SUCCESSFUL PROMOTIONAL STRATEGIES IN THE WINE INDUSTRY: THE CASE OF WEB MARKETING

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Abstract: In the wine industry, marketing has proven to be very useful in fostering comprehensive, cohesive and effective strategies which wine companies require to effectively compete in today’s saturated wine market. Within wine marketing, the promotional mix is the most important component of the winery that can ensure the success in the market (if it is well developed) or can shorten the life cycle of the product (or of the company itself). In this context, the scope of the paper is to investigate a promotion strategy (within the promotional mix) that not only best describes the wine industry but also has proven to be very successful from a cost-efficient point of view, i.e. web marketing (using case studies). This is not only a form of promotion for the winery, but also a mean of communication with the “ubiquitous” consumer. Although wine is a complex, symbolic and highly technical product, unlike other commodities, it is also a very emotional product. For this reason, many consumers of such a product incline to have an opinion on the quality and attributes of the wine, but moreover, they are willing, most of the times, to share these opinions or beliefs with others using social media.

Keywords: wine economics, wine marketing, promotional mix, communication strategy, web marketing

1. INTRODUCTION

In the words of the American writer Ernest Hemingway (1932, p. 14) “…wine is one of the most civilized things in the world and one of the most natural, brought to the highest perfection; it gives more satisfaction to the senses than any other product that can be bought”. In the contemporary society wine is an indispensable asset in some important moments of life. Being the result of one of the brilliant ideas that changed humanity, wine is today synonymous with good taste, fine gastronomy and culture, giving to the connoisseur the quality of a “sophisticated person”. Given the continuing growth in the number of scientific publications or materials, but also of their quality (at least in the period 1985 to 2014) concerning the study of wine we can only be witnessing a growing interest (not only from the consumers, but also from scientists) to this “potion”. We confirm thus the findings of authors such as Storchmann (2011) according to whom the increasing popularity of wine in the scientific and academic circles reveals the emergence of a new academic field, namely wine-economics.
Wine producers are currently facing a complex choice about the manner in which they can produce and market their wine but they must take into account issues related to sales volume, price sensitivity and brand perception (all being elements of the marketing mix). In these circumstances, it is extremely important for wine producers to understand the configuration of a marketing strategy and the implications and opportunities within its implementation in the activity they carry out. A winery cannot expect to sell the wine only for the fact that it produces this; they put an attractive price and make it available to consumers on the target market. Wine companies must communicate with their customers regarding the wine they offer. Precisely from here the importance of promotional mix derives, as a component of the marketing mix for a wine company. And within the promotional mix, a promotional technique is distinguished from all others by efficiency and cost-effectiveness that brings to a wine company, namely web-marketing, a trend at global level and European in terms of promotional techniques in the wine industry.

Within the context described above, this article aims at performing an investigation in the role that the marketing mix plays in the wine industry highlighting the importance of the promotion strategy within this mix and the emergence of a promotion technique that not only best describes the wine industry (being also a wine trend in the world as well as at European level) but also has proven to be very successful from a cost-efficient point of view.

2. THE MARKETING MIX IN THE WINE INDUSTRY
Wine companies should clearly understand what implications of the marketing discipline exist in the activity they perform, in order to compete effectively on a somewhat saturated wine market. Only this way, a wine company can offer products that live up to the expectations of those customers available and able to purchase. Currently there are operating (and not only for Romania), wine companies which often prove to be inefficiently run by overwhelmed managers, applying the same old strategies, uncalibrated to the market trends and which do not incorporate marketing as a vital element in fulfilling the mission of that company. Several Romanian wine industry entrepreneurs have no thorough training (specialty), their actions being based primarily on “experience made over time”. Agricultural enterprises, in general in Romania, do not have their own marketing department, its tasks being awarded to the General Director (for small companies) or individuals designated to sell the company's products, but without a thorough grounding in terms of marketing wines.
Westling (2001) noted that most wine companies are geared more towards the production and sale of wine, but the distribution represents only a part of the process of marketing. In a strict sense of the term, many companies see in marketing only that part regarding the promotion, i.e. elements that refer to: label design and other components used in the packaging, shelf placement, representative agents at the counter, loyalty cards, dedicated tasting events etc. Indeed, these are all very important elements of marketing applied to the wine sector, but entrepreneurs’ attention and efforts should not focus exclusively on them. In conclusion, advertising or product distribution are not synonymous to marketing, the latter has a particular reference to the knowledge of what must be produced. If, in our case there are identified the customer’s needs and products of high, proper quality wine are created, being distributed and promoted effectively, these products will be sold very quickly. So the sale and promotion, along with product and price, are components of a highly complex marketing mix.

The involvement of marketing practices in the wine business implies tackling a wide range of activities, not just limiting to the process of placement of the product on the market. The process of sale is therefore only a part of the marketing efforts that a contractor should make. Peter Drucker goes further and states that “the aim of marketing is to make selling superfluous” (Kotler, 2009, p. 19). By this is meant that wine and everything related to it (packaging, promotional activities, pricing, public relations, etc.) could be marketed very effectively when the needs, desires, wishes and ambitions of the target market are known and fulfilled. Only when this happens, the product will sell itself. The sale takes into attention the transformation of the vine grower’s product into cash, while marketing centres on consumer satisfaction by providing the product itself (wine) and everything related to it.

Development and implementation of a marketing plan in the field of vineyard can be a long and difficult process. The components of such a marketing plan are: marketing research and segmentation, market targeting and positioning, marketing mix, budgeting, implementation and control. The concern of the present study is directed toward the marketing mix. From the perspective of ‘vine grower’, marketing mix shows him how a wine (or an assortment of wines) will be developed, quantified (at market prices), promoted and placed on the market. On the other hand, marketing mix from a ‘consumer’ perspective of grapevine products, it shall send the following messages: value added or need satisfied (by product), cost sacrificed (by price), information / the communication received (by promotion) and availability (by placement).
We can refer to McCarthy (1960) to describe the components of the marketing mix in the traditional sense, i.e. the 4Ps expressed *supra* (i.e., Product, Price, Placement and Promotion). Subsequently, various authors have extended the range with other items that they considered necessary to describe the marketing mix in the current context, i.e. PR and political power (Kotler, 1984), company personnel, physical evidence and Performance (Magrath, 1986) or Packaging (Sin, 2006). Although these P's (though sometimes interpretable from our point of view) are applied to a wide range of situations, it is not necessarily the case for wine marketing, or at least this may have different connotations when used in combination with wine product.

Hall and Mitchell (2008) demonstrate the complexity of the supply chain of wine and introduce on the 8P specific to wine marketing, presented as different from the traditional 4Ps of marketing. Thus, they present the following specific components of the marketing mix in the wine industry: Product, Placement, Price, Promotion, Pack (packaging), Personal (human resource), Planning, Positioning. Some items are sometimes very similar to traditional marketing approaches, but in each case they were adapted to be directly applicable to marketing in wine industry. For example, the fact that the Placement is related to production, consumption and marketing of wine, this is a very important element thus having too many connotations to be associated only to the traditional sense of marketing. A basic concept associated with wine is *terroir*, the French term that aims to describe how all the elements related to a particular place (natural and cultural) are combined in a manner that cannot be replicated anywhere else. This is just one element that gives wine the complexity that it has and that inspires its life, giving the wine its soul. Planning is often understood as part of traditional marketing and many consider that actually this is all that marketing is about. However, wine experience shows that marketing planning does not receive the attention that it should. Although the marketing mix applicable in the wine sector borrows elements / components of traditional marketing (e.g., product, promotion, etc.), it also incorporates or reiterates coordinates specific to the sector.

### 3. THE PROMOTION POLICY – AN IMPORTANT ELEMENT OF THE MARKETING MIX IN THE WINE INDUSTRY

The communication and promotion policy of a company includes a multitude of internal and external measures acting on knowledge, conceptions and attitudes of market participants
towards the organization performance (Bruhn, 1999, p. 213.). In the broad sense of the term, communication policy includes not only market-oriented communication but also that manifested inside the company.

In Munteanu's conception (2006, p. 367), promotion appears “as a result of the communication process”. Since the communication process includes several components (internal communication, marketing, recruiting, financial, political and local), the activity of promoting the company’s products and its image is affected mainly by marketing communication. Promotion therefore appears as an element of communication and given its importance and connection whole to a part, this is sometimes called “promotional communication”. The goal of any promotion policy regardless of the nature of the industry in which the company operates, is to influence directly or indirectly the purchasing attitude of the target market. Or, as understood by Munteanu (2006), the role of promotion is to “stimulate, develop and guide the potential customer needs” (p. 368). This must inform, persuade or remind the public about the products or services of a company. Given the increasing competition in the market as a result of globalization, including the wine industry, the policy of promoting of a company is, not infrequently, a very important strategic element that can ensure the success of that company on the market, or it can guarantee failure.

Bruhn (1999) identifies five key phases in the development of communication policies in companies: 1) the unsystematic communication phase (50s) characterized by a less significant role of communication policy and a greater focus on supply, given the fact that it was melting due to a very high demand; 2) the phase of product communication (60 years) was a period in which policy of communication gained ground, this being required to support sales activities; 3) the phase of communication with target groups (70s) assumed that firms should address differentiated to customers in the target group and to satisfy a specific need; 4) the competitive communication phase (the 80s) in this phase being introduced communication to mediate customers a unique form of USP, aiming at a delimitation of competition; 5) integrated communication phase (the 90s) when communication becomes a success factor in market competition, although communication conditions become more difficult. We can fill this array with a new phase of communication (sixth), the one at level of art (the 2000s), when companies use tools increasingly more sophisticated and adapted to audience and trends in the online environment.
The importance of the promotion policy in the current environment, one characterized by a multitude of products both in industry and commerce, consists mainly of (Munteanu, 2006, p. 368): a) compensating factors leading to the decline in sales; b) the extension of product life cycle; c) development of strategic and tactical objectives of the company.

The promotion activity can be quite expensive for a company, but when it is done properly, the return on the investment can be very high. The challenge that these raise, consists in the increased difficulty of measuring efficiency of special promotional strategy, and this especially when market conditions are constantly changing and wine companies are forced to adapt and reinvent themselves considering the promotion strategies adopted. There is a diversified portfolio of promotional tools and techniques that wine companies can use, these being grouped according to criteria such as: the advertised product, the objectives pursued or the means of promoting (see Brostrom and Brostrom, 2009).

Hall and Mitchell (2008) provide a typology of the most important promotional tools used in the wine industry starting from the concept of “brand image agents” of wine. Wine, a complex product, symbolic and very technical, is based on a mix of information and impressions when its brand image is created. Brand image is, according to Stern, Zinkhan and Jaju (2001), an abstract concept that incorporates the influences of promoting achieved in the past, the reputation and the evaluation compared to the alternatives on the market. This information can come from many sources, some of which can be controlled or influenced by the vineyard while others are controlled by third parties. From these premises Hall and Mitchell (2008) are starting their analysis when when looking onto the formation of brand image agents of wine, identifying three main categories of wine image agents (see, also, Gartner (1993) and MacKay and Fesenmaier (1997)): a) induced - they are the result of a conscious effort of image provided by the manufacturer of wine (at company level or regional level) which gives it total control; b) autonomous - in this case, third parties provide information or impressions about wine, these owning control; c) organic - sources of unbiased and reliable information (such as acquaintances or friends who are knowledgeable about the wine in question).

4. WEB-MARKETING STRATEGIES IN THE WINE INDUSTRY

The Internet has made a significant contribution to the process of globalization and geographical decoupling of producers and consumers. The latter are no longer constrained by geographical limitations to meet, and trade relations between them can be summarized in a single ‘click’. Being one of the driving forces of globalization but also of ‘anonymisation’, the
Internet creates communication channels which can reduce the distance between two people, but to a certain point.
In recent years, the Internet has evolved significantly from a simple means of information in a complex mechanism of communication and relationship that some experts call “social web” (Schindler and Liller, 2012). The most recent developments that internet has experienced are related to social networks or “social media”. Producers, including those in the wine industry are now forced to listen to the voices and opinions of consumers expressed through various social networks, that if they want to thrive in the market or at least to survive. The evolution in this area of the internet has its advantage for wine companies: they can easily collect feedbacks of wine consumers and to adapt more quickly to their needs.
Although there are several definitions in the literature for social media, we stop at one that we consider relevant to the wine industry. According to Thach (2009), social media refers to the User Generated Content made available through web technologies and mobile devices that allow people to communicate, to socialize, to recommend and create content. The most relevant social media applications that wine companies have at their disposal, as part of web marketing strategies, to develop the strategy of promoting wine products on the web, are: 1) social networks like Facebook, Twitter and Tripadvisor; 2) wine blogs and web pages with news in the field, such as: Vinography and Digg; 3) web pages for image management, such as Flickr, Pinterest, and Instagram; 4) web pages for videos management (or vlogs), such as YouTube and Vimeo; 5) mobile applications that allow users to inform the online environment regarding the geographical location that is at a time and collect information or discounts about the current location such as Foursquare, Foodspotting, RedLaser and Shopkick; 6) The web pages where multiple users can work on a joint project by sharing knowledge, such as Wikipedia, Google Documents, and DropBox.
Wine, unlike other assets, is a product very emotionally charged. Therefore, consumers of such a product tend to have an opinion on the quality and attributes of wine and are willing, most times, to share these opinions or beliefs with others. Transforming communication channels and interactions that these generate could open new opportunities for the wine industry. Although it is a complex product, unlike other more sophisticated goods and difficult to handle, wine is an approachable product in terms of intuition and can be appreciated only by our full involvement with all available senses.
Currently, information is sought and taken up from the internet rather than using other media channels, by an important segment of wine consumers, situation confirmed by the latest statistics. Also in Romania, consumers increasingly use the Internet to get informed and the percentages are similar to those recorded in other EU countries. Moreover, with the increasing accessibility of various media and communication channels (gadgets that become cheaper than comparable fixed stations), the percentages mentioned above will increase. Currently, in Romania, on social networks the age category 25-54 years is 44%, notably higher than the same category of users in countries such as Germany (38%), France (37%) and the UK (43%). At EU level, from the total Internet users belonging to age group 18-34 years, about 80% are active on social networks (Păduraru 2013).

Beery and Trela (2014) consider that to create a successful marketing campaign for a wine, three conditions must be necessarily met: a) wine to be of good quality; b) the wine must have a fascinating story behind that triggers and maintains consumer’s passion; c) the wine must be present on the internet, especially on different networks / social media channels. According to them, most of wine consumers take their necessary information from the Internet. More than 65% of consumers who drink wine at least once a week and about 40% of those who drink wine rarely seek information about wine on the Internet (Vino California, 2012). A clearer conclusion than this cannot be drawn from here: web presence, including social media channels, is vital for wine companies.

The above conclusion is supported by other studies. Newman (2010) found that more than 700,000 people view videos related to wine every month, there are over 7,000 of wine-related tweets a day and there were created and distributed more than 300 iPhone applications for wine. Breslin (2013) estimated that 90% of wine drinkers use Facebook more than six hours a week and Google Analytics (2012) shows that wineries and cellars are the third subject in terms of popularity on Pinterest. The number of wine blogs has increased significantly in the last decade, with different points of view, and 20 top wine bloggers have a combined audience larger than that of most popular wine magazine “Wine Spectator” in the on-line (Quint, 2012). Analyzing the specialized literature, Thach (2009) found that there was little evidence of social media involvement and effects of channels in the wine industry two decades ago. Using a qualitative methodology (content analysis), the aforementioned author analyzed over 200 wine blogs in the United States, eventually identifying nine main categories of wine blogs, the most common being wine reviews and assessments by consumer bloggers. According to
Yarrow (2008), in the year of the study, he counted about 560 blogs in English and more than 160 blogs in other languages. Four years later, the same author has recorded more than 1,200 blogs in English (Yarrow, 2012), demonstrating the rise of this means of online communication as a tool for information and promotion (personal, for bloggers or wine critics, or wine companies). Also Vrana et al. (2012) conducted an analysis of wine blogs and identified two main categories of such media channels: on the one hand, he noticed a group of several blogs fewer in number but more popular (by number of visits and recommendations), on the other hand, was found a second group consisting of peripheral blogs whose readers did not return or not recommended information posted.

Burgundy wine producers appeal to the online community to increase brand communication and contact with the consumers. Pellets and Lecat (2011) conducted a qualitative study on Burgundy wine producers that has shown that online communities can manifest negative experiences regarding consumer behaviour, given the inability of members to see the product. And online communities represent one of the six factors of trust, which, if satisfied, can significantly increase online sales of wine for a wine company wine (Init, 2010).

Giraud-Héraud et al. (2001) emphasizes that the purchase and consumption of wine is based on an intensive exchange of information, information that refers not only to the tangibility of the product, but also the symbols, traditions, culture, tourism, gastronomy etc. In this respect, using the Internet as a technique to promote a wine company could significantly increase the perceived value of wine. Given this considerable advantage, in 2000, more than 13,000 web pages were offering the opportunity to purchase the wine in the online environment, wine being at the moment in the top ranking relating to food and drinks sold on the internet. In their study, the authors pose the problem of developing new business relationships using applications that are based on Internet.

Duquesnois and Gurău (2008) developed a model (see Figure 1), taking into account the French example, which demonstrates the importance of online marketing strategy to gain experience value perceived by consumers in the wine industry.
As can be seen in the figure above, the marketing approach of most wine companies, small and medium, that want to stand out and position themselves in a particular niche market, is centered on brand reputation, high quality wine and offers of great value. This marketing approach is perfectly suited to an interactive online strategy. On the other hand, the consumer of wine, in search of unique consumer experiences, manifests a combination of individual needs, motivation and implication. Value creation process in this case involves the interplay between wine producer and consumer of wine, interaction that can be facilitated by the online environment (characterized, in turn, by the global presence, interactivity and relationship or networking). Internet allows thus meeting the two parties (producer and consumer) and the exchange of information between them but also the integration of specific items to viticulture industry such as direct marketing, relational marketing and wine tourism.

Analyzing the successful web marketing strategies in the online environment for more wine companies worldwide, some of them stand out from the crowd. Thus Stormhoek (http://www.stormhoek.com/) is one of the premium wine producers in South Africa with origins in the famous wine regions of the Western Cape. This company uses a combination of blogging, viral marketing, video posted on YouTube, cartoons and conventional marketing tools, and coupons used in Threshers (the largest independent retailer of alcoholic beverages in the UK).

Stormhoek contacted wine bloggers, over 21 years, and with at least three months of experience in blogging and have been asked if they wish to receive a bottle of wine. The company has not expressed any obligation for the bloggers to write a comment for wine.
However, six months later more than 100 bloggers have published reviews about the wine received and they mentioned the wine on blogs all over the world. Subsequently, Stormhoek hosted a series of dinners with wine tasting included in the UK, Spain and the United States to encourage personal interaction with bloggers and potential customers. The effect consisted of an increase in wine sales from 50,000 boxes to 300,000 boxes per year. In addition, Microsoft has contracted Stormhoek to create a wine especially for its 79,000 employees from 102 countries (Resnick, 2008).

Another wine company called Fat Bastard (http://www.fatbastard.com) produces premium wines and uses humour to promote its products. The company's website promotes exactly that and claims to be one not so pretentious but wine consumers are able to express online their own stories and join the community “fat bastards”. Also, the online marketing of this company enables consumers to purchase wine using the online platform, listening to ads of wines etc.

Constellation Brands (http://www.cbrands.com/) is an international manufacturer of wine, beer and spirits with operational points in the USA, Canada, Mexico, New Zealand and Italy. Being one of the largest wine companies in the world, Constellation Brands treated with great seriousness the applicability of social media strategy for promoting, reason why they established a digital marketing division. Thus, they were able in recent years to place strategically their wine brands on different social media platforms. For example, only Facebook has currently 27 brands for which they received 3.3 million “likes”, the latter being correlated with an increase in retail wine sales exceeding $ 41 million. In addition, they implemented several online promotions and mobile coupons. For example, the online promotion of wine brand Woodbridge led to an increase in retail sales of 127%. Another example is the partnership they have with the developers of the application “Shopkick”, app that consumers access when they are in a shop. This partnership has led to access by 214,000 wine consumers of the application, which has led to increased purchases by 12.5% and amplification of revenue by $ 222,000 (Breslin, 2013).

**CONCLUSIONS**

Wine is a complex commodity, almost enigmatic. Like a diamond, it has several facets: provider of a subsistence living but also luxury item, well paired with a healthy but excessive consumption can lead to perdition, symbol of status in society and a drink of rural origin
produced with a huge load religious and cultural symbols but which may be associated simultaneously with hedonistic and depraved behaviour, an element of fashion, experiences and cargo alike. Precisely from the product’s complexity derives the high degree of sophistication of research in wine domain and also the novelty of the formalities made. In this context, marketing wines (as a sub-domain of wine economics) can be very effective for a winery and can help it compete effectively in a somewhat saturated wine market. The present paper has shown how important it is for wine producers to understand the layout of a marketing strategy and the implications and opportunities in its implementation in the activity they perform.

Regardless of the configuration of promotional mix or promotional tools portfolio of a company the policy to promote the latter is designed to present the enterprise, its products and services on the one hand, and on the other to cause a series of favourable changes in mentality and consumption habits of customers. To note is the fact that the success of promotion of efficient policy is conditioned by compliance with the following requirements: be strong enough, to be attractive and credible. The force of promotion policy will ensure the manifestation of a relationship of authority to the target audience, its attractiveness will allow the consumer to distinguish the multitude of posts on the market and its credibility will determine the acceptability from the public as a result of the calibration of content promotion policy to consuming society's value system.

There is currently available to entrepreneurs in the wine domain, a wide range of techniques and promotional tools, each of them having a reach and a certain ability to communicate various aspects of the wine to consumer, but a special technique differs from all others by efficiency and the cost-benefits report that brings to a wine company, namely social-media, a trend at a global lever and European regarding the wine industry promotional techniques.

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