirect effects we adopted the procedure from Preacher and Hayes (2008). The casual variables were Quality and Pleasure; and the mediating variable was value for money. The outcome variable was willingness to support the region's products. All coefficients presented here are unstandardised.

The estimated direct effect of Quality on willingness to support a region's products, controlling for value for money, was not significant ( $\Upsilon$ = -.175). Therefore, it was eliminated in the mediation analysis. In the next step, we tested the estimated direct effect of Pleasure on willingness to support a region's products, controlling for value for money, and this was significant ( $\Upsilon$ = .548, p< .01). These results indicate that the total effect of Pleasure on Wiliness to support a region's product is significant ( $\Upsilon$ = .631, p<.01). Pleasure is significantly predictive of the hypothesised mediating variable, value for money  $\Upsilon$ = .298, p<.01). When controlling for Pleasure, value for money was significantly predictive of willingness to

support a region's products ( $\Upsilon$ = .278, p<.01). Willingness to support a region's products is linked to Pleasure and value for money, with adjusted R<sup>2</sup> = .34. The Sobel z score was significant. (z= 3.09, p<.01). In conclusion, the indirect path was significant, the indirect path of Pleasure on willingness to support a region's products though value for money was statistically significant, and therefore, the effect of Pleasure on willingness to support a region's products was partially mediated by value for money. Lastly, there was no mediation effect of value for money on the Quality-willingness to support a region path.

**Test of H5.** In order to test whether gender acts as a moderator, we performed SEM using a multi-group latent variable modelling approach with gender as the grouping factor and investigated the change in the effect of Quality and Pleasure on value for money, and perceived value on willingness to stay with the brand. In this data set, we had 536 male respondents and 575 female respondents. As shown in table 3, the results suggest that Quality had a positive effect on perceived value ( $\Upsilon$ = .36, p<.01), but Pleasure has no significant effect on perceived value ( $\Upsilon$ = 14, p> .05). Perceived value, in turn, has a significant impact on willingness to support a brand ( $\Upsilon$ = .45 , p<.001) in males. For females, the results showed that Quality and Pleasure had a significant impact on value ( $\Upsilon$ = .20, p<.001;  $\Upsilon$ = .37, p<.001, respectively), and value had a significant impact on willingness to support the brand ( $\Upsilon$ = .52, p<.001).

**Control Variable.** To estimate changes in willingness to support a region's brand is not driven by consumer inertia, we employed regions in the data collection process as a predictor. The specific region had a positive impact on willingness to support a brand ( $\Upsilon$ = .11, p<.001)

## CONCLUSIONS AND IMPLICATIONS FOR THEORY AND PRACTICE

Results from this study provide support for the idea that attitude toward a region's attributes (Quality and Pleasure) has a positive impact on the perceived value for money of its regional products. This confirms our region-to-product model and shows that visitors' associations with a region translate into associations about products from that region. The association between regions (place) and its products is thus supported. In addition, attitudes toward a region's attributes strengthen a customer's willingness to support the region's products. Lastly, men and women vary in their responses across the model.

Theoretical Implications. This research makes three important theoretical contributions. Firstly, the results support the region-to-product model. This means that the attitudes toward a region or place can indeed transfer to products from that region. This encouraging findings opens avenues for future research, examining the value added created by a region's products and the inter-linkages between tourism and the marketing of a region's products. Secondly, we found that the impact of Pleasure on willingness to support a region's products was partially mediated by perceptions of value for money. In contrast, the mediation effect was not found in the relationship between Quality and willingness to support a region's products. Lastly, we found that gender plays an important role in the attitude transfer process. During the process, men only take quality into consideration when making judgements about the products. However, women consider both Quality and Pleasure in their attitude transfer process.

Managerial Implications. This study makes a number of significant contributions to the tourism industry, some of which have already been discussed above. We believe that a particularly interesting implication is the fact that tourist destinations which mainly target male tourists should consider positioning the place heavily on the quality offered by the destination. This is because male tourists tend to consider quality as an important factor in evaluating value for money. However, tourist destinations which mainly target female tourists could consider providing information about both Quality and Pleasing dimensions.

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