Social Media adoption in German wineries: Innovators or laggards?

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INTRODUCTION AND BACKGROUND

Both the share of active social media users (45% in 2020) and the average time spent on social media platforms (138 min. /day in 2018) show a steady upward trend in the German population (Statista, 2020a) that appears to be even reinforced by the worldwide Covid-19 pandemic. An investigation on the effects of Covid-19 on media usage in Germany revealed that 38% of the respondents stated an increase in their social media usage during the pandemic and 89% of respondents considered it likely that they will stick to their intensified social media usage (Statista, 2020b). Thereby, all age groups actively use social media platforms ranging from 98% of millennials down to 65% in the age group above 65 in 2018 (Statista, 2020a). Using social media platforms, the wineries aim to provide customers with target-group-specific information, push communication and improve brand awareness, acquire customers, announce tastings, and offer customer service (Hoffmann, Szolnoki & Thach, 2016). Thus, social media platforms are a crucial channel for companies to get in touch with their (potential) customers. This applies particularly to product categories such as wine as it is a product that elicits an emotional response, and for which consumers rely on recommendations from experts and friends, search for information on social networks, and exchange ideas with other users (Szolnoki et al., 2014a). But do wineries address this need? Prior literature mostly investigated on the intent and motivation for social media usage by surveying wineries (Hoffmann, Szolnoki & Thach, 2016), but until now no representative data is available showing the actual social media adoption of German wineries. We address this research gap by providing transparency on the actual status of wineries' social media adoption in Germany's three biggest wine regions: Rheinhessen, Pfalz and Baden (Statistics' Landesamt RLP, 2019).

METHODOLOGY

In a first step, we perform a comprehensive web research to compile a representative sample of wineries for each region, based on the wineries' agricultural area (in ha). If applicable, further winery characteristics, such as the production of organic wine or selling officially certificated wines (VDP), are captured. By taking the wineries' size into consideration, the drawing of more sophisticated conclusions on the differences between wineries' social media adoption and their possible capabilities to further drive social media activities is facilitated. Secondly, we check the availability of a social media presence of the sampled wineries on the three most frequently used social networks among the German population: Facebook, YouTube, and Instagram (Statista, 2020c). In a last step, publicly available key performance indicators are collected for those wineries with a social media presence on one or more of those platforms. Specifically, in the case of a Facebook presence, the number of likes is recorded for each winery, for Instagram the number of followers, followed users and posts, and for YouTube the number of followers.

PRELIMINARY FINDINGS

According to Szolnoki et al. (2014a) and their findings based on 377 surveyed wineries in 2014, 34% of companies used social media channels for their customer communication. In contrast, our preliminary results for the region Pfalz show an increased awareness among German wineries about the need to initiate social media activities: Today, 66% of wineries are active on at least one of the considered social media channels, with 43% choosing a multichannel strategy by utilizing two or three channels at once, primarily Facebook plus Instagram. While Facebook is used by every third winery (65%) and Instagram by every second (42%), YouTube is chosen rarely (6% of wineries) to reach and communicate with wine consumers. An in-depth analysis of the Facebook and Instagram performance indicators (likes, followers) shows a differentiated picture on the achieved reach and, thus, the social media success of wineries. It ranges from wineries only setting-up a social media platform without content and 0 followers on Instagram up to wineries serving more than 15,000 followers on Instagram and getting 37,000 likes on Facebook. Moreover, medium-sized wineries rather than very large or small wineries seem to invest in social media as a touchpoint and platform of interaction with (potential) customers.

CONCLUSION AND MANAGERIAL IMPLICATIONS

Our preliminary findings indicate that most wineries recognize the substantial need of a social media presence, although this realization is often rather in its beginnings. Hence, a professional social media strategy, in terms of target-group specific communication and continuity through content plans, is lacking. Further, social media as a touchpoint must be embedded in a holistic Customer Journey approach actively shaping customers' experience and different touchpoints. In the future, it is expected social platforms will increasingly enable German wineries to realize sales opportunities as a part of a comprehensive multi-channel sales and marketing strategy.

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