Evaluation of the Effects of Changes in Regulatory Policies on Consumers Perception.

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The paper analyses how different aspects connected with regulations can influence consumers' quality perception and the value that consumers attribute to wine sector products. In particular, aspects concerning labelling and presentation, which, in turn, mirror different regulations of production methods, are considered. Consumers' preference can allow enterprises to comply with more restrictive rules and sustain higher costs to differentiate their products and achieve higher quality.

In the study, we consider different elements linked to regulation provisions that can be used by enterprises as means of differentiation in product labelling and presentation: the discipline of organic farming; the possibility of using additional producer organization brands; the indication of the name of the producer and the bottler, and other specific indications about production methods; the content of sulphur dioxide in wines and the rules concerning its indication on the labels.

When choosing a product, consumers do not evaluate each single quality factor but the product as a whole, therefore the analysis has to be done with a methodology considering both the combination of all characteristics of the product, and the contribution of every factor to the creation of value for consumers. For this reason the value that consumers attribute to different characteristics linked to regulation aspects will be evaluated through an experimental economic analysis applying the method of the Conjoint analysis.

Conjoint analysis is a marketing technique that researchers use to determinate the importance of some aspects of a product/service. It assumes that consumers may be able to evaluate a range of products/services along some key dimensions, called attributes. With the Conjoint analysis we construct different series of product profiles (concepts) that represent a possible product or service, in our case a different combination of information on wine labels (different scenarios). The aim of the research is to estimate the importance of each attribute of the plan. For categorical attributes, the utility function consists of part-worth estimate for each level of the attribute. The market simulation models use this information to predict how each respondent would choose among alternative products.

Conjoint analysis is usually used for guiding enterprises in their marketing choices; in this paper we use this technique to evaluate how regulations and provisions in wine labelling and presentation can condition consumers' quality perception.

The experiment was realized evaluating different labels of a protected designation of origin “Montepulciano d'Abruzzo DOC” wine, with two very different groups of consumers. The first one was composed by inhabitants of the Abruzzi Region, the region of origin of the wine, in Italy, a country with strong tradition in wine consumption and familiarity with the EU wine regulation. The second group was composed by wine consumers of a new consumer country, Brazil, where consumption and production are strongly increasing. The interviewed are inhabitants of Florianopolis, capital of the State of Santa Catarina, in the South of the country.

The results show clearly that, while the importance of a traditional factor like the price for the majority of wine consumers is confirmed, emerge differences among subgroups of consumers aggregated by their responses to concepts indicated by the wine label. So it is possible to identify meaningful segments of wine consumers on which elaborate a market-oriented strategy.