

Wine tourists' loyalty intentions: Toward an integrated behaviour model

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Abstract:

Purpose: This study aims to develop an integrative behavioural model to explain how the various inputs of a winery's cellar door work together to enhance cellar door visitors' loyalty intentions in terms of revisit, wine purchase and Word-of-mouth (WOM). In addition, it intends to explore how wine marketing strategy in a cellar door context can go beyond the traditional product orientation by placing more emphasis on the total experience.

Design/methodology/approach: An URL link and a short introduction of the online survey were made part of the cellar doors' newsletters which were then emailed to customers through each cellar door's email data base. After data screening process, 459 valid samples were produced.

Findings: The results of the present study indicate that cellar door visitors are oriented towards the experiential aspects of the visit itself as much as towards pragmatic considerations in purchasing wine. For cellar door managers, their marketing strategy needs to extend beyond the boundary of a product focus to facilitate the creation of experience-based value

Keywords: Wine tourism, cellar door experience, visitor satisfaction, loyalty intentions

1. Introduction

For wine tourists, the visit to a cellar door is in fact a blend of the retail shopping trip with buying and/or tasting wines being a primary motivation and a tourism trip with the pursuit of hedonic, indulging experience around wine being another motivation (Bruwer & Alant, 2009; Bruwer & Lesschaeve, 2012). Till now, very few studies explored whether the intangible tourism-oriented elements (such as service interaction during cellar door visit and environmental attraction of a cellar door) may impact visitors' quality perceptions and value-for-money perceptions of tangible wine product. Furthermore, the use of "added value" has been advocated as a marketing strategy to achieve competitive advantage (de Chernatony, Harris, & Riley, 2000; Matthyssens & Vandenbempt, 2008), yet the understanding of the "added value" derived from cellar door visits is in its infancy and to date few researchers have comprehensively examined cellar door visitors' value perceptions and their roles in visitors' decision making process.

This study aims to develop an integrative behavioural model to explain how the various inputs of a winery's cellar door work together to enhance cellar door visitors' loyalty intentions in terms of revisit, wine purchase and Word-of-mouth (WOM). In addition, it intends to explore how wine marketing strategy in a cellar door context can go beyond the traditional product orientation by placing more emphasis on the total experience.

2. Literature review

2.1 Wine tourists' quality perceptions in the cellar door context

A consumer's perceptions of service quality can be evaluated either at the transaction/encounter-specific level or at an overall level (Parasuraman, Zeithaml, & Berry, 1994). Overall perception of service quality is a primarily cognitive construct that results from a consumer's subjective evaluation of lower-level service attributes or abstract dimensions of the service experience (Brady & Robertson, 2001). In contrast to firms in pure service industries, which exclusively offer intangible service experiences, cellar doors offer customers a mixture of tangible products (wine) and intangible (human-interactive) services. Given this product mix, visitors are more likely to evaluate their cellar door experiences by judging various aspects of the cellar door's inputs, including features of the tangible products they buy (e.g. wine quality), the nature of the service encounters they experience (e.g. friendliness of the staff), and the winery's environmental features (e.g. setting and natural surroundings). Considered together, these evaluations comprise visitors' perceptions of the cellar door's quality at the transaction/encounter-specific level.

According to Grönroos (1984), consumers' quality perceptions can be categorized into two fundamental dimensions: a technical (i.e. outcome-based) dimension and a functional (i.e. process-related) dimension. In making judgments regarding the technical dimension, consumers consider what they receive following the service or production process. In making judgments about the functional dimension, they consider how an organization delivers the product or process they receive. Grönroos (1984) argues that consumers are interested not only in what they receive as an outcome of the service delivery process (e.g. the quality of wine purchased at a cellar door), but also in the service delivery process itself. In a more recent study, Brady and Cronin (2001) incorporate previous approaches to develop a hierarchical model of service quality. In this model, three second-order dimensions comprise perceptions of overall service quality: environmental quality, interaction quality, and outcome

quality. Similar to Brady and Cronin (2001), we divided cellar door visitors' perceptions into three aspects:

- Perceived servicescape quality of the cellar door (SCA): representing the extrinsic aspect of the functional service delivery process;
- Perceived service encounter(interaction) quality of the cellar door (ENT): representing the intrinsic aspect of the functional service delivery process; and
- Perceived quality of wine (WINE): representing the technical outcome of the service delivery process.

2.2 Wine tourists' value perceptions in the cellar door context

A reviewing of marketing literature shows that there are generally two approaches toward the conceptualization of consumers' value perceptions: the uni-dimensional approach and multi-dimensional approach (Boksberger & Melsen, 2011). The uni-dimensional approach defines value as 'the consumer's overall assessment of the utility of a product based on perceptions of what is received and what is given' (Zeithaml, 1988, p. 14). This definition in fact reflects consumers' value-for-money perception. In the cellar door context, the study conducted by Roberts and Sparks (2006) suggested that making visitors feel their experiences worth the cost/efforts they spent is a key factor to enhance their overall wine tourism experience. They labelled such feelings as wine tourists' value-for-money perception.

Unlike the uni-dimensional approach, the multi-dimensional approach theoretically broadens the value concept more comprehensively and in-depth by looking beyond the acquisition value of a product to encompass the emotional and social benefits brought by the consumptions process itself (Woodall, 2003). Taking a multi-dimensional approach, Holbrook (1999) conceptually defined perceived value as 'an interactive relativistic preference experience'. Focusing on the worth of the shopping trip itself, Babin, Darden, & Griffin, (1994) contended that two types of value can be derived from shopping activities: utilitarian and hedonic shopping values. Utilitarian shopping value reflects the task-related worth of a shopping experience. Whereas the hedonic value captures the emotional and entertainment worth of the shopping experience (Babin & Attaway, 2000; Babin & Kim, 2001). The hedonic value results more from the multisensory, fantasy and emotive aspects of the consumption experience (Babin et al., 1994; Shukla & Babin, 2013). In the cellar door context, Bruwer and Alant (2009) found that in addition to the purpose of tasting or buying wine, the same visitor could also be 'indulging in the atmosphere' (p249) for a pleasure-seeking and self-gratifying experience. Similarly, Roberts and Sparks (2006, p. 53) found that indulgent feelings, such as 'relaxing', 'decadence' and 'cosy', derived from a cellar door visit were important to visitors.

Given the above perspectives in the extant literature, the present study divides cellar door visitors' value perceptions into three aspects:

- The value-for-money perception of a cellar door's wine products (PV), which focuses on the nett gain that visitors perceive they obtain from acquiring a cellar door's wine products.
- The hedonic value derived from visiting a cellar door (HV), which focuses on the emotional worth of the cellar door visit.
- The utilitarian value derived from visiting a cellar door (UV), which focuses on visitors' perceptions of how well the cellar door can meet their task-related needs.

2.3 Overall Satisfaction and loyalty intentions as the outcomes of cellar door visits

Babin and Griffin (1998, p. 129) described the nature of consumer satisfaction as “an emotion resulting from appraisals (including disconfirmation, perceived performance, etc.) of a set of experiences.” Parasuraman, Zeithaml, & Berry (1994) posited that a customer’s overall satisfaction with a transaction can be viewed as a function of his or her assessment of service quality, product quality, and price. Furthermore, Oliver (2010) asserts that satisfaction is “purely experiential” (p. 176). This experience-dependency characteristic makes overall satisfaction an ideal concept to evaluate the outcome of wine tourists overall cellar door experience.

Consumer loyalty intentions can be viewed as another outcome of wine tourists’ cellar door visits. According to Oliver (1999), conative loyalty is generated in the form of behavioural intentions. Unlike cognitive loyalty and affective loyalty, it is at this conative stage that the loyalty state “appears to be the deeply held commitment to buy noted in the loyalty definition” (p.35). In the marketing literature, the intention to spread positive views to others (WOM effect), the re-patronage intention and the intention to repurchase are most commonly used by researchers as reflective indicators of conative loyalty (Yüksel, Yüksel & Bilim, 2010).

3. The conceptual model

By integrating and extending the works of previous studies, an integrative model (Figure 1) was proposed in this study. The quality-satisfaction-loyalty relationship proposed in this model is in accordance with the cognition → affect → conation loyalty phase framework proposed by Oliver (1999). The relationships between quality perceptions, value perceptions and loyalty intentions are based on the appraisal → emotional response → coping framework proposed by Bagozzi (1992) and the quality→value→satisfaction→intention chain proposed by Gallarza & Gil Saura (2006).

4. Method

Two cellar doors were involved in the present study: one is located in the wine region of Adelaide Hills which is about 26 kilometers from the city of Adelaide. The other one is located in the Barossa wine region which is about 80 kilometers from the city of Adelaide.. An URL link and a short introduction of the online survey were made part of the cellar doors’ newsletters which were then emailed to customers through each cellar door’s email data base. After data screening process, 459 valid samples were produced.

The research goal (exploratory), data characteristics (slightly non-normal) and model complexity (more than 5 latent constructs) all have suggested that the PLS-SEM method is more appropriate than the CB-SEM in analyzing the data collected for the present study (Hair, Ringle & Sarstedt, 2011). For the above reasons, the PLS-SEM technique was preferred in the present study and the data were then analyzed using the software package SmartPLS 2.0.M3.

In total 36 measurement items were developed by reviewing existing marketing literature. After a pre-test procedure, 34 items were retained (see table 1).

Table 1 Measurement items of latent constructs

Perceived servicescape quality (SCA)	HV5: Visiting this cellar door was something I felt relaxed about.
SCA1: There was a good atmosphere at this cellar door	
SCA2: Its ambience was what I was looking for in a cellar door	Perceived utilitarian value of cellar door visit (UV)
SCA3: Its layout impressed me	UV1: I accomplished just what I wanted to while I was at this cellar door.
SCA4: Its layout served my purposes	UV2: I couldn't get what I really needed at this cellar door (reversed).
SCA5: Other customers at the cellar door did not affect its ability to provide me with good experience	UV3: While visiting this cellar door, I found just the wine I was looking for.
Perceived service encounter quality (ENT)	Perceived value of wine (PV)
ENT1: The employees gave me individual attention	PV1: Overall, this cellar door offers wines that are worth their prices.
ENT2: The employees understood my specific needs.	PV2: Overall, the value of its wines compares favourably to other wineries.
ENT3: The employees were never too busy to respond to my request.	PV3: Overall, I consider its wines to be a good buy.
ENT4: The employees were knowledgeable enough to answer my questions.	Overall satisfaction (SAT)
ENT5: The employees were friendly and welcoming.	SAT1: Overall how would you describe your experience at this cellar door?
Perceived wine quality (WINE)	SAT2: I am satisfied with my experience at this cellar door.
WINE1: Overall, its wines had an acceptable standard of quality.	Loyalty intentions (LTY)
WINE2: Overall, its wines tasted good to me.	LTY 1: I will revisit this cellar door when travelling to the same wine region.
WINE3: Overall, the characteristics of its wines met my personal preference.	LTY 2: I probably will revisit this cellar door the next time I travel to this region.
Perceived hedonic value of cellar door visit (HV)	LTY 3: I will continue to purchase wines made by this winery in the future.
HV1: Visiting this cellar door gave me pleasure.	LTY 4: This cellar door's wines are considered as one of my first choice to buy.
HV2: Visiting this cellar door truly felt like an escape.	LTY 5: I will recommend this cellar door to my friends or relatives.
HV3: The time spent at this cellar door was truly enjoyable.	LTY 6: I will say positive things about this cellar door to other people.
HV4: I enjoyed visiting this cellar door for its own sake, not just for the items I may have purchased.	LTY 7: I will continue to be a loyal customer of this cellar door.

5. Results

Both the indicator loadings and composite reliabilities exceed the threshold of 0.7, reflecting good construct reliability. The average variances extracted (AVEs) of the constructs varies between 0.563 and 0.823, all are bigger than 0.5, suggesting convergent validity. The squared root of AVE of each construct is greater than the correlations between this construct and any of the other constructs, which demonstrates discriminant validity.

The path coefficients of the structural model were estimated and twenty one out of the twenty six hypothesized relationships were statistically significant. Among the significant hypothesized paths, three were significant at the level of $p < 0.05$, two were at the level of $p < 0.01$ and the remaining sixteen paths were at the level of $p < 0.001$.

The results in figure 1 shows that the model explains 33.1% of the variance of the perceived service encounter quality (ENT), 36.9% of the variance of the perceived quality of wine (WINE), 28.0% of the variance of the perceived utilitarian value (UV), 57.3% of variance of perceived hedonic value (HV), 50.0% of the variance of perceived product value (PV), 58.0% of the variance of visitors' overall satisfaction (SAT) and 63.9% of the variance of the visitors' loyalty intentions (LTY). All of these R^2 values are considerably larger than the minimum requirement of 0.2. The relative high proportion of variance (63.9%) explained for the target construct--visitors' loyalty intentions, means that the structural model can be viewed as having adequate explanatory power.

5. Conclusions

The empirical results of the present study shows that the environmental components of a cellar door are very important aspects of the total cellar door experience because the servicescape has a significant influence on cellar door visitors' judgments of the quality of wine products and the service encounter. The existence of the direct effect of service encounter quality on visitors' value-for-money perception of wine indicates that regardless of the quality of wine itself, a favourable perception of the service delivered by cellar door staff could add to visitors' monetary value perception of a cellar door's wine products. The results also indicate that, in the cellar door context, satisfaction alone is not always sufficient to lock visitors into a repurchase, revisit or WOM intention. The value perceptions derived from the cellar door visit also serve as direct antecedents of visitors' loyalty intentions. Among the three types of value perceptions (hedonic value, utilitarian value and wine product value), perceived hedonic value has the biggest direct effect on both visitors' overall satisfaction and their loyalty intentions, followed by value-for-money perception of wine and utilitarian value. These findings indicate the experiential and hedonic nature of the cellar door visit (Bruwer & Alant, 2009; Quadri-Felitti & Fiore, 2010).

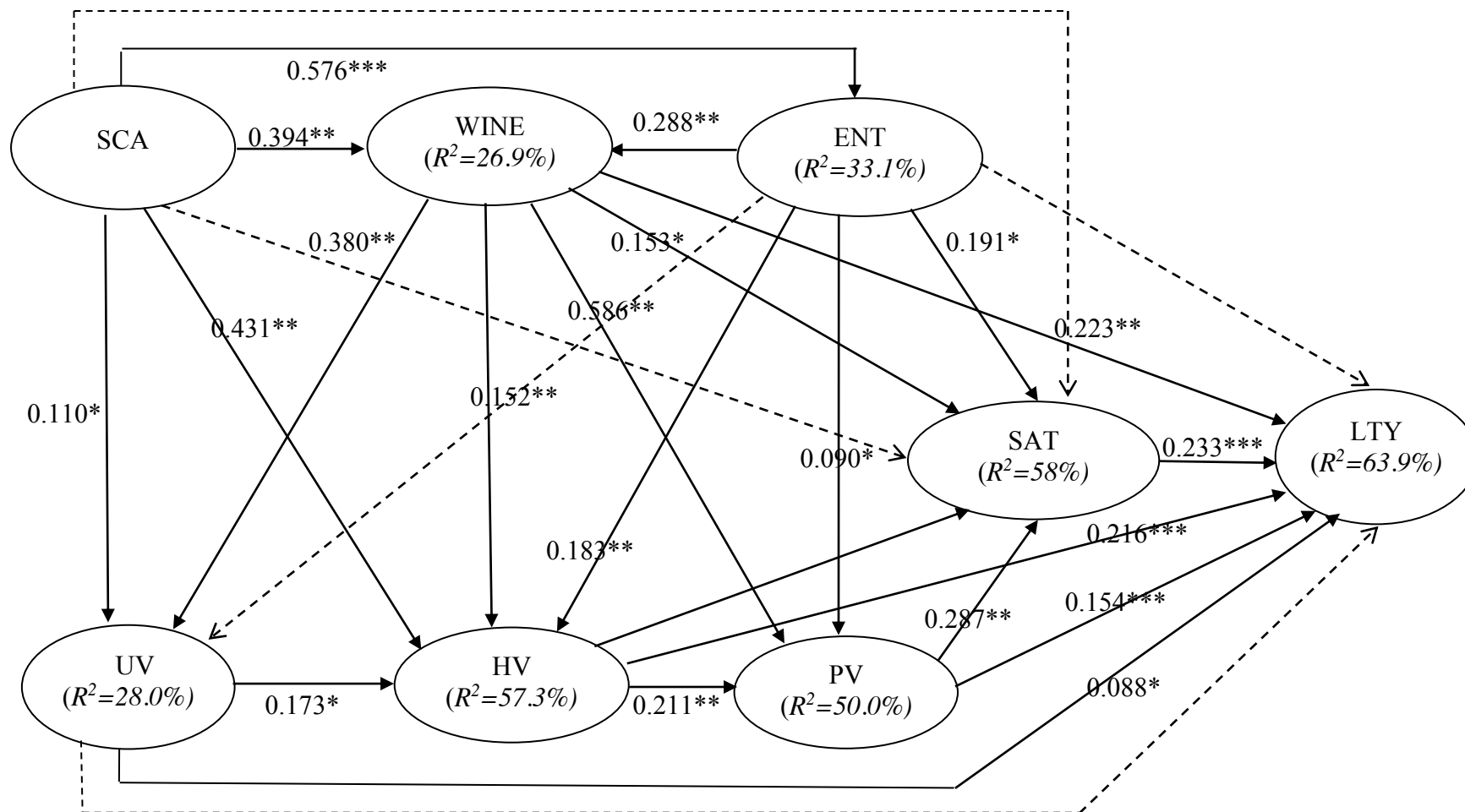
In summary, the results of this study provide preliminary evidence that an integrated approach is needed to understand cellar door visitors' post-visit decision-making processes regarding repeat wine purchasing, WOM and revisit intentions. For cellar door managers, their marketing strategy needs to extend beyond the boundary of a product focus to facilitate the creation of experience-based value.

6. References

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Figure 1 Conceptual model with results of hypotheses



Note. 1) * indicates $p < 0.05$, ** indicates $p < 0.01$, *** indicates $p < 0.001$;

2) Dashed line indicates non-significant hypothesis;

3) Constructs SCA: Perceived servicescape quality; WINE: Perceived wine product quality; ENT: Perceived service encounter quality; PV: Perceived value of wine; HV: Perceived hedonic value of cellar door visit; UV: Perceived utilitarian value of cellar door visit; SAT: Overall satisfaction; LTY: Loyalty intention

4) The convention with SEM papers is to present first the conceptual model – but given the space limitations it is presented with the results