

Chinese Consumers' Involvement in Wine Consumption and Their Willingness to Visit Wineries in California

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Extended Abstract

Introduction: This research fills a gap in wine tourism literature, taking into account the effects of consumers' involvement in the pre-purchase stages on their willingness to visit wineries in California or in a foreign country. The theoretical framework presented in this paper provides support for a strong linkage between product involvement, consumption, and eventual propensity to visit a wine destination. As of this writing this paper constitutes the first of its kind econometric study of these effects.

California Wine Tourism: The number of overseas visitors to California increased from 27.9 million in 2011 to 29.8million in 2012. Of these visitors 22% indicated California as their most preferred destination (CIC Research, Inc., 2012). Of the total spending of \$110 billion during 2013, \$2.6 billion – about 2.4% – was spent for by travelers to Napa and Sonoma counties. Although apparently trivial, this spending, when expressed in per capita terms, represents the highest per capita spending among all counties in California (California Travel and Tourism Commission, 2014; Sonoma County Economic Development Board, 2013).

Chinese Wine Consumers: Worldwide wine consumption increased by a 0.7% to 24,434 ML in 2011 (Table 40 in Australia's Wine Industry Portal by Winetitles, 2011) driven largely gains in the United States and China but offset by the continuing drop in consumption in all of Europe. China deserves special attention because it became the world's fourth largest country, surpassing Turkey, by vineyard area and produced more than 490,000 tons of wine, ranking seventh among the top wine producers in the world.

Although wine has begun to be a preferred drink in China only recently, it surpassed the UK as the fifth largest wine consumer of wine in 2011 (Australia's Wine Industry Portal by Winetitles, 2011). The most noticeable trend in contemporary Chinese society is the increased volume of leisure travel, as a greater proportion of the urban household income is allocated to leisure and entertainment activities. These spending patterns has spawned a

new sector in Chinese economy – leisure tourism in the form of wine tourism (Qiu et al., 2013).

Theoretical Framework: Consumption of wine engenders increased interest in expanding their knowledge of wine. One likely outcome of such enhanced interest is the willingness to embark on a trip to wineries. In a nutshell, involved wine consumer buy wine more frequently and pays more per bottle than low involved wine consumers, subscribe to specialty magazines, visit websites, linger in the wine shops, and gather knowledge from friends or sales people (Lockshin and Spawton, 2001). While low involved consumers do consume some wine, they are more influenced by peripheral cues, such as, point of sales. High involved wine consumers use complex cues to make purchase decision such as region, style, wine maker, vintage and vineyard. Low involvement buyers tend to use price, brand and label (Rasmussen and Lockshin, 1999) as cues to which wine to buy.

Findings and Discussion: The study uses a simple yet elegant model by focusing on only two pre-purchase stages (cognitive and affective) of consumer behavior. The primary objective of the study is to measure the impact on a consumer’s willing to travel to a California or a foreign winery of knowledge and involvement, along with personal characteristics of consumers and selected marketing mix variables.

Using a convenience sampling plan, data were collected for this study from Chinese respondents, living in China. Tables 1 and 2 present means of independent and dependent variables and regression results, respectively.

Table 2: Means

Independent and Dependent* Variables	Means 1 = Low 5 = High
Age	22.34
Intention to a California winery*	0.82
Frequency of Information Search of Various Sources for Wine Choice	2.91
Degree of enthusiasm	1.30
Perceived Image of California	1.97
Frequency of Wine Consumption at Restaurant, Bar, or Night Club	2.75
Frequency of Wine Consumption at Wineries	1.07
Frequency of Wine Consumption at Home	0.26
Number of respondents	186

While Chinese consumers do not seem highly enthusiastic about wine consumption, they do seem to engage in information search prior to drinking wine. When they drink wine, the location seems predominantly restaurant, bar, or night clubs. Drinking wine at home or at a winery seems a rarity. No wonder, their intention to visit a winery in California is quite low. Despite certain low levels of involvements and interests, regression analysis does uncover a few statistically significant relationships between dependent variable (intention to visit a winery in California) and certain independent variables (perceive image of California, availability of description of a winery in Chinese language, frequency of wine consumption at restaurants, and frequency of wine consumption at wineries).

Table 2: Regression Results
Dependent Variable: Intention to Visit Wineries in California

Independent variables	OLS		Tobit	
	R ² = 0.75			
	Adjusted R ² = 0.52		Pseudo R ² = 0.21	
	Beta	<i>T-statistics</i>	Beta	<i>T-statistics</i>
Constant	0.527	1.00	0.300	0.55
Age	0.020	1.27	0.026	1.56
Female	0.104	0.89	0.117	0.97
Frequency of Information Search of Various Sources for Wine Choice	0.057	0.67	0.058	0.65
Degree of Enthusiasm	0.035	0.46	0.024	0.31
Perceived Image of California	*** 0.504	5.35	*** 0.551	5.59
Frequency of Consumption of Various Types of Wines	-0.337	-1.05	-0.374	-1.13
Availability of Description of a California in Own Language	*** 0.308	4.87	*** 0.324	4.94
Frequency of Domestic Wine Consumption	-0.080	-1.21	-0.080	-1.16
Frequency of Foreign Wine Consumption	0.038	0.64	0.054	0.87
Frequency of Wine Consumption at Home	0.038	0.79	0.036	0.73
Frequency of Wine Consumption at Restaurant	** 0.100	1.96	* 0.093	1.74
Frequency of Wine Consumption at Bar	-0.075	-1.28	-0.076	-1.26
Frequency of Wine Consumption at Night Club	0.114	1.24	0.118	1.23
Frequency of Wine Consumption at Wineries	** -0.349	-2.24	** -0.345	-2.13
Frequency of Wine Consumption at Wine Shops	0.027	0.24	0.027	0.23

Conclusion: While California, in general, and Napa valley, in particular, remains a top attraction for wine enthusiasts, rigorous study on California wine tourism is sparse. The Australian Wine Tourism Conference in 1998

was the first forum in which researchers presented their findings (Carlsen 2004). There is a severe paucity of academic research focusing on the marketing of US wine to international consumers. As California wine production continues to grow, this \$45 billion industry continues to face substantial hurdles. Most small wineries lack the international business acumen to effectively compete in the global market place. Wine tourism has become an important social and business activity that links gateway cities to regional areas. Therefore, an effective option for small wineries to bridge this gap – to a certain extent – would be to attract more international tourists.

In this context, it is important that researchers study the consumers and identify certain determinants, driving a visitor's willingness to embark on an international trip for a visit to a winery.

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Relevance to Marketing Educators, Researchers and Practitioners: The findings, once augmented by data from additional sources, will provide marketing insights for California wineries as well as exporters of California wines to international markets.

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TRACK: Consumer Behavior