Beyond the Bubbles: Identifying other purchase decision variables beyond country of origin effect that make Australians buy Champagne

Morton, Anne-Louise and Healy, Marilyn and Rivers, Cheryl (2004) Beyond the Bubbles: Identifying other purchase decision variables beyond country of origin effect that make Australians buy Champagne. In *Proceedings Australia-New Zealand International Business Association Conference: Dynamism and Challenges in Internationalisation*, Canberra.

Keywords Champagne, country of origin effect, Australia, Aspirational Drinkers

Abstract

The study of country of origin effect (COOE) examines how consumers perceive products emanating from a particular country. In this paper, we propose a model of Champagne purchase decision variables that places COOE as secondary to situational purchase context. Our model uses Australian 'aspirational drinkers' and we propose situational purchase context is the primary decision driver (variable 1) in this purchase decision. We believe that if the occasion is special, the consumer will be motivated by country of origin effect (variable 2) to buy Champagne, and willing to spend a considerable sum of money (variable 3). Together these variables determine perceptions of prestige and luxury (4); comprised of brand image (4a), product presentation (4b) and taste (4c). Each of these variables is discussed with the envisaged choice outcome understood as a brand of Champagne purchased. Areas for future research are also outlined.

Introduction

'I drink my Champagne when I'm happy and when I'm sad. Sometimes I drink it when I'm alone. When I have company I consider it obligatory. I trifle with it if I'm not hungry and drink it when I am. Otherwise, I never touch it – unless I am thirsty.'

Madame Lily Bollinger - London Daily Mail, October 17, 1961, (cited in Mohr, 2004).

Relative to Australian sparkling wines, true Champagne is expensive. In June 2004, a bottle shop in Brisbane quoted the price of non-vintage Moët & Chandon at \$88.99 compared to a top-shelf Australian sparkling, Croser, at \$37.99. Despite the high price, Australians are willing Champagne purchasers. We are the 10th largest national Champagne market (McGonigal, 2004), although our population is substantially smaller than other top-10 countries such as the U.S., Japan and the U.K. This paper addresses the question of what Australian consumers consider in their purchase of Champagne. Acknowledging that country of origin effect is the most plausible explanation for selecting a bottle of Moët & Chandon over Australian sparkling wine, this paper identifies other purchase decision variables that consumers consider when selecting *which* Champagne they will buy. By integrating the country of origin effect literature, wine consumer decision making literature, luxury branding literature, and Champagne industry discourse we propose a model of purchase decision making for Champagne relevant to aspirational drinkers (Keown and Casey, 1995). Our model places 'situational purchase context' before 'country of origin effect' and 'price decisions'. We propose that brand image, product presentation and taste are all components of the 'prestige and luxury' perceptions of Champagne that purchasers consider secondary to

price and country of origin effect; and our model shows a simplified linear diagram of these elements in the decision making process of an aspirationalChampagne consumer.

Champagne purchasing provides an interesting context in which to identify variables beyond country of origin effect primarily because of the intensity of the country of origin effect. Indeed, labelling the drink 'French Champagne' is an oxymoron since Champagne can only be from the Champagne region of France. As such, the Champagne product is inseparable from its country of origin in the minds of consumers. How are Champagnes different? Why do some consumers buy non-vintage Moët & Chandon and others choose a bottle of Brut Champagne La Grande Dame 1989 which is owned by the same company? Both offer perfect French pedigrees and so country of origin effect can not be invoked as the explanation for the choice of one over the other. International marketers have used country of origin effect as the explanatory purchase decision variable for products like Champagne, whereas we argue that is only one step in the process. Our work also provides a starting point for future research to explore the relative impact of country of origin effect with other purchase decision variables. Identification of the purchase decision variables here will be of interest to wine marketers in Australia and France who are charged with placing and promoting products with strong country of origin associations.

The layout of the rest of the paper is as follows. First, we define country of origin effect and Champagne. Next, we identify a group of consumers that provide the context for the development of our model. Integrating the industry literature and academic studies of wine marketing and consumer behaviour of wine drinkers, we propose a hierarchical model of decision variables for aspirational Champagne consumers and discuss each of the variables in turn where we understand the model outcome to be the brand of Champagne purchased. We then discuss our future research that will use these variables and our contribution to theory and practice.

Definitions

In the fields of international marketing and consumer behaviour, definitions adopted by researchers vary. This section defines the constructs 'country of origin effect' and 'Champagne'.

Country of origin effect (COOE) is broadly understood to be the influence the 'made in...' factor has on consumers' perceptions of goods. Previously it has been defined as the result of consumers' inferences of product attributes based on country stereotype and experiences with products from that country (Bruning, 1997). Another definition of COOE is 'the picture, the reputation, the stereotype, that ...consumers attach to products of a specific country' (Nagashima, 1970, 68). Here, we have adopted Nebenzahl, Jaffe and Lampert's (1997) definition that COOE is 'the impact that generalisations and perceptions about a country have on a person's evaluation of the country's products and/or brands' (28).

Perhaps the most well known definition of Champagne comes from the monk who discovered it. Three centuries ago Dom Pérignon beckoned his colleagues because he was 'tasting stars'. In contention for the loveliest description of Champagne is one by a French school girl: 'it is like icicles of rainbow in my mouth' (Coates, 2001). More prosaically, Champagne is the sparkling wine that is produced from three varieties of grape grown in the Champagne region in France and made by méthode champenoise. The Champagne houses have gone to considerable effort and legal expense to ensure that vintners from other French regions or other countries who use the same methods cannot call their products 'Champagne'

or use the phrase 'méthode champenoise'. Producers outside the Champagne region are only allowed to label their wine 'méthode traditionnelle' or traditional method (Coates, 2001). The major differentiating feature of Champagne is that it is from the Champagne region and as such, can carry the name 'Champagne'. Despite this, America was not a signatory to either the 1891 Treaty of Madrid which declared that only wine made in a particular region could use that name on the bottle, or the 1919 Treaty of Versailles where this agreement was reaffirmed (Hoye, 1999). As a result, American producers still call any wine that fizzes Champagne (Robinson, 1995). Although Australians often refer to Australian sparkling wine as Champagne, this is wrong. To further clarify, this paper deals only with the variables influencing an aspirational drinker's decision to purchase true Champagne. Where sparkling wine is discussed this is for completeness and to demonstrate the impact of COOE in the purchase decision model. Our focus remains on determining the variables that affect Champagne purchasing other than COOE and as such, we are only interested in the aspirational consumer who is positively influenced by the country of origin of Champagne and decides to buy this category of Sparkling wine. Having defined country of origin effect and Champagne, the next section considers what type of consumers purchase Champagne and identifies one group that provides the context for the model developed here.

Types of Champagne Consumers

Intuitively, if a consumer spends the \$88.99 to buy a bottle of non-vintage Moët & Chandon every Friday night, he or she will have a different set of purchase decision variables than a person who is 'splurging' on a bottle of Champagne for a special occasion. In developing the purchase decision variables in our model, we thought about the process for a group of consumers labelled 'aspirational drinkers' (Keown and Casey, 1995). A four-way taxonomy of wine drinkers was described by Keown and Casey (1995) in their study of wine drinkers in Ireland. This taxonomy is outlined below and shows that wine drinkers are classified according to characteristics and motivations (Keown and Casey, 1995).

Connoisseurs see wine education as a hobby, read wine journals avidly, and are knowledgeable about wine. They prefer to purchase direct from specialists, merchants, auctions, direct from the winery or through a wine club. They consume wine on a daily basis and make their decisions in advance of purchasing. They have a broad spectrum of tastes and like to experiment, although they are likely to have strong preferences and are therefore brand loyal.

Aspirational drinkers are concerned with the social aspects of wine and tend to be attracted by fashion brands and labels. They are highly risk-averse and spend considerable time in the search process. Known brands act as symbols of status and reassurance and they will often seek the assistance of retail staff. Since most information is gathered at the point-of-sale, retail staff exert considerable influence on the aspirational drinker's purchasing decision. They choose outlets depending on convenience and their confidence in the retail assistant. They may also be influenced by wine writers, journalists, opinion leaders and are likely to attend wine appreciation courses.

Beverage wine consumers drink wine avidly but have little desire to appreciate what they are drinking. They purchase in convenient retail outlets or in an impersonal supermarket environment. They are brand loyal to a range of 'safe' brands within a preferred wine style

category and are unlikely to experiment beyond the parameters of that particular wine style. Choice is dependent on consistent taste, price and price-related promotions.

New wine drinkers are young and first-time drinkers who are attracted to wine consumption by the behaviour of their parents or peer group. Where and when they drink wine, for example, in hotels, discos or parties will strongly influence their choice. These consumers are 'unsophisticated' have limited parameters for choice and their preferences are not yet established. Sparkling wines, sweet wines or wine coolers are likely to feature strongly in their selection and price is usually a major factor in the purchasing decision.

The two groups most likely to consume luxury wines are the connoisseurs and aspirational drinkers (Beverland, 2004). Of these two groups, aspirational drinkers are more interesting to consider when determining Champagne purchase decision variables. Firstly, they buy Champagne irregularly and so are likely to have a higher level of involvement in the decision making process. Secondly, because of their high involvement, they will consider many more aspects of the product than connoisseurs who are likely to be loyal to their 'favourite drop'. Accordingly, the focus in this study is on the purchase decision variables of apsirational drinkers. Since no literature has been found providing a classification of Champagne consumers, the one described above has been adapted to the context of the Champagne category of wine. To further clarify, we see aspirational drinkers and consumers who purchase Champagne for special occasions as one and the same. Having identified our target group of consumers, the next section of our paper introduces the model.

Hierarchy of Decision Making Variables for Champagne Purchases by Aspirational Drinkers

In figure one, we present a hierarchy of decision making for Champagne purchases by aspirational drinkers. We have included seven variables and present the process as a sequence of decision variables with the outcome understood as a brand of Champagne purchased. Even though in decision making it is likely that many of the variables will be considered concurrently and there would be complex feedback loops between the variables. For simplicity, we have shown a linear process.

In this section we briefly describe the model and identify each of the variables. In the next sections, we detail our reasoning for selecting the variables and their position in the model. The inter-relationship of variables is also discussed.

Insert figure I here

Our model shows that the driving purchase decision variable for aspiration drinkers is the situational purchase context. For example, if an aspirational drinker has a 50th birthday coming up, this will drive them to decide to spend a considerable sum (the variable: price willing to pay) and to want to buy a 'special drink' and so choose Champagne (the country of origin effect variable). Once the aspirational drinker has decided to spend a set sum of money on Champagne, the decision of which Champagne is driven by the aspirational drinker's feeling of prestige and luxury results associated with each type of Champagne. 'Prestige and luxury perceptions' have three sub-components: brand image, product presentation through packaging and labelling, and finally, the all important taste factor. We propose that these variables interact with each other and result in the aspirational consumer choosing a brand of Champagne to purchase.

Having briefly described and identified the seven variables in the decision making model for Champagne, we now discuss each variable in more detail.

Situational Purchase Context in the Purchase Decision Model for Champagne

In our model we show the 'situational purchase context' as the principal driver behind the decision to buy Champagne. By this we mean a special event in the purchaser's life such as a decade birthday or a special wedding anniversary, is the primary motivator to buy Champagne. The purchase context drives two concurrent considerations: the desire to purchase true Champagne as opposed to another product, such as Australian sparkling wine; and, how much the aspirational drinker is prepared to spend. On the model, variable 1 is the 'situational purchase context', and this is shown driving variable 2: the country of origin effect and variable 3: price willing to pay.

Champagne has been described as 'the celebration wine' (Coates, 2001): it is used to launch ships, to commemorate anniversaries, and to toast the bride and groom at weddings. Arguably, it is its bubbles and the process of opening the bottle that makes it suitable for such celebrations. Australians like to buy Champagne in order to 'sacralize' an event (Pettigrew, Ogilvie, and Ryan, 2000) because Champagne has symbolic meaning, directly associated with celebratory occasions. Industry discourse also supports the idea that Champagne is the chosen wine for celebratory events. For example, it has been noted that 'no other wine is so associated with joy and festivity' (www.champagnewines.com/echampagne.htm, 2004). A Brisbane-based wine educator also supports this view: 'the greatest wine in the world is Champagne, and for the most special occasions in our life we've got to have the real thing' (Bernadette O'Shea, personal interview, April 21, 2004).

Aspirational drinkers buy Champagne to make special occasions more special, or, following Pettigrew et al. (2000), to 'sacrilize' the event. In our model we have placed the variable of the situational context as predicating the desire to buy Champagne and determining the price that aspirational drinkers are prepared to pay. These two variables are discussed next.

COOE in the Purchase Decision Model for Champagne

The idea presented in the model is that country of origin effect (COOE) is predicated by the situational purchase context for aspirational drinkers and that it, concurrently with price, determines perceptions of prestige and luxury (variable 4). In this section we discuss country of origin effect theory and link it to Champagne purchases by aspirational drinkers.

Country of origin effect has been identified as an information cue that influences quality perceptions of a product (Bilkey and Nes, 1982). Further, how consumers perceive products emanating from a particular country may be explained by a 'product category - country fit' (Roth and Romeo, 1992). France is renowned for the product category of wine, and more specifically Champagne. Thus, aspirational drinkers think that because Champagne is 'made in France' it is good because it *is* French and has a positive country image.

Two ways of conceptualising COOE exist in the literature to explain this relationship: the 'halo model' and the 'summary construct model'. According to the Halo Model, consumers use perceptions about a country to make overall evaluations of products from that country (Nebenzahl et al, 1997, 32). In turn this 'halo' influences ratings of specific tangible attributes of products. Consumers may rely on country image in order to infer the quality of a specific product, since they are not in a position to determine that quality prior to purchase (Han, 1989, 223). Because aspirational drinkers of Champagne are in most cases unable to make quality judgements prior to purchase, they may according to this model, (whether consciously or subconsciously) be influenced to buy the product for the pure and simple fact that it is a French wine.

The second approach to conceptualising COOE; the 'summary construct model', proposes that consumers infer information about product attributes based on abstract information stored and readily recalled from long-term memory (Han, 1989, 223). This model interprets the impact of country of origin in terms of generalising pre-existing perceptions about products made in a country to attributes of other products from the same country (Nebenzahl et al, 1997, 32). According to this model, aspirational drinkers of Champagne may associate French quality with previous purchases of French perfume and they are transferring this quality perception to another product group. However, this is a less likely correlation for aspirational drinkers of Champagne to make and so the halo model is the preferred model for this paper.

The halo model of COOE suggests that it is the overall country image that affects consumers' purchases, that is, buying Champagne because it's French, and because the French are renowned for good quality wine. Delving deeper into country associations, 'Frenchness' has been identified as 'a rich network of associations related to aesthetic sensitivity, refined taste, and sensory pleasure, and in some instances – elegance, flair and sophistication' (Leclerc, Schmitt and Dubé, 1994, 264). Frenchness was also linked with product perceptions for hedonic products (for example, Champagne) which are thought to be aligned with the importance of pleasure in French culture (Leclerc et al, 1994). Thus, by buying Champagne, rather than Australian sparkling wine, the aspirational drinker is selecting a product he/she expects will provide a level of quality and sensory pleasure.

The decision to buy 'French' is related to variable 3, the price willing to pay. This is discussed in the next section.

Price in the Purchase Decision Model for Champagne

The idea presented here is that price is at the same level as country of origin effect in the model of Champagne purchase for aspirational drinkers and also interacts with country of origin effect. Like the country of origin effect it is predicated by the situational purchase context for aspirational drinkers and the price of the product determines prestige and luxury perceptions for the product.

Price has been identified as an important variable in purchase decisions of wine (Keown and Casey, 1995; Chaney, 2000; Gluckman, 1990; Spawton, 1991; Jover, Montes and Fuentes, 2003; Landon and Smith, 1997; Rao and Monroe, 1989; Skuras and Vakrou, 2002; Schmel and Anderson, 2003). In the fine wine market in particular, high prices are associated with wine quality (Spawton, 1991). Since Champagne is a prestige wine, it follows that consumers will expect to pay a premium price – thus we have shown a bi-directional relationship between variable 2, the desire to buy Champagne and variable 3, the

price an aspirational drinker is willing to pay. Similarly, consumers have been shown to be willing to pay more for origin labelled wine (Skuras and Varkou, 2002).

Consumers are more likely to use price as an indicator of quality when purchasing relatively expensive products (Rao and Munroe, 1989). As price increases, so does the risk of an incorrect assessment and buyers often are less familiar with the product because of the infrequency of purchases. This can be the case when purchasing Champagne and in such instances, advice from other sources along with guesses or past experience might be used to form a judgement on the quality of the Champagne. Simple heuristics based on folk wisdom such as 'you get what you pay for' might also be used (Rao and Munroe, 1989) to influence the consumer's decision.

For high involvement purchases like Champagne to celebrate a special occasion, aspirational drinkers are willing to spend more. For example, brides typically spend far more on a dress for their wedding day than they do on their normal clothes (Boyer, 2003). Lovers spend more on each other for Valentines Day than they would on a typical day (Czurak, 2004) and families spend more on each other at Christmas than on an average day (Liesman, 2000). Similarly, we argue that if an aspirational drinker is selecting a wine for a special occasion, he or she will be willing to spend more than they would on a regular wine purchase.

We have suggested a direct link between the country of origin effect (variable 2) and price willing to pay (variable 3), since when aspirational consumers choose true Champagne, they are willing to pay more than for a bottle of Australian sparkling wine. In turn, we suggest that these elements together influence consumers' perceptions of prestige and luxury (4). Aspirational consumers often adopt products that are in limited supply to indicate status, or buy products to enhance their self-concept and impress others (Beverland, 2004). They also have the financial resources to purchase luxury wines, particularly when they see the situation as advantageous to their social standing (Beverland, 2004). In the following section a greater understanding of prestige and luxury perceptions will be presented by examining its subcomponents: 4a) Brand Image, 4b) Product Presentation and 4c) Taste.

Prestige and Luxury Perceptions in the Purchase Decision Model for Champagne

In our model we propose that once an aspirational drinker has made the decision to purchase a bottle of Champagne in a price range, he or she will then focus on the attributes of the Champagne associated with prestige and luxury. Champagne is attributed as inducing feelings of luxury, of well-being and gracious living (Coates, 2001). The sense of luxury is inextricably linked to perceived prestige of the product (Silverstein and Fiske, 2003). Anecdotal evidence suggests that the components of these perceptions of prestige and luxury in Champagne purchases are: 4a) Brand Image, 4b) Product presentation and 4c) Taste.

Brand Image

Brand names convey the image of the product or service. The term brand refers to a name, symbol, sign or design used by a firm to differentiate its offerings from those of its competitors (Czinkota and Ronkainen, 1993). Branding is important criteria for wine purchasers to consider (Keown and Casey, 1995; Gluckman, 1990, Jover et al, 2003; Rao and Monroe, 1989). For example, in red wine purchases, wine brand has been bundled together

with reputation and the region the wine is from in perceptions of wine quality (Jover et al, 2003).

Some Champagne brands are better known than others. Many will recognise the names Moët & Chandon or Veuve Cliquot (more correctly Veuve Cliquot-Ponsardin) but may not have heard of brands such as Ruinart or Alfred Gratien. Champagne houses work hard to maintain their market position and the reputation associated with their brand. The leading (in volume) Champagne company LVMH (Moet Hennessey Louis Vuitton) has one goal: creating star brands. According to company chairman Bernard Arnault, these brands are born only when an organisation manages to make products that paradoxically 'speak the ages' but feel intensely modern (Wetlaufer, 2001). A star brand is one that is timeless, modern, fast growing, and highly profitable. LVMH has achieved star branding with its Moët & Chandon.

Four categories of brand value or functions as perceived by consumers have been identified: guarantee, personal identification, social identification and status (Del Rio, Vazquez and Iglesias, 2001). It is proposed that these functions have a positive influence on the consumer's willingness to buy a brand and pay a price premium for it. Marketers try to create images for their brands that position them to fit a distinct market segment occupied by no other brand and to create a brand image that is similar to the self-image of the target consumers (Graeff, 1996) in this case, one of prestige and luxury.

Arguably, aspirational drinkers will typically choose a brand with which they are familiar, such as Moët & Chandon, over a brand of which they have never heard. Because they have heard of Moët & Chandon, they will feel confident in the quality and the status they will achieve from it. However, aspirational drinkers may be influenced by information from the Champagne seller or published reviews and so may be willing to buy a brand that is perhaps less well known but from which they expect quality.

Product Presentation

The second component of prestige and luxury associated with Champagne is the presentation of the product. By this we mean the bottle labelling and packaging such as an additional box or wrapping. Champagne, and in particular the Cuvée de Prestige Champagne is often sold in a box or additional wrapping. For example, Cristale by Louis Roederer is sold in a clear glass bottle wrapped in yellow cellophane, and the ceremony of unwrapping the bottle before pouring the Champagne is one that is very important.

Product presentation is an important determinant of prestige and luxury perceptions because it serves as an information cue for the aspirational drinker when assessing the product's quality. Packaging serves three major functions: protection, promotion and user convenience (Czinkota and Ronkainen, 1993). Since 73 percent of purchase decisions are made at point of sale; the design of packaging has been described as the 'salesman on the shelf' (Rettie and Brewer, 2000: 56). It should ensure that a brand stands out, is recognised, and is included in the products under consideration (Connolly and Davison, 1996). Packaging may be the biggest medium of communication due to its extensive reach to nearly all purchasers; its presence at the crucial moment when the purchase decision is made; and the high level of involvement for users who will actively scan packaging for information. The design of the pack itself may also in itself be an incentive to buy one product over another (Rettie and Brewer, 2000).

Label design is the second major component of product presentation in our model as labelling and label design have been recognised as important in product selection (Chaney 2000, Keown and Casey, 1995). The importance of label design was highlighted during discussions with a Brisbane-based Champagne educator. The interviewee suggested that the label design of Krug (below left) appealed to male customers, compared with Perrier Jouet's Belle Époque (below right), whose floral design appealed to females (B. O'Shea, personal interview, 21 April, 2004).

Insert figure II here

Thus, the label design will be particularly important when aspirational drinkers are buying for a present rather than themselves. For example, if a woman is buying a bottle of Champagne for a bridal shower, she might choose the Perrier Jouet's Belle Époque because it looks pretty and feminine. Similarly, if the same woman were buying a bottle for a male friend's 50th birthday, she would be unlikely to choose Perrier Jouet's Belle Époque and may instead choose a more macho looking bottle such as Krug or Winston Churchill by Pol Roger.

We propose that aspirational drinkers will consider both the label design and the packaging of the Champagne in their purchases. Separating the product presentation from brand image is difficult and so we have represented them as equal status in our model.

Taste

Since Champagne is purchased to be drunk, it is logical that taste is an important variable for aspirational drinkers in the purchase decision. Numerous studies have linked taste to wine selection (Keown and Casey, 1995; Chaney, 2000; Gluckman, 1990; Java et al, 2003).

Taste is an interesting variable to include in our model as it may be that the aspirational drinker has never bought the brand before and so does not have a clear idea about the taste. However, Champagnes can be categorised according to taste and so, aspirational drinkers may have preferences about the style of Champagne they want to drink and may ask the sales assistant for advice. Purchasers without prior tasting experience may also use reviews by connoisseurs, educators and other wine experts as the next best alternative to tasting for themselves (Chaney, 2000). More experienced aspirational drinkers, who have drunk Champagne before are likely to be guided by these past experiences.

We have placed taste as the final variable that is part of the prestige and luxury perceptions and it is understood that the interaction of this and all variables in the model will result in the aspirational drinker's choice of a Champagne brand to purchase.

Considerations for Marketers and Future Research

The model we have presented identifies six variables that aspirational drinkers consider as well as the country of origin effect in purchasing Champagne. This section discusses how this model can be tested so that it may be useful for international wine marketers in Australia and France who are charged with placing and promoting products with strong country of origin effect associations.

Firstly, we need to confirm that these variables are used by aspirational drinkers in purchasing Champagne and that we have not omitted any important variables from the study. A series of exploratory interviews could be conducted to investigate the relationships presented in this model and to uncover any additional variables which may not have been considered. For example, by interviewing Champagne educators (individuals who run courses training people about Champagne); Champagne marketers (representatives of producers who are responsible for sales to liquor outlets); Champagne sellers (those working at liquor outlets to whom purchasers may turn for advice); and, Champagne connoisseurs (those who regularly buy Champagne), we can get further insight into the variables and their interrelationships.

Once the variables are confirmed, quantitative research can be undertaken to measure the relationship between the variables and perhaps identify their relative importance to aspirational drinkers. By conducting a survey on different groups of consumers, such as the taxonomy we presented earlier, differences in priority or importance of these variables could be uncovered.

Establishing which of the variables is important to Champagne purchasers could be used by marketers of luxury goods with strong country of origin effect in designing their marketing program.

Conclusions

In modelling the Australian 'aspirational drinkers' decision process in buying a bottle of Champagne, we have gone 'beyond the bubbles'. Country of origin effect undoubtedly is a strong influence on the purchase decision, but it is not the only important variable. Our model explains why aspirational drinkers choose one Champagne over another. By identifying other variables such as the importance of the event being bought for, the amount the purchaser is willing to spend and the components of prestige and luxury perceptions we have extended dialogue about country of origin effect in international marketing.

It is anticipated that our model can be used as a foundation for future research into Champagne purchasing in Australia.

Reference List

- Beverland, M.(2004) 'Uncovering 'theories in use': building luxury wine brands', *European Journal of Marketing*, 38(3/4): 446-466.
- Bilkey, W.J and Nes, E. (1982) 'Country-of-origin effects on product evaluations', *Journal of International Business Studies*, Spring-Summer (13): 89-99.Boyer, E. (2003) 'Economy not stopping brides from splurging on wedding dresses', *New Orleans CityBusiness*, June-23: 1.
- Bruning, E.R. (1997) 'Country of origin, national loyalty and product choice: the case of international air travel' *International Marketing Review*, 14(1): 59-74.
- 'Champagne'. (2004). [www.document] <u>http://www.champagnewines.com/echampagne.htm</u> (accessed 30 June 2004).
- Chaney, I. (2000) External search effort for wine, *International Journal of Wine Marketing*, 12(3): 5-15.

Coates, C. (2001) An Encyclopedia of the Wines and Domaines of France. California: University of California Press.

- Connolly, A. and Davison, L. (1996) 'How does design affect decisions at point of sale?', Journal of Brand Management, 4(2):100-107.
- Czinkota, M.R. and Ronkainen, I.A. (1993) *International Marketing*, 3rd ed., The Dryden Press: Sydney.
- Czurak, D. (2004) 'Retailers Love Valentine's Day', Grand Rapids Business Journal, 22(6):3.
- Del Rio, Vazquez and Iglesias, (2001) 'The Effects of Brand Associations on Consumer Response', *The Journal of Consumer Marketing*, 18(5): 410-425.
- Gluckman, R.L. (1990) 'A consumer approach to branded wines', *European Journal of Marketing*, 24(4): 27-46.
- Graeff, T.R. (1996) 'Using Promotional Messages to Manage the Effects of Brand and Self-Image on Brand Evaluations', *Journal of Consumer Marketing*, 13(3): 4-18.
- Han, C.M. (1989) 'Country Image: halo or summary construct?', *Journal of Marketing Research*, 26: 222-229.
- Hoye, S. 'Bubbly 101', (1999). [www.document] <u>http://www.cnn.com/FOOD/specials/1999/champagne/primer/</u> (accessed 30 June 2004).
- Jover, A.J., Montes, F. and Fuentes, M. (2003) 'Measuring perceptions of quality in food products: the case of red wine', *Food Quality and Preference*, August: 1-17.
- Keown, C and M Casey. (1995) 'Purchasing behaviour in the Northern Ireland Wine Market', *British Food Journal*, 97(1): 17-20.
- Landon S. and Smith, C.E. (1997) 'The use of quality and reputation indicators by consumers: the case of Bordeaux wine', *Journal of Consumer Policy*, 20: 289-323.
- Leclerc, F. Schmitt B.H. and Dubé, L. (1994) 'Foreign branding and its effects on product perceptions and attitudes', *Journal of Marketing Research*, 31(2): 263-270.
- Liesman, S. (2000) 'Consumers to Show Holiday Spirit', Wall Street Journal, November: A1.

McGonigal, M. (2004) 'Dateline: Champagne, France'[www.document] <u>http://www.davidmcgonigal.com.au/france.htm</u> (accessed June 30, 2004).

- Nagashima, A. (1970) 'A Comparison of Japanese and U.S. Attitudes Toward Foreign Products', *Journal of Marketing*, 34(1): 68-74.
- Nebenzahl, I. D., Jaffe, E. D., and Lampert, S. I. (1997) 'Towards a theory of country image effect on product evaluation', *Management International Review*, 37(1), 27-49.
- Pettigrew, S. Ogilvie, M. and Ryan, M. (2000) 'Let's Party Like It's 1999: Intentions To Consume Alcohol On The Eve of 2000', Paper presented at ANZMAC 2000 Visionary Marketing for the 21st Century: Facing the Challenge; Dunedin, N.Z.
- Rao, A.R. and Munroe, 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*, 26 (August): 351-357.
- Rettie, R. and Brewer, C. (2000) 'The Verbal and Visual Components of Package Design', *The Journal of Product and Brand Management*, 9(1):56-66.
- Robinson, J. (1995). Jancis Robinson's Wine Course, BBC Books: London.
- Roth, M.S. 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*, January: 477-497.
- Schamel, G. and Anderson, K. (2003) 'Wine quality and varietal, regional and winery reputations: hedonic prices for Australian and New Zealand', *Economic Record*, September (79): 357-369.
- Silverstein, M J and N Fiske. (2003). 'Luxury for the masses', *Harvard Business Review* (April): 48-57.

- Skuras, D. and Vakrou, A. (2002) 'Consumers' willingness to pay for origin labelled wine: a Greek case study', *British Food Journal*, 104 (11): 898-912.
- Spawton, T. (1991) 'Of wine and live asses: an introduction to the wine economy and state of wine marketing', *European Journal of Marketing*, 25(3): 6-48.
- Wetlaufer, S. (2001). 'The perfect paradox of star brands: an interview with Bernard Arnault of LVMH', *Harvard Business Review* (October): 116-123.

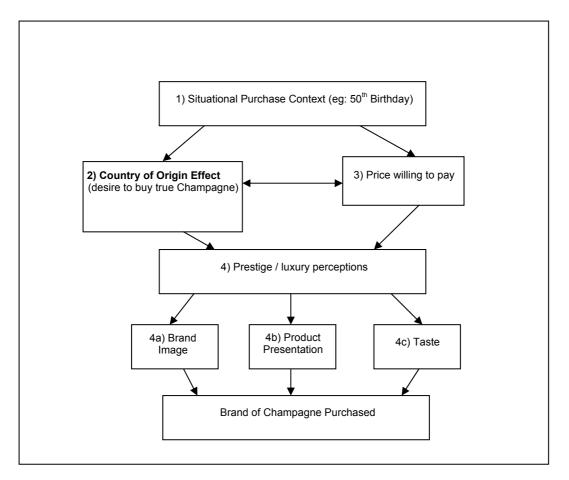


Figure I Hierarchical model of decision variables for aspirational drinkers



Figure II Label comparison of Krug with Perrier Jouet's Belle Époque