FUNDAÇÃO GETULIO VARGAS
ESCOLA DE ADMINISTRAÇÃO DE EMPRESAS DE SÃO PAULO

ANTOINE MARIE JEAN GERARD MOREL DE BONCOURT

FRENCH WINE AND THE BRAZILIAN CONSUMER

SÃO PAULO
2015

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Thesis presented to Escola de Administração de Empresas de São Paulo of Fundação Getulio Vargas, as a requirement to obtain the title of Master in International Management (MPGI).

Knowledge Field: Gestão e Competitividade em Empresas Globais

Advisor: Prof. Dr. Mauricio Morgado

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ABSTRACT

In a more and more competitive international wine market, French exporters are looking at new markets to spread their activity. Brazil presents today a considerable potential market for wine, and it is very important for French wine exporters that are looking gain market shares to understand better its dynamics in order to shape efficient marketing strategies. The first and step is to understand the behavior of the end consumer in order to offer the right product the right way.

The following dissertation has for object the analysis of the consumption habits as well as the consumer's perception of the French wines in the Brazilian wine market. The analysis will be conducted in the light of consumer behavior; therefore special attention will be paid to Brazilian demographics, consumer habits, and market trends for wine products.

More precisely, research will try to identify different groups of consumers with similar patterns, based on demographics, their consumption or potential consumption of wine, and their particular perception of French wine. The idea behind that process is to construct a frame that can help developing marketing strategies for French wines professionals in Brazil, giving potential exporters a better understanding of who they should target and how they can do it effectively. The realization of this dissertation was an important challenge, as wine consumer behavior in Brazil was not addressed entirely before. It is very difficult today for French wine exporters wishing to understand better the Brazilian wine consumer to find any study or analysis. This dissertation was thus conducted in the hope of offering them an interesting tool for constructing more efficient marketing strategies.

In order to do so, literature was reviewed addressing Brazilian wine market (product specificities, production, consumer data etc). It also covered decision factors that influence consumers in their buying decisions, which is a very complex matter when it comes to wine products. Finally, literature about wine-marketing strategies was reviewed, in order to evaluate their respective potential impact as well as their relevance to the Brazilian Market.

The second step of the study was the submission of questionnaires to Brazilian consumers and analyzed in order to determine their preferences and understand their perception of the French wines. The objective was to identify potential target groups for French wine producers.

Key words: Wine, French wine, consumer behavior, means end theory, Brazilian wine market

RESUMO

Em um mercado internacional de vinhos cada dia mais competitivo, exportadores franceses estão procurando novos mercados para expandir suas atividades. Nesse cenário o Brasil aparece como um mercado potencial enorme e, por isso, é necessário aos empreendedores o perfeito entendimento das dinâmicas de mercado, a fim de moldar estratégias de marketing eficientes.

A primeira etapa é entender o comportamento do consumidor final, a fim de oferecer o produto certo de maneira certa. Essa dissertação tem por objeto a análise dos hábitos de consumo, bem como a percepção do consumidor sobre os vinhos franceses no mercado do vinho brasileiro. A análise será efetuada em função do comportamento do consumidor; portanto, uma atenção especial será dada à demografia, aos hábitos de consumo e as tendências do mercado para os produtos vitivinícolas. Mais precisamente, a investigação tentará identificar diferentes grupos de consumidores com padrões semelhantes, baseados em dados demográficos, consumo atual ou potencial de vinho, e sua percepção particular sobre o vinho francês.

A idéia por trás desse processo é a construção de um quadro que pode ajudar a desenvolver estratégias de marketing para profissionais do mercado de vinhos franceses no Brasil, fornecendo a potenciais exportadores uma melhor compreensão sobre como direcionar o seu posicionamento e atingir metas de forma eficaz.

A realização desta dissertação foi um desafio importante porque o comportamento do consumidor de vinho no Brasil nao foi estudado inteiramente. É muito difícil hoje para exportadores franceses que desejam compreender melhor o consumidor brasileiro de vinho encontrar qualquer estudo ou análise. A fim de fazer isso, a literatura sobre o mercado do vinho brasileiro foi utilizada (especificidades dos produtos, produção, dados de consumo, etc.). A literatura também inclui os fatores de decisão que influenciam os consumidores nas suas decisões de compra, o que é uma questão muito complexa quando se trata de vinho. Finalmente, a literatura sobre as estratégias de marketing foi revista, a fim de avaliar o tanto o impacto potencial como a relevância para o mercado brasileiro.

A segunda etapa do estudo foi a apresentação de questionários a consumidores brasileiros e a análise, com o intuito de determinar as preferências dos consumidores e compreender a percepção do vinho francês. O objetivo foi identificar potenciais grupos alvos para os produtores franceses de vinho.

Palavras chave: Vinho, Vinho Francês, comportamento do consumidor, Means End theory, Mercado do vinho brasileiro

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INTRODUCTION

I - Why is it important for French wine exporters to understand better the Brazilian consumer?

Wine consumption has been decreasing in France over the past decades, suffering from the concurrence of beer and other beverages. French wine producers have therefore been looking more and more curiously to sell their wines on new markets. They first started to export wine to other developed economies, such as the rest of Europe, the United States and Japan, but more recently they started exporting to emerging countries such as China or Brazil, where the potential market is considered as very promising (Burgos, 2012; JBC International, 2011).

In fact, prospects of wine consumption in Brazil are really good, according to C. Burgos. According to him, it can be explained by the fact that Brazil was not struck too hard by the 2008 crisis, and by the emergence of a more educated middle class who is starting to appreciate wine like the upper class does. Brazilians drink more and more wine, especially while socializing or to celebrate something, and consume mainly red wine (JBC International, 2011; Wine Institute, 2011). Moreover, Brazil is importing more and more wine as local production is not sufficient to supply the domestic market and does not present the best quality (IBRAVIN, 2013).

Brazil is therefore a very interesting market for French wines, however gaining market shares in this country is not an easy task, especially for French wines. In fact, even though French wine benefits from the best reputation in terms of quality and image, it is also very expensive compared to the competition (wines from Argentina or Chile) because of high taxes on imports, and higher production costs. Therefore, the first problem is the difficulty for French wines to extend their market share beyond the upper class that is the only one that can afford them on a regular basis. French wine importers actually do not benefit that much from the growth of thirst for wine of the middle classes. Wines from Chile or Argentina are much more affordable and also present a good quality, thanks to lower imports taxes (due to the MERCOSUL agreements), and lower production costs.

Another problem is that the Brazilian consumer is not very knowledgeable when it comes to wine, as it is a country where beer consumption is more traditional and where the interest demonstrated for wine is recent. Brazilian consumers can be lost when it comes to choosing wine, especially French wine as its “terroir based” appellation system and marketing can be considered as more complicated than branding strategies adopted by the New World's wines for instance.

Finally, the wine tastes and habits of the Brazilian consumers are particular, and it is very important to understand them in order to export the wines with the appropriate characteristics on the Brazilian market. It is very important to understand who already drinks French wine and why, and who could become a larger or a new consumer.

The big challenge for French wines to gain market shares in Brazil is thus to find the right strategy in order to continue the development of sales amongst the upper classes but also gain in popularity within the middle class and new sections of the population. The first and most important step to complete in order to develop a new marketing strategy is to understand the Brazilian wine consumer's habits and perception of the French wines, in order to define what image to go for and what customers to target. In order to do so, one has to understand what drives the Brazilian consumer to choose a specific wine over another, what are his consumption habits, his perception of the different wines and many other elements that will be addressed later in the dissertation.

II- Objective of the dissertation and research question:

The dissertation aims at answering the following research questions:

What characteristics do the Brazilian consumers present when it comes to wine and French wine in particular?

The first objective of this dissertation to understand the Brazilian wine consumer, his habits, the drivers of his choices, and his perception of French wines. Different aspects are very important when it comes to choosing wine, and they vary from country to country but also from generation to generation, or even gender and social class. The consumer can consider many variables: not only the designation of origin, the price, the age of the wine, the grape variety (Mtimet, Albisu, 2006) but also the taste in general, the label, the level of alcohol, or either health benefits associated with wine consumption (Quenani-Petrela, Wolf, Zuckerman, 2007). The consumer can also make a particular choice according to a particular context, situation or objective. Different issues and questions can be raised regarding Brazilian consumers: why do

Brazilian people buy wine? Is it for the taste? Is it for the social recognition? What kind of wine do they buy? How do they consider French Wine? Who buys French wine?

The idea is to depict Brazilian wine consumers and their specificities in order to understand better how to touch them through a more efficient marketing strategy. An important objective of this dissertation is to be able to identify one or several potential target groups for French wine exporters, according to common characteristics and potential they present.

This work hence will be based on a survey submitted to Brazilian consumers in São Paulo and Rio de Janeiro between June and July 2014, developed on the basis of the literature review and interviews conducted with wine professionals in São Paulo. The data and information collected will be analyzed in the light of academic knowledge and models in order to provide answers to these questions. A conclusion will be drawn based on the results of this analysis and will aim at providing leads and guidance for further research on the marketing strategy to be adopted for French wines in Brazil.

LITERRATURE REVIEW:

I – Specificities of the Brazilian Wine market

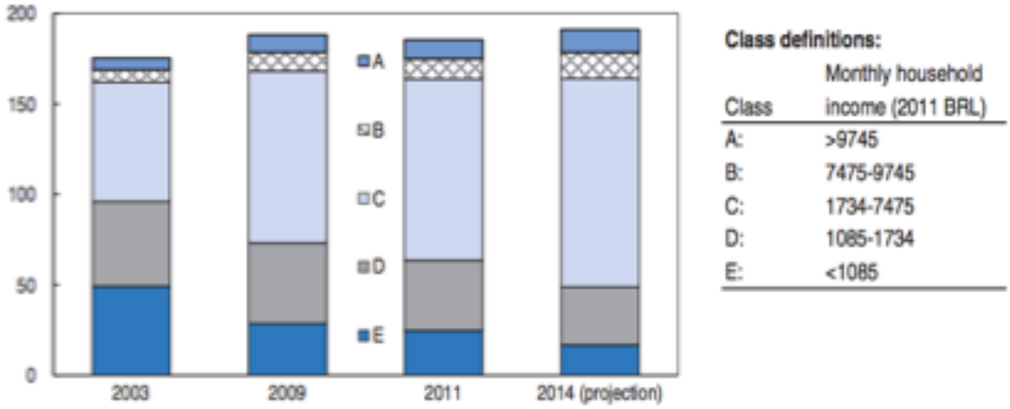
1) Brazilian economy: the emergence of a new middle class

In this segment of the dissertation, general data about Brazil will be presented, regarding the economy, population and the wine market. It will be demonstrated that Brazil presents an important potential market for wine, especially for imports, due to a dynamic economy, the rise of an important new middle class and a developing thirst and interest for wine. Brazilian wine market specificities such identified in the literature, such as consumer preferences, distribution, or specific risks, will also be briefly covered.

With a GDP of 2,252,664 million USD in 2012, i.e. the seventh largest GDP on the planet (World Bank, 2013), Brazil is the first economic power in Latin America. The country's economy grew rapidly between 2000 and 2008, with an average annual growth rate above 4% on the period (OECD, 2013). Even though since 2009, according to the OECD, growth has not been stable (-0,3% in 2009, 7,5% in 2010, 2,7% in 2011 and 0,9% in 2012), it should reach an annual rate over 3,5% again after 2015 (World Bank, 2013).

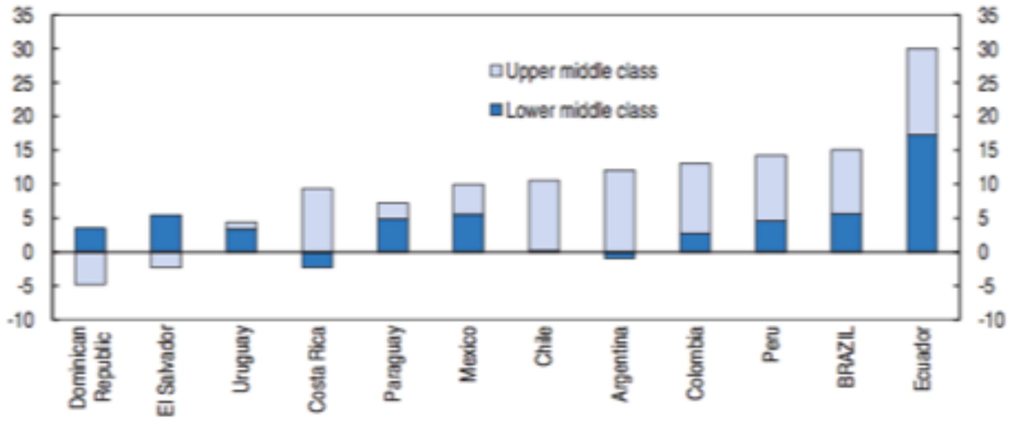
The general situation of the Brazilian economy has had an important impact on the structure of the society. In fact, a new and important middle class has progressively emerged and continues to grow, which induces good market perspectives. The middle class in Brazil is the second fastest growing in Latin America after Ecuador, with an average growth rate of 15% on the period 2000-2009 (OECD Economic Survey, 2013). Class B (monthly household income between 7.475 and 9.745 2011 BRL) and class C (1734-7475 2011 BRL) were the classes with the fastest growth pace, while classes D and E decreased rapidly. According to the OCDE, the majority of the people who joined the middle class were from rural areas, with a black ethnicity and incomplete or no basic schooling. Nevertheless, people who joined class B were generally from urban areas with at least some tertiary education. (see figure 1 and 2).

Figure 1: Distribution of population by income classes in Brazil (in millions)



source: OECD economic Survey, 2013

Figure 2: Growth of the middle class in selected Latin American countries, 2000-2009, in 2005 USD at purchasing power parity:



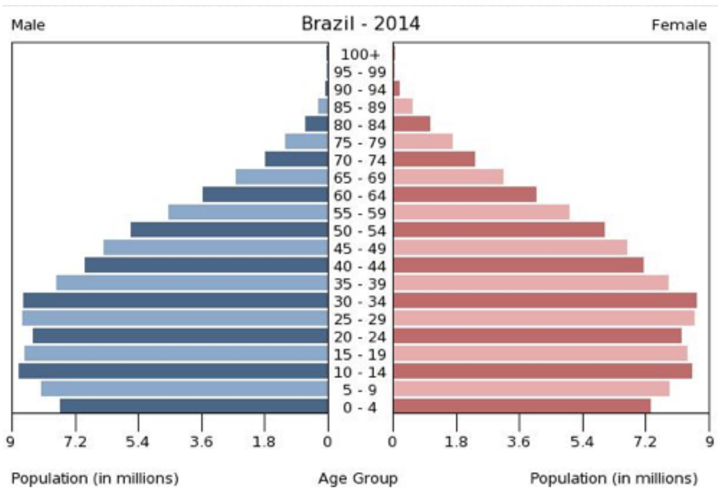
Note: Instead of 2009, the respective value for Mexico refers to 2010. For Brazil, 2000 was interpolated from the two adjacent years.

source: OECD economic Survey, 2013

The recent economic expansion relies greatly on Brazilian consumers and the development of an internal market, as the growing middle class spend money on domestic comfort and status symbols often out of their reach. It has in fact been noted that Brazilians put in general a higher priority on living for the present, devoting a very large share of income to spending, while saving only 10% of their income, which is the lowest saving level amongst the BRIC countries (JBC International, 2011). It is an interesting point to note as wine, as it will be seen later, can be considered as a status symbol in some cases. The economic expansion relied also on the recovery of exports that stimulated higher monthly incomes, lower unemployment rates and therefore the rise of the middle class. With Brazil hosting the 2014 Football World Cup and the 2016 Olympics, it is expected that increased investment and interest by the Brazilian government will lead to further economic growth and greater consumer demand (JBC International, 2011).

In terms of population, Brazil ranks currently 5th in the World with more than 203 Million inhabitants (CIA World Factbook, 2013). Brazil presents a relatively young population, as the age structure is distributed as follows: 0-14 years: 23,8%, 15-24 years: 16,5%, 25-54 years: 47,3% and 65 years and over: 7,3% (CIA World Factbook, 2013). Females represent a slightly larger share of the population with a 98% male to female ratio (JBC, 2011 and figure 3). Considering the large population of Brazil and the emergence of an important middle class, the potential of the Brazilian market for wine demand is high, knowing that the official legal age of drinking is 18 years old (JBC, 2011).

Figure 3: Population pyramid of Brazil



source: CIA World Factbook, 2013

2) <u>Dynamics of the Brazilian Wine market:</u>

Brazil presents today an important challenge and a huge potential market for wine professionals. In fact, the demand for wine is growing, but the market is very competitive because of international competition and government's support to local production. The Brazilian wine market also presents important specificities when it comes to consumer segments, consumption habits, and distribution. The Brazilian wine market finally presents various risks and difficulties, in particular regulatory risks.

a) An important potential for consumption growth:

The Brazilian wine market is very attractive today for exporters as it presents an important potential for consumption growth. Alcoholic beverages consumption is expected to meet significant growth, as disposable income should continue to increase amongst the middle class until 2017 (JBC International, 2011). Beer should continue to sustain the major part of the growth in the future but it is expected that wine and spirits will continue to experience important growth until 2015 at least, with the Brazilian consumers enriching their drinking habits (JBC International, 2011).

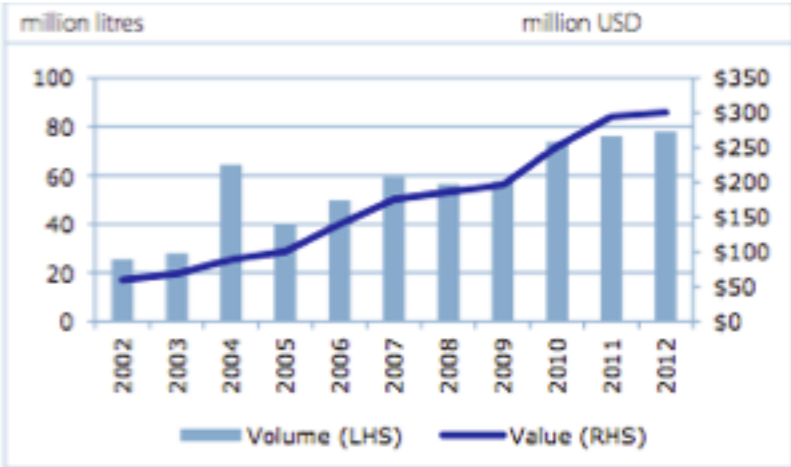
Brazil consumes today only approximately 300 Million liters of still wine per year and has a capita consumption of less than 2 liters per person per year, way behind its neighbors Argentina and Chile, as wine was never the alcoholic beverage of choice in Brazil. Nonetheless, this situation is progressively changing, as the middle class is willing to use its new disposable income to experiment new products, including wine. Between 2008 and 2011, overall consumption per capita already grew of approximately 23% (Wine Institute, 2011). Wine should progressively gain importance in the life of Brazilians, one of the reasons being that its health benefits are increasingly recognized (Bell, Fava Neves, Thomé e Castro & Shelman, 2010). It is thus possible to anticipate significant growth for wine in the next ten years (MarketLine, 2013).

b) The importance of imports:

As Brazil is not historically an important wine producer, and because its wine production is not big enough to satisfy a growing demand, most of the demand is satisfied by imports.

Even though the Portuguese and the Jesuits brought the first wine grapes to Brazil during the 16th century, Brazil is not an important wine producer today. Indeed, Brazil is only the 15th largest wine producer in the World (Wine Institute 2011) with only 324 Millions liters produced in 2011, including sparkly wine, which accounts for approximately 20% of the total production, far behind its neighbors Argentina (1,547 Million liters) and Chile (1,046 Million liters). Despite important efforts from the government to encourage wine production in Brazil (+43,8% between 2008 and 2011, the biggest growth of production in the world), Brazil relies importantly on imports to satisfy wine demand. Indeed, countries such as France (4,963 Million liters produced in 2011) face the opposite problem as they continue to produce as much while domestic consumption tends to decrease, and are therefore more than willing to export their wines to new markets such as Brazil. Brazilian wine imports have thus expanded significantly over the past decade, both in terms of value and volume. They have been multiplied by 3 according to the Brazilian Ministry of Development, Industry and Foreign trade between 2002 and 2012. (See figure 4).

Figure 4: Brazilian wine imports by volume and value, 2002-2012



source: Brazilian Ministry of Development, Industry and Foreign Trade, 2013

Chile and Argentina are from far the biggest exporters of wine to Brazil, as they exported respectively for 73,3 and 55,7 Million USD worth of wine to Brazil in 2010 (JBC International, 2011). France ranks third in value, just before Italy and Portugal with exports value of approximately 35,8 Million USD. It is interesting to note that France ranks third if one considers value of exports to Brazil, but only 5th in terms of quantity. It is thus possible to see that French wines are priced much higher than Italian or Portuguese wines for instance, and it will be interesting to question that fact later on in the dissertation. (See figures 5 and 6). French wines are thus important on the Brazilian wine market, but they nevertheless lost a little bit of market share between 2004 and 2013, from 7% market share to 6,5% (IBRAVIN, 2013).

Figure 5: Wine Consumption Data for Imports, Brazil

Brazil Import Statistics Commodity: 2204, Wine Of Fresh Grapes, Incl Fortified; Grape Must O/T Heading 20.09 Calendar Year: 2008 - 2010							
Partner Country	Unit	2008		2009		2010	
		USD	Quantity	USD	Quantity	USD	Quantity
World	L	185,836,478	56,593,564	196,049,568	57,848,119	251,549,238	73,767,146
Chile	L	50,982,411	18,177,493	61,563,326	21,961,881	73,239,549	25,957,208
Argentina	L	40,476,584	15,297,016	41,255,809	14,752,051	55,715,290	18,046,478
France	L	27,048,955	3,051,254	28,840,407	2,973,740	35,805,532	3,577,296
Italy	L	28,853,317	10,704,938	26,076,286	9,055,564	33,452,731	12,960,301
Portugal	L	24,100,160	6,233,933	23,980,957	5,972,013	29,947,461	8,057,888
Spain	L	7,215,868	1,239,690	7,627,607	1,411,411	10,618,202	1,989,727
South Africa	L	1,182,329	315,459	1,973,912	498,107	3,637,693	939,835
Uruguay	L	2,097,911	880,192	1,963,590	748,045	3,225,363	1,254,517
Australia	L	1,252,014	196,777	1,000,788	213,247	1,876,543	345,808
United States	L	577,322	77,536	728,777	92,535	1,415,977	220,637

source: JBC International, 2011

Figure 6 : Import Market Shares by Country of Origin

Import Market Shares by Country of Origin	
1. Chile	29.12%
2. Argentina	22.15%
3. France	14.23%
4. Italy	13.30%
5. Portugal	11.91%
10. US	0.56 %

source: JBC International, 2011

c) *Wine consumption patterns:*

The Brazilian consumers present some particularities when it comes to wine. Amongst still wines, red wine is from far the most popular, as it represented more than 81% of the wine consumed in Brazil in 2009 (JBC International). White wine represented approximately 17%, and rosé only 2%. (See figure 7). Amongst red wines, Brazilians present a preference for Cabernet Sauvignon (71,6 Million liters in 2009), Malbec (22,5 Million liters) and Merlot (24,3 Million liters). The trends can vary a little according to the different regions and cities but generally stay the same (Market Watch, 2009).

Figure 7: Still Light Grape Wine Consumption 2009 in Brazil (by type)

Still Light Grape Wine Consumption 2009 (by type)	
By Volume (million liters)	
Color	Total
Red	217.3
White	45.9
Rose	4.5
Total	267.7

source: JBC International, 2011

Some determining factors when buying wine have been noticed in the literature for Brazil. Price is important, as Brazilian people tend to prefer relatively cheap to cheap wine in general. Classification according to wine consumption by price range shows that the great majority of Brazilians do not spend more than 13,43 USD on a bottle of wine. The great majority spend in general between 5,60 and 13,43 USD per bottle (JBC International, 2011). According to Market Watch, Brazilians are also sensitive to the brand, the country of origin, promotion offers, alcohol content, recommendation by friend or family, grape variety, appeal of label or design of the bottle, grape variety, and medals or awards received by the wine. These factors vary greatly according to the consumer segment, and this aspect will be reviewed in details in the second part of the literature review. JBC International identifies three categories of wine consumers in Brazil: light users (1/2 bottle per month), medium users (1-3 bottles per month) and heavy users (more than 3 bottles per month). They represent respectively 36, 54 and 10% of Brazilian wine buyers. JBC International identified that men tended in general to be heavier drinkers than women, and that medium users were more likely to be 40 years old, middle class, half of them having a university degree of some kind. Bell, Fava Neves, Thomé e Castro & Shelman, in the Harvard case Vini Brazil, divided Brazilian wine consumers in 4 groups. They called the first group *Mass*, composed of individuals whose choice is driven mostly by price. The second group is *Mainstream*, and follows the trend set by society leaders, even though they are price conscious, with an important sense of cost benefit. Members of this group spend in general 20-40 BRL per bottle and generally buy young South American Wine. The third group is *Opulent*: a group of label conscious people, who seek high-end products as a matter of sophistication and prestige. They are willing to pay the price that fits their status, follow international trend, and are quite knowledgeable. The last group was named *Traditional,* and is made of people with high level of consumption and income. Being members of wine drinking families, they seek the wines for connoisseurs, and are distinguished by their upper level of skills.

d) Distribution specificities:

Brazil also present market specificities regarding distribution. According to Market Line, the most important distribution channel in 2012 was supermarkets and hypermarkets with 50,7% share, followed by convenience stores (22,2%), on-trade, i.e. restaurant pubs and cafes (15,2%), and specialist retailers (11,1%)

Finally, it is important to note that the Brazilian wine market presents specific risks, which can be significant (JBC International, 2011). The first risk is related to the uncertainty of government regulations. Over the past years, the Brazilian government has issued a number of regulations regarding production processes and labeling. Customs inconsistencies can also be problematic for wine exporters, as formalities are numerous. Moreover, tax level is high and is not consistently administered by the different ports of entry. Standard import procedures take as long as 17 days and cost in average 170 USD for a cargo of goods, and it is even longer and more expensive for wine (World Bank, 2011). This can be explained by the will of the Brazilian government to protect domestic production and by rampant corruption. Different specialists also fear new legislation regarding alcohol abuse control. Furthermore, wine exporters are confronted to unfair, although legal, concurrence, as Chile and Argentina have been able to export at substantially lower costs due to free trade agreements induced by the MERCOSUL. Finally, contraband wines that cross the border illegally, especially on the border with Paraguay, have a disloyal advantage over legally imported wines (JBC International, 2011).

II – How do consumers choose their wine?

In order to be able to analyze a wine market and wine consumer behavior, it is very important to address the factors that drive the choice of the consumer, and to define to what extend they are relevant to the specific market. Wine specialized literature covers the subject very well, and will be reviewed in this section in order to be able to lead further research on the Brazilian market.

Wine is a particularly difficult product to evaluate. In fact it is a credence product, i.e. a product that is difficult to evaluate before and after consumption, as opposed to search products, that can be evaluated prior to consumption, and experience products, that are evaluated after consumption (Darby & Karni, 1973). Indeed, many factors intervene and interact, and it is very important for whoever wants to study wine consumer behavior to understand them well. This study will separate the different important factors following a classification broadly adopted in literature, reviewing separately product-based factors and consumer based factors.

1) <u>Product based factors:</u>

Product based factors will be considered here as the factors related to the wine characteristics, including tangible (e.g., price, quality, taste, packaging, brand) and intangible aspects (e.g., reputation, image) that influence the wine consumer (Lowengart, 2010). For complex products like wine, that have many different types of product characteristics, and that have a credential nature, the choice task is particularly complex. The consumer takes into account both extrinsic and intrinsic characteristics in order to make a buying decision. In the case of wine, it is possible to distinguish three steps in the decision process, each step including the evaluation of different characteristics. The first step is the image-based evaluation, which addresses principally extrinsic characteristics of the wine. The second step is the sensory-based evaluation, which addresses intrinsic characteristics. Finally, the objective based evaluation step addresses cultural and situational factors that influence the consumer decision in the choice of a wine (Lowengart, 2010).

a) Image-based evaluation:

Extrinsic characteristics are very relevant when it comes to choosing wine because they determine the consumer's image-based evaluation of the wine. These characteristics have been often described and addressed in the literature. The most common extrinsic characteristics described are the price, the brand, the area of origin, the grape variety, the type, the label, the vintage, awards received, recommendation, packaging or even alcohol content (Miller & Chadee, 2008; Barber et al., 2006; Beverland, 2004; Gluckman, 1990; Hudson Howells, 2005; Kennedy, 2005; Keown and Casey, 1995; Orth and Malkewitz, 2008;

Orth and Kahle, 2008; Spawton 1991, Chaney, 2002; Perrouty et al., 2006). Various authors put the emphasis on specific characteristics they consider as more relevant than others. Generally, the three most important attributes of a wine according to literature are considered to be the designation of origin, the brand and the grape variety (Mtimet & Albisu, 2006; Hall & Lockshin, 2000).

The brand name of a wine can be considered as specifically relevant regarding low and middle end wines (Tsapi, Djeumene & Tchuente, 2009). In fact brands generally try to produce wine that has a consistent taste through more industrialized processes, and therefore it seems often less risky for the consumer to buy a known brand rather than something else when it comes cheaper wines, the brand being considered as a guarantee of a certain quality.

The country of origin is considered as particularly relevant for consumers with little experience and knowledge, and in countries that do not have an important wine tradition (Tsapi et al, 2009; Martinez-Carrasco L., Brugarolas M., & Martinez-Poveda A., 2005; Elliot et Cameron, 1994; Van Ittersum et al., 2002; Chaney, 2002). In such context, and especially for high-end wine, the country of origin seems to appear as the most reliable characteristic for the consumer when it comes to buy the wine based on its image.

The grape variety is mostly relevant for consumers when they choose wine from other countries, especially wines from the "New World", which means wines from South Africa, Australia, New Zealand, Chile, or Argentina (Mtimet & Albisu, 2006). These wines are indeed "mono cépage", i.e. they use only one kind of grape to make the wine, as the taste of the wine can therefore be directly linked with the grape variety.

Price is also a very relevant factor, and has to be linked with utility when considering consumer choices. Different authors have proved the existence of a price utility curve for wine, indicating a decrease in consumer utility when the price of the wine increases. This price utility differs from traditional agricultural products (Mtimet & Albisu, 2006; Morrison, Bennett, Blamey, & Louviere, 2002; Lusk & Rosen, 2003; Enneking, 2004). Nevertheless, public policies affecting wine price have been shown inefficient in Canada for instance, where an increase in the price of the wine due to new taxes did not caused a reduction in the quantity of wine consumed but a switch towards lower priced wine (Ogwang, 2009).

Other factors have been proved relevant, such as awards received by the wine and recommendation from wine expert (Madeira, Duarte & Barreira, 2009; Schamel, 2009). Specific packaging such as the type of cork stopper used, or the use of special labeling can also have influence (Locke, 2006). The use of a specific funny name, such as the name *Fat*

Bastard, used by a French wine imported in the United States of America by a Seattle based company can indeed help to attract the consumer or help him to remember the wine.

Wine consumers finally appear to be more and more sensitive to environmental issue and the traceability of bottles. It is more and more common to meet consumers willing to pay premium price to get organic wine (Corsi & Strøm, 2013). Wines from New Zealand, for instance, benefit from the "green" image of the country, as New Zealand has insisted a lot on responsible development and put in place norms to favor bottle traceability over the past years (Bobrie, 2010). This new trend also benefited to Piedmont wines, whose sales have been boosted by their environmental friendly image. According to Corsi and Strøm. consumers generally regard Organic wines as better quality wines, with more healthy attributes.

b) Sensory based evaluation:

The sensory-based evaluation occurs in general after the image-based evaluation, when the consumer actually experiences the wine. The "sensory properties include how the wine appears in the glass, how it smells, and how it tastes" (Miller & Chadee, p. 32, 2008).

Research on consumer wine choice is also broad concerning sensory attributes (e.g. Areni, 1999; Keown & Casey, 1995; Olson et al, 2007; Hall & Lockshin, 2000). Most of the research on the subject has been conducted through testing such as blind tests.

Different elements of the wine can be described through the senses, and tests can be conducted to identify the consumer preferences and the sensitivity of his senses. It is indeed possible to question the consumer for example about the color (light or dark), the aroma (light or strong), the bouquet (light or strong), the taste (tasty or not tasty), the tannic level of the wine (very low to very high), harmony (low or high) and aftertaste (light or strong) (Lowengart, 2010).

Of course, when conducting these types of tests it is important to be sure the consumer is aware of the specific vocabulary. Wine has its own and complex vocabulary, which can sometimes make wine consumer's study difficult (Anders et al., 2009).

The sensory-based evaluation of a wine is very important to shape the consumer's opinion. In fact the consumer will develop a memory of the wine based on this evaluation and will develop loyalty to the wine according to the quality of his experience. This is why some consider "sensory marketing" as the most efficient way to advertise wine (Luisier & Sarasin, 2008). In fact, experience, as we will see later in this study, is a very important determining factor for wine consumers. It is important for wine makers to be aware of that matter, as they can manage sensory attributes practically and scientifically.

c) Objective based evaluation:

The choices of the wine consumers are also influenced by non-material factors, such as culture and situational context. According to the Means-end theory, individuals can desire a product because this product attributes help to fulfill value-end state (Woodruff, 1997; Holbrook, 2005). The Means-end theory is therefore useful to understand that customers can build the value of a product upon its perception and desired benefits. These desired benefits can vary according to situational context and cultural elements (Overby, 2008). The situational context and cultural elements will affect not only the choice of the wine, but also can push the consumer to choose wine over another beverage, for instance if the consumer consider that drinking wine will make him appear more “sophisticated” or “classy” (Olson, Thach & Nowak, 2007).

According to literature, it is possible to identify 5 different situational contexts that will affect consumer behavior: task definition, temporal situation, location situation, antecedent state and social setting (Belk, 1975). These 5 situational influences can easily be applied to wine.

The first of these situational contexts is **task definition**. Task definition can be defined as the objective goal of the wine. For instance, a wine can be preferred over another or over another drink if it matches better with a certain kind of food (Miller & Chadee, 2008). The consumer could also prefer to drink wine because it presents health benefits. In the United States of America, for instance, wine is considered to help prevent heart diseases and doctors even recommend it to their patients sometimes (Olson, Thach & Nowak, 2007). The task definition often dictates the price, the quality or the color of the wine desired. One obvious example of task definition can be the meal versus non-meal occasion: the color of the wine will be greatly influenced by the type of food (red wine with meat, white wine with fish for instance). Another example can be the case of a restaurant meal: a low priced and moderate quality can be appropriate for a normal meal with friends while higher end wine will be preferred for special occasions (Overby, 2008).

The **temporal characteristics** of a situation will also affect the choice of the wine. The choice of the color or grape variety can indeed depend on whether the wine is consumed before, during or after a meal. The season (and temperature) can also play a role (Overby, 2008). In France for example, people will drink rosé wine mainly in spring and summer when the weather is good.

Antecedent state can be difficult to identify, as it relates to the mood of the consumer. It has been observed that people tend to have moods, such as "red wine mood", celebration mood" etc. The antecedent state influences the choice of color and price of wine chosen (Overby, 2008).

One of the most influential situational factors is the **location**. For instance, home versus restaurant will greatly influence to choice if quality, price or even bottle size. The type of restaurant is also very relevant to the price and quality of wine chosen. The country of location also influences the country of origin of the wine chosen (Lockshin et al., 2006).

Finally, **social elements of the situational context** also play an important role. The perception and wishes of others influence everything from the quantity, country of origin, price, quality, color etc… Some people will also not consume wine if alone. Some will have the tendency to drink more and better when in company of other connoisseurs for instance (Overby, 2008).

It is interesting to note that these 5 situational elements interact. For instance, task definition often influences location and social setting. For example, a birthday celebration (task definition) can dictate that one dines in an upscale restaurant (location) and that it is important to have friends present (social setting). These situational elements are thus most of the time intertwined (Ritchie, 2007).

2) <u>Consumer based factors of choice:</u>

As explained before, literature often separates product and consumer based factors when analyzing wine consumer behavior. Many types of segmentation exist, including geographic, demographic, involvement, or life-style (Goodman et al., 2008; Arnold & Fleuchaus, 2008). We will here review the demographic segmentation, which is the most commonly used for new markets such as Brazil. Demographic factors include principally age/generation and gender. We will also review the frequency and involvement factors, as it appears that certain portions of the Brazilian population are more mature regarding wine consumption than others (Arnold & Fleuchaus, 2008).

a) The importance of gender:

Regarding wine consumer's behavior, gender is a particularly relevant factor as it influences greatly the buyer's decision. It has been observed that food preference based on sensory evaluation differs importantly between men and women (Weaver, 2001). Regarding alcohol consumption, the same difference has been widely documented (Ricciardeli et al., 2001).

Some general trend can be identified concerning wine preferences of male and females. Men will have a tendency to appreciate powerful wine, and to put a lot of importance on the aftertaste, while female have the tendency to appreciate more fruity and light wines, that are easy to drink, and consider the bouquet (smell) more than the male segment (Lowengart, 2010; Goodman et al., 2008).

Male and female also have different buying habits regarding wine. In fact in a couple, most of the time the "wine expert" is considered to be the male partner, therefore male will be more likely to choose wine when it is considered as a luxury and prestige good, in a restaurant for instance. However, women buy more wine and more often (60 to 70% of the time in the UK), as they are the ones buying the "grocery" wine, as a routine (Ritchie, 2007).

b) The generational effect:

Age and even more generation are also very important to consider when trying to understand wine consumer's decisions. In fact, people who belong to the same age category or generation will have a tendency to present common preferences and will tend to consider similar characteristics when buying wine. The literature in general identifies 4 generations with similar taste: the traditionalists (born between 1900 and 1945), the baby boomers (1945-1964), the generation X (1965-1976) and the generation Y (1977-2000) (Quenani-Petrela, Wolf & Zuckerman, 2007; Olson, Thach & Nowak, 2007). The oldest generation will have a tendency to look for good taste, good value for money, premium quality wines, and health benefits. Generation X is more likely to look for a wine that is good for dating, with a creative label. Generation Y is more likely to look for high alcohol content and low prices.

The perception of the different wine regions of production also varies according to generation. In California, a study showed that the old generation consider Californian wines to be the best while generation X and Y are much more aware of Australian, Italian or French wines for example. In fact, it is more common for the younger generations to travel in these regions, and they are therefore more knowledgeable about foreign wines, and more eager to drink them.

The amount spend per bottle also vary greatly according to generation, due to inequalities in terms if income (Madeira, Duarte & Barreira, 2009). The older the generation, the more money is spent on bottles in general. The location where people buy their wine is also different, with older people being keener to go to specialized shops. One of the elements of explanation of these generational wine preferences is that people of the same generation have been "shaped" by the same socialization processes, same kind of education and social constructs (Olson, Thach & Nowak, 2007).

c) *Involvement and frequency of consumption:*

As seen earlier in the dissertation, wine is a particularly complex product. Therefore, involvement, which generally increases with the frequency of consumption, is an important element that shapes the wine consumer's decisions (Lowengart, 2010). Involvement is thus one of the most used methods to separate wine drinkers preferences (Quester & Smart, 1998; Zaichkowsky, 1985). Involvement is often linked with drinking frequency, and drinkers being highly involved generally drink more often. The frequency will affect grape variety, origin, and some other sensory-based characteristics preferences (Goodman et al., 2008).

Frequency and involvement affect not only the preferences of the wine drinker, but also the characteristics the wine drinker will consider as important in a wine. It has been proved that inexperienced drinkers pay more attention to appellation of origin, that acts as a brand proxy, and brand, while more experienced drinkers pay a lot of attention to the vintage (Mtimet & Albisu, 2006). However involvement is a long process, therefore the "consumer socialization" is very important, especially for products like wine (Olson, Thach & Nowak, 2007). It refers to the process by which the consumer learns the attitudes and skills that allow him to participate in the market place. It includes the way the consumer is first introduced to wine, who introduces the consumer to wine, as well as the setting and type of wine drunk for the first time. All of these elements may explain the choices of the consumer today. Many people can influence the wine drinker: parents, friends, co-workers, wine professionals, and the “consumer socialization” process lasts a lifetime.

III – Wine marketing: Brand vs. *terroir*, a relevant opposition?

The past two decades have witnessed the rise of the “New World Wines”, produced in countries such as Chile, South Africa, Australia, Argentina or even New Zealand. It marked a disruption in the world’s wine market as the marketing strategy and production methods of these wines completely changed from what the traditional European makers used to do. “New World” wine makers indeed often use innovative methods to produce and market their wine, with very big production and industrialized processes. They also have soon chosen to develop brands and often adopted a varietal labeling. The raise of these “New World” wine soon threatened the long dominance of traditional European wine producing countries such as France, Italy, Portugal and Spain. In these countries, wine makers have suffered importantly of this new competition, especially small and medium producers (Remaud & Couderc, 2011). European wine makers usually produce wine in a more traditional way and market their wines according to a *terroir*-based approach.

In the light of the success of the “New World” wines producers’ methods, the question has been raised by many (Remaud & Couderc, 2006; Muhr & Rebelo, 2011) to know whether or not it was clever for European producers, including French producers, to adopt the “New World” methods. There is a strong disagreement amongst specialists regarding to which is the best method, and more recently some have argued that the opposition brand vs. *terroir* approach is not relevant as other elements are in fact more important.

This section will therefore present the success of the “New World” wines and their model, as well as the European, and more particularly the French model. The differences, advantages and disadvantages of both models will be addressed in the first part. In the second part, it will be demonstrated that the opposition brand vs. *terroir* can be over passed and that other elements are more important regarding wine marketing.

1) Branding vs. *terroir*, two approaches:

a) "New World" wines and the emergence of branding:

During the past 30 years, new countries gained a certain reputation for wine making. It started with the United States in the 1970's, and many countries followed in the 1980's and 1990's such as Chile, Argentina, South Africa, Australia and New Zealand. The producers from the "New World" have in common not only their recent activity, but also a similar approach to wine making and wine marketing. They indeed developed strong brands with varietal labeling, developed industrialized production processes that guarantied a consistency of the quality of their wines, which soon led them to success. In fact, it is very important for a brand to be able to offer a constant taste to the consumer in order for the consumer to trust the brand and develop loyalty (Celhay & Cusin, 2010).

Branding can be defined as "a name, term, sign, symbol or design, or combination of them intended to identify the goods and services of one seller or group of sellers and differentiate them from those of other sellers" (AMA, 2009). The "brand effect" includes what the brand does for its customers, assessments about the brand, how the consumer feels and thinks about the brand and whether a positive image is associated with the brand or not (Keller, 2008). Different attributes can be related to the brand, such as personality, label design, but also terroir (the latest point will be addressed later), and are called brand associations (Aaker, 2002; Chen, 2001). When buying a brand, the consumer does not buy a product but a specific idea associated with the product (Atkinson, 1999).

Even though branding is a relatively new approach in the wine industry, some impressive success stories have already taken place. For some, brand is the most important driver of choice regardless of the consumer experience. In fact, it may allow the brand owner to "own the consumer", and therefore to detain the power (Miller & Chadee, 2008). A brand is also a good way to develop and maintain a difference in the wine industry, which is the key of success according to some specialists (Urde, 1999). The Yellow Tail story is a very good example. Launched in 2001 by a small Australian wine maker, the brand soon became one of the most famous and recognizable wine brands on the planet, thanks to a very efficient marketing strategy (yellowtailwine.com). The brand indeed developed a strong and original identity, with recognizable logo and design, and developed different qualities of wine sold with a color code easily understandable.

Developing a wine brand can be relevant for many reasons. A brand is indeed more relevant for inexperienced consumer. In fact, brands help the consumers to reduce perceived risk (as the taste should be constant) and therefore increase their confidence in the product (De Chernatony, 2001). Therefore, inexperienced consumers that are more risk adverse will more likely buy branded wines to reduce risk, and go for a famous brand with a strong and positive image, just like Yellow Tail.

A brand is also more efficient to sell wine in supermarkets (Ewing-Mulligan & McCarthy, 2003). In fact, it is more relevant for medium and low priced wines. It can be associated with the previous idea that it suits well inexperienced consumers. Indeed, inexperienced consumers generally prefer to buy low or medium priced wines.

"New World" wine makers have generally associated the brand approach with varietal labeling ("Merlot", "Cabernet Sauvignon", "Malbec", "Pinot Noir"…). In fact, this classification of the wines is easier to understand for the wine neophytes (Celhay & Cusin, 2010). Australians have for example been so successful at associating their brands with varietal labeling that many consumers believe today these grape varieties are originally from Australia, even though it is completely false (Atkinson, 1999).

b) Vins de terroir, the European traditional model:

Terroir is a French term that refers to the land, the soil, the temperature, the altitude, the coastal influence and the growing conditions under which a grape grows, and that gives its unique characteristics. In fact, all of these factors have a great influence on the quality and the intrinsic specificities of the grape and thus of the wine (color, taste, etc…) (Bell et al., 2010).

The appellation system according to the *terroir* of the wine was born in Bordeaux, France. Bordeaux was the first international wine, as big scale exports started during the 17th century. It therefore became naturally the model for all the French wines and later for other European wines (Bobrie, 2010). The idea of the *terroir* approach is that the quality of the wine comes from its environment and not only from the grape variety or from the producer skills. Wine indeed can differ greatly according to where it comes from, and two wines produced a few kilometers apart can be very different. Knowing the original *terroir* of a wine can therefore help the consumer to understand what kind of wine he is going to drink.

Today, *terroir* and origin of the wine is still a very relevant factor to the consumer. Many authors consider the country of origin to be the determining factor in a buying decision (Tsapi, Djeumene & Tchuente, 2009; Chaney, 2002; Perrouty, d'Hauteville & Lockshin, 2006; Vrontis, Thrassou & Czincota, 2011). The origin of the wine is particularly relevant for high priced wines, as the differentiation is more important. In fact, the consumer who is willing to pay for a high quality wine appreciates to know as much as possible about the wine, and the *terroir* approach in this case is therefore more appreciated (Atkinson, 1999). Some also argue that *terroir* is relevant when consumer knows less about wine, which contradicts completely the opinion of others that argue brand is better in this situation. The firsts argue that when consumers become more aware of producers, that here can be considered as brands, they will pay less attention to regional specificities. On the opposite, a newbie will pay more attention to regional specificities as they are broader (Schamel, 2009).

A new trend appeared in countries such as Chile, Australia or the United States in the Napa Valley: even though the wine makers in these regions have started with brands, they have created subdivision and new appellation systems that gives more and more importance to the origin of the wines. Indeed, it has helped them to sell their top wines (Ewing-Mulligan & McCarthy, 2003). For some regions, such as Germany or New Zealand, high quality brands rely greatly on overall regional reputation. In the Napa Valley, brands start loosing weight and the Napa Valley appellation becomes more and more relevant to consumers (Schamel, 2009). It actually proves that brand and *terroir* approaches can be complementary. Producers famous for the quality of their wines rely in general more on their own strengths and depend less on regional reputation, while producers with weaker brands will rely more on regional reputation.

Facing the raise of "New World" wines, wine makers from traditional countries have questioned the traditional *terroir* approach. In fact, the origin appellation can appear sometimes complicated to neophytes (Celhay & Cusin, 2010; De Chernatony, 2001). One important problem of the French wines is the complexity of the offer: they are many origins possible for a French wine (Bordeaux, Bourgogne, Alsace, Languedoc, Loire…), the consumer can get lost and therefore consider buying French wine as risky. Some French wine professionals have therefore tried to adopt a varietal label approach in the 1990's (Celhay & Cusin, 2010) in order to compete on the international market, and today 15% of French wines are sold under varietal label. It was not always successful, as it sometimes got mixed with an origin appellation that confused the consumer even more.

Some other European wine makers have also tried to develop brands in order to compete with the "New World" wines. They also have tried to increase their size in order to gain competitivity on the world's market (Remaud & Couderc, 2006). One example was the German brand *Liebfraumilsch* that encountered a great success in Brazil. The problem is that the quality of the wine was often affected. German white wine is considered today a low quality wine in Brazil because of the *Liebfraumilsch* experience, even though it is not always true. Moreover, it is very difficult and not very well adapted to develop wine brands in Europe. In fact, there are so many producers in regions such as the Bordeaux, Chianti or Rioja regions that it is better for the consumer's understanding to have origin appellation. In fact, there would be so many brands that the consumer would probably be completely lost. Brands are easier to develop in the "New World" as there are fewer producers there, and land availability is not an issue, which allows bigger volumes of production. On top of that, some producers can already be considered as brands in Europe, even if they are not always aware of it. Some important castles such as Mouton Rotschild, Mouton Cadet or Château Lafitte for instance can be considered as brands (Bobrie, 2010).

2) <u>Importance of other marketing elements:</u>

It has been demonstrated that in reality brand and *terroir* are often intertwined, and that both approaches present advantages and disadvantages. It seems difficult to assess that "New World" wine success is due only to branding and even more that adopting their methods in traditional wine producing countries such as France will help them to maintain their dominance over the world's wine market. Brand and origin are indeed both very relevant to the consumer, and often both considered. In reality, the key of success relies today on other factors.

Different aspects appear as vital in order to sell wine successfully. It is first important to set up guarantees that consumers can trust in order to build a strong image. It is also very crucial to develop wine culture, and to build consumer experience though training. Another salient element is the importance of making good use of new technologies that can provide great and innovative solutions. Respecting and even playing on history and culture can also be an advantage. Finally, it is key to develop an efficient network in order to control better the outcomes of the business.

a) Developing guarantees to build consumer trust:

According to Bobrie (2010), the most important element for a wine maker to be successful, whether he markets its wine through a branding approach or a *terroir* approach is to build consumer trust. For him, the solution is to develop guarantees such as laws, label, criteria, norms etc… that certify the quality of the wine and that the consumer can trust. In order to do so, it is key to refer to credible and independent instances, whether they are public/governmental or not. The value of a wine, according to him, relies in fact mainly on the ability to "tell a story" in regard of the law, as it will help building trust amongst consumers. Proof of honest quality control, traceability of the bottles and all comparable measures will therefore help to build success.

b) Building consumer experience and wine culture through training:

Addressing a completely uninformed consumer is very difficult. That is why developing experience and wine culture is something wine makers should work on. Consumer experience can be developed through different means, such as wine tasting events, production site tours, or even explanations from waiters or sommeliers in restaurants. Building experience and awareness will help consumers to be more knowledgeable, and will impact greatly their choices (Bell et al., 2010).

It has been observed for example that consumers who have visited a wine producing region and wine production sites are keener to buy the wines from the visited region or from the winery they have visited. Wine tasting events have the same function, as people are more likely to buy a wine they have tasted and appreciated (Qenani-Petrela, Wolf & Zuckerman, 2007). As we have seen before, the sensory-based evaluation is probably the most important driver of choice, and providing the customer with a chance to do so is therefore very efficient (Miller & Chadee, 2008). Some have compared wine consumption with an "aesthetic experience", as consumers perceive similarity between wine consumption and the appreciation of art forms (Charters & Pettigrew, 2005). It induces that the consumer will develop a strong image of a wine only if it has experienced with his senses.

c) Taking advantage of new technologies:

The idea that a clever use of new technologies, especially the Internet, is beneficial for wine makers has been widely shared over the past years (Major, 2000; Mueller & Stricker, 2000; ACIL, 2002; Selitto & Martin, 2003; Reedy & Schullo, 2004, Jeannin, 2008).

The great successes of Australian wine makers can indeed be explained not only by the fact that they have developed brands, but also because they have been pionners and innovation champions in their use of technology. They have used the Internet cleverly in order to develop consumer experience though marketing and to develop direct sales. They have often developed pedagogical websites, allowing the consumer to virtually "live" the wine making process, to "meet" the professionals, to "visit" the vineyard etc… The Internet is a great tool to deliver more information about a producer, a region, can be used to sell wine online, and more recently has even been used to organize interactive virtual visits of the winery, and to allow potential customers to "meet" the producer through the mean of videos and interviews posted online. The Internet is thus a great tool to develop customer experience and thus engagement.

Electronic marketing is also quite cheap, and has therefore been proven particularly beneficial for small and medium wine producers (Reedy and Schullo, 2004).

d) Building strength on history and culture:

Another important element for the wine maker is be aware of the history and culture he carries on, and to be conscious of the culture and history of the market targeted (Charters & Pettigrew, 2005). For instance, in a traditional producing country, wine consumption is deeply integrated within people's habits. Wine will hence be considered as a common product of consumption. In non traditional producing countries such as Brazil, wine is more generally an "elite" beverage". The same wine in two different markets can therefore be seen as two different products and it is important to understand how the public apprehend the wine one is trying to market.

Charters takes the example of France and Australia. According this author, if in France wine is considered as an agricultural product, in Australia it is considered as an industrial product. For this reason, marketing wine in France will include playing on a more nature-based image, while in Australia one can play on an image of youth and sophistication for instance.

What is important is to understand what makes the strength and reputation of a wine: is it is long history? Is it a strong brand name? This type of thinking will avoid wine marketers to commit mistakes.

e) Developing a network:

Finally, one key of success in today's world wine market is the ability of the players to develop an efficient network (Muhr & Rebelo, 2011; Caffagi & Iamicielli, 2010).

It has been proven that for small and medium wine producers from traditional wine producing countries, a network, even informal, can be the engine of a strong development. In fact, gathering with other producers will help to build a stronger bargaining power and a stronger image. Networks make it easier and cheaper to organize collective presentation of wines in tastings, fairs or other events. Coordination of distribution strategies is also very positive for example. In general, developing a network will help producers to be more efficient in their marketing strategy and to share not only ideas but also the costs of such strategies with others.

<u>Summary of the main findings of the literature review:</u>

Idea	Author(s)	Summary of main idea
	Specificities of the Brazilian Wine Market	
Emergence of a new middle class in Brazil	OECDJBC International, 2011 JBC International, 2011 CIA World Factbook	Economy, population, demographics: rise of a new middle class in Brazil
Potential for wine consumption growth in Brazil	Wine Institute, 2011 JBC International, 2011 Bell, Fava Neves, Thomé e Castro & Shelman, 2010	There is an important potential for wine consumtpion growth in Brazil. The new middle class is more and more interested in wine.
Specific patterns of Brazilian wine consumers	JBC International, 2011 Market Watch, 2009 Brazilian Ministry of Development, Industry and Foreign Trade, 2013	Imports: countries of origin popular type of wines, specific taste of the Brazilians amount of wine / capita / year distribution specificities

	How do consumer choose their Wine?	
credence product	Darbi & Karni, 1973	Wine is a credence product, which makes it very difficult to evaluate for the consumer
Product based factors of choice	Lowengart, 2010	Consumers can choose wine regarding product based characteristics:
Image based evaluation Sensory based evaluation Objective based evaluation	Miller & Chadee, 2008 Barber et al., 2006 Beverland, 2004 Gluckman, 1990 Hudson Howells, 2005 Kennedy, 2005 Keow & Casey, 1995 Orth & Malkewitz, 2008 Orth & Kahle, 2008 Spawton, 1991 Chaney, 2002 Perrouty et al., 2006 Mtimet & Albisu, 2006 Hall & Lockshin, 2000 Tsapi, Djeumene & Tchuente, 2009 Tsapi et al, 2009 Martinez-Carrasco L., Brugarolas M., & Martinez-Poveda A., 2005 Elliot et Cameron, 1994; Van Ittersum et al., 2002 Chaney, 2002 Morrison, Bennett, Blamey, & Louviere, 2002; Lusk & Rosen, 2003 Enneking, 2004 Ogwang, 2009 Madeira, Duarte & Barreira, 2009; Schamel, 2009 Locke, 2006 Corsi & Strøm, 2013 Keown & Casey, 1995 Areni, 1999 Olson et al, 2007 Hall & Lockshin, 2000 Lowengart, 2010 Anders et al., 2009 Luisier & Sarasin, 2008 Woodruff, 1997 Holbrook, 2005 Overby, 2008 Olson, Thach & Nowak, 2007 Belk, 1975 Miller & Chadee, 2008 Lockshin et al., 2006 Ritchie, 2007	- image based evaluation: prior to taste the wine: price, brand, area of origin, grape variety, type, label, vintage, awards received, recommendation, packaging, alcohol content, organic, traceability of the bottles... - some factors are more important than others according to which consumer one is adressing to and according to fashion or customs. - sensory based evaluation:when the consumer experiences the wine. Sensory properties: appearance, smell or bouquet, taste (tanninc, powerful, fruity etc…). '- sensory evaluation is very important as the consumer will developp a memory upon it. '- Specific vocabulary and importance of tasting education. - choice of consumer can be influenced by non mzterial factors such as culture and situational context. - means end theory: a consumer can desire a product because the product attributes can help fulfill a value-end state - situational contexts: task definition, temporal situation, location situation, antecedent state, social setting.
Consumer based factors of choice Importance of gender Generational effect Importance of involvement and frequency of consumption	Goodman et al., 2008 Arnold & Fleuchaus, 2008 Weaver, 2001 Ricciardeli et al., 2001 Lowengart, 2010 Goodman et al., 2008 Ritchie, 2007 Quenani-Petrela, Wolf & Zuckerman, 2007 Olson, Thach & Nowak, 2007 Madeira, Duarte & Barreira, 2009 Olson, Thach & Nowak, 2007 Lowengart, 2010 Quester & Smart, 1998 Zaichkowsky, 1985 Goodman et al., 2008 Mtimet & Albisu, 2006 Olson, Thach & Nowak, 2007	-Different types of segmentation exist: demographic, geographic, involvment, lifestyle... - For Brazil the most relevant factors are demography and involvement - gender affects sensory evaluation, buying habits, confidence in own's choice etc… - consumption habits, extrinsic or intrisic characteristics of the wine considered, experience differ from one generation to another - possible to identify 4 generations with similar patterns, - Involvement affects consumer's preferences regarding extrinsic and intrisic characteristics of wine. - the wine consumer's preferences can be influenced and shaped by other people, and "wine education" lasts a lifetime. Taste and preferences change with involvement.

Wine marketing: brand vs. *terroir*, a relevant opposition?		
New World Wines and the emergence of wine branding	Remaud & Couderc, 2011 Remaud & Couderc, 2006 Muhr & Rebelo, 2011 Celhay & Cusin, 2010 AMA, 2009 Aaker, 2002 Atkinson, 1999 Miller & Chadee, 2008 Urde, 1999 De Chernatony, 2001 Ewing-Mulligan & McCarthy, 2003	- New World wine makers have developped new and successful production and marketing strategy - Branding has induced impressive success stories '- Brand can be particularly beneficial to sell in supermarkets and to unexperienced consumers for instance - Wine branding has often been associated with varietal labelling
***terroir*, the traditionnal european model**	Bell et al., 2010 Bobrie, 2010 Tsapi, Djeumene & Tchuente, 2009 Chaney, 2002 Perrouty, d'Hauteville & Lockshin, 2006 Vrontis, Thrassou & Czincota, 2011 Atkinson, 1999 Schamel, 2009 Ewing-Mulligan & McCarthy, 2003 Celhay & Cusin, 2010 De Chernatony, 2001 Remaud & Couderc, 2006	- the terroir approach: the quality of a wine depends on its environment and not only on its producer - *terroir* approach is sometimes considered as too complicated for the end consumer - even in new wine producing regions, winemakers have recently started to intriduce a terroir approach because it helps selling top quality wines - some european producers have tried to develop branding, with no significant mark of success
opposition between branding and *terroir* is not relevant, importance of other marketing elements		
developping guarantees to build consumer's trust	Bobrie, 2010	- Important to developp guarantees of quality that the consumer can trust: story telling, quality of control, traceability of bottles etc…
Developping consumer experience and culture through training	Bell et al., 2010 Qenani-Petrela, Wolf & Zuckerman, 2007 Miller & Chadee, 2008 Charters & Pettigrew, 2005	- Adressing unexperienced and uninformed consumers is very difficult, that is why it is important to develop consumer's wine culture and experience. - It can be done through with the organization of tasting events, production site tours etc... - waiters and sommeliers in restaurants have a very important role to play
Taking advantage of new technologies	Major, 2000 Mueller & Stricker, 2000 ACIL, 2002 Selitto & Martin, 2003 Reedy & Schullo, 2004 Jeannin, 2008	- Clever use of the internet and new tehnology is very efficient to deliver information and build consumer's experience and loyalty. - New technologies are also cheap compared to traditional marketing and therefore is very relevant for smal and medium wine producers
Building strength on history and culture	Charters & Pettigrew, 2005	- Understanding the culture of the country where one is aiming at selling wine is very important - Winemakers can build strength and differenciation on the culture of their own country
Developping a network	Muhr & Rebelo, 2011 Caffagi & Iamicielli, 2010	- It is particularly important for small and medium producer to developp a strong network as leverage to develop stronger bargaining power, stronger image. Allows to develop more efficient marketing strategies and to share the price with others.

METHODOLOGY:

As mentioned earlier, the objective of this dissertation is to understand the behavior of the Brazilian consumers regarding wine in general, and their perception of French wine in particular. An important aspect of this work is thus to differentiate and compare the way Brazilian consumers see French wines and the other wines. It was thus important to develop a methodology that would enable getting information about the Brazilian wine consumers in general, and to question their vision and perception of French wines in particular.

Once the literature was reviewed a questionnaire was developed in order to ask directly questions directly to Brazilian consumers in order to gather some direct statistics about their wine habits, preferences etc… and to challenge the findings of the literature review. The objective was to identify and define potential target groups for French wine exporters.

The questionnaire was developed in order to provide information that would allow the researcher to understand the Brazilian habits and preferences regarding wine in general, and also to see whether they perceived French wine differently or not. Therefore, it was important to find a methodology that would allow both. The questionnaire was developed following the findings of the literature review and advices given by wine professional interviewed in Sao Paulo.

Survey design:

The idea behind the survey was to be able to draw different segments of Brazilian consumers that present similar demographic characteristics, comparable interest for wine, comparable sensitivity to wine characteristics and similar perception of the French wines.

In order to reach a sample of consumers that was as representative as possible of the Brazilian society, the questionnaire was submitted to people from different generations, with educational background, different social classes, revenues, gender etc… It was possible to interview 140 people from Rio de Janeiro and São Paulo, the two main market places for wine in Brazil. It was a convenience sample and the results are therefore not valid to represent the whole Brazilian population, although they present a good starting point to understand the market. The results highlighted some interesting elements that are discussed further.

Before designing the survey, the author interviewed several wine professionals in Sao Paulo in order to determine what questions the thought were relevant and what problems they faced due to a lack of data.

The survey was then designed with their questions in mind, and the nature of the questions came directly from the literature review, in order to include every aspect, factors or behavior that could have been relevant to the study. In total, the interviewee had to answer 30 closed or multiple choice questions, some asking the interviewee to rank preferences, some to choose only one options, others to choose a few options among many (see exhibit 1).

The questionnaires were printed and the people who answered were picked randomly in the street, in popular areas such as *Avenida Paulista* in São Paulo or *Ipanema* in Rio de Janeiro, and were all Brazilians.

The questions were first aimed at understanding who the customer was, in terms of demographic first, and secondly in terms of experience and involvement. Five questions (questions 1, 2, 3, 5, 6 and 7) were designed to segment the sample into generation, gender, matrimonial situation, social class, and level of education. A total of 10 questions was aimed at evaluating the experience and involvement of the customers regarding wine and French wine in particular for a few of them (4, 8, 9, 10, 18, 19, 22, 23, 24, and 30).

Ten questions were asked in order to determine what factors (extrinsic and intrinsic) were relevant to the customer when he had to buy wine (questions 11, 12, 13, 14, 15, 16, 17, 20, 26, 28, and 30).

Finally, 8 questions were asked in order to understand how the consumer considered French in comparison with other wines (questions 20, 21, 22, 25, 26, 27, 28, 29).

It is possible to see that some questions were addressing in the mean time different elements. They were particularly useful to draw parallels and construct the profile of the respondent.

For all of the questions that involved ranking, a system of point attribution was designed in order to analyze the results and compare the answer (for more details see exhibit 1).

Figure 8: aspects/constructs measured by the questionnaire:

Questions	Aspect/construct to be measured
1, 2, 3, 5, 6, 7	Demographic segmentation
4, 8, 9, 10, 18, 19, 22, 23, 24, 30	Involvement/experience of the respondent
11, 12, 13, 14, 15, 16, 17, 20, 26, 28, 30	Relevance of the different factors of choice (extrinsic and intrinsic) to the respondent
20, 21, 22, 25, 26, 27, 28, 29	Perception of French wine

Once the questionnaires were submitted, the results were analyzed in a comprehensive way, which means that the answers to the different questions were crossed in order to identify patterns of similarities between the interviewees in the objective of dividing the consumers in groups. The idea was to verify if people that presented similar demographic characteristics, and or similar involvement and experience levels, were sensitive to the same factors of choice and wine attributes or not, and if they presented similar perceptions of French wine.

The recommendations and conclusion of the dissertation were then based on both the literature review and the results of the survey.

SURVEY RESULTS AND ANALYSIS

I - Result presentation:

1) Demographic characteristics of the respondents

In order to gather information on Brazilian consumers, the survey was submitted to 140 people, with the intention of having a sample as representative as possible. The interviewees were randomly chosen on the street and in order to interview people from different age groups, social classes and genders.

Out of the 140 interviewees, 82 are males and 58 are females (see figure 9.1). Men are therefore a little bit more represented (almost 60% of the sample), and we will see later how this can have affected the results.

In terms of age, the sample of respondents is quite young yet well balanced, with more than the half of the sample being under 35, and only 23% over 45 years old. However, each of the four age groups is well represented (see figure 9.2).

In terms of education, it is important to note that a large majority (61%) of the people interviewed detain a university degree, and 29% attended some university (see Figure 9.3). 90% of the interviewees have thus some kind of university education, which is really high. It is important to note that as the level of education may influence tastes and consumption habits.

Another thing to note is that the sample interviewed is quite wealthy as compared to the average of the Brazilian population (see figure 9.4). 34% has a monthly household income of 4000 to 7000 BR$ (category C+), and 34% has a monthly household income of 7000 to 10 000 BR$. It is also important to note that none has a monthly household income below 2000 BR$, while as much as 13% of the people interviewed declared having a monthly household income superior to 10 000 BR$, which correspond as the A category of the Brazilian society. The average monthly income of the people interviewed is thus way over the Brazilian average of 1300 BR$ per month. The sample thus is constituted of middle and upper middle class people, as well as upper and upper upper classes.

Finally, it is important to specify that the survey was submitted to people from São Paulo and Rio de Janeiro only (see figure 9.5), which could explain some of the differences of income or education with the Brazilian average. 64% of the interviewees are indeed from São Paulo while 36% are from Rio de Janeiro.

Figure 9: demographics of the respondents

Figure 9.1: gender

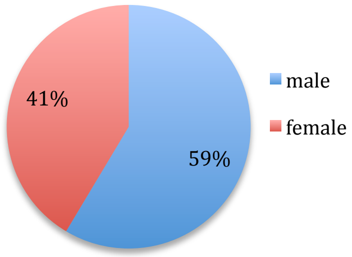


Figure 9.2: Age

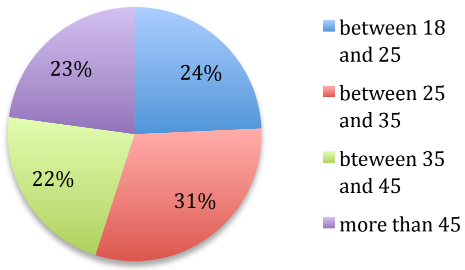


Figure 9.3: Education

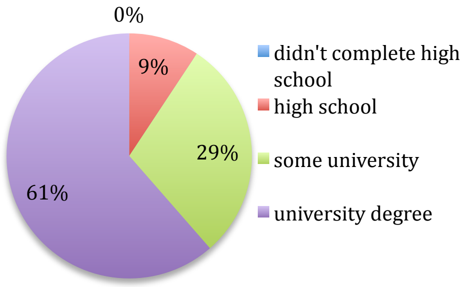


Figure 9.4: Monthly income (BR$)

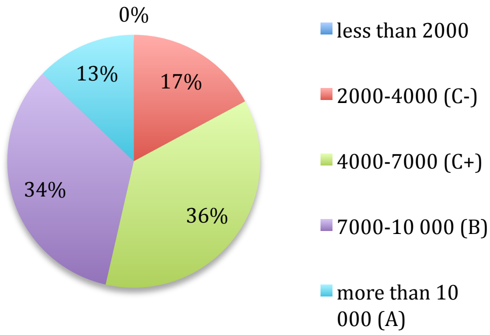
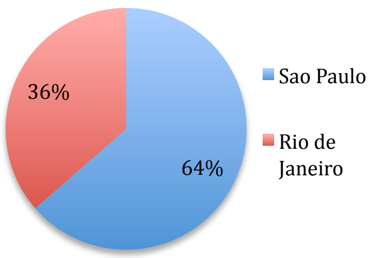


Figure 9.5: Residency



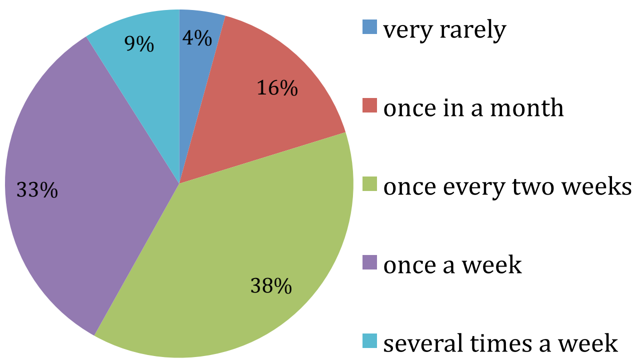
source: customer survey, 2014

2) <u>Experience/involvement of the respondents</u>

The experience and involvement of the respondents is really important to address and understand, as it can impact greatly their tastes, habits and sensitivity to different attributes as explained in the literature review. Therefore, 7 questions were asked to the consumers to evaluate their level of involvement and experience with wine in general and French wine in particular.

It appears the majority of the respondents were not important wine consumers. In fact, only 9% of them declared drinking wine several times a week (see figure 10) while it would probably be the majority in a country like France for instance. Instead, the majority of the interviewees (38%) declared to drink wine once every two weeks. Moreover, 16% declared to drink wine once in a month, and 4% very rarely. Nevertheless, in total 42% of the interviewees declared to drink once a week or more, which is noticeable.

Figure 10: Frequency of wine consumption



source: customer survey, 2014

Interviewees also demonstrated some interest for wine, as when asked "*are you interested in wine?",* only 9% declared they were not interested at all. On the other hand, 8% answered they were really interested, 33% that they were interested, and 51% that they were somewhat interested (see figure 11). Moreover, respondents demonstrated curiosity for wine as 75% of the total declared to be interested in discovering new wines in general, against only 25% that declared they preferred drinking wines they already know (see figure 12). However, it is important to note that 56% are willing to experiment new wines only if they have been recommended to them by someone such as a friend or a waiter in a bar or restaurant. 14% declared that they try new wines on their own sometimes, and 5% declared to try new wines on their own often, which demonstrates the thirst of Brazilian to discover new wines.

Figure 11: Declared interest for wine

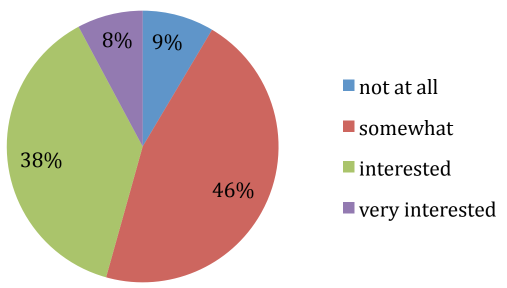
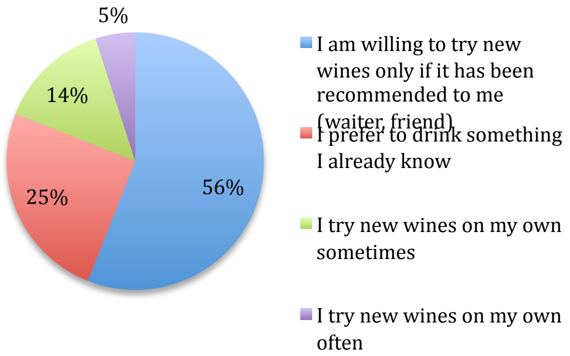


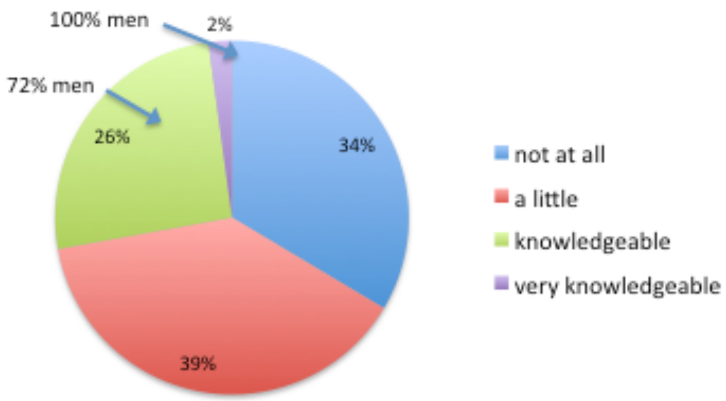
Figure 12: Willingness to experiment



source: customer survey, 2014

In terms of wine knowledge, the survey shows that the respondents are not very knowledgeable about wine in general. In fact, 34% of them declared to be not at all knowledgeable, and 39% just a little knowledgeable. Only 26% declared to be knowledgeable, and more surprising is that only 2% declared to be knowledgeable. An interesting fact to note is that men are apparently more knowledgeable when it comes to wine than women, or at least they are more confident in their knowledge than women as 72% of the people who declared to be knowledgeable and 100% of those who declared to be very knowledgeable were men. (See figure 13).

Figure 13: Declared wine knowledge

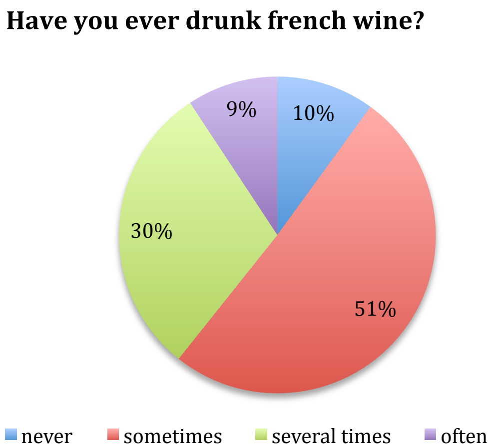


source: customer survey, 2014

Regarding this different data collected, it is already possible to say that interviewees are not really experienced or knowledgeable but demonstrate an important curiosity and willingness to experiment wine. Their involvement is therefore quite high, which presents a good potential in terms of market development.

Regarding French wine, customers do not present an important experience, as only 9% declared to have drunk French wine often, and 10% declared to have never experienced it. (See figure 14). The great majority (51%) has experienced French wine only sometimes, and 30% several times. It is interesting to note that those who have been in France (33%) or in Europe (44%) are in general more regular consumer of French wines than the ones who never travelled to Europe or France. It is also very interesting to point out that people who have drunk French wine often or several times in general previously declared to be interested or very interested in wine, to be knowledgeable or very knowledgeable, and are people who drink in general more wine than the rest of the interviewees.

Figure 14: Experience of French wine



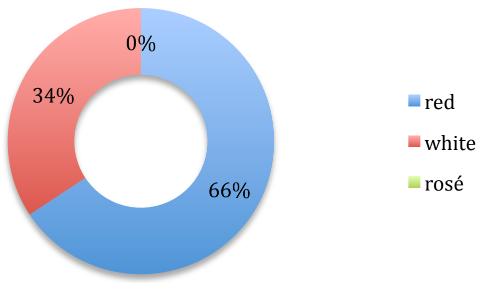
source: consumer survey, 2014

3) <u>Sensitivity to factors of choice of the respondents</u>

First of all, interviewees were asked about their wine drinking habits and preferences, the objective being to evaluate what sensory-based factors they are the most sensitive to.

As expected, when asked what type of wine they drink most often, a large majority of 66% answered red wine, against 34% white and none rosé (See figure 15). An interesting point to note is that out of the 48 people who declared that they drink white wine more often, 32 are women.

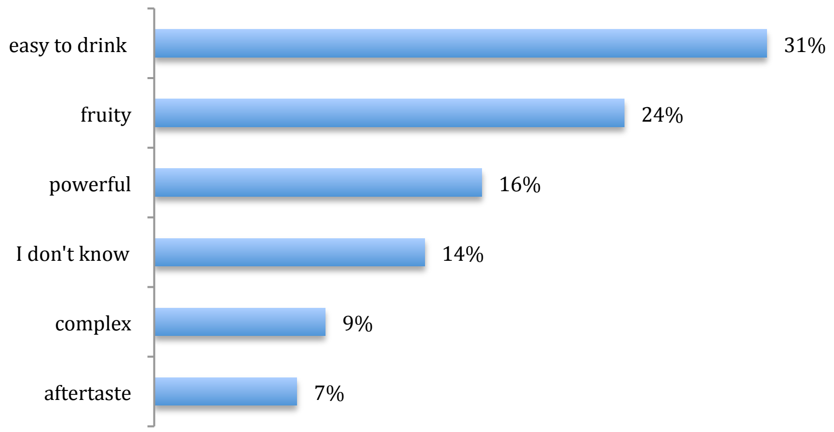
Figure 15: Wine type-drinking habit:



source: consumer survey, 2014

Interviewees were then asked about their taste preferences in a wine (See figure 16). It appeared that most of them prefer easy to drink wine (31%) and fruity wines (24%). 16% of the interviewees also declared to like powerful wines, most of them being men. Another interesting element to note is that 14% of the interviewees have no idea about what they like or not in a wine, which confirms the idea of a quite inexperienced and unknowledgeable public. Finally a minority declared to like complex wine (9%) and to be looking for wines with nice aftertaste (7%). It is important to highlight here that the people who answered to prefer complex wines or wines with good aftertaste are in general also people who declared to have good wine knowledge, and to drink wine frequently.

Figure 16: Wine sensory attributes preferences



source: consumer survey, 2014

Concerning extrinsic factors of choices, the interviewees were asked to rank the factors they consider to be more sensitive to (See figure 17). The most important factor of all appears to be that someone, for instance a friend or the waiter at a restaurant, recommends the wine. The second most important factor of choice for them is the wine's country of origin. This makes sense as we saw in the literature review that people with little knowledge of wine are generally sensitive to the country of origin. The third most important factor is the price of the wine. Brand comes only in 4th position, with most of the people being in difficulties when asked to name one or two brands. It appears that packaging and awards are also quite important, while the grape variety, the vintage or the environmental aspects of the wine production process are considered as secondary or not really relevant. The only people who demonstrate interest towards grape variety or vintage for example are the people that have more involvement with wine and that declared more experienced.

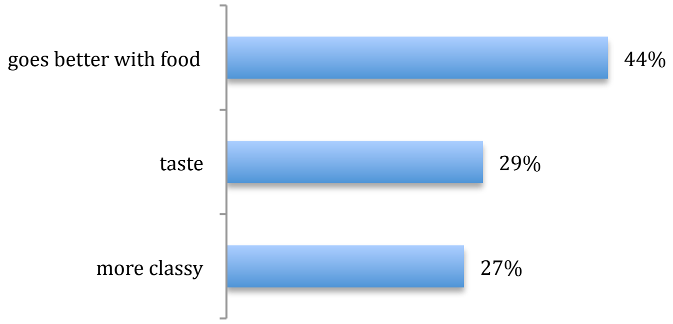
Figure 17: Ranking of the extrinsic factors of choice by relevance to respondents

1	Recommended by someone (friend, waiter)
2	Country of origin
3	Price
4	Brand
5	Packaging
6	Awards, recommendation
7	Grape variety
8	Vintage
9	Respect to environment

Source: consumer survey, 2014

In order to address the objective based decision factors that are most important to the interviewees; they were first asked why they would choose wine over other beverages. The main answer (44% of the interviewees) was that wine goes better with food (see Figure 18). This point is important to underline as it shows that Brazilian mostly (if not only) drink wine while eating. On another hand, 29% of the interviewees declared going for wine because of its taste, and 27% because they considered wine as "more classy" than other beverages. This last point is also important as it demonstrates that wine, and we will see later especially French wine, beneficiates from a "classy", sophisticated image in Brazil.

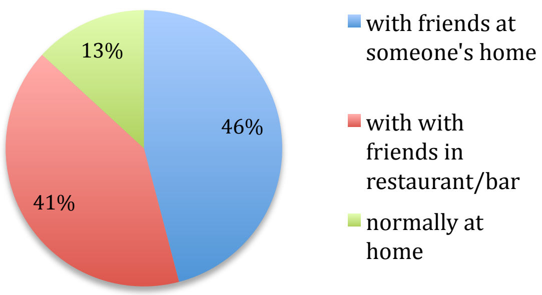
Figure 18: Reasons of drinking wine over other beverages



source: consumer survey 2014

The context in which interviewees usually drink wine is very relevant for the sample (See figure 19). In fact, the survey shows that most of the people drink wine mostly at home or at someone's home when with friends (46%), or with friends in a restaurant or a bar (41% of the interviewees). Only 13% of the people declared to drink wine most often in a normal situation while at home. This point is interesting as it shows that Brazilians consume wine in particular situations, most of the time with friends. They therefore associate wine consumption with some kind of celebration or social interaction.

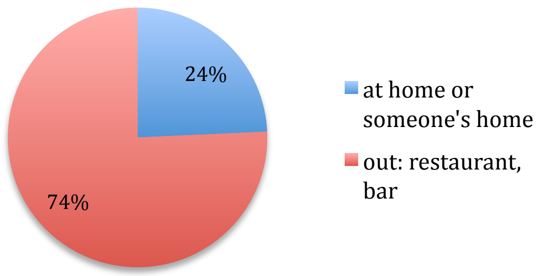
Figure 19: Context in which respondents drink wine most often



source: consumer survey, 2014

This phenomenon appears to be even stronger when it comes to French wine, as 74% of the interviewees declared to drink French wine in a restaurant or a bar most of the time (see figure 20). It appears thus that French wine is considered as particularly relevant to celebrate, and not really an "everyday" kind of wine.

Figure 20: Places in which respondents drink French wine most often



source: consumer survey, 2014

It is important to note these points as the budget allocated to one bottles of wine differs greatly depending on the place where the wine is bought. In fact, if the majority of the interviewees declared to spend between 20 and 35 BR$ in a store (online, supermarket or specialized), they declared for the majority to spend between 70 and 90 BR$ for a bottle in a restaurant (See Figures 21.1 and 21.2).

Figure 21: Expenses per wine bottle (BR$)

Figure 21.1: Expenses per bottle in a restaurant

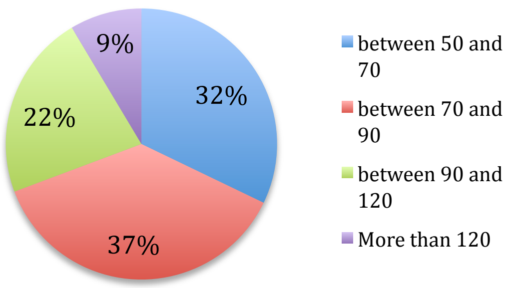
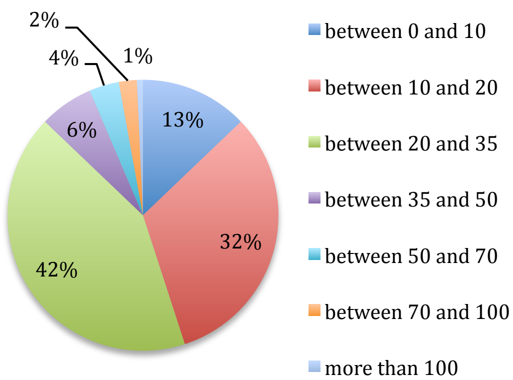


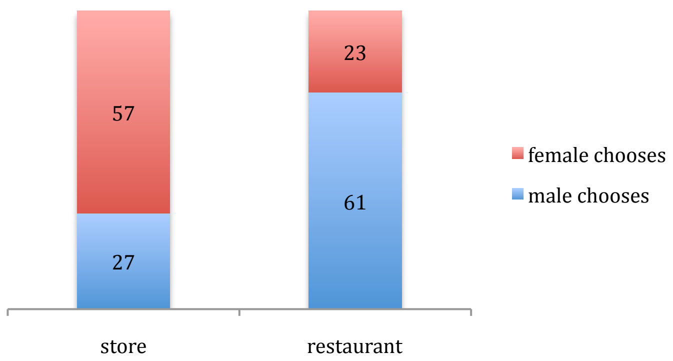
Figure 21.2: Expenses per bottle in a store



Source: consumer survey, 2014

It is also interesting to note that according to the context, the person who chooses the wine differs. In fact, interviewees who were in a couple were asked about who chooses the wine when they buy some in stores and in restaurants. The results are quite surprising. In fact, women are the ones who buy the wine most often in stores, as they are the ones who go grocery-shopping most of the time (See figure 22). On the contrary, for the large majority, men choose the wine in restaurants. As we have seen earlier that most of the time Brazilians drink French wine in Restaurants, it is interesting in terms of marketing to know that the tendency in Brazil is that men choose the wine in restaurants.

Figure 22: Gender and wine shopping choice according to location



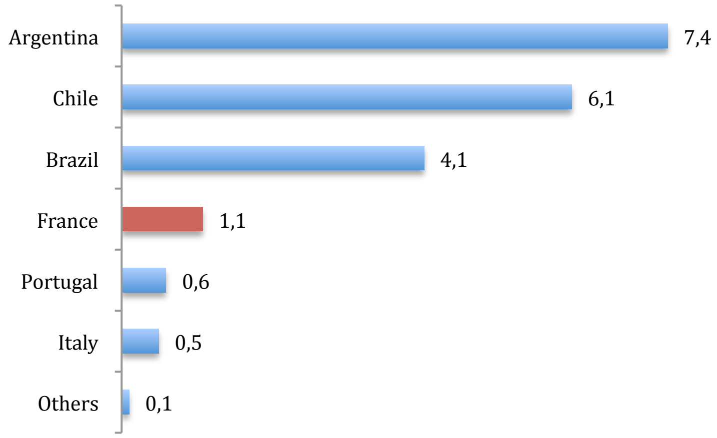
Source: consumer survey, 2014

4) Behavior towards French wines

In order to understand how Brazilian consumers behave regarding French wines in general, the interviewees were asked a number of questions that aimed at differentiating their habits and perception of French wines from their habits and perception of other wines.

The first issue addressed was the amount of French wines each interviewee consumes in a year. Interviewees were asked to rank their consumption of wine according to the country of origin (see figure 23). Without any surprises, Argentina and Chile came far above other wines with a total of 7,4 and 6,1 bottles per person per year consumed. Brazil came after with 4,1 bottles, which is quite high in regards to other wines. France came 4th, with a little bit more than one bottle per person per year. Then came Portugal, Italy and other origins with more or less half a bottle per year. It thus appears that Argentinean and Chilean wines are very well implanted in Brazil. French wines are not drunk very often, but they rank better than other European wines, which is a good sign.

Figure 23: Number of bottles drunk per year per person, by country of origin

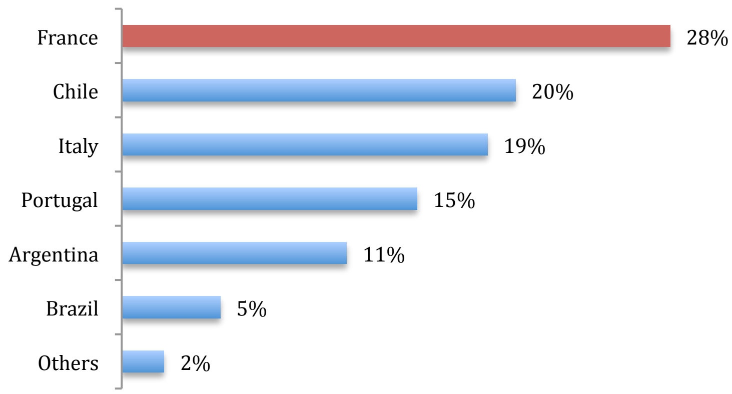


Source: consumer survey, 2014

In order to understand why French wines were only the 4th most consumed wines by the sample of interviewees, it is important to identify the factors that push people to choose Argentinean or Chilean wines over French wines for instance.

It appears that if given the opportunity to choose one wine for free, the first choice of the majority (28%) would be to go for a French wine (see figure 24), then Chilean wine (20%), Italian wine (19%) or Portuguese wine (15%). Price is thus an important factor that pulls Brazilian back to buy more French wine; as if they could get wine for free they would choose French wine over others. It is also interesting to note that when given the choice to get one bottle for free, most of the interviewees have the tendency to go for European wines that are probably more exotic to the Brazilian consumer. Argentinean wine, that is the most consumed wine in the sample is, indeed, only the 5th choice of the consumers if they can get one bottle for free.

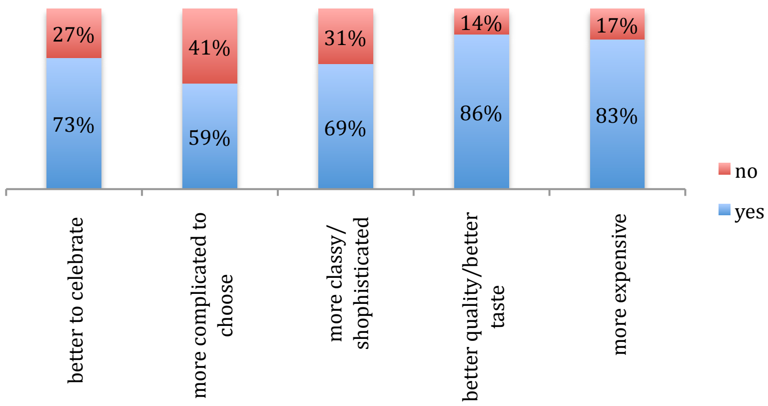
Figure 24: Respondents' wine's origin of preference when offered to choose one bottle for free



Source: consumer survey 2014

It is true that French wine appears to the great majority of Brazilian consumer more expensive than the other wines in general (see figure 25), which may push them to choose it when offered one bottle for free. But it cannot be the only reason. Hence, 86% of the interviewees consider that French wines in general offer a better quality than other wines on the Brazilian market. Moreover, 73% consider that French wines are better to celebrate, and 69% think that French wines are more classy/sophisticated that other wines on the Brazilian market. French wines thus beneficiate from a very good and premium image on the Brazilian market. The fact that Brazilian think that French wines are better to celebrate, more classy and have better taste can also explain that they generally drink it for special occasions, most often in restaurants as we have seen earlier in the study. However, it is also recognized by 83% of the interviewees that French wines are also more expensive.

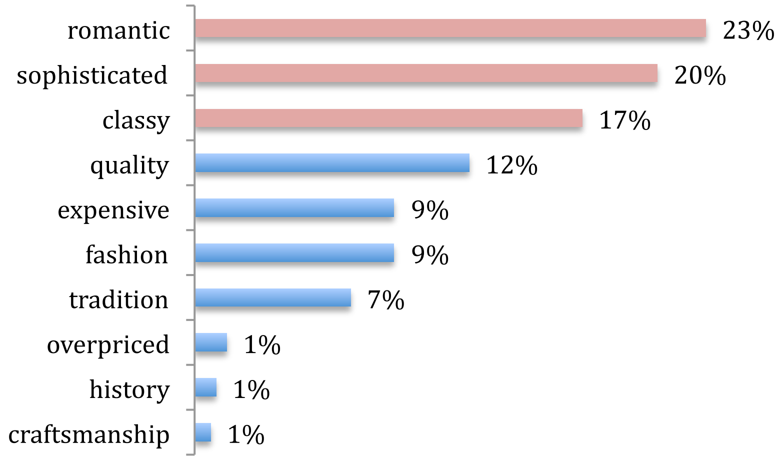
Figure 25: perception of French wines in regards to others wine present on the Brazilian Market



Source: consumer survey, 2014

Another interesting point to understand Brazilian's perception of French wines is word association. Interviewees were given a list of 10 words with the instruction to choose 3 and rank them according to what they felt was true about French wines. The 3 words that scored best were *romantic, shophisticated* and *classy.* The 4th word was *quality*, followed by *expensive* and *fashion* (see figure 26). It confirms the idea of a premium wine, particularly god to celebrate, especially in a romantic context.

Figure 26: French wine described by the respondents



Source: survey 2014

These ideas concur with the fact that respondents declared to be willing to spend more money in general for French wines than for other wines they had access to on the Brazilian market (see figure 27). In fact when asked to rank wines according to the money they are willing to spend the more on, French wines ranked first, followed by Portuguese wines, Italian wines, Chilean wines, Argentinean wines and then Brazilian wines. This ranking also confirms the idea that Brazilians are more appealed to wines of European origins as they accept to pay a premium to get them.

Table 27: Will to pay a price premium according to wine country of origin

France	1
Portugal	2
Italy	3
Chile	4
Argentina	5
Brazil	6

Source: consumer survey, 2014

II - Result Analysis

Several outputs have to be highlighted when looking at the results of the survey. The first interesting point is that involvement and experience are greatly impacted by demographic elements of the respondents, such as age, income, gender and education. The second is that the factors of choice (extrinsic and intrinsic, as well as the context) do not have the same impact on the different age and income groups. Finally, it is possible to say that even if there are a few differences, French wines beneficiate from the same good image amongst all respondents, whatever their age, gender, education or income. These three remarks will be developed in this section, and lead to the recommendation and conclusion.

1) Intertwinement between demographic element, involvement and experience of the respondents

a) Different kinds of involvement for different groups of age

The first link to establish is the age of the respondent and the degree of his involvement. Indeed, it appears that in general the older the respondent is, the more knowledgeable and experienced he is about wine (see tables 28 and 29).

Table 28: Age of the respondent and declared wine knowledge

Age/wine knowledge	Not at all	a little	Knowledgeable	very knowledgeable	total
18-25	15	12	7		34
25-35	11	22	10		43
35-45	3	15	12	1	31
>45	3	12	15	2	32
total	32	61	44	3	140

Table 29: Age of the respondent and frequency of consumption

Age/wine consumption	very rarely	once in a month	once every two weeks	once a week	several times a week	total
18-25	6	17	9	2		34
25-35	5	19	10	8	1	43
35-45	0	4	10	12	5	31
>45	1	3	7	13	8	32
total	6	22	53	46	13	140

People who declared to be knowledgeable and very knowledgeable were in fact for the great majority over 35, and for an important part over 45. Moreover, out of the only 3 people who declared to be very knowledgeable, two were over 45 and one between 35 and 45 years old. People over 35 also drink wine more often than younger respondents, as the majority of people who declared to drink wine once a week or more were over 35 years old, with no big difference between people between 35 and 45 and people older than 45. On top of that, people over 35 years old are in general apparently more interested in wine, as the great majority of people who declared to be very interested were above 35. People over 35 years old also drink French wine specifically more often than younger age groups, especially people over 45 years old.

Table 30: Age of the respondent and declared interest for wine

Age/interest for wine	Not at all	somewhat	interested	very interested	total
18-25	12	15	6	1	34
25-35	8	19	13	3	43
35-45	2	7	16	6	31
>45	1	8	15	8	32
total	23	49	50	18	140

On the other hand, younger people did not demonstrate the same level of knowledge or the same experience with wine, but demonstrated another important form of involvement. They proved indeed to be curious about wine as a very important part of them declared to be interested in wine (see table 30). Moreover, even though they have not drunk French wine and wine in general very often, they appear to be very open to experiment new things as the great majority of people below 35 declared to be willing to try new wines, recommended by someone or not. It is however important to underline here that respondent under 25 demonstrated less interest for wine than respondent between 25 and 35, and in general this group was much less homogeneous in terms of answers than the 25-35 group.

b) Impact of the level of income and education on involvement

Another demographic characteristic that has great impact on the involvement and experience with wine of the respondents is their level of income and education. Indeed, the general rule that appeared is that the more the income was important and the level of education high, the more involved and experienced the respondent was.

Table 31: monthly household income and wine consumption

Income/wine consumption	very rarely	once in a month	once every two weeks	once a week	several times a week	total
less than 2000	0	0	0	0	0	0
2000-4000 (C-)	16	8	6	2	0	24
4000-7000 (C+)	8	17	8	15	2	50
7000-10 000 (B)	1	9	11	22	5	48
more than 10 000 (A)	1	0	3	8	6	18
total	6	22	53	46	13	140

Table 32: monthly household income and declared interest for wine

Income/Interest for wine	Not at all	somewhat	interested	very interested	total
less than 2000				0	0
2000-4000 (C-)	6	12	6	0	24
4000-7000 (C+)	7	26	14	3	50
7000-10 000 (B)	2	13	26	7	48
more than 10 000 (A)	0	2	8	8	18
total	23	49	50	18	140

Table 33: monthly household income and declared wine knowledge

Income/wine knowledge	Not at all	a little	Knowledgeable	very knowledgeable	total
less than 2000	0	0	0	0	0
2000-4000 (C-)	9	15	1		24
4000-7000 (C+)	11	27	12		50
7000-10 000 (B)	10	16	21	1	48
more than 10 000 (A)	2	5	9	2	18
total	32	61	44	3	140

Table 34: Education and interest for wine

Education/Interest for wine	Not at all	somewhat	interested	very interested	total
high school	4	9			13
some university	13	13	14	1	41
university degree	8	25	36	17	86
total	23	49	50	18	140

People with a declared income over 7000 BR$ a month indeed apparently drink wine once a week or several times a week for the great majority (see table 31). However, it was not always true. In fact, if respondents who declared to earn 7000 BR$ a month and more were in general more knowledgeable than the average of respondents, it was not always the case (see table 33). It is interesting to note that this group of people on the other hand was a group that demonstrated high interest for wine and great curiosity and willingness to experiment (see table 32).

People that earned between 4000 and 7000 BR$ a month also demonstrated interest for wine, but less knowledge in general than people with higher earnings (see table 33). This could be explained in part by the fact that this group was in average younger than respondents with higher earnings.

An interesting tendency emerged concerning involvement and education, as the more educated the respondent was, the more interest and involvement in general he demonstrated for wine (see table 34).

People that earned less than 4000 BR$ a month generally demonstrated less experience and involvement than other income groups, with of course a few exceptions. Most of them declared to be not at all knowledgeable and only a little bit interested. They also declared to drink more rarely than other groups in average.

c) Gender impact on involvement

Table 35: Gender and wine consumption

Gender/wine consumption	very rarely	once in a month	once every two weeks	once a week	several times a week	total
male	2	14	27	29	10	82
female	4	8	26	17	3	58
total	6	22	53	46	13	140

Table 36: Gender and declared wine knowledge

Gender/wine knowledge	Not at all	a little	Knowledgeable	very knowledgeable	total
male	10	42	28	2	82
female	22	19	16	1	58
total	32	61	44	3	140

Finally, it is interesting to thing that a few tendencies appeared according to the gender of the respondents. Male presented the tendency to drink more often than female, for instance (see table 35). They also appeared to be in general more sure of their knowledge as they declared more easily to be knowledgeable than females (see table 36). However, the interest declared for wine as well as the willingness to discover new wines does not vary much between males and females.

2) <u>Intertwinement between demographic elements and factors of choice. Particular taste in Brazil</u>

Respondents also present similar sensitivities to similar factors of choice (extrinsic or intrinsic) according to demographic characteristics. The two important demographic characteristics are here again the age and the income of the respondent.

a) *Age effect on sensitivity to choice factors*

Table 37: Age and taste

Age/taste	easy to drink	fruity	powerful	I don't know	complex	aftertaste	total
18-25	11	8	4	10	1		34
25-35	20	10	6	6	0	1	43
35-45	6	8	7	2	4	4	31
>45	6	8	6	1	6	5	32
total	43	33	23	19	12	10	140

It was quite clear that age, has an important effect on what factors drive the choice of the respondent. In fact it appears that it impacts both intrinsic and extrinsic and objective based drivers of choices of the respondents

First, speaking of pure sensory factors, people under 35 years declared for the great majority to go for easy to drink and fruity wines (see table 37). On the other hand, people above 35, and even more above 45 years old declared for a bigger part (but not the majority) to look for more powerful, complex wines, or even for aftertaste. There was however no difference in terms of type of wine the respondents prefer, all age groups going for red wine for the great majority.

In terms of extrinsic factors of choice, age also has an impact, even though all age groups have in common to consider the country of origin and recommendations. It appeared that people under 35 are more concerned by the price of the bottle or the packaging than the people over 35 who apparently are more sensitive to awards, the grape variety or even the vintage. Moreover, in general the younger the respondent the less money they spend on average per bottle. As we have seen earlier, this is due to the interrelation between age and revenue. The older respondents were, the more revenue they had in general.

Table 38: Age and context of wine consumption

Age/context of wine consumption	with friends at someone's home	with friends in restaurant/bar	normally at home	Total
18-25	13	20	1	34
25-35	24	17	2	43
35-45	22	3	6	31
>45	18	4	10	32
total	77	44	19	140

Age also has an impact when it comes to the importance of context (see table 38). Indeed, people under 35 present the tendency to drink more wine in restaurants than at home, while it is the opposite for respondents over 35. Maybe this is due to the fact that younger people go out more often; the question was not addressed in the survey. More especially, people over 45 constitute almost all of the respondents that declared to drink wine more often “normally at home”. The conclusion here is that the older the group of respondent is, the less celebratory and more normal wine consumption is.

b) Income effect on sensitivity to choice factors

Income level also has an important impact on respondent’s sensitivity to factors of choice. In terms of sensory factors of choice and intrinsic characteristics on the wine, however, income appears to have no effect at all. Only age seem to affect tastes and sensory preferences.

Table 39: monthly household income and budget for wine

budget for wine/Income	2000-4000 (C-)	4000-7000 (C+)	7000-10 000 (B)	more than 10 000 (A)	total
between 0 and 10	12	6			18
between 10 and 20	11	26	8		45
between 20 and 35	1	16	35	7	59
between 35 and 50		2	4	3	9
between 50 and 70		0	1	4	5
between 70 and 100				3	3
more than 100				1	1
Total	24	50	48	18	140

The first element impacted by income level is obviously price sensitivity. People with less income pay more attention to price, and spend in general less money on wine than people with higher revenue. The relations between the prices spend by bottle and the income level of the respondent is almost linear.

As people with more income were often older, same remarks can be made about age groups and income groups about context and extrinsic factors of choice. Nevertheless, it is possible that age effects seem to be accentuated by income level. Indeed, someone under 25 with higher income than his age group average will have the tendency to drink even more wine in restaurants as compared to home, and so on…

3) <u>French wine beneficiates from a good image amongst all age and income groups</u>

Table 40: Income level and perception of French wine

Perception of french wine/Income	2000-4000 (C-)	4000-7000 (C+)	7000-10 000 (B)	more than 10 000 (A)	Total points
romantic	6	9	10	7	32
sophisticated	2	6	9	12	29
classy	5	7	8	4	24
quality	2	3	7	5	17
expensive	4	5	2	1	12
fashion	1	4	4	3	12
tradition	1	3	3	3	10
overpriced	0	1	1	0	2
history	0	1		0	1
craftsmanship			1	0	1
Total	24	50	48	18	140

Table 41: Age and perception of French wine

Age/perception of french wine	Better quality	More classy	Better to celebrate
18-25	80%	73%	77%
25-35	86%	70%	75%
35-45	89%	68%	70%
>45	88%	63%	67%
Average	86%	69%	73%

% of positive answers when comparing French wine with other wines

It is interesting to see that French wine, whatever the age group, the level of income or even the gender of the respondents always beneficiate from a very good image of a quality wine, particularly adequate to celebrate, to share with friends or a partner in life. It beneficiates from a sophisticated and classy image amongst all groups of respondents (see table 40 and table 41).

An interesting thing to note is that the less experienced and knowledgeable about French wines the respondents were, the more enthusiastic they seemed in their description and perception of them. It appears thus that there is a part of fantasy that can be assimilated with French wine in the Brazilian imaginary.

Table 42: Price and complexity perception of French wines

Income/perception of french wine	More expensive	More complicated to choose
2000-4000 (C-)	85%	52%
4000-7000 (C+)	86%	61%
7000-10 000 (B)	80%	63%
more than 10 000 (A)	82%	54%
Average	83%	59%

% of positive answers when comparing French wine with other wine

On the other hand, all groups were also well aware that French wines are in general more expensive. If only a few declared they considered French wines “overpriced”, an important part declared that French wines were more expensive than other wines on the Brazilian market (see table 42). A significant part of the respondents also declared to find French wine more complicated to choose than others (see table 42).

French wine has thus an image of a very good quality wine, sophisticated, particularly well adapted to celebrate an exceptional occasion, but more expensive than the others, which explains that people do not really consume it on a very regular basis. The important outtake here is to realize that French wines beneficiate from a very good image whatever the social class or age group of the respondents.

CONCLUSION AND RECOMMENDATIONS

I - Outtakes:

Several interesting points can be retrieved from this consumer study. It is first interesting to note that Brazil seems to be a promising for wine and French wine in particular, as its upper middle class and upper classes definitely present a good involvement level for wine. In fact, even though respondents do not present a good knowledge of wine nor an important consumption, they nevertheless appear to be interested by wine and present a certain will to learn more about wine. They especially present interest for European wines and French wine in particular, as it beneficiates from a very good image. People are ready to pay a price premium to get French wine as it is considered to be a more sophisticated, better to celebrate wine.

It is also important to note that wine consumption in São Paulo and Rio de Janeiro is something that is still not consider as normal by most of the people as most of the time wine is consumed with friends or in order to celebrate something. That is why wine consumptions takes place very often in restaurants and bars, especially French wines whose consumption takes place in these locations most of the time. Wine is also consumed most of the time to accompany food, and this element is important to take into account.

Wine consumption habits and perception vary a lot according to generation and income levels. Analyzing the data, the researcher was able to identify 3 groups of respondents that are interesting to target for a potential French wine exporter (see tables 43, 44, and 45).

Table 43: Base group specificities

Base group	# of interviewees who answered positively
Income level > 7000BR$ per month	65
Knowledgeable/very knowledgeable	39
Consumption: once a week and more	59
have drunk french wine several times / often	62
budget per bottle > 90BR$ in restaurant	43
Age > 35 years old	63
total of interviewees who answered positively to every criteria	**22**

The first group (see table 43) could be called the BASE group. It is constituted of people older than 35, with high-income level (class A & B), that present good knowledge and experience of wine, as well as a greater consumption than the rest of the population. They are ready to spend more money on a bottle (in average more than 30 BR$ in stores, and more than 90 BR$ in restaurants or bars). They, like all other groups, are particularly keen to buy a wine that has been recommended to them. As they are more knowledgeable, they consider not only the country of origin, but also awards, grape variety and vintage. They have various tastes as they like easy to drink wine but also fruity wine, complex wine and wine that present aftertaste. This group constitutes today the consumer basis of French wines in Brazil, and if it is important to maintain their loyalty towards French wine, growth potential in terms of wine sales is not important.

Table 44: Growers group specificities

Growers group	# of interviewees who answered positively
Income level > 7000 BR$ per month	65
Not at all / a little knowledgeable	102
Consumption: once every two weeks	53
interest for wine: interested / very interested	68
budget per bottle > 90BR$ in restaurant	43
Age > 35 years old	63
total of interviewees who answered positively to every criteria	**34**

The second and probably the most interesting group for French wine exporters to consider could be called the GROWERS (see table 44). It is constituted of people above 35, with high revenues but with little knowledge about wine in general and French wine in particular. The GROWERS belong to A & B classes, and therefore have money to spend on wine and present in general an important interest for wine but they do not know what to choose or how to choose. In terms of taste, they like easy to drink and fruity wine, and drink wine most often to celebrate something (restaurant, gathering with friends, romantic event etc…). They are particularly sensitive to country of origin as well as brand and awards.

Table 45: Bloomers group specificities

Bloomers group	# of interviewees who answered positively
Age between 25 and 35	43
not at all/a little knowledgeable	102
Consumption: once every two weeks	53
interest for wine: interested/very interested	68
Budget per bottle in restaurant between 50 and 79	45
If given the choice to choose 1 for free, chooses French wine	39
total of interviewees who answered positively to every criteria	**19**

The third group that is worth looking at could be called the BLOOMERS (see table 45). It is constituted of people between 25 and 35, with good income (class C+, B), who in general do not have a good knowledge of wine but are really interested in learning more and thus drinking more, and are especially attracted to exotic wines such as French or Italian wine. The BLOOMERS prefer light and easy to drink or fruity wine, and most often drink wine in restaurants and bars, with friends. They are willing to try new wines, especially if it is recommended to them, and even though they are not really knowledgeable they are also trying new wines on their own. If this group like the others is very sensitive to the country of origin, they are more sensitive to price, and to packaging.

II - Recommendations

Three groups of interest have been identified: the BASE group, the GROWERS and the BLOOMERS, with distinctive patterns and behavior towards wine and French wine. But these 3 groups also have a few things in common.

They first have in common their very good perception of French wine. Even though they are aware that French wine is more pricy than others, they appear to be ready to pay a price premium to get as they consider that French wines present better quality, are more sophisticated and better to celebrate. It is thus useless, and as we have seen in the literature anyways almost impossible, to try competing in terms of price against Chilean, Argentinean or even Brazilian wines. Moreover, the two main factors that influence their wine buying decision is that the wine has been recommended to them by someone (friend or waiter), and the country of origin. It thus appears that there is no need for French wines exporters to develop branding strategy, but more to develop a good network and good relationships with distributors in Brazil in order for them to promote their wines. It is for instance possible to develop preferential partnerships (price, distribution measures etc…) with some restaurants in order to get them to "push" the French wines forwards and promote them to customers. It could also be interesting for instance to offer to restaurants to organize some formation for their waiter in order for them to know better and thus sell better French wines (what dishes they go well with, what kind of taste they have, what production specificity they present etc…)

The 4 PS model can be a great tool in order to summarize the characteristics of each of the 3 groups. In fact, each of the 3 groups has demonstrated specificities when it comes to Price considerations, Place sensitivity, Product preferences and Promotion and timing patterns.

In order to develop sales within the BLOOMERS, two elements appear to be primordial to address. First, their lack of knowledge and the will to discover new wines: as the BLOOMERS present a growing interest and curiosity for wine, it could be beneficial to organize wine tasting events in strategic places, or within important companies in São Paulo and Rio (Promotion). Internet campaigns in order to create customer experience, such as virtual visits of wine properties could also be a good idea (Place). Another thing is that this group presented a bigger sensitivity to packaging than other groups. It could thus be beneficiary to design labels on which more information could appear, for instance about the location of the wine production, the dishes the wine would accompany well, or a simple description of the taste the wine has (Product). The second element that is important to take into account is that the BLOOMERS like easy to drink and fruity wines, and do not spend as much money on wine as the two other groups (Product and Price). This is very important to know, as it would be inefficient to try to sell them powerful wines. It can be interesting for a French wine exporter to offer the BLOOMERS lighter wines, for instance wines from *Alsace, Côtes du Rhones,* or wine from the *Loire* area for instance. In fact, these wines not only are lighter to drink than a typical *Bordeaux* wine for instance, they also can be way cheaper and therefore comply with the more restricted budget that the BLOOMERS are ready to allocate for wine.

In order to develop sales within the GROWERS, 2 points have to be considered. The first is that this group presents a good budget for wine as well as interest, but no deep knowledge of what to buy or how to choose. The first key is thus to democratize French wine, here again thanks to tastings for instance. As group the GROWERS are wealthy or very wealthy, these tastings could take place in more fancy shopping malls for instance (Promotion). The GROWERS also presented more sensitivity to brand, so it can be clever to promote famous French wine to this consumer segment, as the French most famous appellations like *Saint Emilion* for instance can be considered as brands by consumers. It is nevertheless important to keep in mind that the GROWERS, like the BLOOMERS, likes mostly easy to drink and fruity wines (Product).

An idea that could work greatly for the GROWERS and the BLOOMERS was recently developed in France: a startup called Vinocasting decided to offer to lesser experienced wine consumers to elaborate with them their “wine profile”, helping them to identify what they like in order to advise them better in their wine choices (Promotion).

Finally, even though the BASE group, which constitutes the main demand for French wines in Brazil today, does not present exceptional sales growth perspectives, it is important to be able to maintain its loyalty. It could even be interesting to its members more wine variety and try to sensitize them to white and rosé wines in order to launch a new turn in their consumption habits, that could lead to more consumption of wine in general within their group, and as a fashion effect, in the entire country on the longer run (Product).

Recommendations for each group can be organized and summarized using the 4PS model as follows:

	BASE	**GROWERS**	**BLOOMERS**
Price	$$$	$$$	$-$$
Product	Mostly red wine but possibility to promote rosé and white wines. Preference for fruity wines but interest for more complex wines, with aftertaste. Potential apetite for wines from Bourgogne, Bordeaux, but also less famous and original (Vins de Loire, Alsace, Côtes du Rhône). Pay attention to awards, grape variety, vintage	Red Wine, easy to drink and fruity. Rosé beneficiates from a good image as well. Easy to drink and fruity. Willingness and budget to discover famous wines. Famous Wines from Bordeaux and Bourgogne have to be promoted first. Pay attention to country of origin, brand and awards. Reputation is very important.	Red wine, easy to drink and fruity. Young and original image a plus. Easy to drink and easy on budget wines, with a young image, easy to drink at night. Wines from Beaujolais, Vins de Loire or even Alsace should be preferred. Pay attention to packaging, country of origin, with a will to try exotic things.
Place	Buys wine in high end restaurants and specialized stores mostly. Some supermarkets in richer neighboroods.	Mostly restaurants, sometimes specialized stores . Restaurants have to be used as "hooks" as they are the first place in general where GROWERS will taste a wine.	Restaurants and bars, supermarkets.
Promotion	no seasonality, no particular timing or place. Possibility to promote wine through tasting, events in specialized stores, partnerships with restaurants	Restaurants, events such as fashion shows, galleries opening, fairs in fancy shopping centers… Important to adopt a personalized and high end approach, as well as pedagogic. Important to maintain image of elegance.	Restaurants and bars with younger population (ex Vila Madalena), possibility to organize tastings in universities, for companies events, in shopping malls… Important to adopt a pedagogical approach. Show the wine as a "democratic" product, that is not reserved for an elite.

III- Further research and limitations of the dissertation:

Several interesting subjects still have to be addressed regarding wine consumer behavior and the Brazilian wine market. It could be interesting to organize tasting events on a large scale in order to determine and verify what wines exactly does each of the identified groups prefer. It could especially be interesting during these events to determine whether rosé wine sales could be developed in Brazil.

Moreover, as the study was based on a convenience sample, and the questionnaires only submitted in Rio and Sao Paulo, no statistic models can be withdrawn from it. It would therefore be interesting to submit the questionnaire to a larger sample and in various regions of Brazil. It could allow the researcher to underline important regional characteristics.

Finally, the way the questionnaire was designed could be improved by implementing the choice experiment technique. Indeed, as it has been explained, wine is a credence product, difficult to evaluate, and to put the interviewee in a situation that recreates a purchase experience could help getting more coherent results.

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EXHIBITS

Exhibit 1 : Customer Survey

Note : the Survey was originally submitted in portuguese.

Customer survey

1) Are you male or female?
   - Male
   - Female

2) Are you in a couple?
   - Yes
   - No

3) If yes, who generally chooses the wine?

a. at the supermarket:
   - Him
   - Her

b. At the restaurant
   - Him
   - Her

4) How often do you drink wine?
   - Rarely
   - Once a month
   - Once every two weeks
   - Once a week
   - Several times a week

5) How old are you?
   - Between 18 and 25
   - Between 25 and 35
   - Between 35 and 45
   - More than 45

6) Monthly houselhold income
   - Less than 2000
   - 2000-4000
   - 4000-7000
   - 7000-10 000
   - more than 10 000

7) Education:
   - Did not complete high school
   - High school
   - Some university
   - University graduate

8) Are you interested in wine?
   - Not at all
   - Somewhat
   - Interested
   - Very interested

9) How knowledgeable are you about wine?
   - Not at all
   - A little
   - Knowledgeable
   - Very knowledgeable

10) If you knew more about wine, would you drink it more often?
   - Yes
   - No

11) Where do you buy your wine most often?
   - Supermarket
   - Specialized store
   - Restaurant/bar
   - Online

12) What kind of wine do you drink most
   - White
   - Red
   - Rosé

13) In what context do you drink wine most often?
   - With friends at someone's home
   - With friends in a restaurant/bar
   - Normally at home

14) What factors do you pay attention to when you choose your wine? (rank from 1 to 3 according to relevance)
   - Country of origin
   - Brand
   - grape variety
   - vintage
   - price
   - awards/recommandation
   - packaging
   - respect to environment
   - recommended by someone

15) What are you looking for in a wine?
   - Good price/quality
   - Health benefits
   - Alcohol content
   - Quality

16) Why would you drink wine over other beverages?
   - More classy
   - Taste
   - Goes better with food

17) How much do you usually spend on wine?
   - In a restaurant:
   - In a store (online, supermarket, specialized):

18) How curious are you about wine?
   - I am willing to try new wine only if it has been recommended to me.
   - I prefer to drink something I already know
   - I try new wines on my own sometimes
   - I try new wines on my own often

19) How many bottles of each wine do you drink per year?
   - Brazil:
   - Argentina:
   - Chile:
   - France:
   - Italy:
   - Portugal:
   - Others: German, Australian…:

20) If you could get one bottle for free, which one would you choose?
   - Brazil:
   - Argentina:
   - Chile:
   - France:
   - Italy:
   - Portugal:
   - Others: German, Australian…:

21) Have you ever drunk French wine?
   - Never
   - Sometimes
   - Several times
   - Often

22) If never/only sometimes, why?
   - Too pricy
   - I don't know it

- Too complicated to choose
- Other:

23) Have you ever been to France?
    - Yes
    - No

24) Have you ever been to Europe?
    - Yes
    - No

25) Would you say these assumptions are true when comparing French wines to others?
    - More expensive:
        i. Yes
        ii. No
    - Better quality
        i. Yes
        ii. No
    - More classy/sophisticated
        i. Yes
        ii. No
    - More complicated to choose
        i. Yes
        ii. No
    - Better to celebrate
        i. Yes
        ii. No

26) Which wine are you willing to spend the more money on?
    - Chile
    - Brazil
    - France
    - Argentina
    - Portugal
    - Italy

27) Rank according to quality
    - Chile
    - Brazil
    - France
    - Argentina
    - Portugal
    - Italy

28) Where do you drink French wine most often?
    - Restaurant/bar
    - At home

29) What words come to your mind when you think about French wine? (choose 3 words)
    - Overpriced

- Sophisticated
- Classy
- Expensive
- Tradition
- Fashion
- History
- Craftmanship
- Quality
- Romantic

30) In terms of taste, what do you like in a wine?
    - Fruity
    - Easy to drink
    - Powerful
    - Complex
    - Aftertaste
    - I don’t know