Wine Tourism goes Virtual: a Latent-class Model Applied to Wine Tourists' Preferences for Virtual Wine Tastings

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EXTENDED ABSTRACT

The Covid-19 pandemic has put the wine tourism sector to a stern test, raising the need to develop new strategies to adapt to the changes imposed, such as mobility restrictions and social distancing (Gastaldello et al., 2021). The phenomenon of virtual wine tastings (VWT) represents one of these strategies, which is increasingly adopted by wine consortia and organisations (e.g., Consorzio Conegliano Valdobbiadene Prosecco, German Wine Institute) in

many European countries to promote wine tourism destinations. The phenomenon is gaining attention also among academics, who recently explored consumers perception of virtual wine tastings through the 4Es experience economy framework (Paluch and Wittkop, 2021), the effect of online embodiment during virtual wine tastings on purchase decisions (Wen and Leung, 2021), and the impact of context and of the tasting environment during in-presence and VR-simulated wine tastings (Torrico *et al.*, 2021). Particularly, virtual reality (VR) has been identified as a strategic tool for developing multisensory wine tourism offers (Martins *et al.*, 2017). Recently, Szolnoki et al. (2021) conducted a supply analysis for online wine tastings (OWTs) involving over 1000 wineries in 40 different countries. Results identify online wine tastings as a valuable and profitable business tool that attracts new customers and keeps existing ones loyal. Indeed, the authors highlight that OWTs are here to stay. The diffusion of this tool during Covid is also prompted by the behavioural rethinking pushed by the pandemic, which brought consumers to get more familiar with online platforms (Alaimo, Fiore and Galati, 2020). Nevertheless, while the effort on the supply side is clear, little is still known on the demand side. Notably, there is a lack of knowledge of consumer preferences and characteristics regarding this innovative offer. Such information is paramount for wineries to design VWT better and effectively target the market.

The present study aims at filling this gap through a choice experiment (CE) to analyse consumers' preferences and willingness to pay for specific attributes of VWT. The attributes considered are the winery size (1 – Small; 2 – Big), winery distance (1 – In my region; 2 – In another Italian region; 3 – In a foreign country), the popularity of the wine area in which the winery is located (1 – Emerging; 2 – Popular), the guide of the tasting (1 – Winemaker; 2 – Wine expert), discount on future purchases from the winery (0 – No; 1 – Yes), and the price (1 – 45€; 2 – 60€; 3 – 75€; 4 – 90€). Given the topic's novelty, the attributes and their levels are defined based on VWT experiences currently sold on the Italian market.

To maximise efficiency, a D-optimal experimental design is implemented with 24 choice sets, divided into four blocks (relative D-efficiency: 51%). The D-optimal design is obtained using priors from a pilot study involving 30 Italian wine tourists. To ensure reliable results for the CE, each block is presented to the same number of respondents. The CE is part of a structured questionnaire including psychographic information, wine consumption, wine purchase and wine tourism habits, and socio-demographics. All scales adopted are measured through Likert-type scales adapted from the literature. Additionally, we collect information about the motivation behind the choice to participate in a VWT experience.

The final sample consists of 500 wine tourists (125 for each block) involved in data collection through an online research agency. The sample is representative of the Italian population in terms of age, gender, and geographical region.

Following the CE, a latent class model (LC; Boxall and Adamowicz, 2022) will be performed to provide information on demand segmentation. Besides socio-demographics, segments will be characterised through psychographic characteristics and wine consumption habits. For instance, attitude towards technology adoption (as technology is fundamental for VWT experiences), wine involvement, and risk attitude (linked to the fear of Covid infection) will be considered to characterise the respondents in each group.

As data collection is ongoing, the expected results for the CE are discussed below according to the results from the pilot study. Specifically, we expect the popularity of the wine region, the guide (being a wine expert) and the presence of a discount on future purchases to have a positive impact on choices. Diversely, the distance from the respondent's area of residence, the price, and the winery's size are likely to impact consumers' choices negatively. Precisely, the latter effect is expected as authenticity is an important motivation when engaging with wine tourism experiences (Quadri-Felitti and Fiore, 2016; Bruwer and Rueger-Muck, 2018), and it is easily found in small, family-run businesses.

Information collected will represent an essential contribution to the development of VWT, provided their increasingly recognised marketing potential in allowing to reach a wider audience of customers while overcoming geographical, physical, and economic barriers.

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