Motivations and Influencing Factors in Wine Consumption

Peruvian market

Master Thesis

Author: Daniela Arce
Advisor: Guergana GUINTCHEVA, PhD
Program: Master of Science in Marketing Management
Date: November, 2016

EDHEC Business School does not express approval or disapproval concerning the opinions given in this paper, which are the sole responsibility of the author.
Abstract

The present study explores the main influencing factors and motivations for wine consumption in Peru. The purpose is to identify at what extent each factor causes an effect on the wine consumer behavior, understanding key aspects such as the reasons for drinking wine, the wine buying decision-making process and the context of consumption influence. Each aspect will be analyzed taking into account the different wine consumers’ segments. The research will be focused on Peruvian wine consumers.

**Key words:** Wine industry, Peruvian wine consumption, Wine regular consumer, Wine enthusiastic consumer, Wine consumer behavior, Consumer’s wine buying decision-making process, Wine consumption decision-making process, Wine perceived quality, Wine risk perception, Country of origin.
Table of Contents

1. Introduction .............................. 9
   1.1 Market Background and Justification ............................................ 9
   1.2 Aims and Objectives ................................................................. 10

2. Literature Review .......................... 11
   2.1 The wine industry ................................................................. 11
       2.1.1 Wine origins and formation of the new global scenario .............. 11
       2.1.2 The wine industry in Peru .................................................. 18
   2.2 Understanding the wine consumer behavior .................................... 20
       2.2.1 Theoretical approach of the consumer behavior ....................... 20
       2.2.2 Influencing factors and motivations in different wine markets ...... 23
           i. Emotions ........................................................................ 24
           ii. Personal Aspects .............................................................. 25
           iii. Social Aspects ................................................................. 27
           iv. Risk Perception ............................................................... 27
           v. Wine Expertise ................................................................. 29
           vi. The Brand .................................................................... 30
       2.2.3 Country of Origin perception ................................................ 32
   2.3 Wine offer expansion and latest trends .......................................... 36

3. Research Methodology .................... 38
   3.1 Netnography ................................................................. 39
   3.2 In-depth interviews ...................................................................... 42
       3.2.1 Regular wine consumers .................................................... 42
       3.2.2 Enthusiastic wine consumers ............................................... 43

Daniela Arce – MSc in Marketing Management
3.2.3 Experts and Professionals................................................................. 44

4. Results 46

4.1 Findings of the netnography................................................................. 46
  4.1.1 The scope of the wine category....................................................... 46
  4.1.2 Wine consumer behaviors............................................................. 47
  4.1.3 Tackling emotions and sensations.................................................. 49
  4.1.4 Considerations when buying wine.................................................. 49
  4.1.5 Consumer Immersion................................................................. 50

4.2 Outcomes from the consumers’ perspectives....................................... 51
  4.2.1 Discovering consumers’ attitudes towards wine............................. 51
  4.2.2 Digging into wine consumption habits.......................................... 54
  4.2.3 Emotions and sensations around wine.......................................... 57
  4.2.4 Exploring the wine purchasing process......................................... 59
  4.2.5 Getting involved into wine.......................................................... 66

4.3 Outcomes from the experts’ points of view....................................... 68
  4.3.1 Broadening the Peruvian wine market research.............................. 69
  4.3.2 The Peruvian wine consumer......................................................... 73

5. Discussion 75

5.1 The market influence........................................................................... 75
  5.2 Factors influencing wine consumers’ behavior................................. 76

6. Managerial Implications 81

6.1 Integrated communication strategy..................................................... 81
  6.2 Wine accessibility............................................................................. 82
  6.3 Differentiation approach................................................................. 84
6.4 Cultural shift.................................................................................................................. 84

7. Limitations and Further Research .............................................................................. 85

7.1 Limitations.................................................................................................................... 85

7.2 Further Research.......................................................................................................... 85

8. Conclusion ..................................................................................................................... 86

9. References ................................................................................................................... 87

10. Appendices ................................................................................................................. 92

Appendix A: Netnography Investigation Structure .......................................................... 92

Appendix B: Netnography Data Collection ...................................................................... 95

Appendix C: Interview Guide - Regular wine consumer .................................................. 178

Appendix D: Interview Guide - Enthusiastic wine consumer ........................................... 185

Appendix E: Interview Guide - Expert or Professional ................................................... 193