# The influence of label on wine consumption: its effects on young consumers' perception of authenticity and purchasing behavior

#### Renaud Lunardo, Richard Guerinet

University of Reims, France

renaud.lunardo@univ-reims.fr



Contributed Paper prepared for presentation at the 105<sup>th</sup> EAAE Seminar 'International Marketing and International Trade of Quality Food Products', Bologna, Italy, March 8-10, 2007

Copyright 2007 by Renaud Lunardo and Richard Guerinet. All rights reserved. Readers may make verbatim copies of this document for non-commercial purposes by any means, provided that this copyright notice appears on all such copies.

# The influence of label on wine consumption: its effects on young consumers' perception of authenticity and purchasing behavior

Renaud Lunardo<sup>1</sup>, Richard Guerinet <sup>2</sup>
<sup>1,2</sup> University of Reims, France renaud.lunardo@univ-reims.fr

#### Summary

The last forty years have seen a dramatic decrease in wine consumption in France. In 1965, the wine consumption per people per year was 160 liters; in 2005, people didn't drink more than 70 liters of wine in a year. Moreover, from 1980 to 1990, people over 14 years who drunk wine have decreased from 80 to 67 % of the population. In 2005, only 62 % of them pretended drinking wine. That is one million French people less than in 2000.

This decline in wine market can be explained by the fact that young people consume less wine than older people. This article identifies authenticity as a factor explaining purchasing behavior of young consumers. Findings suggests that the label of bottled wine influences young consumers' choice of wine. Originality and projection are two dimensions of the authenticity explaining how young consumers perceive performance risk, perceived price and purchase intentions.

KEYWORDS: authenticity, bottled wine, label, performance risk, perceived price, purchase intention.

#### 1. Introduction

Wine has become a significant beverage in many nations around the world. For example, in 2003, over 233 million cases of wine were sold in the United States and sales totaled 21,800 million dollars (Adams Wine Handbook, 2004). However, the last forty years have seen a dramatic drop in wine consumption in France. In 1965, the wine consumption per people per year was 160 liters. In 2005, according to the INRA, people didn't drink more than 70 liters of wine in a year. Moreover, from 1980 to 1990, people over 14 years who drunk wine have decreased from 80 to 67 % of the population. In 2005, only 62 % of them pretend drinking wine. That is one million French people less than in 2000.

Why the decline in wine market ? Wine experts suggest that this decrease in wine consumption is not surprising when one realizes how the status of wine has evoluted. The status of wine seems to have transited from "wine as an aliment" to "wine as pleasure" (Corbeau, 1997). Wine was former considered as a whole part of the meal, while today it is associated with pleasure. That transition also explains that regular wine consumers are not as numerous as before. Regular consumers represented 60 % of consumers over 14 years in 1980, 40 % in 1995 and only 33 % in 2005 (Onivins, 2001). These figures highlight that people drink less, and it also seems they want to drink better. The desire for quality and the degree of expertise of consumers has increased. As a questionnaire carried out in 2005 emphasized, consumers pay more attention to signs of quality, as AOC French label. When French people were asked "Do you know what the AOC is?", they were 58 % to answer yes, while they were only 41 % ten years ago (Onivins, 2005).

Along with the issue represented by the drop of the wine market, there is also an other issue represented by young people. A dynamic analysis provides information about future wine consumption. The weak wine consumption by young people suggests that wine consumption in the future is likely to keep low. Because regular wine consumers, especially represented by old people, won't be replaced after their disappearance, a decrease of wine

consumption in France is therefore unavoidable. The APC econometric model forecasts a decline in wine consumption between 13,3 % and 18,1 %.

Despite this decline of per capita consumption volumes in France, French producers don't seem to be interested in marketing as a useful tool to sell wine. However, marketing practices seem to be efficient in selling wine. For instance, researchers about the influence of store atmospherics have concluded that classic music made people buy more wine (Areni and Kim, 1993). North et al. (1999) have lately evidenced a relationship between the geographic origin of a music in a point of purchase (French versus German) and the choice of products. Consumers buy more wines coming from a geographic place congruent with the music : if the music is French, consumers buy French wine ; if it is from Germany, they buy wine from there.

At the same time, consumers often make their choices among a large numbers of alternatives in a very short time (Britton, 1992). In this context packaging becomes a fundamental marketing tool for the winery. As Rocchi and Stefani (2005) suggest, the shape of the bottle, the colour of glass, types and drawing in the label should attract the attention of the potential purchaser, distinguishing a specific wine bottle from several competitors.

One marketing concept of interest to relate to wine packaging in order to understand how to make wine sell good could be authenticity. In general terms, authenticity can be defined as the fact of being original (Mc Leod, 1999). Researchers go as far as to state that the search for authenticity is one of the cornerstones of contemporary marketing (Brown et al., 2003). They have identified that authenticity is often more contrived than real, but in the case of wine, authenticity is real. So, focal questions are: Can the label improve the perception of authenticity for the consumer? Do wine consumers prefer authentic wine? On the contrary, do they prefer modern wine, one that does not seem to be authentic? Does authenticity improve perceived quality, decrease perceived risk, and enhance the probability of buying, especially in young people?

The purpose of this article is twofold. Firstly, this article aims to contribute to a better understanding of authenticity as a marketing tool. Secondly, it is to highlight the relationship (1) between the label of bottles of wine and perceived authenticity and (2) between perceived authenticity and wine consumption.

The research described in this article addresses this issue by first developing a conceptual framework for examining the concept of authenticity. Then we highlight the relationship between authenticity in food products and consumer behavior. This review of literature will allow us to draw hypothesis about authenticity in wine and its relationship with consumer behavior. We will explain the methodology we used to test our hypothesis. The results are reported with managerial implications considered at the end of the article.

#### 2. Background

The following section first explains the concept of authenticity by defining its dimensions and attributes. The latter sections then integrate the issue of how authenticity will interact with the consumers' buying behavior of bottled wine to influence.

# The authenticity concept : definition, dimensions and attributes

The issue of authenticity has been identified as a central principle in research. As a result, there are as many definitions of authenticity as there are those who write about it.

Authentic products can be defined as those that refer to "an imaginary located in ancient times or in exotism". This definition provided by Warnier (1994) highlight what any author dealing with authenticity suggest: any definition of authenticity must be done with reference to any place, time or product. Indeed, behind any definition of authenticity lie

assumptions about the significance of content, fixity, consistency of reference, provenance and context. Authenticity can be defined as being original, or being faithful to an original. It can mean uncorrupted but also of clear and known provenance. It demands that sources, forms, style, language and symbol all derive from a supposedly homogeneous and unbroken tradition (Rushdie, 1991: 67). Given those considerations, we retain as a marketing definition of authenticity the one given by Camus (2004: 41). The perceived marketable authenticity can be seen as "a characteristic of the product which brings it to an origin, which distinguishes it because it fills up a lack, an insatisfaction, and which is reinforced since the products represents a part of the identity of the consumer".

In her research, Marianna (1997) sees authenticity as a declaration of identity with, belonging to, knowledge about, respect for and responsibility towards the product. Identity refers to upbringing, beliefs, stories, cultural ways of living and thinking what the product is to be. Belonging means to be either connected with stories about country or connected with the history of the product. Knowledge is about both familiarity gained from experiences and also having a clear and certain individual perception of expression. Respect and responsibility is about having regard for and looking after culture. It's about acting in a way which is sensitive to others and which does not exploit other people's identity, knowledge and belonging.

In the field of marketing, according to Cova and Cova (2001), when authenticity is linked to a product, it refers to a four-dimension concept. Those dimensions are history, space, socialisation and naturalization. Two dimensions have been added to form "six worlds of authenticity"in the consumption world. Those are the archaeological world, the spaciological world, the ritualized world, the natural world, the inspired world and the technical world (Cova and Cova, 2002).

Those dimensions of authenticity can be compared to the ones found by Camus (2003) who made the French major research on authenticity in food markets. She identified three dimensions and nine attributes of authenticity. These dimensions of authenticity are originality, uniqueness and projection. Originality could be seen as naturality. This dimension deals with the question of the origins of the product. To be authentic, the consumer must see the product as original, he must have information about the place the product has been produced. To be authentic, a product must be perceived as different from manufactured products which are sold by millions all around the world: it must be perceived as unique. And it must be seen as a projection of the consumer: the consumer must see the product as a reflect of his personality.

These three dimensions can be defined by nine attributes, which are: customization, origin (including the author, the period, country, human or technical factors), price and signs of certification. These findings are close to the ones found by Beverland (2006) who studied the attributes of authenticity for luxury brands of wine. The author identified six attributes of authenticity: heritage and pedigree, stylistic consistency, quality commitments, relationship to place, method of production, and downplaying commercial motives. Heritage and pedigree refer to the history of the brand; this attribute is close to the origin suggested by Camus. The drawings of castles and vines, and the name of the castle, refer to history as well. Stylistic consistency can be compared to the typography, that is the way the name of castle is written on the label. Quality commitments for brands can also be compared to exhibition awards on labels of wine. It also can be compared to the signs of certification suggested by Camus. This attribute of authenticity is a major one. In Camus and Beverland's typologies, origin and history are attributes of authenticity.

So far, we have explained how authenticity is defined and characterized. We have emphasized that authenticity refers to something original, unique, far from merchandises, usually seen by consumers as standardized goods. The next issue is how consumers integrate authenticity as a criterion while buying food products.

#### Authenticity and food consumption

The quest for authenticity is a characteristic of postmodern consumption (Firat and Venkatesh, 1995). People are nostalgic about old ways of life, and they want to relive them by the way of living authentic experience. According to Fine and Speer (1997), an authentic experience involves participation in a collective ritual, where strangers get together in a cultural production to share a feeling of closeness or solidarity.

Researchers use the term 'authenti-seeking' for consumers searching for authenticity in a range of products, services and experiences or looking for it within themselves. In tourism area, authenticity as a concept is nothing new; destinations such as Australia, Canada or China are promoting authentic experiences in order to attract tourists. In looking for authenticity, some tourists focus on the product in terms of its uniqueness and originality, its workmanship, its cultural and historical integrity, its aesthetics, and/or its functions and use (Hugues, 1995).

Also in other areas, such as food market, one of the key areas identified by research into the future of food market focuses on this concept of authenticity. This focus on authenticity is largely a consequence of the risk consumers perceive while buying food products. Indeed as Fischler (2001) noticed, there's a real paradox in postmodern consumption: while consumers have today a maximal security when they buy food products, their fear about what they eat has never been so important. Consumers have a great consciousness of what they eat and what risk can be associated to their food. This behavior is ruled by two universal principles.

The first one is the "principle of incorporation", which can be defined as "I get what I eat". By controlling the food you eat, you control what you get, in order to maintain your self-esteem. Authenticity allows people to be sure about what they eat: you eat something natural, something original, something unique.

The second principle is the "principle of classification". As anthropologists notice, people are used to classifying things in order to make rules or norms. The most fundamental classification is the one related to what can be eaten and what can not be. An other classification can be about authenticity: some things are authentic, others are not.

Those two principles of incorporation and classification can be considered as risk reductors. By being conscious of the quality of food products and by classiffying, people reduce risks related to food behavior. Many risk reduction models have been suggested in marketing literature, including word-of-mouth, warranties, brand image, a price-quality association and salesperson assurance (Hawes and Lumpkin, 1986). But authenticity has never been to our knowledge integrated into consumer behavior research dealing with consumers' choice of wine.

### Wine label, choice and authenticity

One approach to studying food choice derives from social psychological research into attitude—behaviour relationships. Referring to the Theory of Planned Behavior (Ajzen, 1991), it is assumed that most part of the influences on food choice are mediated by the beliefs and attitudes held by an individual. Beliefs about the nutritional quality and health effects of a food may be factors more important than the actual nutritional quality and health consequences in determining an individual's choice. Concerning wine, the beliefs about its health consequences play a major role. Indeed, wine can be both a good friend (in moderation, providing physical and social benefits) but a cruel enemy too (in excess, causing moral and physical declines). That is, one of the most prominent factors influencing consumer's wine choice has been found to be perceived quality (Hauck, 1991). Quality can be perceived by human senses, as sight: for food products, and especially for wine, that means packaging and labels are some of the sources consumers refer to in order to judge the quality of the product and to make a choice.

With respect to Olson and Jacoby's typology (1973), the label is considered as an extrinsic cue, an attribute which is not part of the physical product. Rocchi and Stefani (2005) found out consumers seem to be affected by extrinsic cues, such as shape, size and colour of the bottle. On the other hand they consider the dress of the bottle, represented by the set of the other packaging elements (labels, capsules). The label on the bottle signals the producers' names, the types of wines, the origin, the vintage, the level of alcohol, and the government warnings. But it is also placed on goods to make them seem more authentic, to add a quality assurance tag, and even explain their wider context. Such marking helps to make explicit the exchange value of the product (Halewood and Hannam, 2001).

An other factor influencing consumer's wine choice is information. As Marianna (1997) suggests, consumers have become clearly discerning and are demanding more information about the products they buy. People want to know what they are buying and what the product's origins are. In case of wine, the 'where' question is complex and elicits notions of classifications, appellations and the terroir. Indeed, when a winery wants to indicate the geographic pedigree of its wine, it uses a tag on its label called an appellation of origin. This appellation of origin must meet federal and state legal requirements. It is seen as a sign of quality for reputable production areas, and an assurance to consumers of quality standards. The origins carry significant weight for both producers and consumers, and so much effort goes into protecting and promoting it. For instance, the National Institute of Controlled Appellations created in 1935 made the label "Controlled Appellation" as a sign of authenticity and singularity.

Quality is not the only factor consumers refer to in their choice. Choice is not determined only by physiological or nutritional need (Shepherd, 1999); it is influenced by many interrelating factors. There are many factors in the context within which the choice is made that are likely to be very important, such as motivations for instance. In addition to the utilitarian (physical) and symbolic (social) motivation, a third motivation labelled 'experience' must be emphasized, in line with the evolution of consumer behaviour studies of wine consumption. People choose a bottle of wine not only for the taste or for social reasons, but also to live a unique experience (Holbrook and Hirschman, 1982).

Other factors include marketing and economic variables as well as social, cultural, religious or demographic factors (Murcott, 1989). In their summarizing framework, Orth and Krska (2002) identified five factors influencing consumer's choice of bottled wine (Figure 1). They include push factors, pull factors, exogenous factors and economic restraints (time and money) [Include here Figure 1].

Besides these situational factors, consumer's choice can be moderated by individual ones. Wine consumption has been seen as moderated by sex: men drink more alcohol than women. It is also moderated by age. It is only between 20 and 25 years old that people begin to appreciate drinking wine (Aigrain et *alii.*, 1996).

## 3. Objectives

The main objective of the paper is to identify the effects of authenticity on purchase behavior. These effects can now be linked with the previous discussion about the buying processing of bottled wine to develop the hypotheses to be tested. So, from the review of the literature, we propose three sets of hypothesis. They are dealing respectively with the relationship of the three dimensions of authenticity identified by Camus (2003) and perceived risk, perceived price and purchase intention.

#### Authenticity and perceived risk

The study of perceived risk has a long history in the marketing literature. Risk perceptions are considered to form the basis of a heuristic framework that guides decisions about behaviour (Frewer et *alii.*, 1994). Researchers generally agree that perceived risk is a combination of the perception of the likelihood that something will go wrong and the

perception of the seriousness of the consequences if it does (Garbarinoa and Strahilevitz, 2004). That's why, following Stone and Gronhaug's conceptualization (1993), we define perceived risk as the subjective expectation of a loss. While a number of risk dimensions have been suggested, only one is included, performance risk. This risk dimension can be viewed as the loss incurred when a product does not perform as expected. In the case of food products, performance risk can be viewed as the loss incurred when the product is not as good as expected.

With a large range for consumers to choose from, consumers have to cope with the complex nature of the varieties of wine. Along with the varying tastes of different people, consumers are interested in approaches that will lower the risk of purchase and help them make a good decision (Johnson and Bruwer, 2004). The packaging of wine can be considered as a quality cue contributing to lower the risk and define the expected quality of the product. According to Hall and Winchester (2000), the consumer uses these cues to assess alternative products with respect to his system of values following a set of subjective rules. Authenticity may be perceived from these cues.

However, the relationship between authenticity and perceived risk has not yet been deeply established in marketing literature. Only Cova and Cova (2002) suggested, without bringing any evidence, that when the product appears as not very sure, when you can see the product as physically risky, it appears as not authentic. The literature has mainly focused on the relationship between authenticity and quality.

So, we hypothesized that:

H1: The greater the authenticity, the less is the perceived risk about quality of the wine.

- H1a: The greater the natural dimension of authenticity, the less the performance risk.
- H1b : The greater the projection dimension of authenticity, the less the performance risk.
- H1c: The greater the uniqueness dimension of authenticity, the less the performance risk.

#### Authenticity and perceived price

Literature about price has widely provided evidence about the influence of price on other variables, such as quality or risk (Roselius, 1971). Literature about risk reduction models suggests a link between quality and price, the price-quality association being viewed as a risk reductor. Concerning wine, Landon and Smith (1997) measured the absolute impact of current wine quality and reputation on price and purchasing decisions for Bordeaux wines. Their results showed that reputation has a large impact on the implicit price. The label has also an influence on price. Combris et al. (1997) showed that the price of Bordeaux wine is essentially determined by its objective characteristics appearing on the label of the bottle (year of harvest, geographical origin of grapes and concentration of alcohol).

But the direct relationship between price and authenticity has been far less studied. To Warnier and Rosselin (1996), the value of the authentic product can not be estimated. Every masterchief which is not a copy can be sold at the highest price because of its originality and uniqueness. And the lack of expertise of the consumer can be caught up by a reference to price: a low price raises the risk of a copy whereas an higher price is a sign of authenticity (Bessy et Chateauraynaud, 1995). Therefore, for any product, a decrease in price will be prejudicial to the perceived authenticity of the product. Thus, it is hypothesized that:

H2: The greater the authenticity, the more is the perceived price of the bottled wine.

- H2 a: The greater the natural dimension of authenticity, the greater the perceived price.
- H2 b : The greater the projection dimension of authenticity, the greater the perceived price.

• H2 c: The greater the uniqueness dimension of authenticity, the greater the perceived price.

#### Authenticity and purchase intention

The focus on the relationship between visual perceptions of the labels and purchasing process has several psychological implications that need to be taken into account. One of these psychological implications may be the perception of authenticity.

The relationship between authenticity and purchase intention has not been widely studied. One one hand, intention has often been related to confidence; Bennett and Harrell (1975) suggested that confidence plays a major role in predicting intentions to buy. On the other hand, there is evidence demonstrating that intention to buy is positively influenced by attitude (Laroche and Brisoux, 1989) and consumer's knowledge confidence (Laroche and al., 1996). If authenticity could improve confidence (Camus, 2003), we can hypothesize that:

H3: The greater the authenticity, the more is the intention to buy the bottled wine.

- H3 a: The greater the natural dimension of authenticity, the more is the intention to buy the bottled wine.
- H3 b : The greater the projection dimension of authenticity, the greater the purchase intention.
- H3 c: The greater the uniqueness dimension of authenticity, the greater the purchase intention.

We do not hypothesize that perceived relative price directly reduces risk about quality. We could have, considering that Monroe (1990) regarded product quality as influenced by perceived price. Hypotheses 1-3 can be represented by the model presented in Figure 2 [Include here Figure 2].

### 4. Data and methodology

As Rocchi and Stefani (2005) concluded, further developments are possible both using quantitative and qualitative approaches. Considering this conclusion, this section describes a qualitative and a quantitative study that were designed to test the propositions described in the previous section.

#### Qualitative study:

An exploratory survey on consumers' perception of wine packaging has already been done by Rocchi and Stefani (2005). They used a repertory grid (RG) approach as a methodological framework in order to know which pattern of features is better at inducing purchase.

The purpose of our qualitative study was different. Its main objective was to have a better knowledge about what means authenticity for consumers and how they can perceive authenticity in bottled wine from labels. Ten interviews of young people between 18 and 25 years were conducted. Considering the exploratory nature of the research, we needed a composition of the sample compatible with the elicitation of the broadest range of constructs. We decided to interview regular consumers and non regular consumers so that we could receipt opinions from expert and non experts consumers. Interviews were carried out with participants in French at their university, and on average lasted for twenty minutes. Questions evolved around their perception of authenticity provided by front labels on bottles of wine. All interviews were taped. Details of the sampled respondents and their responses are shown in table 1.

[Include here Table 1]

As a result, we identified 7 attributes of authenticity provided by the label on the bottle: the drawing of a castle, the drawing of vine, the color of the label, the shape of the label, the presence of a wine exhibition award, the name of the castle, the typography. This result can be compared to the six attributes of authenticity for luxury brands found out by Beverland (2006). It can also be compared to the pull factors identified by Orth and Krska (2002). It also can be compared to the traditional cues identified by Rocchi and Staefani (2005): colours, shape and size of the bottles, and labels. An other result is that authenticity seems to be linked to the structure of the wine industry. Authentic and most quality wine is seen as coming from small, family growers and not from larger producers controlling global distribution.

#### **Quantitative study and measures**

The findings of the qualitative study have been used to design the questionnaire. Through the interviews, the most relevant attributes of authenticity to include in the questionnaire were determined. So, the categorization of the bottles for the questionnaire emerged from the initial interviews. The second major source was the in-depth literature review. On the basis of the qualitative study and the literature, two bottles were selected as the target pieces for the main experiment, each of which was rated as authentic or non-authentic. With respect to the attributes of authenticity found out with the qualitative study, we decided to choose bottles of wine with equal reputation. The pictures of these two bottles of wine were placed in the questionnaire. The bottle perceived as authentic provided on its label all the legal mentions plus a drawing of a castle and vines, a classic-colored paper looking like a parchment. We decided to choose for this authentic bottle a label with a French name, a Chateau Prieuré Lalande, Côtes de Bourg 2004. On the contrary, the bottle perceived as non authentic provided on its label grey and orange colors, a non-handwritten typography, an orange circle out of the label located on the bottle. For this non-authentic bottle, in order to increase the gap of perception, we chose a bottle with a French name (Art de Vivre) but with an english explanation (The art of bottling sunshine) (Figure 3). The questionnaire with these two labels inside has been administered to 94 students. In the first part of the questionnaire, people had to answer questions about the authentic bottle; in second part, they had to answer questions about the non authentic bottle. By doing so, we collected 188 data relative to the two bottles. This technique to collect data is recommended by Bowman and Gatignon (1995). The data were collected in the form of self-report questionnaires.

The risk performance measure was designed to assess participants' evaluation of the risk they perceive while consuming the two kinds of bottled wine. Performance risk was assessed with a single-item and seven-point Likert scale, taken from the scale developed by Dandouau (1999).

The perceived price measure was composed of a unique question. The participant had to write the price he thought the bottles were.

The authenticity measure was composed of a 12-item and seven-point Likert scale derived from the scale developed by Camus (2004). Participants were asked to rate the items according to how they thought the bottles of wine were original, unique, and the reflect of their personality. We examined the dimensionality of the scale by using an exploratory factor analysis. The Bartlett' sphericity test provides good results (KMO=0,784), as does Chi-Square test (1024,982, df=66). Communalities were good (>0,500). These results allowed us to factorize the data and along with Camus' results we found out by using a Varimax rotation the tridimensionality of the scale. Authenticity can be measured by the three dimensions identified by Camus (2004): originality, uniqueness, and projection dimensions. These three dimensions provide 70,376% of the overall variance. The reliability has been examined and validated by measuring Cronbach's alpha (Table 2).

[Include here Table 2]

#### 5. Results

To examine whether authenticity has any effect on the consumers' behavior, all the relationships between authenticity provided by the label of bottles and consumer behavior attributes (performance risk, perceived price and purchase intentions) have all been tested by using linear regressions.

About the relationship between authenticity and performance risk, which can be seen as the perceived quality of wine, we found a significant main effect of the natural dimension of authenticity on performance risk (sig = 0,000,  $\hat{a}$  = -0,788, t = -5,732), strongly supporting prediction 1a. Further, the R² was 17,0 %. This means that when the label is authentic, young consumers don't see any risk buying the wine because the presence of the label is a definitive indication of the product's authenticity. When the label is modern, they perceive a risk.

However, the linear regression made to test the influence of the projection dimension of authenticity on performance risk did not bring significant results (sig = 0.175). Prediction 1b is not supported. This results means that, when the label of a bottle of wine reflects his personality, a young consumer does not perceive it as a sign of quality, as a guarantee that the quality of the bottle is good enough to buy it.

The linear regression made to test the influence of uniqueness on performance risk shows that the influence is significant at 10 %. At this level of significance, we found a significant main effect of the uniqueness dimension of authenticity on performance risk (sig = -0248,  $\hat{a}$  = -0,248, t = -1,669), supporting prediction 1c at 10% only. The R² for the analysis was low (1,7 %). As far as the level of significance allows us to bring any conclusion from the analysis, this result may means that young people who perceive a wine as unique from its label may perceive it as less risky to buy.

About the relationship between authenticity and perceived price, the main result should interest producers: the only dimension of authenticity that affects perceived price of bottles is the natural dimension. This results supports prediction 2a, while prediction 2b is not supported (sig = 0,274). Wines with a label improving the perceived natural dimension are perceived as more expensive (sig = 0,029,  $\hat{a}$  = 0,128, t = 2,197).

However, the linear regression made to test the influence of uniqueness on perceived price shows that the influence is significant at 10 %. At this level of significance, we found a significant main effect of the uniqueness dimension of authenticity on perceived price (sig = 0,071,  $\hat{a} = 0,930$ , t = 1,820), supporting prediction 2c, meaning that young consumers perceive bottled wine as more expensive when the label provides a sign of uniqueness. The  $R^2$  for the analysis was low, at 2,0 %.

About the relationship between authenticity and purchase intention, we found a significant main effect of the natural dimension of authenticity on purchase intention (sig = 0.000,  $\hat{a}$  = 0.839, t = 0.572), strongly supporting prediction 3a. Further, the R² for the analysis was 20.7%.

An interesting result shows that people are more intended to buy a bottle of wine when the label reflects their personality, supporting the prediction 3b claiming that the second dimension of authenticity has an influence on purchase intention (sig = 0,000,  $\hat{a}$  = 0,683, t = 5,122). The R² for this linear regression was 13,5 %. Maybe this result could mean that young people may be more attracted by bottled wine with modern labels, while elderly people may prefer authentic labels.

Inversely, the last dimension of authenticity, uniqueness, does not improve purchase intention (sig=0,829). Consumers may perceive physical risk by buying a wine that seem too different from other wines. Prediction 3c is not supported.

#### 6. Final remarks

Wine marketers spend billions of dollars annually seeking to enhance consumers' perceptions of value associated with their bottles. Because of the size and the negative evolution of the market, it is critical for them to have a clear understanding of the way the labels on the bottles can influence buying behavior, especially for young consumers. Indeed, although young consumers still account for only a small portion of total consumers, they represent the future consumers for wine producers.

This study was intended to provide a more complete understanding of the influence of the authenticity perceive from the label of bottled wine. As an attempt to extend the research on the influence label of bottled wine can have on consumers' decisions of buying, the current article shows some interesting results. Based on the regression results, the answer the study gives to the research questions can be summarized as follows. Our central finding is that authenticity consumers perceive from the label on bottled wine influences the performance risk they perceive while buying the product. Bottles of wine with labels perceived as authentic by young consumers are seen as less risky to buy. New kinds of labels, without any drawing of castle of vineyard for example, or with bright colours, are seen as risky.

This is not, however, the only one interesting result. Rather, our second major finding is that all the dimensions of authenticity do not affect the consumers' behavior. As original dimension of authenticity influences performance risk, perceived price and purchase intention, reflect of personality and uniqueness dimensions do not influence all the dependant variables. For instance, the fact that the label reflects the consumers' personality does not influence perceived price, while natural dimension does.

In this context, we also show that young consumers only develop purchase intentions from two dimensions of authenticity. Natural dimension and the fact that the label reflects the consumers' personality influence purchase intentions. The fact that young people want to buy wine that reflects their personality is interesting for marketers. Wine has become a situational product, a product you consume for special times, as parties or important dinners. A young people would like to offer his guests a wine they would enjoy drinking, a wine he can be proud of, a wine he can "you like it, you like me". Wine can be seen here as an extended self product (Belk, 1988). Implications for producers are numerous. Producers could adopt a marketing strategy based on labels. For young people, they could make typologies in order to have a good knowledge of their customers and adapt the labels to their personality.

#### Limitations and future research

What is clear from these findings is the major role played by labels. However, our research holds some limitations.

First of all, from an academic point of view, because our results are directly relevant only to young people, researchers should be interested in understanding the effects of labels of bottled wine on other kinds of targets. The middle-aged people can be considered as an important target for wine producers and the research may be replicated to know if this target is influenced by authenticity as young consumers are. Further research should clarify the extent to which the relationships we have found will broadly hold. Additionally, we only studied the influence of authenticity for red wines. Further research should clarify the extent to which the relationships we have found will be similar for white wines.

Moreover, more attributes may have to be determined and tested for further research to better understand the role of authenticity. Indeed, there may be other factors than the ones determined in this study that could have a potential influence on authenticity. Our qualitative study brought some interesting results, but these results should be measured in order to confirm if attributes of authenticity found out in this study really increase perception of authenticity. And authenticity could be linked to other variables, such as

attitude, attitude being seen as a powerful predictor of behavior (Fischbein and Ajzen, 1975).

Of particular interest could be the influence of point of sale on authenticity. Future research might focus on the way the point of sale, if it is perceived as authentic or not, could influence the perceived authenticity of the wine sold in it.

From a methodological point of view, we only presented front labels in the questionnaire. While front label is usually considered for evocation, back label is expected to provide to an informative function, containing the relevant technical information about the wine. This back label could have been presented. Further research should measure its influence during the purchasing process.

An other methodological limit is due to linear regressions. Structural equation modeling (SEM) could be chosen in future research because it can support simultaneously latent variables with multiple indicators, interrelated dependent variables, mediating effects, and causality hypotheses. Structural equations can measure independent variable errors while regression analysis cannot (Bollen, 1989).

#### Implications for market

A number of implications for research and practice flow from this line of research. An obvious implication of these findings is that, in order to increase a consumer's intention to buy a bottle of wine, a marketer needs to enhance his/her perceived authenticity. Authenticity decreases the level of performance risk, enhances perceived price and purchase intention. Enhancing authenticity can be done by making a label that makes the wine be perceived as natural and unique (the projection dimension does not significantly influence consumer behavior). Making the wine be perceived as natural can be easy, by putting a picture of vineyard or castle on the label. Making it being perceived as unique can be done by enhancing the quality of the label for instance.

According to Seth Godwin (2005): "Authenticity: If you can fake that, the rest will take care of itself". As a conclusion, we emphasize the jeopardy of faking authenticity. Labelling bottled wine in a way that enhances the consumers' perception of authenticity could be doomed to failure. Consumers could perceive the wine as "false authentic" and develop negative affect toward the producers and negative purchase intentions.

#### 7. References

Adams Wine Handbook, 2004. Adams Beverage Group, Norwalk, CT.

Aigrain. P., Boulet. D., Lalanne. J-B., Laporte. J-P., et Mélani. C. (1996). Les comportements individuels de consommation de vin en France, évolution 1980 – 1995. Paris : Rapport ONIVINS/INRA.

Areni, C.S., Kim, D. (1993). The influence of background music on shopping behavior: classical versus top-forty music in a wine store, in Advances in Consumer Research, Leigh McAlister and Michael L. Rothschild, eds., Association for Consumer Research, Provo, UT. 1993, pp. 336–340.

Ajzen, I. (1991). The Theory of Planned Behavior. Organizational Behavior and Decision Human Processes, 50: 179-211.

Belk, R.W. (1988). Possessions and the extended self. Journal of Consumer Research, 15, 2: 139-168.

Bennett, P. D., Harrell, G. D. (1975). The role of confidence in understanding and predicting buyers' attitudes and purchase intentions. Journal of Consumer Research, 2: 110-117.

Bessy, C., Chateauraynaud, F. (ed.) (1995). Faussaires et Experts. Pour une Sociologie de la Perception. Paris, Métailié.

Bollen, K.A. (1989). Structural equations with latent variables. New York: Wiley.

- Bowman, D., Gatignon, H. (1995). Determinants of competitor response time to a new product introduction. Journal of Marketing Research, 32, 1: 42-53.
- Britton, P. (1992). Packaging: graphic examples of consumer seduction. Beverage Industry, 83. 8: 21.
- Camus, S. (2003). L'authenticité marchande perçue et la persuasion de la communication par l'authentification : une application au domaine alimentaire. Thèse de Doctorat en Sciences de Gestion, Université de Bourgogne, Dijon, France.
- Camus, S. (2004). Proposition d'échelle de mesure de l'authenticité perçue d'un produit alimentaire. Recherche et Applications en Marketing, 19, 4: 39-63.
- Combris, P., Lecocq, S., Visser, M. (1997). Estimation of a hedonic price equation for Bordeaux wine: does quality matter? The Economic Journal, 107: 390–402
- Cova, V., Cova, B. (ed.) (2001). Alternatives Marketing: réponses marketing aux évolutions récentes des consommateurs. Paris, Dunod.
- Cova, V., Cova, B. (2002). Les particules expérientielles de la quête d'authenticité du consommateur. Décisions Marketing, 28: 33-42.
- Dandouau, J. C. (1999). Le besoin d'information en situation d'achat et le comportement d'information face au rayon : utilisation et effet du média de communication électronique interactive. Thèse d'Etat en Sciences de Gestion, Université de Bourgogne, Dijon, France.
- Fine, E., Speer J. (1997). Tour Guide Performances as Sight Sacralization. Annals of Tourism Research, 12:73–95.
- Firat, A. F., Venkatesh, A. (1995). Liberatory postmodernism and the reenchantment of consumption. Journal of Consumer Research, 22: 239-265.
- Fishbein, M., Ajzen, I. (1975). Belief, Attitude, Intention, and Behavior: an Introduction to Theory and Research. Addison-Wesley, Reading, MA.
- Fischler, C. (2001). La peur est dans l'assiette. Revue Française du Marketing, 183/184, 3/4: 7-10
- Frewer, L. J., Shepherd, R., Sparks, P. (1994). The interrelationship between perceived knowledge, control and risk associated with a range of food related hazards targeted at the individual, other people and society. Journal of Food Safety, 14: 19-40.
- Garbarino, E., Strahilevitz, M. (2004). Gender differences in the perceived risk of buying online and the effects of receiving a site recommendation. Journal of Business Research, 57: 768-775.
- Godwin, S. (ed.) (2005). All marketers are liars: The power of telling authentic stories in a low-trust world. New York: Penguin Books.
- Halewood, C., Hannam, K. (2001). Viking heritage tourism: authenticity and commodification. Annals of Tourism Research, 28, 3: 565-580.
- Hall, J., Winchester, M. (2000). 'What's really driving wine consumers? The Australian and New Zealand Wine Industry Journal, 15, 4:68-72.
- Hauck, R. (1991). Buying behavior and attitudes towards wine-findings of a field survey among younger consumers. Acta Horticulturae, 295: 127-132.
- Hawes, J. M., Lumpkin, J.R. (1986). Perceived risk and the selection of a retail patronage mode. Journal of the Academy of Marketing Science, 14, 4: 37-42.
- Holbrook, M. B., Hirschman, E.C. (1982). The experiential aspects of consumption; consumer fantasies, feelings, and fun. Journal of Consumer Research, 9: 132-140.
- Hugues, G. (1995). Authenticity in tourism. Annals of Tourism Research, 22, 4: 781-803.
- Johnson, T., Bruwer, J., 2004. Generic consumer risk-reduction strategies (RRS) in winerelated lifestyle segments in the Australian wine market. International Journal of Wine Marketing 16, 1, 5–32.
- Landon, S., 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.

- Laroche, M., Brisoux, J.E. (1989). Incorporating competition into consumer behavior models: the case of the attitude-intention relationship. Journal of Economic Psychology, 10: 343-362.
- Laroche, M., Kim, C., Zhou, L. (1996). Brand familiarity and confidence as determinants of purchase intention: an empirical test in a multiple brand context. Journal of Business Research, 37: 115-120.
- Marianna, A. (1997). The label of authenticity: a certification trade mark for goods and services of indigeneous origin. Aboriginal Law Bulletin, 3, 90, 4-15.
- Mc Leod, K. (1999). Authenticity within hip-hop and other cultures threatened with assimilation. Journal of Communication, 49, 4, 134-149.
- Monroe, K.B. (ed.) (1990). Pricing: making profitable decisions. 2nd edition, New York: McGraw-Hill Book Company.
- Murcott, A. (1989), Sociological and social anthropological approaches to food and eating. World Review of Nutrition and Dietetics, 55: 1-40.
- North, A.C., Hargreaves, D.J., Mc Kendrick, J. (1999). The influence of in-store music on wine selections. Journal of Applied Psychology, 84, 2: 271-276.
- Olson, J.C., Jacoby J. (1973), Cue utilization in the quality perception process. In M. Venkatesan (ed.). Proceedings of the 3rd Annual Conference of the Association for Consumer Research, Chicago: 167-179.
- Orth, U.R., Krska, P. (2002). Quality signals in wine marketing: the role of exhibition awards. International Food and Agribusiness Management Review, 4: 385-397.
- Rocchi, B., Stefani, G. (2005). Consumers' perception of wine packaging: a case study. International Journal of Wine Marketing, 18, 1:33-44.
- Roselius, T. (1971). Consumer ranking of risk reduction methods. Journal of Marketing, 35: 56-61.
- Rushdie, S. (ed.) (1991). Imaginary homelands: essays and criticism. London: Granta.
- Sheperd, R. (1999). Social determinants of food choice. Proceedings of the Nutrition Society, 58: 807–812.
- Stone, R.N., Gronhaug, K. (1993). Perceived risk: further considerations for the marketing discipline. European Journal of Marketing, 27, 3: 39-50.
- Warnier, J-P. (ed.) (1994). Le paradoxe de la marchandise authentique. Imaginaire et consommation de masse. Paris, L'Harmattan.
- Warnier, J.-P., Rosselin, C. (ed.) (1996). Authentifier la Marchandise. Paris, L'Harmattan.

Table 1 - Summary of case studies

	Attributes of authenticity on labels of bottled wine	Attributes of non authenticity on labels of bottled wine
Person 1 « expert male »	Drawing of a castle or vigneyard, handwritten writing, information about the place of production, the year of production	Bright colours, non handwritten writing
Person 2 « expert male »	Parchment-looked paper, year of production, country of production, put into the bottle at the castle	Bright colours
Person 3 « non expert male »	Medals from contests, French name of the castle	Non handwritten writing
Person 4 « non expert male »	Year of production, name of the castle, drawing of vineyard	Bright colours, non handwritten writing
Person 4 « non expert female »	Pale colours, name of the castle, reputation	Non squared label
Person 6 « non expert female »	Year of production, Pale colours, name of the castle, French name	Bright colors, emptiness of the label
Person 7  «expert female » Person 8  «expert male »	Country of production, the year of production, the name of the castle, put into bottle at the castle Country of production, put into the bottle at the castle, year of production, name of the castle	
Person 9 « non expert female »	Wine exhibition awards, name of the castle, year of production	Emptiness of the label, bright colours, non handwritten writing
Person 10 « non expert male »	Wine exhibition awards, name of the castle, country of production, appellation of origin	Non handwritten writing

Table 2 - Measures used in the study and reliabilities

Constructs	Scale items	Reliability
Natural dimension of authenticity	When you're looking at the label on the bottle number X, you can say about the wine:  - it is natural  - it is made from natural stuffs only.  - it is not made from natural stuffs (inversed)  - you know how it has been produced.  - you know where he comes from	0,8484
Projection dimension of authenticity	When you're looking at the label on the bottle number X, you can say about the wine:  - it can reflect your personality  - it can define yourself  - it can help you being yourself  - it is at your style	0,8853
Uniqueness dimension of authenticity	When you're looking at the label on the bottle number X, you can say about the wine:  it is unique  it is one-of-a kind  there's not other like it	0,8221
Performance risk	When you're looking at the label on the bottle number X, you can say about the wine that its quality may not come up to my expectations	No alpha
Perceived price	When you're looking at the label on the bottle number X, how would you rate the price of the bottle?	No alpha
Purchase intentions	When you're looking at the label on the bottle number X, you can say about the wine, you would seriously consider buying the bottle.	No alpha

Figure 1 – Factors influencing consumer's choice of bottled wine (Orth and Krska, 2002)

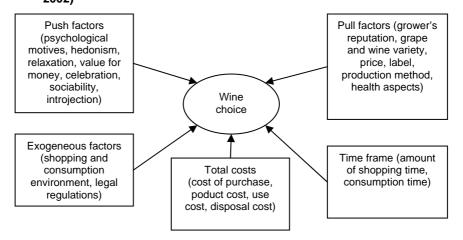


Figure 2 - The conceptual model

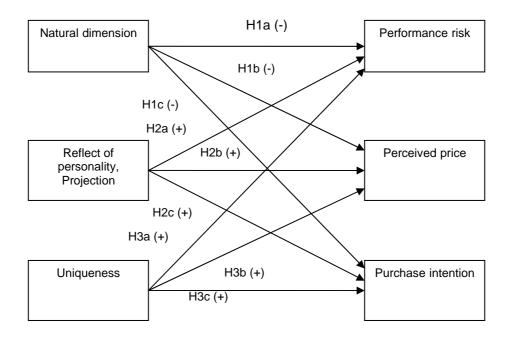


Figure 3 - The two labels for the questionnaire





#### **Contact information**

Renaud Lunardo EUROP Laboratory, Faculty of Economics and Management, 57 bis, Pierre Taittinger Street, 51 096 Reims Cedex, France. renaud.lunardo@univ-reims.fr