

What influences selection along the wine supply chain

April 3 2014, by Kate Bourne

A University of Adelaide wine marketing researcher has examined what influences selection along the wine supply chain, providing wine businesses with valuable insight into what encourages suppliers and customers to choose a particular bottle of wine.

The project is funded by the Grape and Wine Research and Development Corporation (GWRDC), who invest in and direct research, development and extension along the whole value chain 'from vine to glass' to support a competitive Australian [wine](#) sector.

Dr Steve Goodman surveyed consumers in 11 countries and retailers, restaurateurs and distributors in Australia, China and the U.S, and used the findings to prepare a simple and comprehensive resource for wine businesses.

"Wine businesses need to understand their consumers and their customers (those who buy wine to sell to others). At the end of the day, the majority of retail purchases are made because of what is available - someone may love your wine but if it's not easy to source, they're less likely to buy it," says Dr Goodman.

"The basic tenet of the research was to identify the various exchange points along the wine supply chain and find out what influences the decisions at each point. We then displayed the results in detailed yet legible diagrams to help those engaged in selling and marketing wine to guide their market offer."

Dr Goodman's research found that for Australian liquor retailers, margin and price-point were the primary factors that influenced wine selection; however in restaurants and bars, wine selection was primarily based on the taste of the wine and how well it complemented the food.

"All the work that goes into making a 'brand' for wine, including the packaging, medals, name and taste may be a waste of time if a [wine business](#) doesn't know what influences wine selection at various points of the supply chain," he says. "Our research found that retailers are not influenced by an attractive label and medals. They want to stock wine that will deliver a good margin.

"Additionally, our research found restaurant managers select wines based on taste, while customers are more likely to choose a wine they've had before and enjoyed, rather than be swayed by restaurant staff recommendations. Therefore wineries need to ensure they engage with the end user not just the [supply chain](#)."

Dr Goodman says this research also provides information on wine selection influences in different countries, which will help businesses deliver a more targeted approach when exporting their products.

"Interestingly, our research found that Chinese wine suppliers and customers are more motivated by the brand of wine than those in the U.S and Australia. And customers in the U.S and Australia are influenced by the origin and variety of wine when they're shopping in a liquor store but this is less of a priority when choosing wine in a restaurant or bar."

More information: The wine selection influencers diagrams are available online: www.adelaide.edu.au/wine2030/research/fields/#influences

Provided by University of Adelaide

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