

**PURCHASING DRIVERS OF PROFESSIONAL WINE BUYERS.
THE ROLE OF DENOMINATIONS OF ORIGIN IN THE BUYING DECISION
OF ITALIAN UPSCALE RESTAURANTS**

Vincenzo Zampi*
vincenzo.zampi@unifi.it

Monica Faraoni
monica.faraoni@unifi.it

Eliseo di Folco
eliseodifolco@libero.it

Dipartimento di Scienze Aziendali
Facoltà di Economia - Polo delle Scienze Sociali
Via delle Pandette 9 - Firenze
Tel: 055-4374.723
Fax: 055-4374.910

*Corresponding author

Purpose – The aim of this study is to investigate the perceived value of selected DOCG wine brands in Italian “upscale” restaurants, assuming that the aforementioned retail channel plays a key role in the “fine wine” market in terms of both sales and brand building.

Design/methodology/approach – We consider wine appellation as a brand. Six major Italian appellations have been investigated. The data were collected by a structured telephone survey of a random sample of 160 Italian restaurants between September and October 2006. The questionnaire was designed based on qualitative research. Techniques used to analyse data are multidimensional scaling and discriminant analysis.

Findings – Results show that *territory reputation* and *wine perceived uniqueness* are the two key factors in driving professional buyers’ preferences and determining the position of the six compared appellations.

Practical implications – This paper proposes a marketing approach to determine the relevance of appellations in wine buyers decision process. The results have been applied to implement a strategic marketing plan for an emerging Italian appellation.

Originality/Value – This research offers new insights into insufficiently studied areas of the wine purchasing process, such as the role of restaurants in wine retailing and the role of territorial denomination in driving professional buyers’ preferences.

Keywords – Wine, place of origin, appellation, professional buyer, restaurant.

Paper type – Research paper.

Introduction

Recent trends in the wine industry show clearly that regional branding – that is to say the use of geographical indications, usually the place of origin, as a wine’s distinctive mark – is a hot issue for both Old World and New World wine producers. In Europe, one of the current major issues is how to renew or, at least, fine-tune the Geographical Indication (GI) system, shown to be highly effective in protecting established territorial brands, but very often inappropriate in supporting the development of emerging ones. In the New World, regional branding is now viewed as an underexploited opportunity to differentiate a wine, as the ordinarily adopted business model (i.e. grape-variety based marketing strategy) seems to be less and less effective in the current competitive environment. New World wine practitioners have understood the potentialities of territorial brands, although they have not yet fully implemented them into their marketing programs (Huneeus, 2005; Johnson and Bruwer, 2007).

In the last two decades extensive research has been carried out on how place of origin, that might be a region or a narrower territory, affects quality judgements formulated by *consumers*. Nevertheless, in our opinion, there are still many important but under-investigated aspects related to regional branding and, in particular, to protected origin designation (in short *appellations*). The aim of this study is to explore some of this under-investigated topics. Assuming that (a) appellations, representing the highest degree in the European wine legislation pyramid, are a tool primarily appropriate for wines intended for super premium and higher price segments (in short *fine wines* [1]); (b) that the restaurant retail channel plays a key role in the wine market in terms of both sales and brand building and (c) appellation can be to all extents considered as a brand [2], extensive research has been carried out to better understand how and to what extent appellation affects the wine buying process in Italian “upscale” restaurant. A survey on 160 Italian restaurants was done using typically marketing-oriented approach and instruments, to better understand how place of origin affects the purchasing processes of *professional buyers*.

In this perspective, this study can be of interest not only in regard to regional branding but also in reference to the methods used and population investigated. Regarding the former, we must point out that in Europe appellations have been usually studied and managed giving emphasis to technical-productive related rather than market related aspects, such that it is quite unusual to analyse this topic in terms of brand awareness, brand image and positioning maps. Regarding the latter, although it is widely acknowledged by wine professionals that, together with specialised shops, retail outlets, referred to as the HORECA [2] channel, play a prominent role in the wine market, this is indeed one of the most neglected topics in wine business research.

Literature overview

The role of place of origin in the wine industry

There has been extensive research on how Country-of-Origin (COO) – and more generally place of origin, that might be a region or a narrower territory – affects quality judgements formulated by consumers during their purchasing decision process (for a detailed literature review see Verlegh and Steenkamp, 1999). Starting from Ditcher’s (1962) seminal study, in which he first points out the “tremendous influence” that country of origin may exert on a product’s market success, this topic has been the object of several studies (among others: Agrawal and Kamakura, 1999; Clark, 1990; Grunert *et al.*, 2000; Maheswaran, 1994; Peterson & Jolibert, 1995; Roth & Romeo, 1992). The main purpose of these contributions has been to understand how and to what extent place of origin affects consumers’ product evaluations (Schooler, 1965; Tan and Farley, 1987; Okechuko, 1994, Papadopoulos and Heslop, 2002; Van

Ittersum et al. 2003). Although few important COO-related issues remain under-investigated, the literature seems to substantially agree on some key-points:

- ? place of origin may be a considerable source of market value for the firm, as it may play a major role in product differentiation, and could therefore provide protection from product substitutability (Bilkey and Nes, 1982; Maronick, 1995);
- ? COO affects consumers' product choices, since it represents a cue for consumers in evaluating both expectations of quality, formed in the pre-purchase phase, and quality perceived after consumption (Rao & Monroe, 1989; De Magistris, 2004; D'Hauteville *et al.*, 2007);
- ? the influence of COO on consumer preferences seems to be related to the country image, a multidimensional construct which includes the environmental context and related human factors (Clark, 1990; Maheswaran, 1994; Roth and Romeo, 1992);
- ? although place of origin may play a key role in consumers' evaluation of products, it is not the only attribute involved. There are additional extrinsic cues (such as price, product and company brands, other label information, etc.) which are used by consumers in order to infer product quality (Grunert and Grunert, 1995; Issanchou, 1996);
- ? place of origin seems to behave rather like a brand (Leclerc *et al.*, 1994; Papadopoulos and Heslop, 2002) and, as such, it may exert positive or negative effects (depending on consumer brand perceptions) on purchasing decisions of consumers.

With reference to wine, it is widely known that it would be hard to find another product – agricultural or industrial – more frequently associated with its place of origin (Orth *et al.*, 2005; Thode and Maskulka, 1998; Dimara and Skuras, 2005; Perrouty *et al.*, 2006; Schamel, 2006; Lockshin, 2005).

Generally speaking, the importance of place of origin in wine buying decisions seems to be undisputed as “research, wine marketing practice, and legal regulations have created a seemingly immutable link between wine origin and quality” (Orth *et al.*, 2005: 89). Even though several studies postulate the existence of a link between place of origin and perceived wine quality (Thode and Maskulka, 1998; Dimara and Skuras, 2005; Perrouty *et al.*, 2006; Schamel, 2006), multiple issues remain under-investigated. A first question concerns how and to what extent place of origin influences consumer purchasing behavior for wine (Orth *et al.*, 2005, Johnson and Bruwer, 2007). A second regards the “scope” of the place of origin, as it might show variable boundaries (Thode and Maskulka, 1998): it might be a country (Australia), a state (California), a whole wine region (Burgundy), a sub-region (Pauillac), or even a very limited area such as a single vineyard (Chambertin). A further issue concerns the effects that place of origin may have depending on the target market, since a few authors (Dimara and Skuras, 2005; Lockshin, 2005) have highlighted its variable influence on different market segments. Furthermore, a few studies have pointed out the multidimensionality of the concept of place of origin for a wine, often associated with the terroir concept (Barham, 2003), which includes several attributes referring to its natural, social, and historical features. The problem relates to how these characteristics make a certain wine region valuable and distinguishable (Vaudour, 2003). Lastly, a few scholars have emphasized that place of origin may exert a variable (positive or negative) influence on products, so that provenance may even decrease a wine's perceived value (Johnson and Bruwer, 2007).

In our opinion, an important place of origin related issue has been disregarded. Although worthwhile, none of the previous studies has investigated how place of origin affects *professional buyer* purchasing behavior. In particular, none of them has explored the role of place of origin and its importance, compared with other product attributes, in spurring specialized buyers to choose a wine.

This topic is certainly of particular importance in regard to the appellation system, which is the way the Old World wine industry traditionally approached place of origin exploitation as a source of competitive advantage (Orth *et al.*, 2005). According to European Union regulations, appellations should characterize superior quality wines, thus representing a marketing tool primarily appropriate for super premium and higher price segment wines (*fine wines* [1]). The role of buyers who operate in the Horeca [3] channel is of primary importance in this sector of the wine market.

Wine purchasing process of on-premise professional buyers.

The retail distribution channel involves both on-premise and off-premise wine sales. On-premise is used to refer to places where wine is consumed at the retail location, such as restaurants, hotels, bars, clubs and similar settings, while off-premise is related to locations such as wine shops, supermarkets and wine stores in general where wine is bought but not consumed. (Thach *et al.*, 2007). Although off-premise is the most important channel of distribution for global wine sales in volume terms, accounting for over 70% of sales in 2005, the on-premise enjoys a slight advantage in value terms, with a share of over 56%. The greater mark-up on wine sold through bars and restaurants, compared with off-premise points of sale, accounts for this difference (Euromonitor, 2007).

The on-trade channel is also a very powerful marketing tool. Wine is among the few consumer products for which the distribution profile of the on-trade channel is an integral and crucial element of the marketing mix, especially for more expensive wines. Its role is fundamental for different reasons:

- ? Since wine is an “experience good”, the opportunity to assess quality before consumption is quite narrow. On-premise retail staff advice (Moulton *et al.*, 2001) during consumer purchasing process is a key element that plays a promotional role influencing consumer wine quality perception in a market proven to be not particularly responsive to traditional marketing campaigns.
- ? In the brand building process retail behaviour is an important element in determining the growth of brand value, the definition of brand positioning and the consumer awareness of product (Hall and Mithcell, 2008). It is well known that to build a great wine image it must be available in well known wine stores and celebrated restaurants. (Huneus, 2001).
- ? For expensive wines presence in the wine list of important restaurants is not only a matter of prestige and brand image but helps encourage other restaurants to consider putting the wine in their lists as well. (Thach *et al.* 2007).

In short, whilst competition is growing, the role of specialised shops and restaurants in fine wine sales is gaining importance. Understanding the dynamics and motivations that drive restaurants’ purchase of wine is strategic for wineries. Why do restaurant wine buyers choose one wine rather than another? Despite their considerable worth no study to date has explored the importance of product attributes in the purchasing decisions of professional buyers.

In analysing the wine purchase process most studies have highlighted the complexity of *consumer* behaviour for wine and have pointed out a variety of factors which influence consumer quality perception and preferences (among others: Spawton, 1991; Orth and Krška, 2002; Lockshin and Hall, 2003; Charters and Pettigrews, 2006; Zanni *et al.*, 2005; O’Mahony, *et al.*, 2005; Mattiacci *et al.*, 2006). Others have underlined how the importance of these product attributes changes in the consumer evaluation process in relation to the different retail stores where they buy wine (Sánchez and Gil, 1998) and the influence of occasions of consumption (Quester and Smart, 1998, Hall *et al.*, 2001). Literature on on-trade retailers have mainly highlighted the restaurant marketing strategy in analysing for example policy

followed in preparing the wine list (Fattorini, 1997), the restaurant's sales strategy (Scanlon, 1999), the strategy of wine promotion and the role of wine storage management in creating economic value (Hall and Mithcell, 2008). Few studies have considered the role of restaurants in company wine marketing (Hall and Mithcell 2008). This role is fundamental when speaking about appellation and terroir wines that surely might be better positioned in speciality wine stores and restaurants rather than in supermarkets (Moulton *et al.*, 2001). On-premise retailers are the main selling channel for these and represent the major source in building brand visibility on the market.

Research background, objectives and methodology.

Since Italy is an Old World wine producing country, place of origin is strictly related to the legislated system of appellations. According to the Italian quality pyramid, DOC (*Denominazione di Origine Controllata*) and DOCG (*Denominazione di Origine Controllata e Garantita*) [4] are the two appellations that should characterize superior wines. With this in mind, in our study, we have assumed place of origin corresponding to appellation, and appellation as a type of territorial brand which fits primarily quality wines, that is those destined for super premium and higher price segments. That is to say the segments in which the restaurant channel can play a major role in terms of both sales and brand building.

The Italian HORECA sector has been growing since 1999, reaching a comprehensive value of \$44.3 billion in 2003. The leading revenue source of the sector is the restaurant and cafe segment, accounting for 58% of the whole business value. Datamonitor forecasts estimate that in 2008, the business will continue to rise at an annual compound growth rate of 2.9%. (Datamonitor, 2004). Moreover in 2006, wine distributed off-trade was sold at an average price of 3.10 € compared to 7.80 € on-trade.

Table 1. Italian On-trade vs Off-trade Wine Sales: 2001-2006 (volumes and values)

On-trade vs Off-trade Wine Sales: Volume 2001-2006						
million litres	2001	2002	2003	2004	2005	2006
Off-trade	1.882,3	1.710,5	1.632,7	1.590,7	1.627,8	1.674,9
On-trade	1.115,7	1.142,5	1.218,6	1.212,9	1.163,2	1.118,7
Total	2.998,0	2.853,0	2.851,3	2.803,6	2.791,0	2.793,6
On-trade vs Off-trade Wine Sales: Value 2001-2006						
EUR millions	2001	2002	2003	2004	2005	2006
Off-trade	5.236,4	5.001,9	5.064,0	4.916,2	5.033,8	5.188,4
On-trade	7.497,0	8.052,2	9.006,7	9.307,7	8.985,9	8.721,4
Total	12.733,4	13.054,1	14.070,7	14.223,9	14.019,7	13.909,8

Source: Euromonitor, 2007a

According to the Italian Federation of Bars and Catering in Italy there are approximately 86,600 restaurants (FIPE, 2005), about 6,500 of which in the "top" segment (FIPE, 2002). The major Italian restaurant directories which deal with fine (or "upscale") restaurants, include from roughly 1,600 (Gambero Rosso, 2006) to 2,600 (L'Espresso, 2006) up to 6,743 (Michelin, 2006).

Given this background, this study focuses on whether and to what extent wine place of origin, considered as overlapping with the wine denomination of origin (*appellation*) in the study, affects the purchasing decisions made by fine restaurant buyers.

The research design is based on the following premises:

- use of a marketing approach in which appellations are viewed as brands [2];
- research that is not purely explorative, but is also able to provide reliable information appropriate for operational use;

A preliminary phase of the research focused on data collection for the selection of a sample of denominations to be investigated and provided information for the preparation of the questionnaire to be submitted to restaurant buyers during the field survey. The research methodology included archive and document analysis, as well as a focus group. This involved wine experts (producers, retailers, distributors, sommeliers, scholars) whose goal was to support the selection process of denominations and to identify a set of factors which can affect most of the restaurant wine buyer purchase process.

As it would have been impossible to examine all 320 officially recognized Italian appellations (DOC/DOCG), a sample was selected. Since within an appellation there are usually significant price and taste differences the choice of appellations to be included in the sample was based on the individual appellation's overall image, as perceived by the panel of experts, according to the following criteria: 1) showed a significant awareness level (to guarantee the legitimacy of each choice, a section of the questionnaire was dedicated to verification of this feature, *see below*); 2) perceived as "fine wines"; 3) price fits the super premium and higher price segments; 4) mainly distributed through restaurants and specialised shops; 5) are frequently compared to each other by both consumers and buyers in the purchasing decision process. An additional criterion was homogeneity of colour considering that notoriously red and white wines are subject to significantly different buying processes and consumption habits. Since most Italian top Appellations are red wines the choice of wines was limited to these.

The panel of experts found that only a very limited number of Appellations (no more than 10) seemed to satisfy fully the above criteria. It was decided to reduce the number further to avoid possible confusion in certain cases (eg. Chianti and Chianti Classico). The resulting sample comprised 6 Appellations:

- *Brunello di Montalcino*, considered by experts to be the Italian benchmark appellation in terms of awareness and reputation;
- *Barbaresco*, one of the most important DO in Piedmont, a historic Italian wine producing region;
- *Chianti Classico* and *Nobile di Montepulciano*, two of the most important DO located in Tuscany;
- *Sagrantino di Montefalco* (Umbria) and *Montepulciano d'Abruzzo* (Abruzzo), two examples of emerging denominations.

Table 2. Appellations included in the sample

Appellation	type of appellation	col.	region	area	reference grape varietal	approx. avr. Prod. ('00/'05 -bottles)
Brunello di Montalcino	DOCG	red	Tuscany	Central	Sangiovese	6.200.000
Chianti Classico	DOCG	red	Tuscany	Central	Sangiovese	35.000.000
Nobile di Montepulciano	DOCG	red	Tuscany	Central	Sangiovese	5.800.000
Barbaresco	DOCG	red	Piedmont	North-West	Nebbiolo	3.500.000
Sagrantino di Montefalco	DOCG	red	Umbria	Central	Sagrantino	2.000.000
Montepulciano d'Abruzzo	DOCG/DOC	red	Abruzzo	Southern	Montepulciano	n.d.

The questionnaire included two sections: the first investigated the interviewees awareness of all the Italian denominations; the second explored the drivers of the buyers' purchasing decisions related to the six selected appellations. In this section restaurant wine buyers [5] were asked first to express their preferences, ranking the six selected appellations, so that the results would not be influenced by any prejudices regarding denomination attributes. Then they had to explain the motivations of their choices stating their agreement/disagreement with

a set of items based on a five point Likert scale. The information collected was elaborated using analytical tools of multivariate data analysis (Gifi, 1990).

On this basis, we first processed data related to appellation ranking by using the multidimensional scaling technique. Multidimensional scaling (MDS) measures the perceived similarity or dissimilarity between objects as distances between points of a multidimensional space. The graphical display of the correlations provided by MDS enables the investigator to literally “look” at the data and to explore their structure, often showing regularities that remain hidden when studying arrays of numbers (Borg and Groenen, 2005). Data were processed through ALSCAL, an algorithm included in the SPSS statistical package (Takane *et al.*, 1977). MDS derives a metric distance from the disparities given by the ranked data, in a way that the relative position of the variables (wine appellations in our case) can be evidenced on a map which shows similarities or differences among them. The number of dimensions on the map can be interpreted as the number of motivations explaining a certain rank in preference.

As mentioned above, data input for MDS analysis was the ranking provided by each of the wine buyers interviewed: thus, it is not possible to make any hypothesis about the motivations underlying preference settings simply on the basis of ordinal data (appellations rankings). Therefore, in order to gain this information in we tried to identify a set of prospect motivations to the choices of restaurant wine buyers. Based on the opinions of the wine experts and the buyers interviewed, the following items were identified as possible drivers in the choice to include wines from a specific denomination in the restaurant list:

1. *customer appreciation*: the frequency with which customers request a specific appellation; in fact in ordering wine, an appellation rather than a specific brand name might be requested, in particular for red wines (Lockshin, 2005); therefore, restaurants tend to include in their wine lists products from the most frequently requested appellations;
2. *consistency with a push selling strategy*: the interviews and the focus group of the preliminary phase showed that the choice is often based on the belief that certain appellations are particularly consistent with the restaurant’s characteristics; in some cases a restaurants tend to propose certain appellations more than others, for example privileging wines from the surrounding area (Martinez-Carrasco *et al.*, 2005), or those they are used to suggest out of habit;
3. *perceived product uniqueness*: those interviewed showed a tendency to construct a personal image of the wines of certain denominations based on taste and style, recognizing in some a distinctive “personality”; from this point of view the experts interviewed seemed to usually experience appellation as an intrinsic cue (Orth and Krška, 2002); moreover, this attribute is considered by many to play a role in the creation of a well-structured wine list;
4. *quality/price ratio*: the value-for-money perception; this factor would appear to be more appropriately related to a producer’s brand rather than an appellation; but, as a matter of fact, the interviews and the focus group of the preliminary phase showed that in terms of value-for-money average perceived quality and price range also refer to a specific appellation.
5. *reputation of production area*: the extent to which the territory of production is perceived as providing distinguishable characteristics to the wine in terms of reputation and image; from this point of view the experts interviewed seemed to experience appellation as an extrinsic cue (Orth and Krška, 2002; Orth *et al.* 2005; Johnson and Bruwer, 2007).

In the questionnaire the wine buyers contacted were asked to state, for a random set of three appellations each, their agreement/disagreement with this set of items on a five point Likert scale. On the basis of these data we ran a Discriminant Analysis with SPSS.

A statistical sample of Italian fine restaurants was selected. 160 restaurants were drawn randomly from a population of about 6,700 restaurants quoted by the Michelin Directory, commonly recognised as the most reliable (Michelin, 2006). The sample scores a confidence interval of $\pm 7.66\%$ at a confidence level of 95%. See Table 3 for more details regarding sample composition.

Table 3. Random sample of restaurants: results in terms of geographical and price distribution

Area	Regions	Sample
North-west	Piemonte, Valle d'Aosta, Lombardia, Liguria	24,4%
North-east	Trentino-Alto Adige, Veneto, FriuliV.G., Emilia-Romagna	28,8%
Central	Toscana, Umbria, Marche, Lazio	26,9%
South & Islands	Campania, Abruzzo, Molise, Puglia, Basilicata, Calabria, Sicilia, Sardegna	20,0%
		100,0%

price range*	n.	%
<20€	7	4,4%
20-35€	78	48,8%
35-50€	54	33,8%
>50€	21	13,1%
total	160	100,0%

*average price, wine excluded

With reference to both per area and per price distribution the sample resulted substantially consistent with data distributions reported in the major fine restaurant directories. The interviews were carried out by telephone between September and October 2006. The response rate was surprisingly high, albeit non homogeneous, for each question (see below).

Findings

Table 4 provides the results concerning the denomination recall capability of the interviewees. Restaurant buyers were asked which *three* DOCGs first came to their minds. Of the 160 restaurants called, 139 responded, naming 401 items. The results are outlined in Table 4. The six appellations analyzed in-depth afterwards have been highlighted.

Results show that while a wide range of different items (107) have been quoted only a restricted set of denominations benefits a significant awareness by professional buyers.

Excluding Brunello di Montalcino, named by 47.5% of interviewees, only four other appellations (Barolo, Chianti, Barbaresco e Chianti Classico) were named by at least 10% of them. Assuming that awareness is one of the main factors affecting a brand's "strength" (Aaker, 1991; 1996), on the basis of results shown in Table 4, a first consideration arises: only a few Italian appellations can be considered as strong brands.

In addition, we must point out that:

- professional buyers not only focus on a few appellations, but most of them confuse DOCG with other types of appellations (DOC and IGT), grape varieties or brands;
- only 37 of 139 respondents were able to name, as requested, three DOCG; in 27 cases none of the three names were a DOCG.
- even if we assume that DOCG and DOC can be easily confused, only 43 of the 320 Italian appellations were cited at least once.

Table 4 Appellations recall.

	Appellation	region	Type	records	% respond.
1	Brunello di Montalcino	Toscana	DOCG	66	47,5%
2	Barolo	Piemonte	DOCG	35	25,2%
3	Chianti	Toscana	DOCG	29	20,9%
4	Barbaresco	Piemonte	DOCG	25	18,0%
5	Chianti Classico	Toscana	DOCG	20	14,4%
6	Barbera	n.d.	grape variety	13	9,4%
7	Nobile di Montepulciano	Toscana	DOCG	11	7,9%
8	Montepulciano d'Abruzzo	Marche	DOCG / DOC	10	7,2%
9	Cabernet	n.d.	grape variety	9	6,5%
10	Sagrantino di Montefalco	Umbria	DOCG	7	5,0%
11	Albana di Romagna	Emilia Romagna	DOCG	7	5,0%
12	Lambrusco	Emilia Romagna	grape variety	6	4,3%
13	Carmignano	Toscana	DOCG	5	3,6%
14	Franciacorta	Lombardia	DOCG	5	3,6%
15	Greco di Tufo	Campania	DOCG	5	3,6%
Total				15	253
others DOCG				6	7
DOC				25	37
IGT				5	6
grape variety				21	57
wine brand				8	12
wine producer brand				6	8
others				21	21
Total				92	148
Grand total				107	401

Further considerations can be made.

First, these results seem to be consistent with those obtained by the panel of experts on which we based the choices for inclusion in the sample of 6 Appellations to be investigated. Second, with reference to professional buyer profiles, both their name recall capability and level of wine education appear to be unhomogeneous. Third, although many respondents may have had a poor level of wine knowledge, in actual fact appellation alone is not sufficient for the differentiation of wines.

After checking awareness, interviewees were asked to rank the six denominations according to a six point scale, where 6 = the most preferred and 1 = the least preferred. 148 valid answers were collected.

Table 5 shows the results of the denominations ranking.

Table 5 - Ranking mean scores and variance

Origin Denomination	Mean score	Variance	metr. dist. rel.	metr. dist. cum.
Brunello	5,12	2,21	0,00	0,00
Barbaresco	3,69	3,52	1,43	1,43
Chianti Classico	3,22	2,28	0,47	1,90
Nobile di Montepulciano	3,18	2,30	0,04	1,94
Sagrantino di Montefalco	2,53	3,00	0,65	2,59
Montepulciano d'Abruzzo	2,26	2,78	0,27	2,86

The preference score granted to Brunello makes it by far the denomination that cannot be left off a restaurant wine list. This result not only concurs with the opinions of our expert focus group in the preliminary stage of this study, but also with the findings of our previous

researches. We emphasize that rank in terms of preference scored by the six appellations mirrors the rank they scored in terms of awareness (see Table 4).

Variance-related results are also interesting. It could be interpreted as an indicator of to what extent each appellation could achieve a clear image among the investigated population.

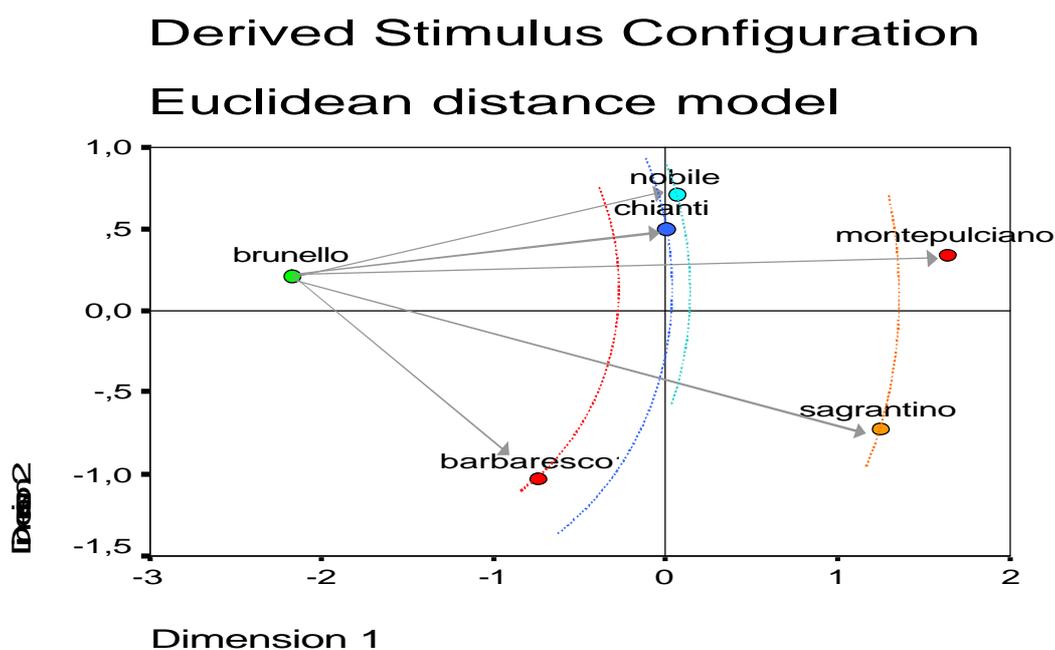
As mentioned, asking the respondents only to rank appellation we collected arrays of ordinal data. Data processing using the ALSCAL multidimensional scaling (MDS) technique showed a highly satisfactory representation on a two dimensional map, as **S-Stress measure = 0,00393 and $R^2 = 0,99992$** suggest an almost “perfect” finding. See Appendix 1 for MDS process. The positioning map is shown in Figure 1.

In any case, due to the small number of variables, we feared that the solution obtained might not be stable. In order to confirm the obtained results with Alscal, we also processed data using different MDS algorithms. Furthermore, data have also been processed dropping off Brunello which, due to its dominant position, could be considered an outlier limiting the reliability of the representation. Any further data elaboration confirmed the consistency of the results.

Looking at the map and keeping in mind that Brunello di Montalcino represents the benchmark in terms of preference, it is possible to make the following considerations:

- preferences expressed by the interviewees can be explained by two major factors, corresponding to the two dimensions of the map;
- dimension 1 seems to have a major impact in determining the positioning of the six appellations;
- wines produced by different grape varieties (see Table 1) tend to be positioned in different quadrants of the map;
- wines produced by the same grape varietal and in the same region (Brunello, Chianti, and Nobile) all achieve a similar score on dimension 2;
- the distances between the appellations in terms of mean scores (see Table 5) seem substantially confirmed in the map (see radius lines in figure 1).

Figure 1 MDS Positioning map



We will discuss these results below.

MDS analysis shows that the differences in the preferences expressed by the interviewed restaurant wine buyers are due to two major factors; however, having processed ordinal data (appellation rankings), it does not tell what these factors are. As previously mentioned, this issue has been investigated with respect to five *a-priori* identified items. The five items corresponded to five statements. Given an appellation, wine buyers were asked to express their agreement/disagreement on a five point Likert scale with these statements:

1. customers like wines with this appellation and they ask for them (*customers like it*);
2. we usually suggest wines of that appellation to our customers (*I suggest this wine*);
3. wines of this appellation are very different from other denominated wines (*it is different from others*);
4. wines of this appellation are generally worth their price (*worth the price*);
5. this appellation corresponds to a highly appreciated wine production area (*appreciation of the territory*);

(shorter statements between brackets will be used from now on for brevity)

Since time was limited we did not pose the question for all six appellations to all respondents but provided a random sample of three appellations to each respondent. The response rate (67,9%) was not as good as that of the previous sections of the questionnaire, but it was satisfactory (for more details see Appendix 2)

Discriminant Analysis was performed on these data.

According to the statistics computed (see appendix 2) the six appellations appeared statistically different only on the basis of two features, namely:

- n° 3 – *wines of this appellation are very different from other denominated wines*;
- n° 5 - *this appellation corresponds to a highly appreciated wine production area*.

This does not mean that the other three items do not affect the professional buyer purchase process at all. It means, rather, that these factors do not appear to explain the differences in the comparative evaluation of the six appellations. For example, regarding statement n°4, there was a large degree of disagreement regarding all the wines. This was a clear signal of widespread negative attitude regarding the price.

In reference to items n° 5 and n° 3, we note that “*appreciation of the territory*” is more discriminative than “*uniqueness*” because its eigenvalue is almost threefold larger (see Table 6).

Table 6 – Eigenvalues

Function	Eigenvalue	% of Variance	Cumulative %	Canonical Correlation
appreciation of the territory	0,2087735	74,17	74,17	0,415590156
it is different from others	0,0727150	25,83	100,00	0,260357319

Discriminant analysis results show substantial consistency with the representation given by the MDS positioning map. In order to determine how the two factors herein pointed out can match the two “dimensions” of the map we took into account certain circumstances:

- in the MDS map the three Tuscan appellations, which can be considered similar in taste and style, achieved similar scores on dimension 2; this is consistent with the hypothesis that dimension 2 matches with what we identified as “perceived uniqueness”;
- assuming, therefore, that dimension 1 must be considered as the axis that measures “appreciation of the territory”, even this hypothesis appears to be fully consistent with the product’s position on the map; since we have chosen Brunello di Montalcino as the benchmark, it appears reasonable that this appellation relies on a territory reputation that is much stronger than that of the two emerging appellations (Sagrantino di Montefalco e Montepulciano d’Abruzzo).

Considering that, in reference to the six investigated appellations, the population of professional buyers studied seemed to base their preferences on two main drivers: a) appreciation of production area, that is the extent to which the territory of production is perceived as providing distinguishable characteristics to the wine in terms of *reputation* and *image*; b) the perception that the wines coming from an appellation (wine production area) are different from others in terms of taste and style; that is to say their so called “personality”

This result could be very significant in its strategic implications, as we will subsequently try to show.

Discussion/Managerial implications

Despite many limitations, this study could contribute to better understand the role of appellations, considered as a particular type of regional branding, within the “fine wine” purchasing process. In addition, it can provide some useful insight in understanding the key drivers affecting professional buyer motivations and preferences towards certain appellations.

In reference to the focal question (whether and to what extent wine denomination of origin affects the purchasing decisions of wine buyers for fine restaurants) this research shows how *place of origin does matter, but that it does not represent a tool able by itself to create product differentiation and market value.*

Generally speaking, it appears that professional buyers, although noticeably influenced in their purchase process by territory of origin, are still far from including wines into a wine list only because of denomination. To be more precise, this study seems to point out two levels of differentiation. It can be said that, *first*, there is some differentiation between strong appellations and weak appellations, clearly evidenced by appellation awareness data (see Table 4). The existence of a non-homogeneous level in wine education among wine buyers for restaurants must be taken in consideration. Nevertheless, many of the 320 Italian appellations seem to be a very ineffective tool in terms of territorial brand building. This result is not at all surprising. It can be considered as further evidence that over-exploitation of place of origin as a brand (i.e. creating a lot of micro-areas) could make the appellation ineffective (Gatti *et al.*, 2007; Barrère, 2007; Johnson and Bruwer, 2007).

Second, we note that professional buyers seem very capable of discriminating between the six selected appellations in terms of the wines’ overall “profiles”. More specifically, in our opinion, it is highly significant that appellations characterized by use of different grape varieties have clearly different positions on the map (see figure 1). Moreover, referring to dimension 2 (that we defined as “uniqueness,” regarding perceived differences in product taste and style), the four appellations whose wines many wine tasters find similar in taste (the three sangiovese-based Tuscan wines and the Montepulciano d’Abruzzo) have similar position scores; the two appellations whose wines usually show very different taste profiles from the previous four, score very different positions. Considering that the map was prepared only on the basis of a ranking, this result is quite surprising.

We note with interest that the analysis done shows that territorial brand is considered an extrinsic (reputation of territory) as well as an intrinsic (wine personality or uniqueness) cue in defining preferences. This finding must be interpreted cautiously. The study was carried out with great attention, also with the aim of obtaining information useful not only for the research itself, but also for practical application. There is ample space to refine the analysis, in regard to interpreting the data presented as well as to carrying out further studies.

Our findings also present certain institutional implications. In particular, the necessity for special attention in defining the appellation areas. Excessive territory fragmentation and the creation of many micro-areas must be avoided for successful exploitation of place of origin. Bad practices such as overexploitation of place of origin as a brand could make an appellation ineffective (Gatti *et al.*, 2007; Barrère, 2007; Johnson and Bruwer, 2007)

In term of managerial implications the rendition of wine professionals' buying process shown in this study can be useful for implementing territorial branding strategies, a task that, in the European experience, is related to producer associations rather than individual wineries. Nevertheless, this can be a crucial issue for each and every wine firm, for at least two main reasons:

- ? geographical identity could be the major – if not the only - opportunity to achieve market value through differentiation for all those wineries with insufficient capability to build a strong brand image for themselves or that are not able to sell at competitive prices: these are important problems for the majority of Old World wineries;
- ? in implementing a brand strategy a wine firm should consider how a territorial brand can interact with company's brand if they both appear on the label; as a matter of fact wine labels always specify at least the country of origin, so the association with a certain territory and related images, although not the result of explicit territorial branding strategies, is bound to have some impact on preferences and buying decisions.

In Europe there has been an important long-standing debate on the capacity of European legislation, for which the appellation system is a focal issue, to be effective in facing international competition (Berthomeau, 2001; Carbone, 2003; Giraud-Héraud *et al.*, 2003; Mora, 2006; Barrère, 2007). One of the main problems is the emphasis given to technical-productive related rather than market related aspects. We can assume that all the features included in the notion of *terroir* (Vaudour, 2003) do play a major role in building a geographically related brand, because they represent the basic characteristics that make a wine (or a viticultural area) actually different and unique. However, in achieving territorial brand awareness and product differentiation, effectiveness cannot be guaranteed by considering only production issues but is strictly related to the ability to build a consistent and sound market strategy. It has been said that “the appellation system still has a future – as long as the appropriate segmentation is carried out” (Mora, 2006: 149). From this point of view, place of origin strategies could be an important way of increasing the economic value of a productive area. To pursue this goal, however, institutions should invest not only in improving appellation quality but also in a marketing strategy that involves strengthening professional awareness and preferences.

Above all, in this study we tried to demonstrate that it is possible to discuss the topic of appellations with a marketing oriented approach. Although it is clear that regional brands have different characteristics from company owned brands, especially because they are “collective” brands that include a variety of wines that may be very different from each other, this does not mean that an appellation does not have its own *brand image* which can have an impact on potential buyers' purchasing behaviour.

It must be pointed out that this study has been used as the basis for elaborating a strategic marketing plan for one of the six DOCG in our sample. Research on this specific appellation has substantially confirmed the findings of the study. Thus, we designed a strategy for establishing the value of this appellation by focusing principally on augmenting the reputation of the territory as a high profile wine producing area rather than by modifying the product itself. In particular we individuated the moves necessary to increase brand awareness and reputation, realizing a link between this production area and other famous high quality wine producing areas. Professional buyers and opinion leaders were the specific targets of this operation.

Further studies would be necessary to reconfirm the underlying hypotheses and the methodology of our study and to obtain more precise information regarding the relationship between brand and territory.

Such additional research might investigate how territorial brands may affect product brand image and at the same time, how the strength of a leader product brand may affect the general perception of the territorial brand itself. It is well know that a sort of reciprocal influence exists, but how and to what extent it works is at the moment totally unknown. Another direction of the study might analyse the different perceptions of wine product attributes by consumers vs. professional buyers. These findings might provide information useful for making product communication strategies more effective and developing marketing strategies.

Endnotes

- [1] The term “fine wines” is traditionally used by auction houses or traders – usually specialized to serve wine collectors, to describe the sort of wine they sell; as in the past this category coincided with the best wines the world produces, in the last 30 year this coincidence slowly but steadily declined; now the term is often referred to the whole of the high quality wines (Robinson, 1999).
- [2] According to the American Marketing Association (AMA) brand is “a name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers [and] may identify one item, a family of items, or all items of that seller”. It is known that a brand can exercise several important roles, from both the buyer’s and the seller’s points of view (Aaker, 1991; Keller, 2003). With reference to the purchasing process, brand value depends on it’s ability to influence the buyer’s choice. From this point of view there is no doubt that a wine’s Appellation may be considered as a brand, as it often represents a key element– although not necessarily the only one– in driving wine-buying decisions.
- [3] Horeca is a business term which refers to a sector of the food service industry, to establishments which prepare and serve food and beverages. The term is a concatenation of the words Hotel/Restaurant/Café or Hotel/Restaurant/Caterer, or Hotel/Restaurant/Canteen. Also wine-bars can be considered as a part of this retail channel.
- [4] In the Italian appellation system, DOCG (Denomination of Origin Controlled and Guaranteed) and DOC (Denomination of Origin Controlled) represent the only two designations that legally qualify as “appellations”; DOCG is the appellation that should mark the wines at the top of the quality pyramid.
- [5] Interviews were carried out with the person in the restaurant who was specifically in charge of wine purchasing decisions and therefore of selecting which products to include in the wine list.

Appendix 1 – Multidimensional Scaling (MDS)

Iteration history (in squared distances)

Young's S-stress formula 1 is used.

Iteration	S-stress	Improvement
1	,01109	
2	,00785	,00324
3	,00556	,00230
4	,00393	,00163

Iterations stopped because S-stress is less than ,005000

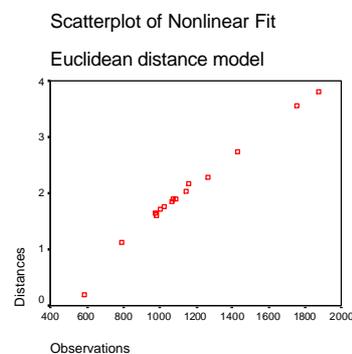
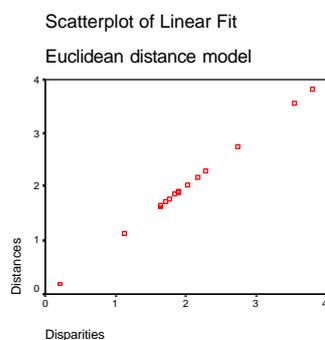
For matrix Stress = ,00337 RSQ = ,99992

Configuration derived in 2 dimensions

Stimulus Coordinates			
Stimulus Number	Stimulus Name	Dimension	
		1	2
1	CHIANTI	-,0132	,5087
2	NOBILE	,0575	,6922
3	BARBAR1	-,7493	-1,0334
4	BRUNEL1	-2,1743	,2148
5	SAGRAN1	1,2467	-,7217
6	MONTEP1	1,6326	,3393

Optimally scaled data (disparities) for subject 1

	1	2	3	4	5
1	,000				
2	,197	,000			
3	1,709	1,905	,000		
4	2,181	2,282	1,894	,000	
5	1,761	1,848	2,020	3,547	,000
6	1,634	1,634	2,749	3,809	1,129



Appendix 2 – Discriminant Analysis (DA)

Analysis Case Processing Summary

	Unweighted Cases	No.	%
Valid		326	78,4
Excluded		90	21,6
Missing or out-of-range group codes		54	13
At least one missing discriminating variable		16	3,8
Both missing or out-of-range group codes and at least one missing discriminating variable		20	4,8
Total		416	100

Descriptive stat.

	mean	S	No.		mean	S	No.
Barbaresco (1)				Montepulciano d'Abruzzo (4)			
customers ask for	4,1346	0,9295	52	customers ask for	4,0000	0,7989	48
I suggest this wine	3,5192	1,1460	52	I suggest this wine	3,6250	1,0237	48
it is different from others	4,1154	0,9631	52	it is different from others	3,7708	0,8810	48
worths the price	3,5962	1,0148	52	worths the price	3,9375	0,8356	48
appreciation of the territory	4,5962	0,4955	52	appreciation of the territory	3,8333	0,9965	48
Brunello (2)				Nobile di Montepulciano (5)			
customers ask for	4,5758	0,7030	66	customers ask for	4,2037	0,6835	54
I suggest this wine	3,6061	1,1077	66	I suggest this wine	3,4815	1,1775	54
it is different from others	4,5152	0,7695	66	it is different from others	3,8519	0,9597	54
worths the price	3,5606	0,9628	66	worths the price	3,7963	0,9393	54
appreciation of the territory	4,6515	0,6678	66	appreciation of the territory	4,6296	0,6812	54
Chianti Classico (3)				Sagrantino di Montepulciano (6)			
customers ask for	4,3684	0,7935	57	customers ask for	4,2857	0,6770	49
I suggest this wine	3,2456	1,2433	57	I suggest this wine	3,2857	1,1902	49
it is different from others	3,9123	1,0226	57	it is different from others	4,1837	0,8821	49
worths the price	3,8421	0,9597	57	worths the price	3,5306	0,9811	49
appreciation of the territory	4,7193	0,5263	57	appreciation of the territory	4,1020	0,8955	49
				total valid			326

Tests of Equality of Group Means

	Wilks' Lambda	F	df1	df2	Sig.
customers like it	0,94290109	3,87562436	5	320	0,0020049
I suggest this wine	0,98369814	1,06060901	5	320	0,3821941
it is different from others	0,92359298	5,29459353	5	320	0,0001089
worths its price	0,97447867	1,67614237	5	320	0,1398847
appreciation of the territory	0,83125966	12,99158689	5	320	1,60726E-11

Stepwise Statistics

Variables Entered/Removed									
Step	Function	Wilks' Lambda	df1	df2	df3	Exact F-score	df1	df2	Significance
1	appreciation of the territory	0,831259656	1	5	320	12,9915869	5	320	1,60726E-11
2	it is different from others	0,771206548	2	5	320	8,8499508	10	638	1,08404E-13

At each step, the variable that minimizes the overall Wilks' Lambda is entered.

a Minimum tolerance level is 0.005.

b Maximum number of steps is 10.

c Minimum partial F to enter is 3.8.

d Maximum partial F to remove is 2.7.

e F level, tolerance, or VIN insufficient for further computation.

Variables in the Analysis

Step	Tolerance	F to Remove	Wilks' Lambda
1	appreciation of the territory	1,0000000	12,991587
2	appreciation of the territory	0,9955009	12,606550
	it is different from others	0,9955009	4,968044

Minimum tolerance level is 0.005.

Variables Not in the Analysis

Step	Tolerance	Min. Tolerance	F to Enter	Wilks' Lambda
0	customers like it	1,000000	1,000000	3,87562
	I suggest this wine	1,000000	1,000000	0,983698
	it is different from others	1,000000	1,000000	5,29459
	worths its price	1,000000	1,000000	1,67614
	appreciation of the territory	1,000000	1,000000	12,99159
1	customers like it	0,987748	0,987748	3,03265
	I suggest this wine	0,993139	0,993139	1,04737
	it is different from others	0,995501	0,995501	4,96804
	worths its price	0,998787	0,998787	1,73289
2	customers like it	0,903669	0,903669	1,78721
	I suggest this wine	0,949000	0,949000	1,01185
	worths its price	0,928102	0,925048	3,44024

Minimum tolerance level is 0.005.

References

- Aaker, D.A. (1991), *Managing Brand Equity. Capitalizing on the Value of a Brand Name*, The Free Press, New York.
- Aaker, D.A. (1996), *Building Strong Brands*, The Free Press, New York.
- Agrawal, J and Kamakura, W.A. (1999), “Country of origin: A competitive advantage?”, *International Journal of Research in Marketing*, Vol. 16 n.4, pp.255-67.
- Anderson, K., ed. (2004), *The World’s Wine Markets: Globalization at Work*, Edwar Elgar, UK.
- Balestrini, P. and Gamble, P. (2006), “Country of origin effects on Chinese wine consumers”, *British Food Journal*, Vol. 108 No. 5, pp.396-412
- Barham, E. (2003). “Translating terroir: the global challenge of French AOC labelling”, *Journal of Rural Studies*, Vol. 19 No.1, pp.127-138.
- Barrère, C. (2007), “The genesis, evolution and crisis of an institution: the Protected Designation of Origin in wine markets”, *Journal of Institutional Economics*, Vol.3 No.2, pp.165-81.
- Berthomeau, J. (2001), *Comment mieux positionner les vin français sur les marchés d’exportation?*, Ministère de l’agriculture et de la pêche, Paris.
- Bilkey, W.J. and Nes, E. (1982), “Country-of-origin effects on product evaluations”, *Journal of International Business Studies*, Vol. 13 No.1, pp.89-99
- Borg, I and Groenen, P.J.F. (2005), *Modern Multidimensional Scaling. Theory and Applications*, 2nd ed., New York, Springer.
- Charters, S. and Pettigrew, S. (2006), “Product involvement and the evaluation of wine quality”, *Qualitative Market Research: An International Journal*, Vol. 9 No.2, 181-193.
- Clark, T. (1990), “International Marketing and National Character: A Review and Proposal for an Integrative Theory”, *Journal of Marketing*, Vol. 54 (October), 66-79.
- Cesaretti, G.P., Green, R., Mariani, A. and Pomarici, E. (2006), *Il mercato del vino. Tendenze strutturali e strategie dei concorrenti*, Franco Angeli, Milano.
- d’Hauteville, F., Fornerino, M. and Perrouy, J.F. (2007), “Disconfirmation of taste as a measure of region of origin equity”, *International Journal of Wine Business Research*, Vol. 19 n. 1, pp.33-48.
- De Magistris, T. (2004). *Le determinanti del comportamento del consumatore: analisi teorica e verifica empirica per i prodotti biologici*, Università Parthenope, Working Paper, available at: http://economia.uniparthenope.it/ise/sito/WP/2_2004.pdf
- Dimara, E. and Skuras, D. (2005), “Consumer demand for informative labelling of quality food and drink products: a European Union case study”, *Journal of Consumer Marketing*, Vol. 22 No. 2, pp.90-100
- Ditcher, E. (1962), “The world customer”, *Harvard Business Review*, 40 (4), pp.113 - 122
- Erickson, G.M. and Johansson, J.K. (1985), “The Role of Price in Multi-Attribute Product Evaluations”, *The Journal of Consumer Research*, 12 (2.),. 195-199.
- Fattorini, J.E. (1997), *Managing Wine and Wine Sales*, International Thompson Business Press, London
- Gatti, S., Giraud-Héraud, E., Mili, S. eds.(2003), *Wine in the old world. New risks and opportunities*, Franco Angeli, Milano
- Gifi, A. (1990), *Nonlinear Multivariate Analysis*, Chichester, Wiley.
- Grunert, K. and Grunert, S.C. (1995), “Measuring subjective meaning structures by the laddering method: theoretical considerations and methodological problems”, *International Journal of Research Marketing*, 12, pp.209-225
- Grunert, K.G., Bech-Larsen, T. and Bredahl, L. (2000), „Three issues in consumer quality perception and acceptance of dairy products”, *International Dairy Journal*, 10, pp.575-584
- Hall, C.M. and Mitchell, R. (2008), *Wine Marketing. A practical Guide*, B.-H./Elsevier Ltd.

- Hall, J., O'Mahony, B., Lockshin, L. (2001), "Wine attributes and consumption occasions: An investigation of consumer perceptions", *Wine Industry Journal*, Vol.16 No.6, pp.109-114
- Huneus, A. (2005) "Consolidation and the Future of Small, Premium Wineries", *Wine Business Monthly*, december.
- Huneus, A.F. (2001), "Building a Premium Wine Brand", in Moulton, K. and Lapsley, J. eds. (2001), pp. 99-114.
- Issanchou, S (1996), "Consumer expectations and perceptions of meat and meat product quality", *Meat Science*, 43 (1), pp. 5-19
- Johnson, H. (2002), *Story of Wine*, 6th ed., Mithcell Beazley, London.
- Johnson R. and Bruwer J. (2007). "Regional Brand Image and perceived wine quality: the consumer perspective", *International Journal of Wine Business Research*, Vol. 19 No. 4 pp. 276-97
- Keller, K. L. (2003), *Strategic Brand Management*, 2nd edition, Prentice Hall.
- Leclerc, F., Schmitt, B.H., Dubé, L. (1994), "Foreign branding and its effects on product perceptions and attitudes", *Journal of Marketing Research*, 31, pp. 263-70
- Lockshin, L. (2005), "Wine Australia: a better umbrella?", *Australian and New Zealand Wine Industry Journal*, 20 (3), pp.23-40
- Lockshin, L., Hall, J. (2003). "Consumer purchasing behaviour for wine: What we know and where we are going", Wine Marketing Group, University of South Australia, Adelaide.
- Maheswaran, D. (1990), "Country of Origin as a Stereotype: Effects of Consumer Expertise and Attribute Strength on Product Evaluations", *The Journal of Consumer Research*, 21 (2), pp. 354-365.
- Mattiaci, A., Ceccotti, F. and De Martino, V. (2006). "Il vino come prodotto cognitivo: indagine esplorativa sui comportamenti giovanili", paper presented at the Quinto Congresso Internazionale sulle Tendenze di Marketing, Venice, Italy.
- Maronick, T. (1995), "An empirical investigation of consumer perceptions of "made in USA" claims", *International Marketing Review*, 12 (3), pp- 15-30.
- Martinez-Carrasco, L., Brugrolas, M. and Martinez-Poveda, A. (2005), "Quality Wines and Wines Protected by a Designation of Origin: Identifying Their Consumption Determinants", *Journal of Wine Research*, Vol. 16 No. 3, pp.213-32
- Min Han, C. (1989), "Country Image: Halo or Summary Construct?", *Journal of Marketing Research*, Vol. 26 No. 2., 222-229.
- Mora, P. (2006), "Key factors of success in today's wine sector", *International Journal of Wine Marketing*, Vol. 18, No. 2, pp.139-149.
- Moulton, K. and Lapsley, J. eds. (2001) *Successful Wine Marketing*, Aspen Publishers, Gaithersburg.
- Moulton, K., Spawton, A.L and Bourqui, M. (2001), "Consumer Behavior and Marketing Strategies", in Moulton, K. and Lapsley, J. eds. (2001), pp. 1-10.
- Okechuku, C. (1994), "The importance of country of origin: a conjoint analysis of the United States, Canada, Germany and The Netherlands", *European Journal of Marketing*, Vol. 28, No. 4, pp.5-19.
- O'Mahony, B., Hall, J., Lockshin, L., Jago, L. and Brown, G. (2005), "Understanding the impact of wine tourism on future of wine purchasing: wine tourism experiences and future behavior", www.unisa.edu.au/winemarketing/docs/winebehaviourreport.pdf.
- Orth, U., McGarry Wolf, M., Dodd, T.H. (2005), "Dimensions of wine region equity and their impact on consumer preferences", *Journal of Product & Brand Management*, vol.14 No. 2, pp.88-97
- Orth, U.R. and Krška, P. (2002). "Quality signals in wine marketing: the role of exhibition awards", *International Food and Agribusiness Management Review*, Vol. 4, pp.385-97
- Papadopolos, N.G. and Heslop, L.A. (2002), "Country equity and country branding: problems and prospects", *Brand Management*, Vol.9 No.4/5, pp.294-314.
- Perrouy, J.P., d'Hauteville, F. and Lockshin, L. (2006), "The influence of wine attributes on region of origin equity: an analysis of the moderating effect of consumers' perceived expertise", *Agribusiness*, Vol. 22 No. 3, pp. 323-41

- Peterson, R.A. and Jolibert, A.J.P. (1995), "A meta-analysis of country-of-origin effects", *Journal of International Business Studies*, Vol. 26 No. 4, pp. 833-900
- Quester, P; Smart, J.; (1998), "The influence of consumption situation and product involvement over consumers' use of product attribute", *Journal of Consumer Marketing*, Vol. 15 No.3, pp.220-238.
- RABOBANK (2003), *Wine is business, shifting demand and distribution: major drivers reshaping the wine industry*, Rabobank International, Food & Agribusiness Research, Utrecht.
- Rao, A.R. and Monroe, K.B. (1989) "The Effect of Price, Brand Name, and Store Name on Buyers' Perceptions of Product Quality: An Integrative Review", *Journal of Marketing Research*, Vol. 26 No. 3, pp. 351-357.
- Robinson, J. ed. (1999), *The Oxford Wine Companion to Wine*, Oxford University Press.
- Roth, M. and Romeo, J.B. (1992), "Matching Product Category and Country Image Perceptions: A Framework for Managing Country-of-Origin Effects", *Journal of International Business Studies*, Vol. 23 No. 3, pp- 477-97.
- Sánchez, M. And Gil, J.M. (1998), "Consumer Preferences for Wine Attributes in Different Retail Stores: a Conjoint Approach", in *International Journal of Wine Business Research* 1998, Vol. 10 No.1, pp.25-38
- Scanlon, N.L., (1999), *Marketing by Menu*, 3rd edn., John Wiley and Sons, New York
- Schooler, R. (1965), "Product Bias in the Central American Common Market" *Journal of Marketing Research*, Vol. 2 november, pp.394-397.
- Spawton, A.L., (1991) "Marketing Planning for Wine", *European Journal of Marketing*, vol.25, No. 3, pg.2-47
- Takane, Y., Young, F.W. and De Leeuw, J. (1977), "Non metric individual differences multidimensional scaling: An alternating least-squares method with optimal scaling features", *Psychometrica*, Vol. 42, pp. 7-67.
- Tan, C. T. & Farley, J.U. (1987), "The Impact of Cultural Patterns on Cognition and Intention in Singapore", *Journal of Consumer Research*, 13, 540-544.
- Thach, L., Wagner, P. and Olsen, J. (2007), *Wine Marketing & Sales. Success Strategies for a Saturated Market*, The Wine Appreciation Guild, San Francisco, CA.
- Thienes, M. (1994), "Tradition and progress: registration of geographic denominations of origin", *British Food Journal*, Vol. 96 No. 2, pp. 7-10.
- Thode and Maskulka (1998) "Place-based marketing strategies, brand equity and vineyard valuation", *Journal of Product & Brand Management*, Vol.7 No. 5, pp.379-99.
- Van Ittersum, K., Candel, M.J.J.M. and Meulenberg, M.T.M (2003), "The influence of the image of a product's region of origin on product evaluation", *Journal of Business Research*, Vol. 56, No. 3, pp. 215-26.
- Vaudour, E. (2003), *Les terroirs viticoles*, Dunod, Paris
- Verlegh. P.W.J. and Steenkamp J.-B.E.M (1999), "A review and meta-analysis of country-of-origin research", *Journal of Economic Psychology*, Vol. 20 No. 5, pp. 521-46.
- Zanni, L., Mattiacci, A. and Nosi, C. (2005). *Strategie emergenti nel business vitivinicolo: un'analisi comparata tra Australia e Italia*, in Ciappei, C. (ed.). *La valorizzazione economica delle tipicità rurali tra localismo e globalizzazione*, Firenze University Press, Florence, Italy.

Industry reports and restaurants directories

- DATAMONITOR (2004), *Hotels, Restaurants & Cafes in Italy. Industry profile.*
- EUROMONITOR (2007), *Corporate summary. World wine distribution. (Industry report)*
- EUROMONITOR (2007a) *Wine Italy. (Industry report)*
- FIPE (2005), *I pubblici esercizi in Italia*, Centro studi Fipe-Confcommercio, aprile 2005.
- FIPE (2002), *Indagine sui consumi alimentari degli italiani*, Centro studi Fipe-Confcommercio, giugno 2002.
- GAMBERO ROSSO (2006), *Ristoranti d'Italia*, Gambero Rosso Editore, Roma.
- L'ESPRESSO (2006), *Alberghi e ristoranti d'Italia*, Gruppo Editoriale L'Espresso.
- MICHELIN (2006), *Alberghi & Ristoranti, Italia*, Michelin Travel Publications.