Perception and interest of French consumers for Syrah / Shiraz

Introduction

– French wine consumption is decreasing.
– Worldwide wine competition is very strong with globalization.
– For French vineyards it is more and more difficult to reach wine market (i.e. 18 % market share export / 21.4 % new world wine)
– They must attract new occasional consumers, which are becoming the largest segment of consumers and, at the same time, answer the expectations of the connoisseurs.

Plan

– Introduction
– Previous analysis on Syrah vine and on consumer behaviour for this kind of wine
– Methods of research
– Building the General Model
– The results
– Conclusion
– Limits and recommendations

Previous analysis of Syrah

➢ 8,000 varieties of grape worldwide (Rabineau, 2009).
➢ Only 50 are used in the world including Syrah.
➢ Decay of syrah vines (Spilmon, Claverie, 2011).
➢ Possible Syrah extension to north of France (de Roany, 2009).
➢ Some information on consumer behaviour and expectations for Syrah.
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Previous analysis consumer behaviour for the Syrah wine

- Consumer behaviour changes (BSE, Bird flu, bacterial contaminations, diabetes, obesity, ...) and becomes more and more sensitive to health and safety standards.
- The perceived risk is now present in the mind of consumer (Bergadaa et al., 2006).
- Differentiation between Mass Market and Market of Speciality products.
- "Terroir" brands, organic products are demanded by the consumer.
- Globalization effects and current economic crisis.

General tendencies in food consumption

- **Taste** / Quality
- **Nutritional contributions**
- **Guaranteed origin**
- **Natural or organic character**
- **Ease of use**

"What are the two most important food quality criteria?"

- **Taste**
- **Nutritional contributions**
- **Absence of sanitary risks**
- **Guaranteed origin**
- **Natural or organic character**
- **Ease of use**

The first criteria

Source: Enquête CREDOC INC février 2001
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Methods of research
- A focus group => questionnaire.
- Conducted face to face.
- Introductive alternative question:
  - do you drink wine ?
  - do you know Syrah ?
- 288 observations => 268 validated => database 39 measures with 5 sets of questions => 4 exogenous variables and 1 endogenous variable.

Introduction of the general model

- Hypothesis
  - H1 The consumer characteristics influence positively consumer behaviour
  - H2 The wine characteristics influence positively consumer behaviour
  - H3 The consumer implication influence positively consumer behaviour
  - H4 The consumer expertise influence positively consumer behaviour

Building the General Model

- beginning with each exogenous variable:
- ending by endogenous variable:
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• Building the General Model

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The principal results

<table>
<thead>
<tr>
<th>Comments</th>
<th>Standardized Value and(*)</th>
<th>Validation</th>
<th>SE</th>
<th>CR</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer characteristics positively influence consumer behaviour</td>
<td>0.060 (0.057)</td>
<td>No because the value is not at the correct level of significance</td>
<td>0.088</td>
<td>0.835</td>
<td>0.404</td>
</tr>
<tr>
<td>The characteristics of the wine positively influence consumer behaviour</td>
<td>0.096 (0.306)</td>
<td>No because the value is not at the correct level of significance</td>
<td>0.546</td>
<td>0.560</td>
<td>0.575</td>
</tr>
<tr>
<td>The implication or involvement positively influences consumer behaviour</td>
<td>0.654 (0.966)</td>
<td>Yes with acceptable level of probability at 0.3 %</td>
<td>0.320</td>
<td>1.014</td>
<td>0.003</td>
</tr>
<tr>
<td>The wine expertise positively influence consumer behaviour</td>
<td>-0.172 (-0.259)</td>
<td>No because the value is not at the correct level of significance and it is in the reverse sense</td>
<td>0.397</td>
<td>-0.652</td>
<td>0.514</td>
</tr>
</tbody>
</table>

The secondary results

Correlations between the exogenous variables

<table>
<thead>
<tr>
<th>Comments</th>
<th>Standardized Value and(*)</th>
<th>Validation</th>
<th>SE</th>
<th>CR</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer characteristics and wine characteristics are correlated</td>
<td>-0.067 (-0.050)</td>
<td>No because the value is not at the correct level of significance and it is in the reverse sense</td>
<td>0.063</td>
<td>0.669</td>
<td>0.542</td>
</tr>
<tr>
<td>Consumer characteristics and consumer implication are correlated</td>
<td>-0.019 (-0.009)</td>
<td>No because the value is not at the correct level of significance and it is in the reverse sense</td>
<td>0.110</td>
<td>0.258</td>
<td>0.706</td>
</tr>
<tr>
<td>Consumer characteristics and consumer expertise are correlated</td>
<td>-0.064 (-0.080)</td>
<td>No because the value is not at the correct level of significance and it is in the reverse sense</td>
<td>0.122</td>
<td>0.564</td>
<td>0.573</td>
</tr>
<tr>
<td>Wine characteristics and consumer implication are correlated</td>
<td>0.225 (0.188)</td>
<td>Yes because it is positively correlated but near the correct level of significance</td>
<td>0.094</td>
<td>1.021</td>
<td>0.096</td>
</tr>
<tr>
<td>Wine characteristics and consumer expertise are correlated</td>
<td>0.571 (0.340)</td>
<td>Yes Positively correlated</td>
<td>0.079</td>
<td>0.541</td>
<td>***</td>
</tr>
<tr>
<td>Consumer implication and consumer expertise are correlated</td>
<td>0.018 (0.032)</td>
<td>Yes Positively correlated</td>
<td>0.066</td>
<td>0.847</td>
<td>***</td>
</tr>
</tbody>
</table>

Conclusion

The characteristics of a consumer do not influence their behaviour when they purchase syrah wine. Therefore vineyards can sell wine with Syrah label to all consumer segments.

The wine characteristics do not influence consumer behaviour. Therefore, vineyards must propose good value for money and reliable quality without the effect of the vintage.

Consumer expertise does not significantly influence consumer behaviour. Therefore, the entire range of Syrah wines may be purchased by any consumers, whether connoisseurs or occasional consumers.

The influence on consumer behaviour to buy Syrah wine is strongly dependent on the occasion of wine consumption during the act of purchase of a wine such as Syrah.

The appearance and the price are less important than the taste and the aromas are during the act of purchase.
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• Limits
  - Used convenience sampling method and sample not big enough, nor representative of the quotas.
  - Not exhaustive study in terms of consumer behaviour parameters. Multiple variables are influencing it.

• Future research
  - To analyze for other countries consumer behaviour when purchasing a Syrah wine, taking into account globalization.
  - To study consumer behaviour in more depth for occasional consumers who are the growing segment.

Thank you for your attention