
VISITING MEXICAN WINERIES: CAN EDUCATION LEAD TO APPRECIATION?

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Abstract

This research examines whether educating consumers about Mexican wineries and wines through participation in organized tours of Mexican wineries may positively affect the perceptions that consumers hold of and their behavioral intentions towards Mexican wines. Using a pre-test/post-test methodology, this current research shows a significant increase in positive perceptions of and behavioral intentions toward Mexican wines among Southern California wine drinkers participating in organized tours of Mexican wineries. By further refining methods of communicating and marketing to target consumer groups, marketers can precisely craft appropriate, effective campaigns. Mexican wineries pairing with US restaurants hosting organized tours of Mexican wineries to educate Southern California wine drinkers could be an effective marketing technique. The recognition of active, organized pairing of Mexican wineries with US restaurants to educate Southern California wine drinkers as influential on perceptions of and behavioral intentions toward Mexican wines is the most important finding.

Introduction

Ten years ago interest in Mexican wines seemed to be on the upswing. (Ma del Carmen, 1999) A few years later, in 2002, Fodors.com stated "Although Mexican wines are still relatively unknown in the United States; the industry is exploding in Mexico..." and well-known Mexican food consultant Lula Bertran stated "...in the last decade, Mexican winemakers have begun to make wine of a quality that seemed unattainable before." (Sharpe, 2001) So, why aren't we sipping Monte Xanic Syrah with our haute cuisine here in California? One 2002 study examined the case of MEXICAN WINE "introduced to consumers in a Mexican restaurant versus a more general themed contemporary restaurant" and found that this type of matched introduction may be useful, although getting consumers to buy Mexican wines for the home might be more difficult (OLSEN, NOWAK, AND CLARKE, 2002).

This current study examines the concept of educating U.S. consumers about Mexican wines on a more in-depth scale in an effort to increase awareness of and purchase intentions towards Mexican wines. A San Diego restaurant has begun organizing tours of the Valle de Guadalupe, Mexico's largest and arguably most well-known wine producing region. The Valle de Guadalupe is on its way to earning a reputation as the "Napa Valley of Mexico." Located 12 miles inland from the Pacific Ocean, the Valle de Guadalupe runs in a northeast direction toward Tecate and the area is comparable to many coastal influenced west coast wine regions, providing cool nights even during the growing season's hottest months. (Business Wire, 2014). This three day, all inclusive tour includes transportation from San Diego to the Valle de Guadalupe, two nights at a legendary local seaside hotel, all winery tours and tastings, most meals and a great deal of informative fun for all.

The question is: can these educational tours accomplish what nearly 10 years of marketing has not? A pre-test post-test design surveying U.S. consumers about their perceptions and expectations of Mexican wines was conducted among attendees of arranged tours (multiple tours of approximately 50 people each tour). Previous research "suggest(ed) that Mexican wine producers should first penetrate the market through Mexican food restaurants." (Olsen et. al., 2002). This current study supports a similar but more in-depth strategy; by pairing with an established, well respected restaurant for informative and fun tours, evidence is presented that visiting Mexican wineries may increase awareness and appreciation of Mexican wines and wineries with positive changes in the behavioral intentions of visitors..

While the pool of attendees/participants in this study was modest, the initial results are encouraging and this study will be replicated and expanded. Many of the participants in

the tours had low expectations of the Mexican wineries and wines before undertaking the tour, but those expectations were exceeded. This study also endeavored to uncover the motivation for participating in the tours and found that most participants were open minded and wanted to learn about the Mexican wineries and wines because they were prompted by the restaurant owners promoting the tours.

The results of this study show that educating consumers about Mexican wineries and wines appears to positively affect the perceptions that consumers hold of, and their behavioral intentions towards, Mexican wines.

Theoretical Framework

In a 2002 study, Olsen, Nowak and Clarke note that “a product's country of origin may affect its acceptance by consumers, either in a positive or a negative fashion.” Olsen et al also point to numerous studies examining the country-of origin effect on consumers’ perceptions and preferences (Olsen et al., 2002; Peterson and Jolibert, 1995). Brown and O’Cass (2006) examined consumer perceptions of foreign cultures on wine consumption in Australia noting the ethnocentrism cited by Roth and Romeo (1991) persists. Research has shown that consumers prefer to purchase domestic products over foreign unless there is some established expertise within the country of origin (Roth and Romeo, 1991).

Olsen et al. (2002) also note that wine faces country-of-origin and even region-of-origin biases (Olsen et al., 2002; Duhan, Kiecker and Guerrero, 1998). Do et al. (2009) found that in Vietnam wine-drinking motivations are affected by the historical linkage to France and that the utilitarian and symbolic aspects of consumption may be more important than experience. These studies, and others, point to the fact that wine quality evaluations are subjective and origin can serve as a cue to a wine’s quality (Olsen et al, 2002; Ettenson, Wagner and Gaeth, 1999; Han and Terpstra, 1999; Wall, Liefeld and Helsop, 1991).

This current study examines the following hypotheses:

H1: Consumers who participate in educational tasting tours of Mexican wineries will have increased positive perceptions of Mexican wines/wineries/winemaking.

H2: Consumers who participate in educational tasting tours of Mexican wineries will have increased positive behavioral intentions towards Mexican wines/wineries/winemaking.

Survey participants were asked questions relating to their experience with and intentions towards Mexican wines and wineries both prior to and after participating in the tour.

Information was also collected about the survey participant's age, gender, level of education and ethnicity to be used as control variable in the regression models used to test the hypotheses.

Methodology

For this study a nonprobability sample has been utilized. A nonprobability sample, also known as a convenience sample, (Cooper and Schindler, 1998) is appropriate for an exploratory study such as this one as the research question and findings apply only to wine consumers and not the general population.

A survey was conducted among a population of 111 attendees of organized winery tours and tastings. These tours were hosted and arranged by a San Diego restaurant and included educational tours as well as tastings at six Mexican wineries over three days. Respondents were asked questions before and after the Mexican tour.

Data Analysis & Findings

DEMOGRAPHIC DATA

The demographic information for participants was as follows. Age groups were skewed toward the 55+ group with 52.7% falling into this category (see Table 1 below). Considering the legal drinking age is 21 in the US, and that Kerr et al. (2004) found significant negative effects of age for beer and spirits consumption, but not for wine consumption the age distribution is not surprising. It would be interesting to note if tours to regions such as Napa Valley also report a higher percentage of 55+ visitors.

Table 1: Demographic Data- Age

Answer Options	Response
25-34	8.9%
35-44	11.6%
45-54	25.9%
55+	52.7%

The gender of participants was more evenly distributed with females comprising 60.3% of the respondents. This fits the pattern reported by the Wine Market Council (2009) that wine is the preferred form of beverage alcohol for more women than men. The respondents primarily identified themselves as White (91.1%). The sample includes a smaller number of respondents who identify themselves as Asian (3.6%) or Latino (3.6%) and a smaller number chose not to identify with a racial or ethnic group. The educational level of the respondents was mostly college-educated with 35 % possessing a bachelor's degree, 32% possessing graduate degrees, 21% possessing doctoral degrees and the remainder having attended some college.

Question #1 asked the level of experience the participants had with Mexican wines/wineries prior to the trip. Only 20% of the respondents had tasted Mexican wines and 18% had visited Mexican wineries prior to the trip.

Question 2 of the survey asked about the perceptions of the respondents prior to visiting the Mexican wineries and show as high as 77% of respondents having a Poor, Below Average or Average opinion of Mexican wine quality. An even greater number had similarly low opinions of the reputations of Mexican wineries, the winery staff's knowledge of wines, the accessibility of wines and availability of wine tours.

Question 3 asked about the behavioral intentions of the respondents. When asked, prior to the Mexican winery trip, respondents indicated they would not engage in behaviors such as buying Mexican wines, recommending Mexican wines to a friend or visiting

Mexican wineries, with more than three-quarters of the group responding Never, Probably not or Maybe to these survey items.

Questions 2 and 3 of the survey were repeated, but this time respondents were asked about their perceptions and opinions after the Mexican winery tours and tastings. Respondents' opinions and behavioral intentions were greatly enhanced following the tours/tastings and exposure to the Mexican wines, wineries and winemakers. The Above Average and Excellent percentages ranged from 48% to 85% for perceptions and from 34% to 84%.

Next we examined whether perceptions of quality were associated with purchase intentions, and as one might expect very strong effects are found. Even after controlling for the effects of age and gender, those wine drinkers who found the wine sampled on the tour to be of high quality return to the U. S. with a much stronger intention to purchase Mexican wines at restaurants and retail stores, justifying the efforts being made to introduce U.S. wine drinkers to Mexican wine via such tours. Models were also run controlling for ethnicity and level of education, but these variables did not materially improve the model or change the positive correlation between and perceived quality and intention to purchase. The sizes of the effects are +0.73 and +0.71 points, respectively on a 5 point scale of purchase intentions, which is quite high. This signals an upward shift of almost one category on the Likert scale.

These results have a high level of statistical significance for both the models with the coefficient measuring the post visit perception of wine quality having a p-value of less than 0.001. The first regression model has a high F score (15.19), providing evidence that the first model which predicts post visit intention to purchase Mexican wine in a restaurant explains about 22 percent of the variance. The second regression model also has a high F score (6.73), providing evidence that the second model which predicts post visit intention to purchase Mexican wine in a retail store explains about 21 percent of the variance. One should also note that the first model shows that respondents 55 years or older report a lower intention to purchase Mexican wine in restaurants compared to those under age 35, but this result is not statistically significant with respect to their intention to purchase Mexican wine in retail stores.

Also, even after controlling for the effects of age and gender, those wine drinkers who found the wine sampled on the tour to be of high quality plan to recommend Mexican wines to a friend, suggesting additional positive spillover effects of these visits for those wineries with a good quality product. However the intention to return to Mexican valley wineries was not related to the post visit perception that the wine was of high quality.

The size of the effect of wine quality on recommending Mexican wines to a friend is +0.78 on a 5 point scale of purchase intentions, which is quite high. The model in Table 9 have a high level of statistical significance for both the model and coefficient measuring the post visit perception of wine quality with p-value of less than 0.001. The first regression model has a high F score (15.19), providing evidence that the first model which predicts post visit intention to purchase Mexican wine in a restaurant explains about 32 percent of the variance. The second regression model also a lower F score (2.89), which is statistically significant at the 5 percent level. The results show females are more likely to plan a return trip to the Mexican valley wineries and those 55 and older are less likely than those 35 and younger to plan a return trip. However, the variable we were testing (post visit perception of Mexican wine quality) was not statistically significant.

Conclusion and Recommendations

While the number of participants in this study was modest, the initial results are certainly encouraging and the study will be replicated and expanded. Many of the participants in the tours had low expectations of the Mexican wineries and wines before undertaking the tour but those expectations were exceeded. This study also endeavored to uncover the motivation for participating in the tours and found that most participants were open-minded and wanted to learn about the Mexican wineries and wines because they were prompted by the restaurant owners promoting the tours.

Since we know that consumers prefer to purchase domestic products over foreign unless there is some established expertise within the country of origin (Roth and Romeo, 1991), Mexico has the need to overcome the lack of a substantial positive reputation in the wine industry. Mexico has a 500 year history of wine production (in fact, Mexico has the oldest winery in the Americas, Casa Madero, founded in 1597 (Kapnick, 2002)), but their alcohol beverage industry is dominated by the production and consumption of brandy, rum and tequila.(Ma del Carmen, 1999) The question remains then...how to enhance the Mexican wine industry's reputation. This research builds on the previous research that "suggest(ed) that Mexican wine producers should first penetrate the market through Mexican food restaurants." (Olsen et. al., 2002). If Mexican wineries partner with or at minimum collaborate with U.S. restaurants or tour companies to provide educational, fun and informative tasting tours, perceptions of and behavioral intentions towards Mexican wines and wineries can be enhanced.

The results of this study show that educating consumers about Mexican wineries and wines may positively affect the perceptions consumers hold of, and their behavioral intentions towards, Mexican wines.

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