Wine Tourism: A positive Tool to reduce the range of geographical Reputations within the Champagne Viticultural Region.

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With asymmetric information, consumers need to rely on the reputation of wine to define quality before the purchasing. Among the tools available for improving reputation, the geographical location appears to offer a high potential. Today, some wines profit from a country’s reputation and some profit from the local reputation of one specific vineyard. This reputation can result from a long historical process and creates a complex system of both individual and collective reputations. Sometimes, producers can rely on the reputation of their geographical position without any need to improve it themselves. Conversely, some providers suffer from a weak geographical reputation. There can be a split between producers within one vineyard or region depending on its geographical reputation.

This kind of split appears in Champagne when we examine the nationality of buyers at the cellar door. In our previous studies, we showed that foreign buyers at the cellar door are willing to pay more for a bottle of standard quality champagne compared with the French. Thus, it is good to have a substantial number of foreigners among the customers at the cellar door for champagne providers who want to increase their regular prices. However, the proportion of foreigners depends on the location of providers. Indeed, the “échelle des crus” of champagne (the local grading of vineyard quality) has an impact on it. Consequently, from a sample of 600 providers (who display a statistical similarity to the overall structure of producers), we show a direct link between the level of the cru and the presence of foreign buyers at the cellar door, compared to the French. The higher the scale is, the weaker the likelihood of the French being a visitor. This means that it is harder to have foreigners rather than French as visitors where the vineyards are not classified as premier or grands crus (68.4 % of the region) and ultimately only 14% of the champagne viticultural area has a positive geographical reputation for other nationalities.

From this initial analysis, this paper focuses on the way in which wine tourism can reduce this divide. We suppose that the tourist activities can reverse the trend caused by the échelle de crus and can be a tool to attract more foreigners to villages with a lesser classification. Thus, after splitting our sample based on the three main levels of crus, we define the degree of involvement of producers in tourist activities. Then, using a chi square test, we demonstrate that the percentage of foreigners increases as the level of the producer’s involvement with wine tourism increases, especially for producers based in a geographical area without any specific cru. The higher the involvement with tourism is, the weaker the likelihood that the first nationality of visitors will be French for producers outside the premiers and grand crus villages. Whilst the Cramer’s V is only 0.181, the results are interesting as they show the role of wine tourism in the creation of value for producers of champagne who suffer from the weaker geographical reputation.

Key words: Wine tourism, geographical reputation, creation of value, classification.