

Motives to adopt a social media communication strategy: the case of Bordeaux wine estates and merchants¹

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Abstract

◦**Purpose:** *Social media are relevant to target Y-Generation and to attract these new consumers, without excluding traditional consumers from communication. They are easy to use and it becomes possible to measure a return on investment. What can explain that some actors engage in social media while some other do not? We try to answer this question in the case of the Bordeaux wine industry, especially for wineries and wine merchants, by identifying their motivations to engage in the digital world.*

◦**Design/methodology/approach:** *A qualitative exploratory approach is developed: 17 in-depth interviews are conducted.*

◦**Findings:** *Actors look for improvement of their notoriety and the development of interactions with consumers, customers or professionals of the sector. Some also look for repositioning their brand to change their image or aim at increasing sales directly or indirectly. They also discover new audiences and a new way of interacting with them in terms of tone, frequency, interactivity and instantaneity. The results are mostly perceived as hard to measure in terms of revenues and return on investment. The distribution system through brokers and merchants, specific to Bordeaux, helps to explain as the same time why some actors engage with social media why other do not.*

◦**Practical implications:** *Even though not active on social media, wine professionals should monitor what is said about their brand. Components of the digital approach are complementary; companies should not bet only on social media.*

Key words: social media, motivations, wine.

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1. INTRODUCTION

According to data gathered in November 2013 on Facebook, 43% of Bordeaux Grands Crus Classés had a Facebook page. Only one third of them had more than 500 fans. Figures associated with social media are impressive all around the world: 1.26 billion of Facebook active users, 500 million for Twitter, 230 million for LinkedIn... Social media respond to the deep social aspiration of human being (Schneckenberg, 2009). But despite such a trend, some wine actors are very active on social media while some others did not start to embrace them. Even if Wilson and Quinton (2012) recognize that the use of social media in the wine industry is in its infancy, such a dichotomy is surprising. The aim of this paper is to understand why it exists and as such to determine the motivations of actors to be active on social media. We focus on the company side.

Social media can be defined as "software tools which enable individuals to share information, collaborate, create and grow communities" (Berners Lee et al., 2006, p. 34). Social media are diverse but main categories are blogs, microblogs like Twitter, professional social networks like LinkedIn, personal social networks like Facebook, content communities like Youtube for videos or Instagram for pictures, recommendations websites like Tripadvisor. The wine sector has some dedicated ones where users can share information and tasting notes: Snooth, Vinogusto, etc.

As a typical experience good, wine generates some classical information issues on markets. In such a context, wine consumers seek for information (Storchmann, 2011) and for risk reducers in purchase (Spawton and Bourqui, 1997)². Social media can be a tool to provide information as well as to increase consumer involvement in wine, through advice and recommendation (Halliburton and Ziegfeld, 2009). Social media has established a contemporary version of word of mouth, 'eWOM', as an important communication channel (Gruen et al., 2005). For Orth and Reisner (2011), some 'loyal leaders' have some extensive social networks, a high level of wine expertise, some strong communication skills and are likely to be followed in their recommendations. The emergence of Millennials – Gen-Y, those born between early 1980s and 1999, constantly digitally connected – as wine consumers is also associated with the development of social media, given that their purchasing power is driven by five major characteristics: internet proficient, diversity conscious, positive and practical, belief in fun, environmentally and socially aware (Thach and Olsen, 2006). Lecat and Pelet (2011) surveyed more than 250 Millennials in Switzerland to analyze how they behave with Digital Social Networks (or DSN, a synonymous for social media), wine purchase and wine consumption. DSN is mainly conceived as a way to collect information (67.19%), a way to spend time (62.85%) and a place to meet and chat with other people (51.80%). Most of surveyed people are members of a group on DSN (67%) but only 7% are members of a wine group. Nearly none of them purchase wine on the Internet. The Millennials generation is very large and very market savvy when it comes to consumer purchase (Nowak et al., 2006). They spend more than 16 hours per week on the internet (excluding e-mails)

² The online wine buyer has received much attention, especially regarding trust and perception of risk. See for instance Quinton and Harridge-March (2006, 2008) for the UK consumer.

(Moriarty, 2004), they trust it and are empowered by its possibilities. In such a context, it is even more surprising to see that only few Bordeaux wineries have embraced social media, at least to try to reach Gen-Y.

On the company or supply side, social media is an interesting marketing tool, even if not recognized as such by all the actors. Reyneke et al. (2010) look for mapping wines in terms in terms of presence in a selection of social media. They reveal a noticeable overall visibility for Château Margaux higher than the other wineries. They also show that Château Lafite-Rothschild is associated with business and networking, Château Mouton Rothschild with individual findings and discussing information about the brand, Château Haut-Brion with enthusiast groups. One key finding is that some luxury wineries/brands don't have a clearly defined social media strategy. Lecat and Pelet (2011) focus on Burgundy wine growers and investigate how social media can contribute to wine sales. The limited interest and lack of understanding from wine growers of possibilities associated with social media is evidenced. Another recent literature focuses on the content. Wilson and Quinton (2012) study a set of 1500 wine tweets and find that Twitter can create soft value (no direct conversion to financial return or in the very long term only) for wine businesses but that hard value (easily converted into financial value) is not currently evident. Doyle et al. (2012) determine how commercial (i.e. marketer-dominated) and non-commercial wine bloggers signal their trustworthiness to readers. The cues used by wine bloggers are not the same according to their commercial orientation, while the frequency of the different cues seems similar.

The lack of understanding of the stakes associated with social media is probably partly due to the difficulty of measurement associated with digital reputation. Indeed, for social media, tools and methods for measurement are not common. But they exist. "Can you measure the ROI of your social media marketing?". For Hoffman and Fodor (2010), the answer is yes but it requires forgetting the traditional ROI to set new measurements that begins with tracking the customers' investments, not the company's investments. It suggests that returns from social media would not be measured in dollars but mainly in customer behavior through brand awareness, brand engagement and as a result brand loyalty. An attempt at measuring financially ROI associated with social media has been done by Kumar and Mirchandani (2012). They reveal a 40% increase of sales, 83% of the ROI and 49% of the brand awareness.

Social media are relevant to target Gen-Y and to attract these new consumers, without excluding traditional consumers from communication. They are easy to use and it becomes possible to measure an ROI. What can explain that some actors engage in social media while some others do not? We try to answer this question in the case of the Bordeaux wine industry, especially for wineries and wine merchants, by identifying their motivations to engage in the digital world.

The remaining of the paper is organized as follows: section 2 presents the methodology and the data, section 3 the findings, section 4 a discussion and conclusion.

2. METHODOLOGY AND DATA

To investigate the motivations of actors, we propose an inductive exploratory approach. We conduct in-depth face-to-face interviews, viewed as a way to facilitate the respondent to reveal attitudes, perceptions and/or motivations. Content analysis is adopted to understand the answers, make synthesis and extract information and opinions.

15 interviews have been conducted between February and September 2013 in Bordeaux area. Several profiles of wine actors were taken into account:

- 6 wineries belonging to the classified growth category, very famous and selling ultra-premium wines;
- 2 small wineries, less famous;
- 2 wine merchants, B2B oriented;
- 1 wine-merchant, B2C oriented;

Table 1 presents the main characteristics of the sample.

Table 1: Main characteristics of the interviewed companies

Name	Category	Ownership	Size (Hectares)	Production (bottles)	Turnover (millions euros)
Château Haut-Bailly	Winery	Private	30	80.000	
Château Guiraud	Winery	Private	100	100.000	
Château Brane-Cantenac	Winery	Private	75	150.000	
Château Palmer	Winery	Merchant	55	120.000	
Domaine de Chevalier	Winery	Private	45	100.000	
Château Lafon-Rochet	Winery	Family owned	45	140.000	
Château La Levrette	Winery	Family owned	7	20.000	
Vignobles Chaigne	Winery	Family owned	43	300.000	
Cordier-Mestrezat	B2B Merchant	Investors			50
Bordeaux Tradition	B2B Merchant	Family owned			12
Millésima	B2C Merchant	Family owned			22

Table 2 presents some data about their engagement on social media, especially Facebook and Twitter.

Table 2: presence on Facebook and Twitter (data gathered in November 2013)

Name	Category	FACEBOOK		TWITTER	
		Nb. Of fans	Nb. of people talking	Nb. of tweets	Nb. of followers
Château Haut-Bailly	Winery	2665	40	1393	2687
Château Guiraud	Winery	1141	122	488	883
Château Brane-Cantenac	Winery	4488	76	1137	1681
Château Palmer	Winery	4452	44	968	8718
Domaine de Chevalier	Winery	310	55	3095	2305
Château Lafon-Rochet	Winery	3602	-	-	-
Château La Levrette	Winery	571	57	1984	822
Vignobles Chaigne	Winery	178	2	4065	1101
Cordier-Mestrezat	B2B Merchant	1747	23	448	410
Bordeaux Tradition	B2B Merchant	148	-	201	270
Millésima	B2C Merchant	38692	2527	2720	2557

Regarding the different platforms used by the companies involved in the analysis, as declared by the interviewed people, it appears that despite the existence of thousands of social media, only 15 are evoked. Facebook and Twitter are systematically used. We also note that video and pictures platforms are intensively used. Most wineries target the Chinese audience through Weibo, called "the Chinese Facebook". In the sample, one actor only – a winery – use a social media dedicated to wine.

3. FINDINGS

Many early adopters admit that they had no clear objectives at the beginning of their implication in social media: their purpose was to discover a new phenomenon and understand the possible benefits. At a later stage, the main motivations are the following ones:

- Engage a dialogue, create interactions

Social media is about engaging a conversation and creating interactions with consumers. Château Palmer underlines that the specific distribution system in Bordeaux based on merchants creates a distance between the wineries and the consumers. Using social media is a way to get in touch with amateurs. "Engaging a dialogue, getting contacts, creating a network" was also the objectives of Vignobles Chaigne but with a different target: the professionals and direct customers (distributors, importers). This winery did not try to reach the wine consumers. "Interactivity" and the "instantaneity" are mentioned to be the specificity of this new way of communication. But who or what engages the dialogue differs

from one platform to another one: “With Facebook, the brand talks; with Twitter, it is the person who talks” says Château la Levrette’s owner.

- Gain visibility, notoriety, develop brand awareness:

The positive impact on the notoriety of the company is a recurrent quote from people of the sample. Young winery Château La Levrette’s owner reminds that she had difficulty to attract the attention of journalists when she started. Social media have been her unique tool to develop notoriety. She explains that virality operated progressively: starting with her immediate contacts, "share" function allowed extending her network so that she was followed by more people, among them some bloggers. She reports that now some journalists contact her and concludes “I managed to create my notoriety”.

Vignobles Chaigne also point out his notoriety as an “obvious result” of his presence on social media and illustrates by saying “I meet people who know me but I don’t know them”. It is similar to what Lafon Rochet’s Director reports about the videos they posted when they started with social media: “I was surprised by people I did not know who told me I saw your videos”; before explaining that with social media “you can touch much more people who want to know what you are doing.”

- Impact the positioning and the image

Château Guiraud situates the objectives of social media use within the overall context of Sauternes wine production area: an appellation with current sales difficulties and a problem of image because consumers associate sweet wines like Sauternes with *foie gras* or dessert only. For them, it is necessary to change the limitative image consumers have about Sauternes and educate them to understand that it can be paired with other meals.

Vignobles Chaigne insisted on the necessity to “control their image on internet”, their “digital identity” so that what is circulating is not only what others say about them.

Cordier Mestrezat and Bordeaux Tradition, two merchants specialized in fine wines, recalled that obtaining the best allocations from Châteaux is a key factor of success for them. For Cordier, the use of social media is part of the overall approach they initiated to change the image of the company into a more modern one, especially among châteaux in order to appear more competitive to them.

- Targeting

Some actors like Château Palmer and Château Haut Bailly target primarily the current final consumers and fans of their brand in a logic of interactions and brand loyalty. Others like Château Guiraud or Château La Levrette also insist in extending their audience. If Ultra-premium wines core consumers are wealthy people aged above 50 years, Millésima states that a specific target has been identified, the HENRYs, for High Earning Not Rich Yet: young executives, graduated from prestigious schools, having high revenues, working in sectors like finance, interested in wine and being active users of social media.

- Knowledge

Consumer knowledge is also impacted: thanks to the tools provided by the different platforms, Château Haut Bailly reports that they could learn about their fans’ countries of

origin, as well as their age and gender. How old vintages behave is also a useful source of information for the estate when consumers provide a feedback about their tasting experience. More generally, it can be learned what is “interesting for fans” interpreting to what kind of content they react. Millésima also highlights the tracking of on-line consumers’ behaviors as a source to understand them.

- The quantification of results

Compared to off-line communication, social media offer more possibilities of metrics. But it does not mean that the impact on sales can be measured. In the sample, only Millésima has a rather clear vision of the business generated through their activity on social media. It is related to the fact that they mainly sell online (for 70% of their business) and to final consumers so they can track the path of users from social media to their website and assess the transformation into purchases. But even though generating sales could be logically the ultimate objective of any actor, it is not spontaneously quoted by all interviewees.

- The strategic importance of social media

When asked to rate over 10-point scale how important social media are in their marketing strategy (10 being for the highest importance), the scores vary a lot, from 5.5 to 10. B2B merchants give the lowest grades. Regarding classified growths, the perception of the importance of social media in strategy is heterogeneous. Small wineries share a very high level of importance.

Interestingly, some interviewees mention spontaneously the term “indispensable” even if not consistent with the grade given. For Château Palmer (who graded 10), it is not indispensable to be present in social media although they are considered as “totally part of their communication strategy”. Vignobles Chaigne’s owner (who graded 8.5) also declares that “there are other alternatives, other ways to make one’s promotion” before adding “but for me it would be more boring”. However, Château Haut Bailly graded 6.5 but claim that “social media are indispensable, paper materials are no longer enough”.

Château Brane Cantenac interviewee states that “we can’t talk about a strategy regarding social media, the word is too strong, because sales go through merchants”. A mixed feeling is revealed when she says later: “you can do without social media and you cannot do without at the same time”. Indeed, pointing out the gap between the audience of social media (young people) and the drinkers of the wine they produce (men over 50), she explains “if we stop our social media activity tomorrow, we will sell the same number of bottles; but social media are indispensable if we want to refresh our consumers base”.

Interestingly, the same factor i.e. the distribution system through merchants, which traditionally dominates in Bordeaux, seems to determine at the same time the reasons why some actors don’t find any interest in using social media for their activity (“it is the role of merchants to ensure promotions”), and why for some others it is precisely a motivation to use them in order to have a direct contact with consumers.

4. DISCUSSION AND CONCLUSION

Our results reveal several things:

- How convinced or interrogative is the interviewee with social media. For instance, “we believe wholeheartedly in these tools to help us to develop our brand awareness” is a significant quote from Château Guiraud.
- Is the approach related to a long term vision for the company (e.g. renew the consumers base as for Brane Cantenac, Haut Bailly) or solving a short-term or mid-term issue: gain notoriety or change the image (Château La Levrette, Château Guiraud).
- A marketing / communication approach for main of the companies in the sample with the objective of promoting their brand and image (which is the case especially for classified growths) or a social / relational approach which aims at identifying the company with its owner / director and develop interpersonal relationships.

As a place where anyone can express his opinions, social media could be imagined as the driving force of a new model where no single voice is dominant. Indeed, it is for Bordeaux wines that the impact of a wine world without Robert Parker is expected to be the most significant.

Some managerial implications arise from our research:

- Even though some wineries or other actors are not interested in being active on social media, at least they should monitor what is said about their brand thanks to available tools like Google Alerts or VinTank for instance. Not being on social media does not prevent others from talking about you.
- Being afraid of the possible negative comments should not be a reason not to use social media: experiences show that an adequate answer is an opportunity of dialogue, a chance to understand consumers or customers and find a solution.

Companies should not neglect their website and bet only on social media like Facebook in their communication:

- In platforms like Facebook, the content does not belong to companies but to the social media.
- Nobody can guarantee the long term future of any platform whatever its success today.
- There is a complementarity between the various components of the digital approach: company website, social media, and visibility in search engines like Google etc.

The main limitation is linked to the fact that most wineries in the sample are classified growths. It appears that other types of wineries are interesting to be studied and also that other actors like wine brokers or trade associations/union could be taken into account.

Our data open another avenue for research. Indeed, a thematic approach to coding could be used to get more findings from interview transcripts. Beyond this aspect, further fields of

research look interesting to investigate from the consumer point of view regarding the wine education and democratization of wine that social media may contribute to. Indeed, it would be useful to understand if the extension of audience for wine brands through social media is realized with people already connoisseurs or if they manage to attract new consumers thanks to the system of “share” between friends and followers.

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