

**Does the ethnic consumer consider the relevance of  
the retailer in their decision to buy wine in  
Christchurch?**

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by

Shuo Li

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Abstract of a thesis submitted in partial fulfilment of the  
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The value of secondary brand associations has been discussed in the literature for decades. Companies are transferring their brand building to retailers (Bruwer, Li *et al.* 2002 ), therefore, it is very important to understand the impact of retailers on the product brand and consumers' decision making processes when considering other relevant sources of brand associations. However, in the wine environment, few published studies have been carried out to examine the association with retailers. Thus, the primary aim of this study is to examine whether this association transfers value to the image of wine brand and influences consumers' behaviour. Also, the impact of ethnicity on the consumer's decision making process will be taken into account. This research specifically provides insight into Christchurch's wine retailing industry.

Owing to the limited time and resources, the wine drinking community in Christchurch has been divided into two groups (European and Non-European). Europeans (150) and Non-Europeans (50) were recruited for the sample. Two research models and six main hypotheses were established to analyze the relationships between brand associations, perceived brand image and consumer behaviour.

Research was conducted to collect quantitative data by using questionnaires, including rating scales and multiple choice questions. Face to face interviews and self-administered methods were employed. Participants were recruited by using a combination of convenience sampling, quota sampling and random sampling. A statistical programme called the Statistical Package for the Social Sciences (SPSS) was used to analyse the data.

From the results it was found that associations including the packaging, characteristics, quality, country of origin, producer of the wine, retailer or staff qualities have a positive impact on the spending on wine. In particular, the kinds of retailers make differences to consumers' expected wine budgets. The results also suggested that the evaluation patterns and perceptions of wine are different in the two ethnic groups.

**Keywords:** Brand image, brand associations, culture, ethnicity, consumer decision making, consumer evaluation, primary brand associations, retailer secondary brand associations

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# **CHAPTER ONE**

## **RESEARCH PROBLEM**

### **1.1 Chapter Overview**

This chapter provides the research overview. It begins with the key concept of this research, followed by the general background information relating to the wine retailing industry and wine retailers. The purpose of this research is also presented and, finally, this chapter concludes with the outline of this study.

### **1.2 The value of secondary brand association**

Branding is being focused on more by some marketing literature as marketers have increasingly recognized that brand plays a vital role for many companies in establishing market identity (Narisetti 1998; Alden, Steenkamp *et al.* 1999; Kirmani, Sood *et al.* 1999). It is known that “high brand equity levels are known to lead to higher consumer preferences and purchase intentions” (Cobb-Walgreen *et al.*, 1995; Pappu *et al.*, 2005). A brand is said to have brand equity which brings value to consumers, retailers and manufacturers (Kim, 1990; Yasin *et al.*, 2007). Customer-based brand equity is defined as the value of a brand based on the consumer’s perception (Aaker, 1991; Baldinger, 1990; Kamakura and Russell, 1993; Keller, 1993; Kirn and Lehmann, 1990; Rangaswamy *et al.*, 1993).

The brand is seen as the most valuable intangible asset of companies and the building of brand perception ranks as a top management priority in today’s market (Robbins,

1996; Ailwadi and Keller 2004). The evaluation and perception of brand in the consumer's mind determines the brand loyalty and long-term relationship between consumer and business (Robbins, 1996; Ailwadi and Keller 2004). To reach a better understanding of how and why consumers evaluate the product and brand, we need to analyze the impact of brand associations on the consumer's evaluation process (Supphellen, 2000).

Therefore, research is required to determine which factors affect consumers' evaluation of a brand and the way the brand influences consumers. The value of secondary brand associations has been discussed in the literature over the decades. Companies are transferring their brand building to retailers (Bruwer, Li *et al.* 2002 ). Therefore, it is very important to understand the impact of retailers on the product brand and consumers' decision-making process when considering other relevant sources of brand associations.

### **1.3 New Zealand wine industry and wine retailing history**

New Zealand has a long history of wine making. "The late 1970s and early 1980s were not only pioneering times for production but also marketing and, as with many New Zealand products, wine was only really taken seriously at home when it was noticed and praised overseas" ("*New Zealand Wine Region*", 2008). In the intervening years (1988-1998), there was an increase in the number of smaller wineries and a number of value-added additions (Thomas, 2000). For example, wineries started to

make public tastings available and opened wine sales areas and later incorporated food services (Thomas, 2000). The Sale of Liquor Act 1989 was a most important change for the wine industry; and from the early 1990s wine could be sold in supermarkets, grocery stores and dairies (Wyllie, 1993).

In 1992, wineries began selling their products seven days a week (Thomas 2000).

These two events have an underlying significance: the marketing of wine entered new phases of distribution, retailing became more important and wider consumer attention was generated (Thomas, 2000). Recently, by using the World Wide Web, more and more wine stores are opening as online wine stores, which have become another new channel of distribution from which consumers can buy something more special than from other kinds of wine stores. For example, "Wine + Glass" is one of the online wine stores and most of its wines for sale come from Switzerland ("*Our wines*", 2008).

New Zealand's wine industry has a general upward trend and its grape production has more than doubled since 1998 ("*New Zealand Wine Overview*", 2008). Wine exports have grown almost 500% since 1990, growing from only 7% of total production in 1990 to 34% in 2002 ("*New Zealand Wine Overview*", 2008). The following table (Table 1.1) shows there was a general upward trend in total production, domestic sales, consumption per capita, export volume and value over the seven years from 2000 to 2006 ("*New Zealand Wine Overview*", 2008).

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
<b>Total Production</b>	60.2	53.3	89	55	119.2	102	133.2
<b>(millions of litres)</b>							
<b>Domestic Sales</b>	41.3	36.2	32.6	35.3	35.5	45	50
<b>(millions of litres)</b>							
<b>Consumption per Capita</b>	10.6	9.3	8.3	8.8	8.8	11.2	12.1
<b>(litres NZ wine)</b>							
<b>Export Volume</b>	19.2	19.2	23	27.1	31.1	51.4	57.8
<b>(millions of litres)</b>							
<b>Export Value</b>	168.6	198.1	246.4	281.9	302.6	434.9	512.4
<b>(millions of NZ\$FOB)</b>							

**Table 1.1 New Zealand Wine Overview (2000-2006)**

Although New Zealand's wine culture has a long history, the effects of different kinds of wine retailers on consumers have been neglected by academic research so far. Sanchez & Gil (1998) pointed out that the type of retailing outlet differentiates between wine market segments and further research is required because the results may suggest a meaningful behavioural dimension in wine consumption (Thomas 2000). Thus, this study intends to focus specifically on three kinds of wine retailers and explore whether they are important when consumers are purchasing wine. This research will divide wine retailers into three main groups, supermarkets, liquor stores and online wine stores, because they have different characteristics and different images in consumers' minds.

➤ Supermarkets are retailers that do not specialize in only one variety of goods. In fact, they provide all kinds of commodities, foods and drinks to consumers.

Wines are only one part of the goods they sell. According to the statistical record

of the New Zealand Retailers Association, in February 2006, there were 344 supermarkets located in the Canterbury area, which is one of the five major regions in New Zealand, and this number represents 51.11% of the total retailers in the South Island and 11.25% of the total retailers in the whole country (Albertson 2007). Owing to the significant influence of the Canterbury area on the supermarket retailing industry, this research will look at Christchurch, the largest city in the Canterbury area.

- Liquor stores such as Liquor King only sell alcoholic drinks. These kinds of stores are specialists in alcoholic beverages and wine and have a number of brand choices for customers. They are more formal stores and have low competition, because they have to apply for a special licence from the government in order to sell wines. Thus, they have more authority in selling wines and a large range of brands that can be chosen by the consumers. As a result, these kinds of stores normally have higher prices compared to other kinds of retailers. There are 787 liquor retailing stores throughout the country, about 1/4 of the number of supermarkets (Albertson 2007).

By looking back on the historical record, one can see that the sales from supermarkets and liquor stores have increased by 5.1% and 6.1%, respectively, from 2004 to 2006, and from 2005 to 2006, supermarkets had a 6.3% increase and liquor retailers 4.2% (Albertson 2007). These numbers indicate that both supermarkets and liquor stores are very active and play important roles in the

retail market (Albertson 2007). However, the records do not show the amount of alcohol sold in supermarkets or wine sold in both supermarkets and liquor stores, so the total sales figures cannot be used to compare the impact of different retailers on the wine market and consumers' buying behaviour. Furthermore, these total sales numbers can not show the effect of culture on consumers' purchasing behaviour in different ethnic groups (Albertson 2007).

- Online shopping is becoming more and more common. E-commerce plays an important role in today's economy, including the wine retailing industry. Haubl & Trifts in 2000 defined online shopping as a trade interaction between consumers and retailers through a digital store in the network without seeing faces (Haubl and Trifts 2000). These new kinds of retailers have no location limitation. They do not need to worry about store location because they can sell products throughout the world through the World Wide Web. Therefore, they provide more convenience for consumers. A study by Changchit and Vokurka in 2003 looked at the differences in consumers' experiences between traditional stores and online stores (Changchit, Douthit *et al.* 2005). The study found that the main difference was that traditional stores can provide consumers with an immediate sensory experience, such as touching the product while online stores provide limited physical experiences with the product but are more convenient and less time consuming (Changchit, Douthit *et al.* 2005). Furthermore, the literature has focused on the perception of consumers regarding online stores. Most of this research recognized that credibility and perceived risk are highly emphasized by

consumers (Chen and He 2003; Harridge-March and Quinton 2005). They indicated that building brand and trust are very important for online retailers because brand is one of the key things that consumers will be concerned with when going online to purchase (Chen and He 2003; Harridge-March and Quinton 2005).

These three kinds of wine retailers have their own distinct differences in brand images and characteristics; therefore, this research will not only look at whether consumers' brand purchasing decisions will be influenced by wine retailers in general, but also find out if consumer evaluation patterns and behaviour are different in these three kinds of wine retailers.

## **1.4 Aim of the Research**

The primary aim of this study is to examine whether the association with the retailers transfers value to the product brand image and influences the consumer's buying behaviour. At the same time, the impact of ethnicity will be taken into account. This research will specifically provide insight into Christchurch's wine retailing industry and the findings of this research can be interesting and meaningful to the society, as well as being a guide for current and potential wine retailers in Christchurch. Furthermore, this can assist manufacturers' strategies in choosing the distribution channel and their positioning in the market. (Grewala *et al.* 2004). There are six main research objectives in this research:

1. To identify the impact of the nine brand associations on Christchurch consumers' wine purchasing behaviour.
2. To determine whether different ethnic groups have different evaluation patterns.
3. To identify whether ethnicity affects perceptions of drinking wine and the impact of these perceptions on the perceived importance of the retailer.
4. To examine whether ethnicity affects perceptions regarding the size of the retailer's wine range.
5. To determine whether the type of retailer affects the image of a wine brand and whether ethnicity makes a difference.
6. To determine whether ethnicity affects Christchurch consumers' willingness to spend on wine in liquor stores, supermarkets and online retailers and how the type of retailer affects the willingness to spend on wine.

## **1.5 Research Outline**

Chapter Two of this research further lists and illustrates the previous research and literature related to this study. Also, some relevant theories, key concepts and components of this research and the development of the research problem will be addressed in this chapter. After the literature review, Chapter Three will describe the research methods including the research models, research design and research methods. Chapter Four outlines the results and findings of this research. Finally, Chapter Five draws conclusions and summarizes the findings of this research and provides recommendations for future research.

# **CHAPTER TWO**

## **LITERATURE REVIEW**

### **2.1 Chapter Overview**

The previous chapter has briefly discussed the value of secondary brand association, the general research background, and the key research objectives. This chapter provides the previous theories and research concerning the key concept. First, it begins with reviewing the concept of consumer behaviour and the process of consumer decision making. The literature about, primary and secondary brand association is also presented. In addition, it discusses the concepts of culture and ethnicity and their relationship to consumer behaviour. Also, the association transfer from manufacture to retailer is presented. Finally, it ends with the problem development of this research.

### **2.2 Consumer Behaviour**

This section will provide the conceptualization of consumer behaviour as a process. Consumer behaviour is one of the most vital marketing concepts and has been focused on by many scholars and marketers over the decades. The definition of consumers' buying behaviour is continually being developed, but has been defined by Walters and Paul (1970) as follows: "consumer behaviour is the decision and behaviour of people when they purchase and use products or services". Demby (1973) stated that consumer behaviour was "the decision process and behaviour of humans when they

evaluate, acquire and use economic commodities or services", which means a person's consumer behaviour is formed after a decision-making process. Engel, Kollat and Blackwell (1982) proposed that consumer behaviour is the "behaviour of an individual to directly participate in, acquire and use economic commodities and services, and the behaviour includes introduction and the decision process that determine related behaviours". Engel, Kollat and Blackwell (1993) redefined the meaning of consumer behaviour and considered it to be "the activities of consumers involved in the acquisition, consumption and disposal of commodities or services, including decisions before and after such activities". From the above definitions by these scholars, it can be seen that they all believe that consumer behaviour is not just a final action; instead, it is a process and includes all activities from recognition of the need to consuming the product (Chang and Huang 2005).

## **2.3 Consumer Purchasing Decision-Making**

### **2.3.1 The pre-purchase alternative evaluation in the consumers' decision-making process**

As mentioned earlier, consumer behaviour is a complex concept and can be viewed as a decision-making process. The concept of consumer behaviour has been further developed and a well-established model of the consumer decision-making process was proposed by Engel, Blackwell, and Miniard (1995), which divides the consumer's decision-making process into five main stages:

(1) Problem recognition,

- (2) Search of information,
- (3) Pre-purchase alternative evaluation,
- (4) Purchase,
- (5) Consumption

This model indicated that before choosing a specific store to shop at, or making a purchasing decision for a product, consumers will, generally, evaluate available options by using external and internal information (Kim and Kang March 2001). Over the decades, marketers and practitioners have attempted to research the factors that affect the way the consumer evaluates the available options and the influence of the pre-purchase alternative evaluation on consumers' purchasing decisions (Aarts et al., 1998).

## **2.4 Primary brand associations and secondary brand associations**

The above section has highlighted the pre-purchase alternative evaluation step of consumers' decision-making processes. It has also indicated that the way consumers evaluate a product or brand will have an impact on their final purchasing decision. Consumers' brand evaluation can be made through two kinds of brand associations, primary brand associations and secondary brand associations. Primary brand associations consider the product itself including its packaging, quality of the product, product attributes, price and country-of-origin. On the other hand, secondary brand associations represent the external associations such as other brands, spokespersons,

events, manufacturers and retailers (Keller 1998). The following sections will provide details of the definition of a product brand and the kinds of brand associations.

### **2.4.1 The brand of a product**

A product brand is a name or symbol that represents the value of the product and differentiates it from the goods of other competitors (Aaker, 1991; Stanton and Walker 1994; Kotler, Armstrong *et al.* 1996). Marketers also use a brand to position the product in the marketplace. Meanwhile, consumers create an internal emotional reaction to the brand and perceive the product value associated with the brand image. The brand image identifies the product's attractiveness, usage, functionality, popularity and overall value (Aaker, 1991). The way a consumer evaluates a product brand is one of the main reasons for their purchasing decision. For example, a marketing lecturer at Lincoln University gave a test to the university students about two brands of a similar biscuit. Without telling them the brand's name, the lecturer let the students vote for one they preferred. The answer was split half/half. After telling the students that one of the products was a well-known brand and the other one had a lower price in the market, the lecturer asked the students to taste the biscuits and vote again. Interestingly, the test result changed, as at this time more students gave votes to the well-known brand. This example shows that, besides the product's taste, shape and colour, other factors such as the image of the brand can also affect the buyer's perception of the product and their purchasing decision. More evidence was provided by the research of Graeff 1996 that indicated that consumers' purchasing behaviour

is highly dependent on a product's brand evaluation, in that the willingness to buy increases when a consumer is given an advertising message which suits his/her self-image (Graeff 1996). Other research was carried out to find how consumers responded if the product was placed in a humorous movie (ChangHyun and Jorge 2007). It was found that consumers provided positive emotional feedback on the product and the research also proved that prior brand evaluation plays a very important role in consumers' buying decisions (ChangHyun and Jorge 2007).

“A product brand can carry either positive or negative messages in the perception of consumers” (Kim and Chung 1997). “Brand associations are anything linked to the perception of brand image in consumers' minds” (Aaker 1996; Low and Lamb, 2000) Brand associations can help differentiate a brand from other competitors, generate a positive attitude to the brand and add value to the brand (Aaker, 1991; Dean, 2004).

Branding and brand associations have been the focus of study over twenty centuries and some research has been carried out to confirm the correlation between brand association, consumers' brand evaluation and decision making. (Dawar & Parker 1994; Dodds, Monroe, & Grewal 1991; Miyazaki, Grewal, & Goodstein, forthcoming; Rao & Monroe 1989; Grewala *et al.* 2004; Dean, 2004).

There are many kinds of brand associations that affect consumers when evaluating a brand. The following section will provide more detail on the kinds of brand associations.

## **2.4.2 Primary Brand Associations**

Consumers' brand evaluation can be made primarily through the product itself such as its packaging, quality of the product, attributes of the product, price and country-of-origin (Keller 1998; Dean, 2004).

Most previous studies emphasize studying the importance of primary associations for enhancing product brand value (Rocchi, 2006). Some consumers often evaluate the alternatives and make choices in a very short time based on the packaging of a product (Britton, 1992)

Packaging, such as the shape and colour of the bottle, is seen as a cue for the quality of a wine and can distinguish a wine from its competitors (Tootelian and Ross, 2000; Rocchi, 2006). Also, quality is one of the associations that adds value to the brand (Aaker, 1991; Crosby *et al.*, 1990). Increasing numbers of consumers consider the quality of wine through evaluating both material and non-material characteristics (Nomisma, 2003; Rocchi, 2006). Yoo et al. (2000) suggested that high brand quality could lead to a higher price, which can increase the profit margin for the firm. Some studies were then carried out specifically to discover the impact of country-of-origin and found that the place where the product was made will frequently influence the brand image in consumers' minds with either a positive or negative impact (Kim and Chung 1997; Till 1998; Chen 2001; Hamlin and Leith 2006; Yashi, 2007)

Product attributes are another primary factor that impacts on consumers' brand evaluation (Keller, 1993). Several researchers found that taste is considered to be the

most important factor affecting a consumer's wine purchasing decision (Batt and Dean, 2000; Dodd, 1995; Dodd and Gustafson, 1997)

Also, more evidence was provided by research which found that descriptive product attributes had a positive impact on the perception of consumers about the brand (Hoek et al 2000). This was also supported by another study that used picture interpretation to test whether two brands of beer had associations with the brand image (Aaker, 1991). The result found that consumers recognized different associations with the two brands of beer.

### **2.4.3 Secondary Brand Associations**

When evaluating a product brand, consumers can also be influenced, to some degree, by other, indirect factors. There is potential for creating additional brand value by linking the product brand to another entity that carries some positive associations in the minds of the consumers (Keller 1998). Such entities include spokespersons (staff qualities), events, manufacturers (producer) and retailers (Keller 1998), from which retailing and retailers are the basis for interacting with, or linking to, a wide range of consumers (Levy and Weitz 1992; Mason, Mayer *et al.* 1993). Research found that people enjoyed buying wine in specialist stores as they enjoyed the discussion on wines with staff and their professional advice (Wyllie, 1993).

The retailer is also recognized as one of the secondary brand associations (Keller 1998). Gwinner et al. (1998) suggested that any active effort retailers made towards the consumers may add value above and beyond consumer's perceived core

product/services value (Gwinner *et al.*, 1998). “Retailers create their brand images in different ways, for example, by attaching unique associations to the quality of their service, their product assortment and merchandising, pricing and credit policy, etc. (Ailwadi and Keller 2004).”

Secondary associations not directly related to the product’s attributes such as retailers would influence a product’s brand purchasing decisions by consumers (Keller 1998). However, most research showed that primary brand associations have a substantial influence on the perception of consumers for the product brand value, but few researchers have studied the impact and the importance of secondary brand associations on consumers’ decision-making processes. Therefore, this study will investigate how the retailer’s brand image as a secondary brand association affects consumers’ purchasing decision-making. In addition, ethnicity may also be a factor which changes the degree of influence caused by secondary brand association, so the different degrees of impact on different ethnic groups will also be compared. The following section will discuss the literature about the similarities and differences in consumer behaviour caused by ethnicity.

## **2.5 Culture**

### **2.5.1 Culture and ethnic groups**

The impact of culture on consumers’ behaviour has been focused on for many years. Culture is recognized as one of the fundamental factors that determine human behaviour (Keillor and Fields 1996; Luo 1997). It has been defined first as “the

collective programming of the mind which distinguished the members of one human group from another...”(Kluckhohn 1951). For example, the research of Doran (1994) proved that Hispanics have a group-oriented culture which differs substantially from the individualistic culture of North Americans (Doran 1994). Over time, the meaning of culture has been broadly discussed by many researchers and in a number of studies. Most studies have indicated that culture represents symbols, languages, values and norms, but culture also includes attitudes, life styles and behaviour (Liu 2001). In other words, people from the same cultural background may share similar attitudes to a product and have similar consumer behaviour. Furthermore, the word “culture” was also usually reserved for societies or for ethnic or regional groups (Hofstede 1980). Therefore, although living within the same country, different ethnic groups still have their own cultural backgrounds. This research will take into account the impact of ethnicity on consumers’ decision-making processes and the cultural differences referred to in this research specifically represent the differences between ethnic groups. The following section will discuss further the impact of ethnicity on consumers’ behaviour.

### **2.5.2 Ethnicity leads to similar consumer behaviour within the same ethnic group**

This section will further discuss why and how ethnicity is a cause of similar consumer behaviour in the same ethnic group.

As mentioned above, cultural background differentiates one ethnic group from another. In addition, value is one of the key components in culture. According to Mooij (2004), different people can have different emotions about values, and their behaviour will be directed by their values (Mooij, 2004). Therefore, values can make a difference to consumer behaviour. Furthermore, although some scholars have suggested that globalization has led to a common culture in the world (Levitt 1983), several studies have shown that people from different nations continue to have their own stable and distinct lifestyles and preferences, as well as their values and norms, which come from their national cultures (Hoecklin 1995; Mooij 2004; Zhu, Quan *et al.* 2006). Global economies may exist, but not global cultures (Burns 1998) as people keep their distinct differences in different cultures (Robbins 1996). Consequently, marketers are paying more attention to the impact of different cultural backgrounds on the consumers' evaluation and purchasing behaviour (Chang and Huang 2005).

According to much previous market research, culture has been proved to play a vital role in consumers' behaviour (Dubois 1987; Blackwell *et al.* 2006). This research supported the belief that the influence of cultural differences on consumers' decision making should not be ignored. Many marketers have recognized that it is very important to identify the core values of cultures when studying cross-cultural consumer behaviour (Zhu, Quan *et al.* 2006). Furthermore, according to Delener and Neelankavil (1990), consumers in the same ethnic group may have similar behaviour because they share the same information sources, including advertisements on

television, in newspapers or other kinds of external media in their decision-making process (Delener and Neelankavil, 1990). Such similar behaviour includes selecting similar products, brands or having customer loyalty to the same kinds of stores (Kim and Kang 2001). The results of research focused on consumer behaviour and consumers' values in using cellular phones found that consumers' choices were affected by the culture in many important ways (Tse, Wong *et al.* 1988). Culture affected the way consumers allowed emotions, patriotic consumption, sources of information and time pressures to influence them (Tse, Wong *et al.* 1988) . The research also suggested that culture should provide different impact levels for different products (Tse, Wong *et al.* 1988). For example, clothing and food products have a high cultural impact, household appliances have a low cultural impact and household supplies have a medium cultural impact (Tse, Wong *et al.* 1988). Throughout history, depending on the wine consumer's wine culture, they may have different attitudes and behaviours regarding wine (Sabroe, 1994; Smith et al., 1996). By reviewing the wine studies in some countries, differences in wine consumers' behaviour were found. For example, a wine study of China indicated that the face value of Chinese culture is one of the main determinants for purchasing and consuming wine (Liu et al., 2007). It revealed that Chinese purchase wine more for health and symbolism – luck or good face (Liu et al., 2007). In addition, other research found that, in the UK, allowing wine to be sold in supermarkets in the 1970s increased wine sales dramatically. More than half the UK population purchase wine on a regular basis, which has become part of their lifestyle (Ritchie, 2007).

Consumers' wine consumption behaviour is largely related to the society's culture, in particular, consumers from Italy, Spain, France and Portugal consume wine as part of their lifestyle and these countries have a long history of wine making (Lolli et al, 1958; Smith et al., 1996)

Based on the literature review above, it is suggested that consumers in the same ethnic group may share a similar pattern of consumer behaviour or decision-making processes. In other words, it is possible that the level of impact by brand association will vary among different ethnic groups. Thus, this research will take ethnicity into account.

As New Zealand is a multi-cultural country, this study will divide the population into two segments, "European" and "Non-European". "European" refers to New Zealand Europeans, Australians, Americans and other Europeans. "Non-European" includes Maori, Asians, Pacific People, Middle Eastern/Latin American/African people and others.

There are four reasons for the segmentation into two ethnic groups. First, as shown in Table 2.1, Europeans are the largest ethnic group with 75% of the total population, followed by other ethnic groups including Maori (8%), Asian (8%), Pacific People (3%) and Middle Eastern/Latin American/African (1%) (Census 2006). More than half of those in Christchurch belong to the European ethnic group. In addition, there are 25% other ethnic groups in the total population, of which, even the percentage of the second largest ethnic group, Maori, is only 8% and far less than the percentage of

Europeans (75%), so the comparison between European and Non-European makes sense in the study. Secondly, as the purpose of this study is to focus on the impact of retailers on consumer behaviour in Christchurch, rather than looking further into the differences between ethnic groups, it is not necessary to divide the population into too many ethnic groups. The third reason is limited time and resources. Finally, the results of this study can be used as a reference for current and potential wine retailers and producers. If it were divided into too many ethnic segments, apart from the Europeans, all ethnic groups only represent a small number of the total population. In this case, the result would be too complicated and not practical for current and potential wine retailers and producers.

Ethnicity	Christchurch	
	Number	% of Respondents
European	255,366	75
Maori	25,725	8
Pacific Island	9,465	3
Asian	26,631	8
MELAA*	2,862	1
Other	43,782	13
<b>Total</b>	<b>338,748</b>	

(Census, 2006)

**Table 2.1 Ethnic composition of Christchurch**

## **2.6 Association transfer from manufacturers to retailers**

The above section has focused on the impact of ethnicity on consumers' behaviour. It suggested that the difference between ethnic groups will change the degree of influence of wine retailers when consumers are buying wine. Thus, this section is going to provide a deeper look into secondary associations and the brand association transfer from manufacturers to retailers.

In today's market, manufacturers are transferring their brand building to retailers. This is supported by the rise of the retailer as a brand, which is considered to be one of the most important trends in retailing (Bruwer, Li *et al.* 2002 ). Research regarding retail branding found that in many consumer industries, and based on the equity that the manufacturers' brands carry, retailers create in-store consumer interest and loyalty (Ailawadi and Keller 2004).

Retailers' images, behaviour and their environment have the highest degree of impact on consumers because they provide the closest presentation of products to consumers and it are the final point from which manufacturers could possibly influence consumers' purchasing decisions (Thomas 2000). Evidence was provided by the research of Bramwell (1997), who proved that up to 70% of consumer decisions are made in the actual retail outlet. Moreover, this is supported by the survey from Advanced Business Research (1999), which showed that 43% of New Zealanders had bought wine from supermarkets and 62% had also bought wine from liquor outlets (Advanced Business Research, 1999).

Therefore, the aim of this study is to focus on retailers – one of the most important secondary brand associations.

## **2.7 Research Gap and the Development of the Key Research Problem**

Based on the above considerations, the impact of secondary association on consumers' brand evaluations and purchase decisions should not be ignored and further research is needed.

The wine and retailing industries play vital roles in the New Zealand economy. In the wine environment, understanding the impact of retailers on consumer's behaviour enables marketers to develop the correct marketing strategies and effective promotional strategies (Zanten, 2005). However, few empirical studies have been carried out to examine the associations between New Zealand's wine retailers and wine consumer's behaviour (Thomas, 2000). As mentioned above, the Canterbury region has over 50% of the total retailers, and Christchurch is the largest city in the Canterbury region. Nevertheless, there is lack of literature, so far, about the impact of the retailer on how Christchurch's consumers choose a wine although research has been carried out to find out some of the factors that impact the consumer's wine selection process. (Batt and Dean 2000; Hall et al 2002; Howard and Stonier 2002; Jenster and Jenster 1993; Koewn and Casey 1995). Taste of a wine was found to be one of the dominating factors for the reason why a consumer chooses a particular wine (Kowewn and Casey, 1995; Mitchell and Greatorex, 1988). Other researchers

pointed out that the price of a wine is an important cue to its quality if the wine cannot be evaluated before purchased (Cox and Rich, 1967, Dodds & Monroe 1985, Monroe and Krishnan 1985; Olson 1977). In Australia, country-of-origin was found to be the third factor that influences a consumer's wine buying decision (Batt *et al.*, 2000). Packaging was also found have an undeniable influence that impacts the wine consumer's selection process (Charters *et al.*, 2000; Thomas, 2000).

Although the factors above have been found to have an effect on the wine consumer, no research was done, specially, to find out if these factors are the case for wine consumers in Christchurch. Therefore, first, this research will analyze the impact of eight brand associations on Christchurch's wine consumer's purchasing behaviour, including the price of the product, the packaging of the product, the country of origin, the attributes of the product, the quality of the product, staff qualities, event and manufacture.

Secondly, as mentioned above, there is lack of research about whether the retailer is one of the important factors that influence on Christchurch's wine consumer's decision-making about wine. Therefore, this research aims to find out the gap whether retailers are relevant or perceived as important to consumers when purchasing wine in Christchurch.

Thirdly, in order to analyze the association of retailer in more detail, this research specifically analyzes these kinds of retailers including supermarkets, online retailers and liquor stores to see whether the different type of retailer will have different effects on consumers' wine selection process and their purchasing decisions. Moreover, when

analysing the association of the retailer, this research looks at different ethnic consumer's perception on retailer's wine ranges to see whether it affects consumer's preference for retailers.

Furthermore, the previous research only analyzed wine consumers as a whole without considering the differences between their cultural backgrounds may influence a consumer's value. Ethnicity is one of the key factors that affect a consumer's decision-making processes. Consequently, this research will find out if, in contrast to previous research, if a difference exists, by dividing the market into two ethnic groups – Europeans and Non Europeans.

Therefore, after considering all the above aspects, the key research question is “***Does the ethnic consumer consider the relevance of the retailer in their decision to buy wine in Christchurch?***”

## **2.8 Chapter Summary**

This chapter has highlighted the previous research and theories which related to the key research concepts. It has reviewed the concepts of consumer behaviour and consumers' decision-making processes, especially for the pre-purchase evaluation process. The value of the retailer in secondary brand association and brand building has been presented. In particular, the role of brand building has been transferred from manufacturers to retailers. In addition, the impact of culture on consumer behaviour has also been reviewed. Based on these key concepts and the literature reviewed, the development of the research problem has been provided.

# CHAPTER THREE

## RESEARCH MODELS AND HYPOTHESES

### 3.1 Chapter Overview

Chapter three illustrates the research models and outlines the key concepts in the models. Details of the links among the models are also presented. Moreover, the research hypotheses and their sub-hypotheses are discussed.

### 3.2 Research Model 1

#### Brand Associations and the Consumer's Buying Decision

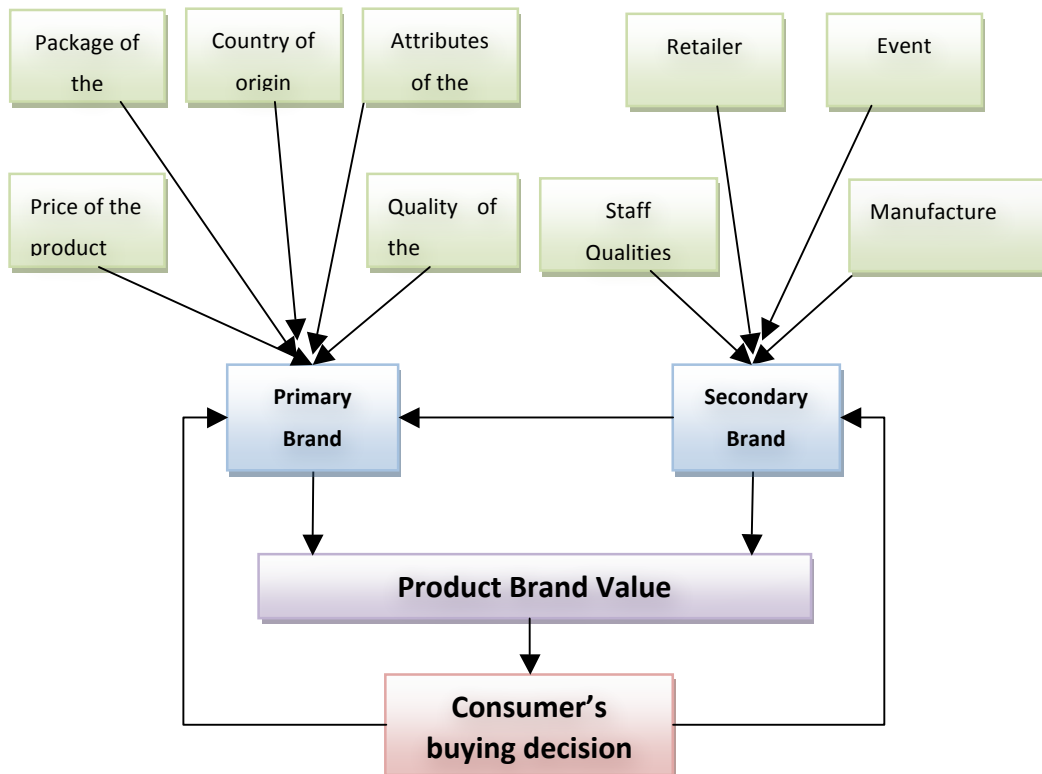


Figure 3.1 Brand associations and the consumer's buying decision

Model 1 (Figure 3.1) shows the relationships between brand value, brand associations and the consumer's buying decision. As mentioned above, product brand associations include primary and secondary brand associations and these have different elements. This model provides nine main elements. Primary brand associations can be described as associations that directly affect the product, such as the price of the product, the packaging of the product, the country of origin, the attributes of the product and the quality of the product, Secondary brand associations are those related to, but do not directly affect, the product itself and are usually subjective in the consumer's estimation, such as staff qualities, retailer, event and manufacturer. During the consumers' evaluation of the retailer, they may be thinking that items relating to the retailer, such as their product range, the type of retailer and so on and then giving weight to them. The impact of these nine brand associations on the consumer's buying decision will be examined by the first two research hypotheses in the following sections.

### 3.3 Research Model 2

#### Associations of Retailer

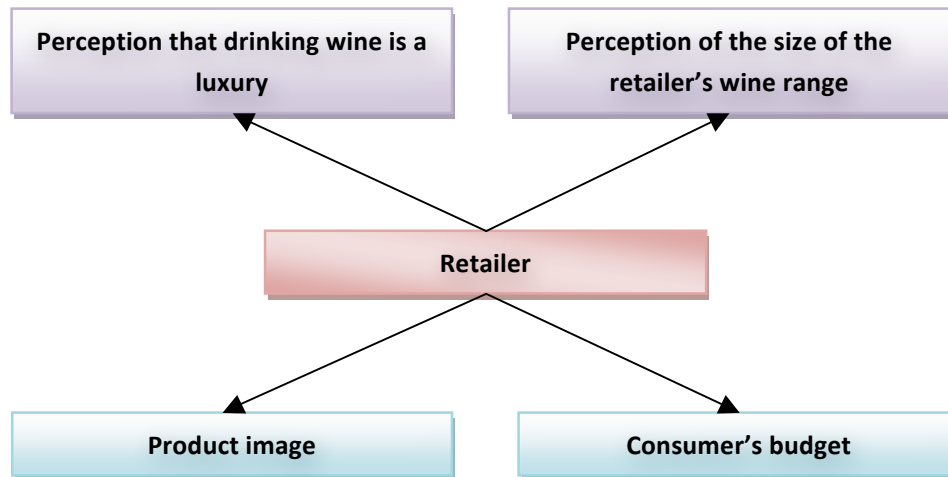


Figure 3.2 Associations of the Retailer

Model 1 summarized the linkage between nine brand associations and consumer buying behaviour. In addition, Model 2 was further developed from Model 1. It is especially concerned with the associations of the retailer. Figure 3.2 shows four linkages that will be addressed in research hypotheses 3, 4, 5, and 6. It begins with two dependent variables (“Perception of drinking wine as a luxury” and “Perception of the size of the retailer’s product range”) that might affect the independent variable – the retailer. As individual influences (consumer resources, knowledge, values and attitudes) are factors that affect consumer behaviour (Engel *et al.* 1993), therefore, the perception of drinking wine might impact on the perception of the retailer. In addition, this research will study the impact of the consumer’s perception regarding the size of the retailer’s wine range, as it might also affect the retailer’s perceived importance.

This model also established two linkages from retailers to examine their impact. In this case, the retailer becomes the dependent variable. The two dependent variables are “Product Image” and “Consumer’s Budget”. The first relationship is between retailer and product image. It attempts to find out if the retailer can influence the product image in the consumer’s mind. The other linkage is in the way the retailer affects the consumer’s willingness to pay.

### **3.4 The Developments of the Research Hypotheses**

The following sections give an outline of the developments of the six research hypotheses and their sub-hypotheses that were carried out to discover the relevance of the retailer in ethnic consumers’ wine decision making.

The following are the six main research hypotheses that will be addressed in this study.

Hypothesis 1 aims to find out the relationships between each of the nine brand associations and consumers’ purchasing behaviour. It can discover whether the retailer affects consumers’ wine spending behaviour as well as the impact of the other eight brand associations.

Hypothesis 2 emphasizes the differences between the two ethnic groups’ wine evaluation patterns. It is concerned with the way different ethnic consumers value a product through brand associations.

Hypothesis 3 focuses on different ethnic perceptions about wine. It helps find out the differences between ethnic groups. By knowing their perception of wine, it can provide a reference for examining the ethnic consumer's evaluation process and their purchasing behaviour

Hypothesis 4 attempts to find out if there is any difference between the two ethnic groups' purchasing decisions from retailers with different sized wine product ranges. The result of this hypothesis can indicate the relevance of retailers in a consumer's mind as the size of a retailer's wine product range may be one of the factors that consumers would consider when choosing a retailer to shop with.

Hypothesis 5 aims to know whether the type of retailer will affect the two ethnic groups' perceptions of the wine brand image. By knowing this, it can determine the impact of retailers on the two ethnic groups' purchasing behaviour.

Hypothesis 6 focuses on discovering the relationship between wine purchasing decisions and retailers based on the willingness to spend on wine. It can provide evidence as to whether retailers influence consumers' purchasing decisions. It will find out if a consumer's willingness to spend on wine will change with different kinds of retailers and if there is a difference between the liquor store, supermarket and online retailer.

### **3.4.1 Hypothesis 1 – The impact of nine brand associations on consumer behaviour**

Marketers have focused on internal variables that affect consumer behaviour. They look at the way consumers or individuals evaluate a product and how the evaluation turns into purchasing behaviour (Swinyard, 1993) (White & Dahl, 2006) (Friese, Wanke, & Plessner, 2006) (Scarabis, Florack, & Gosejohann, 2006). The Theory of Planned Behaviour has been drawn on to explain the attitude-behaviour relationship (Ajzen, 1985; Zanten, 2005). This theory proposes that attitude, such as the way an individual evaluates a product, primarily influences the buying intention and the final buying behaviour (Rink, 1998). As mentioned above, after need recognition, the consumer's evaluation of a product brand is through primary and secondary brand associations (Keller 1998). Therefore, the following hypothesis was constructed to find consumers' attitudes towards both primary and secondary brand associations and how they influence behaviour.

H1<sub>0</sub>: All of the nine brand associations have an impact on the amount Christchurch consumers spent on wine.

H1<sub>1</sub>: Not all of the nine brand associations have an impact on the amount Christchurch consumers spent on wine.

### **3.4.2 Hypothesis 2 – The wine evaluation patterns between two ethnic groups**

Ethnicity is one of the fundamental factors that affect the shaping of consumption patterns (Kenning and Plassmann, 2005; Elimimian, 2007). The consumption patterns of Westerners and Chinese have been focused on by a number of researchers and they have found that cultural differences are the main reasons that impact on Western and Chinese customers' buying behaviour (Redding, 1990; Zhu, *et al.* 2006). Such cultural differences include individualism in the Western world versus collectivism in China (Zhu, *et al.* 2006; Cheng and Schweitzer, 1996; Mooij, 2004). Individualism means individuals make their own decisions to buy a product while collectivism means people share their information before making purchasing decisions (Hofstede, 1997; Nir and Alassad, 2007). The impact of ethnicity was found to influence people's values, attitudes and norms (Macionis, 1995). Therefore, ethnicity affects the perceptions and values of people and may impact on their evaluation patterns.

H<sub>20</sub>: The wine evaluation patterns within different ethnic groups are the same.

H<sub>21</sub>: The wine evaluation patterns within different ethnic groups are not the same.

### **3.4.3 Hypothesis 3 – Perceptions regarding drinking wine**

In economic terms, a luxury good will have increased demand when the consumer's income rises. It is an elusive sign and a relative concept that will change according to different economic and cultural backgrounds (Semiotica, 2005; "Consumer insight." 2006). In other words, a product which seems to be a luxury good may not be so in other cases. Every social group will have its own luxuries (Semiotica, 2005) and if a luxury is one of the consumers' attitudes towards a product, it has a certain impact on consumer behaviour (Seelig, 1989; Engel *et al.* 1993; Davidson, 1996; Ehrenberg *et al.*, 1997; Steinberg, 1998; Summers *et al.*, 2006). For example, the Chinese perceived wine as a symbolic product more than a necessary good, so they purchased wine only on special occasions such as Chinese New Year or other festivals (Liu *et al.*, 2007). Therefore, to find out the two ethnic groups' perceptions of wine and how the perceptions influence the perceived importance of the retailer, we conducted a hypothesis as follows:

H3<sub>0</sub>: The perceived importance of the retailer is not affected by the two ethnic groups' perceptions regarding the drinking of wine as a luxury.

H3<sub>1</sub>: The perceived importance of the retailer is affected by the two ethnic groups' perceptions regarding the drinking of wine as a luxury.

To analyze whether ethnicity will influence consumers' perceptions of drinking wine and whether the perceptions of drinking wine will affect their perceptions of the

retailer, the following two sub-hypotheses were employed to analyze the relationships.

### **Sub-Hypothesis 3a – The impact of ethnicity**

H3a<sub>0</sub>: Perceptions regarding whether drinking wine is a luxury are not affected by ethnicity.

H3a<sub>1</sub>: Perceptions regarding whether drinking wine is a luxury are affected by ethnicity.

### **Sub-Hypothesis 3b – The impact of perceptions regarding drinking wine on the retailer's importance**

H3b<sub>0</sub>: There is no relationship between the two ethnic groups' perceptions regarding drinking wine and the importance of the retailer.

H3b<sub>1</sub>: There is relationship between the two ethnic groups' perceptions regarding drinking wine and the importance of the retailer.

## **3.4.4 Hypothesis 4 – The impact of the retailer's wine range**

When analysing the impact of the store image on consumer behaviour, researchers have emphasized the retailer's functional attributes in analyzing the store image, such as the store layout, range of products and store location (Sanchez and Gil, 1998). Some researchers found that the perceived wider range of wines was one of the reasons for wine drinkers to buy wine frequently from wholesalers or specialist wine

stores (Wyllie et al., 1993). Therefore, the following hypothesis was constructed aimed to find out if one of the retailer's functional attributes – range of products – influences the consumer's decision making. It examines the impact of whether the consumer considers the retailer's wine range with the same perceived importance as the retailer; ethnicity will also be taken into account.

H4<sub>0</sub>: The perceived importance of the retailer is not affected by the two ethnic groups' perceptions regarding whether they will consider the size of the retailer's wine range.

H4<sub>1</sub>: The perceived importance of the retailer is affected by the two ethnic groups' perceptions regarding whether they will consider the size of the retailer's wine range.

To analyze whether ethnicity will influence consumers' perceptions of the size of the retailer's wine range and whether the perceptions of the wine range will affect their perceptions of the retailer, the following two sub-hypotheses were employed.

#### **Sub-Hypothesis 4a – The impact of ethnicity**

H4a<sub>0</sub>: Perceptions of whether the consumer will consider the size of the retailer's wine range are not affected by ethnicity.

H4a<sub>1</sub>: Perceptions of whether the consumer will consider the size of the retailer's wine range are affected by ethnicity.

#### **Sub-Hypothesis 4b – The impact of perceptions regarding the retailer’s wine range on the retailer’s importance**

H4b<sub>0</sub>: There is no relationship between the two ethnic groups’ perceptions of whether consumers will consider the size of the retailer’s wine range and the importance of the retailer.

H4b<sub>1</sub>: There is a relationship between the two ethnic groups’ perceptions of whether consumers will consider the size of the retailer’s wine range and the importance of the retailer.

#### **3.4.5 Hypothesis 5 – The impact of the retailer on the wine brand image**

A brand is a combination of elements that uniquely identify a product thereby distinguishing it from that of its competitors (Vrontis and Pappasolomou, 2007). Therefore, the retailer’s brand gives consumers a signal about the product quality, categories and price, etc. of the goods (Sanchez and Gil, 1998). Thus, the following hypothesis was constructed to examine whether different retailers’ brands give a different signal and affect the wine brand itself.

H5<sub>0</sub>: Perceptions of whether the image of a wine brand is the same when the wine is available in different kinds of retailers are not affected by ethnicity.

H5<sub>1</sub>: Perceptions of whether the image of a wine brand is the same when the wine is available in different kinds of retailers are affected by ethnicity.

### **3.4.6 Hypothesis 6 – The impact of the type of retailers**

This question will look at how the type of retailer affects consumption behaviour, especially the amount consumers expect to spend. The impact of ethnicity will, again, be taken into account.

A consumer's willingness to spend on wine may be affected by many factors. In this question, we use hypotheses to test the effects of ethnicity and retailer. Thus, this question contains two sub-hypotheses. The first focuses, on the one hand, on the impact of ethnicity on consumer's willingness to spend on wine. Therefore, ethnicity is the independent variable and the consumer's expected budget for wine is the dependent variable. On the other hand, the second sub-hypothesis looks at the effect of the type of retailer. In this case, the type of retailer is the independent variable and the consumer's expected budget for wine is the dependent variable.

H<sub>60</sub>: The type of retailer will not affect the two ethnic groups' expected budget for wine.

H<sub>61</sub>: The type of retailer will affect the two ethnic groups' expected budget for wine.

To analyze whether ethnicity will affect consumers' wine buying behaviour in the three types of retailer and whether there is a difference in the three types of retailer, two sub-hypotheses were proposed as follows:

### **Sub-Hypothesis 6a – The impact of ethnicity**

H6a<sub>0</sub>: The expected budget to spend on wine in liquor store, supermarket or online retailer is not affected by ethnicity.

H6a<sub>1</sub>: The expected budget to spend on wine in liquor store, supermarket or online retailer is affected by ethnicity.

### **Sub-Hypothesis 6b – The impact of the type of the retailer**

H6b<sub>0</sub>: There is no difference in the expected budget in the liquor store, supermarket and online retailer.

H6b<sub>1</sub>: There is a difference in the expected budget in the liquor store, supermarket and online retailer.

## **3.5 Chapter Summary**

This chapter has illustrated the two research models. In addition, it gave details of the construction of the six main research hypotheses and their sub-hypotheses. Research hypotheses 1 and 2 were developed, based on Model One, while research hypotheses 3, 4, 5 and 6 were constructed, based on Model Two. The six research hypotheses were generated to find out the impact of the retailer on the consumer's decision making when buying wine.

# **CHAPTER FOUR**

## **RESEARCH METHODS**

### **4.1 Chapter Overview**

Chapter Four begins with a description of the research design. This is followed by the research methods including the sampling design, data collection methods, the questionnaire design and the data analysis methods.

### **4.2 Research Design**

This research was designed to gather quantitative data. Questionnaires were used to collect the data and were designed based on the research objectives and hypotheses. Questions, including rating scales and multiple choices, were employed by the questionnaires and participants were recruited using combined convenience sampling, quota sampling and random sampling. A pilot test was used to test the questionnaire in order to make improvements and reduce potential problems (Malhotra et al., 2002). Moreover, a quantitative analysis method will be used to interpret the data.

### **4.3 Research Methods**

#### **4.3.1 Sampling Design**

- Target population

Because the legal drinking age in New Zealand is 18 and over, the target

population of this research is people who are over 18 and who have, at any time, bought wine in Christchurch.

➤ Sample Plan and Size

A sample survey was conducted to estimate the population attributes by using a multi-stage sampling method, including convenience sampling, quota sampling and random sampling. A usable sample size of 200 was adopted for this study; however, another wine researcher in Auckland had conducted personal interviews with 160 respondents (Wyllie, *et. al*, 1993). As shown in the census by Statistics New Zealand, the total population of Auckland was around 1,000,000 in 1993. In 2006, the total population of Christchurch was 350,000. By comparison, the target population for the previous wine research was nearly three times Christchurch's population today. To increase the reliability of the sample size in my research, a usable sample size of 200 was adopted, which is higher than that of Wylie's research (160) even though our target population is smaller than that of his.

In particular, the emphasis in selecting the sample was on obtaining certain subgroups of the population. Use of these methods was based on another wine study in Australia (Melbourne, Victoria), which also compared consumer behaviour in different cultural groups. It sampled 483 respondents including

people from different ethnic backgrounds by using a combination of convenience, quota and random sampling procedures (Hall et al., 1997).

### **Convenience Sampling**

First, convenience sampling was used to recruit the samples for this research. The number of wine consumers in Christchurch is unknown, which means there is no feasible population frame. Thus, convenience sampling was adopted to recruit participants from different levels (Alreck and Settle, 1995). For the exploratory study, students were used as they are recognized to be a valid sample as long as the questionnaire is related to the respondent (Singhapakdi *et al.*, 1996). Questionnaires were distributed to Lincoln and Canterbury university students from different ethnic groups. Moreover, to represent people from different levels of, income, education and age, some of the respondents were recruited from small enterprises and organizations that I have contact with (Insurance Plus, Wine + Glass, Raelene Rees Chartered Accountant, Windmill Furniture, Migration Bureau Consulting Group, NZ Police, and the BIG Group). These companies are all located in Christchurch and are different types of businesses.

### **Quota Sampling**

Secondly, as one of the aims of this research was to study the ethnic consumers' behaviour when buying wine based on two ethnic segments, a quota sampling method was used and was in accordance with the two ethnicities' proportions in

Christchurch's population. As shown in the Table 1 previously, Europeans account for 75% of the total Christchurch population while 25% of the population consists of other ethnic groups. Consequently, the survey was continued until usable questionnaires were collected and included 150 people of European ethnicity and 50 of other ethnicities. Therefore, the quota sampling ensured the sample resembled the ethnic composition of Christchurch.

### **Random Sampling**

Thirdly, random sampling was adopted. The survey was carried out in the libraries at Lincoln and Canterbury Universities, the Riccarton Mall and the small enterprises and organisations I have contact with. I conducted a systematic random sampling in the mall and the two university libraries. Every fifth person was petitioned to fill in the questionnaire. All the people in the small enterprises and organisations were approached and asked to fill in the questionnaire. All could choose to fill in the questionnaire or not, so the survey was non-enforced and it was impossible to know respondents' answers beforehand.

### **4.3.2 Data Type and Data collection**

This research used primary data obtained by communication. Face-to-face interviews and the self-administered questionnaire method were used in this study. A structured survey was conducted by using questionnaires to gather the data from consumers. The questionnaires were designed to gather quantitative data and the questions asked

included the respondent's age, sex, income, ethnic group and preferred location for buying wines. Questions such as the respondent's opinion and attitude toward wine retailers were also asked.

### **4.3.3 The development of the questionnaire**

Multiple choice questions and rating scale questions were developed based on the research hypotheses in the questionnaires. Rating scale questions were especially designed to analyse respondents' perceptions of the nine brand associations and the three types of retailers as scale is recognized as suitable for measuring people's perceptions and attitudes (Sarantakos, 1993). The research questionnaire had three parts.

The first part concerned consumers' understanding of the wine and consumer behaviour when choosing a wine brand to purchase. This part was used in order to know the respondents' frequency of wine consumption; the answer can help understand the wine awareness of consumers. This will give a better understanding of whether there are correlations between consumers' past wine experience, cultural backgrounds and their decision-making processes. Secondly, some questions regarding consumer behaviour when buying wine were asked. Such questions included asking about what was first considered when choosing a wine brand, for example, the wine's packaging, price, manufacture, retailer, etc, so as to discover the ultimate reason for the consumer choosing one particular wine brand over the others.

The perception of a product's brand is affected by both primary brand associations and secondary brand associations. Thus, the results of this part show the kinds of wine brand associations and which wine brand associations are considered to be more important to Christchurch consumers. It can help give a general idea of not only the kind of brand association that adds more value to the product from the consumer's perspective, but also provide information on whether Christchurch's wine retailers are recognized as more important than other wine brand associations.

The second part asked respondents about their perceptions of three different kinds of retailers. In this research, retailers were grouped into three categories. The questions in this part help to answer whether consumers have recognized or considered the differences among these three kinds of retailers. If the consumers notice the differences in these retailers, the impact of different retailers on consumers' purchasing decisions may vary. This is relevant to the research question because it will provide a further look at different kinds of retailers instead of retailers as a whole. Therefore, this research needed to include these questions.

The last part of the questionnaire was designed to collect respondents' personal information, including ethnicity, age and sex. The reasons for designing the final part of the questionnaire were as follows. As mentioned in the literature review, ethnicity is one of the important factors that affect consumers' behaviour: therefore, it is necessary to collect data on consumers' ethnicity. Knowing the consumer's ethnic

group, age, sex, etc, can help give a better understanding of consumers' behaviour when buying wine and make this study more meaningful and accurate because any of these factors may have a particular impact on consumers' decision-making processes.

#### **4.3.4 Data Analysis**

This research used quantitative data to examine the relationships among retailers' brands, consumers' buying decisions and wines' brand values. A statistical programme called Statistical Package for the Social Sciences (SPSS) was used to analyze the data. When analyzing the data, it began with data coding and data entry. This research contains both descriptive statistics and inferential statistics. Descriptive statistics include analysis of the respondents' general information (e.g. age, gender, sex, income, education). Inferential statistics were used to test the research hypotheses and the relationships within the research models. In particular, the Pearson Correlation test was used to discover the associations of each of the nine brand associations with the consumer's wine spending. A t-Test was used to compare the differences in wine evaluation patterns between the two ethnic groups and to compare their expected wine budget in the liquor store, supermarket and online retailer. A Chi-Square test was used to discover the relationships between nominal variables such as the associations between perceptions of wine and the perceived importance of the retailer. Analysis of Variance (ANOVA) was used to analyze whether there are differences between consumers' expected budget in the three types of retailers. The Bonferonni test was employed further to the ANOVA test to find out how different

the three types of retailers were.

#### **4.4 Chapter Summary**

Chapter four has discussed the research methods. A sample survey was conducted and a questionnaire was designed to gather quantitative data including rating scales and multiple choices questions. Two hundred people, including 150 Europeans and 50 of other ethnicities, were sampled using multi-stage sampling methods, including convenience sampling, quota sampling and systematic random sampling. The collected data were analyzed by using a statistical programme called Statistical Package for the Social Sciences (SPSS).

# **CHAPTER FIVE**

## **RESEARCH FINDINGS**

### **5.1 Chapter Overview**

This chapter presents the results and findings of this research. First, it provides general descriptive information including the research response rate, the respondents' gender, sex, education, income and ethnicity. Secondly, it describes the findings regarding the consumers' perceptions of wine and retailers, the wine type they usually purchased and their attitudes about buying wine online. Lastly, the results of each of the research hypotheses will be illustrated and summarized.

### **5.2 General Descriptive Information**

#### **5.2.1 Research Response Rate and Ethnicity**

This survey was carried out over one month. Some of the respondents had never bought wine and were, therefore, excluded from the analysis of this research. As mentioned in the research methods chapter, the survey was delivered until the required number of people in each ethnic group was collected and matched Christchurch's ethnicity characteristics, as shown in Statistics New Zealand. Therefore, 200 valid respondents were used and the composition of the sample included 150 Europeans and 50 of other ethnicities (Figure 5.1). Most of the

questionnaires were answered completely except for a few questionnaires that had one or two missing answers.

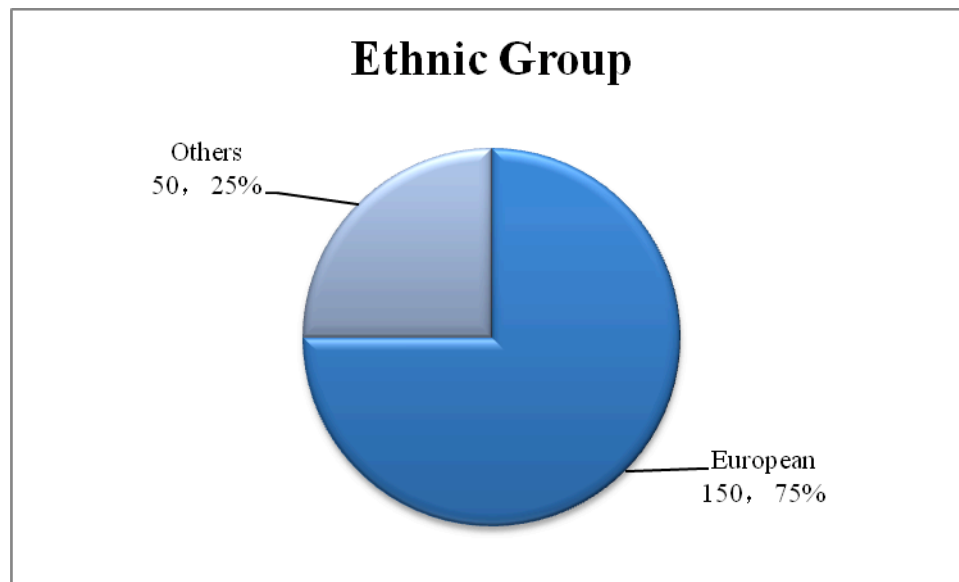


Figure 5.1 Ethnicity of respondents

### 5.2.2 Gender, Age, Income and Education

In this research, there were a few more male respondents, but the percentage of female and male was nearly the same with 46.5% female and 53.5% male.

In terms of respondents' ages, more than half of the sample population (77%) were under 40 years old. The most common age group was between 18-30 years of age

(62%). There were 15%, 11.5%, 9.0% and 2.5% of people aged between 31-40, 41-50, and 50-61, respectively (Figure 5.2).

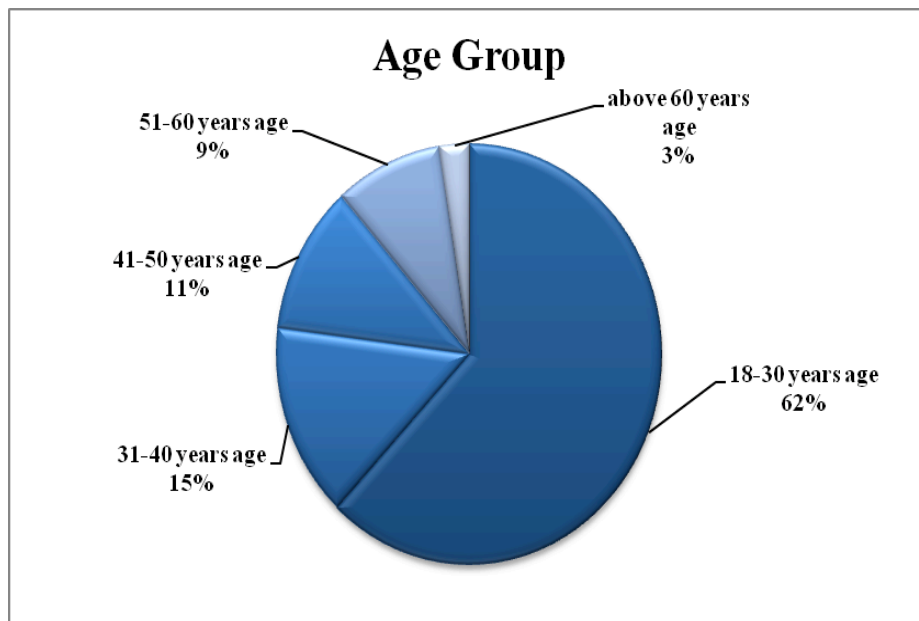


Figure 5.2 Age Group of respondents

### 5.2.3 Past Wine Experience & Purchasing

The following sections provide the results of the respondents' past wine experiences and purchasing preferences.

Most of the respondents (83.4%) usually buy wine for personal consumption while only 16.6% buy for gift purposes (Figure 5.3). Figure 5.4 shows that the majority of the respondents (87.8%) seldom buy wine fewer than five times a month. That 6.6% of the respondents purchase wine more than eight times per month suggests that they buy wine more than twice per week. Some 5.6% of respondents buy wine five to eight

times per month.

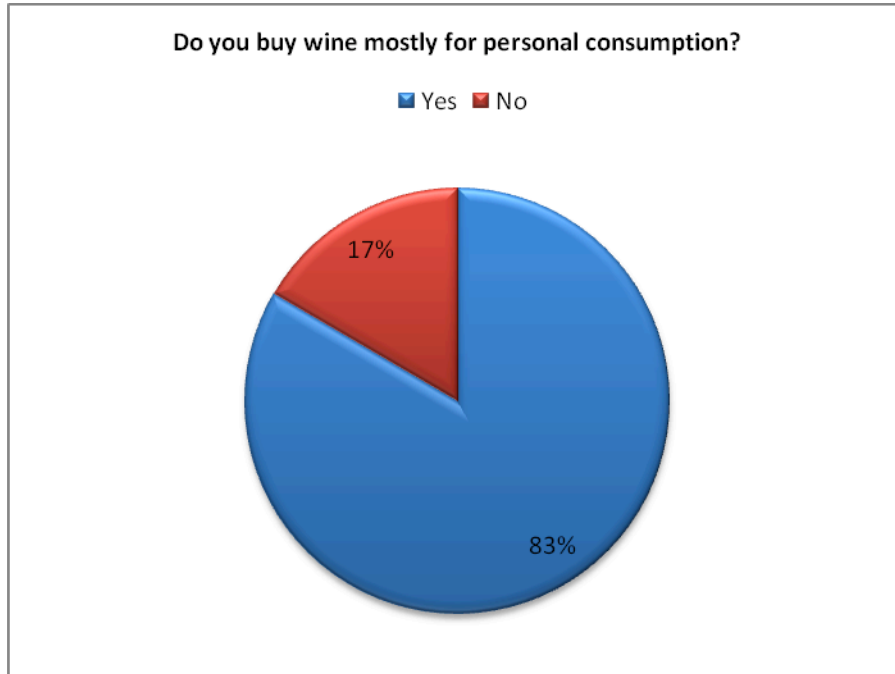


Figure 5.3 Respondent's Wine Purchasing Reason

How many times in a month do you purchase a bottle of wine?

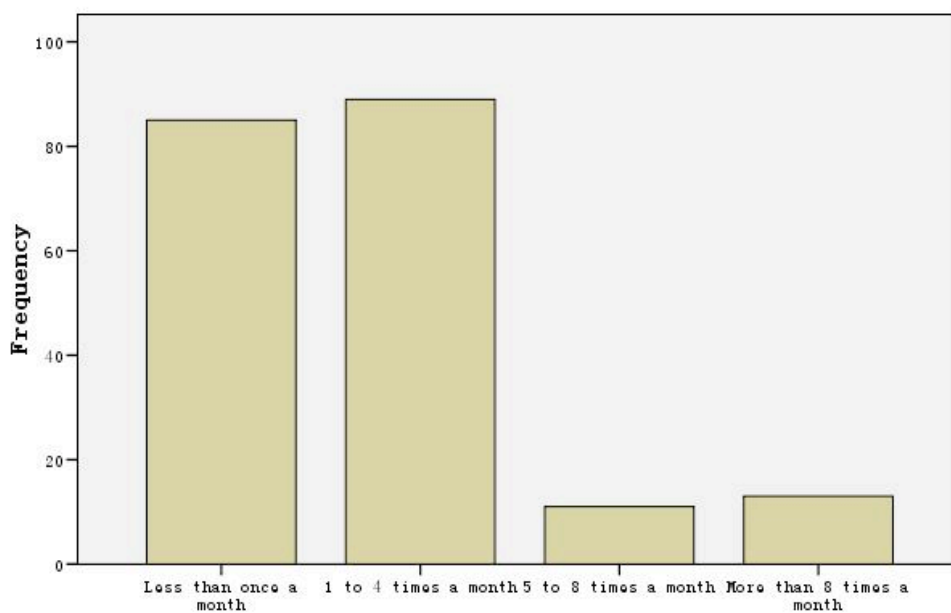


Figure 5.4 Respondents' Wine Purchasing Frequency

## 5.2.4 Preference for Retailer

The most common type of retailer outlet from which consumers usually purchase wine was the supermarket (78.9%) following by the liquor store (35.7%), other stores (3.5%). The least common type of retailer was the online store (1.5%) (Figure 5.5).



Figure 5.5 Retailer type from which respondents usually purchase wine

The reasons respondents usually bought wine from the type of retailer they chose were ease of location (59.5%), followed by price (42.5%), with normal grocery shopping (39%). (Figure 5.6). These results are consistent with several other wine studies (Wyllie, 1993; Wette et al., 1993).

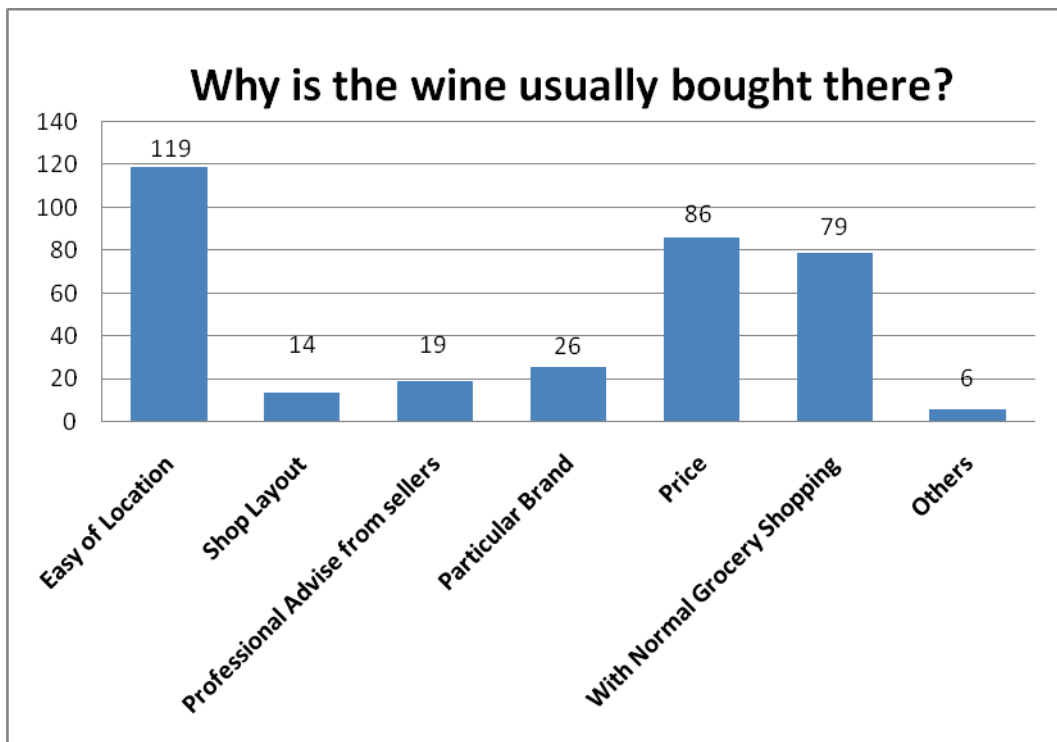


Figure 5.6 Reason respondents usually buy wine from their chosen retailer

### 5.2.5 Perception of the Online Wine Retailer

It is shown in the literature and studies that internet electronic commerce has grown very rapidly. Online shopping has often been studied as one of the topics of the electronic marketplace or electronic consumer marketing (Jiaoguo, 2001).

As Figure 5.7 shows, only 21 out of 200 respondents (10.5%) had online wine shopping experience and 28 (17%) respondents thought they would keep using the internet to buy wine or would use it sometime in the future (Figure 5.8). Also, 38 respondents answered 'don't know' which was excluded from Figure 5.8. The results show that online wine shopping is not very popular with individual Christchurch consumers.

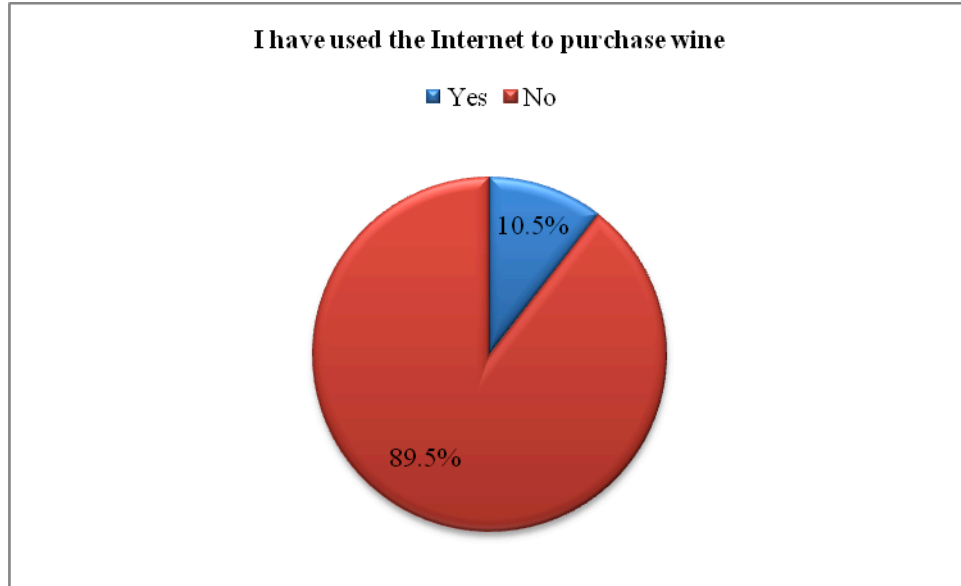
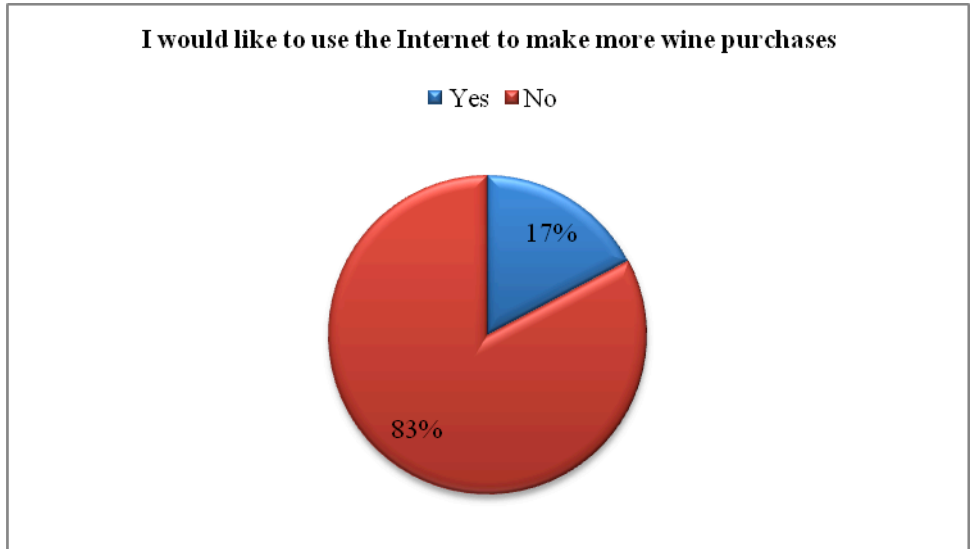
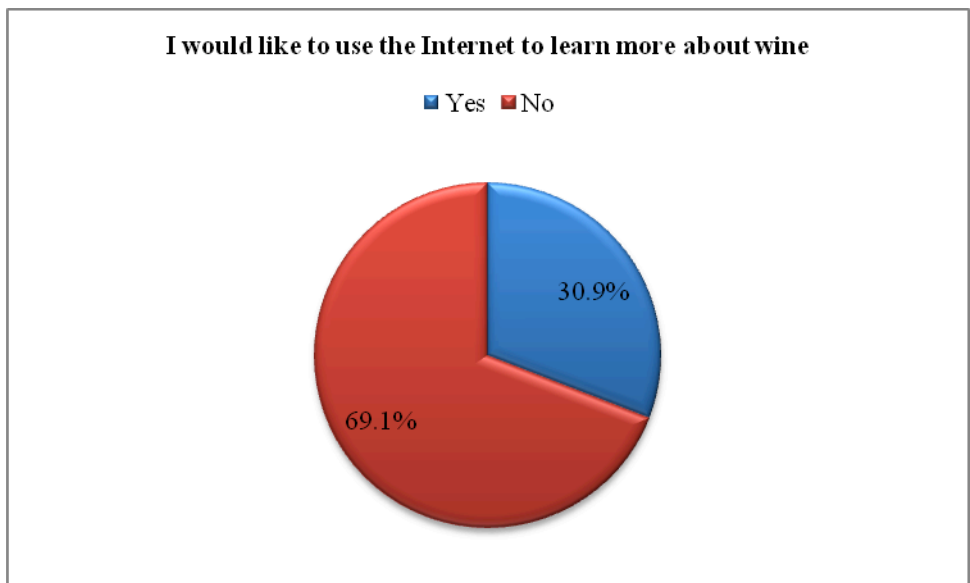


Figure 5.7 Respondents' online wine shopping experience



**Figure 5.8 Respondents' willingness to use the Internet to make more wine purchases**

However, some of the respondents were willing to use the internet for searching for information about wine and one third of the sample population (30.9%) stated that they would like to use the internet to learn about wine. As a result, it can be seen that online wine shopping in New Zealand is still in its early stages (Figure 5.9).



**Figure 5.9 Respondents' willingness to use the internet to learn more about wine**

## **5.3 Research Hypotheses Results**

In this research, there were six main hypotheses generated to examine whether ethnic consumers consider the relevance of retailers when they are purchasing wine. Each of the research hypotheses were tested by using statistical methods. The following sections describe the detailed results of these tests. Descriptive statistics of each hypothesis will be presented followed by the inferential statistics of the hypothesis results.

### **5.3.1 The impact of nine brand associations on consumer behaviour**

The following sections analyze Christchurch consumers' wine spending behaviour. The influence of the nine brand associations on consumers' wine spending behaviour will also be presented.

In this research, consumer's wine buying behaviour was originally indicated by the wine type that respondents usually purchased and results show that the most common wine type is mid-range wines (\$12-\$20) as half of the total respondents (52.3%) chose this option followed by value wines. More than one third of the sample population (35.7%) mostly purchased wines which were valued at under \$12. The wine types which were not very popular are upscale wines (\$21-\$40) and high end wines (more than \$40) with a total of 12.1% of the respondents ticking these two options (Figure 5.10).

### What type of wine do you mostly purchase?

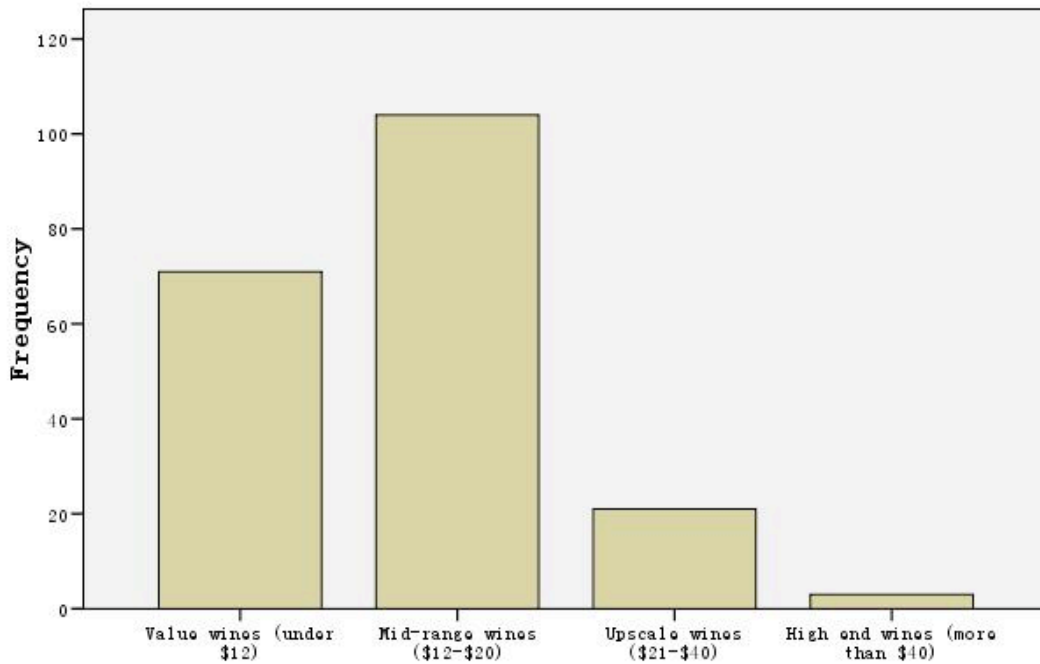


Figure 5.10 Type of wine respondents mostly purchased

### Hypothesis Test

A hypothesis was generated to analyze the overall evaluation pattern of Christchurch consumers' wine purchasing and how this affected their wine purchasing behaviour. It looked at whether the nine brand associations (independent variables) affected Christchurch consumers' wine spending (dependent variables). The Pearson Correlation test was used to analyze these relationships.

To examine the relationship between nine brand associations and the amount Christchurch consumers spent on wine, a hypothesis was constructed as follows:

H1<sub>0</sub>: All of the nine brand associations have an impact on the amount Christchurch consumers spent on wine.

H1<sub>1</sub>: Not all of the nine brand associations have an impact on the amount Christchurch consumers spent on wine.

The Pearson Correlation was used to test the relationship. It measures the strength of the linear relationship between two interval or ratio variables and approximately normally distributed. This hypothesis measured whether the amount consumer spent on wine had a positive or negative relationship with consumer's perceived importance of each of the nine brand associations. In this case, as both "the amount the consumer spent on wine" and "the perceived importance of each of the nine brand associations" were interval variables, this hypothesis was, therefore, suitable to be tested by the Pearson Correlation. Table 5.1 and Figure 5.11 indicate that the independent variables – *Importance of the Packaging of the Wine, Importance of the Characteristics of the Wine, Importance of the Quality of the Wine, Importance of the Country of Origin, Importance of the Wine Producer, Importance of the Wine Retailer and Retailer Staff Qualities* were positively related to the dependent variable – the money spent on wine. That meant Christchurch wine consumers preferred to buy a higher price range of wine as the perceived importance of these variables increased. And, in the same way, as for most of the other products, *Importance of the Price of the Wine* was negatively related to the dependent variable – the money spent on wine, which was supported at the significance level of 0.01. The

data showed a positive relationship between the variable - Importance of Events and the dependent variable – the money spent on wine. However, it was not statistically significant at the significance level of 0.05. Therefore, the null hypothesis was rejected as not all the nine brand associations had an impact on the amount that Christchurch consumers spent on wine. In particular, the impact of associations including wine attributes, packaging, price, quality and country of origin on consumer’s behaviour were consistent with several wine researchers (Orth et al., 2005; Yasin, et al., 2007; Batt and Dean, 2000; Dodd, 1995; Dodd and Gustafson, 1997; Zanten, 2005; Thomas, 2000).

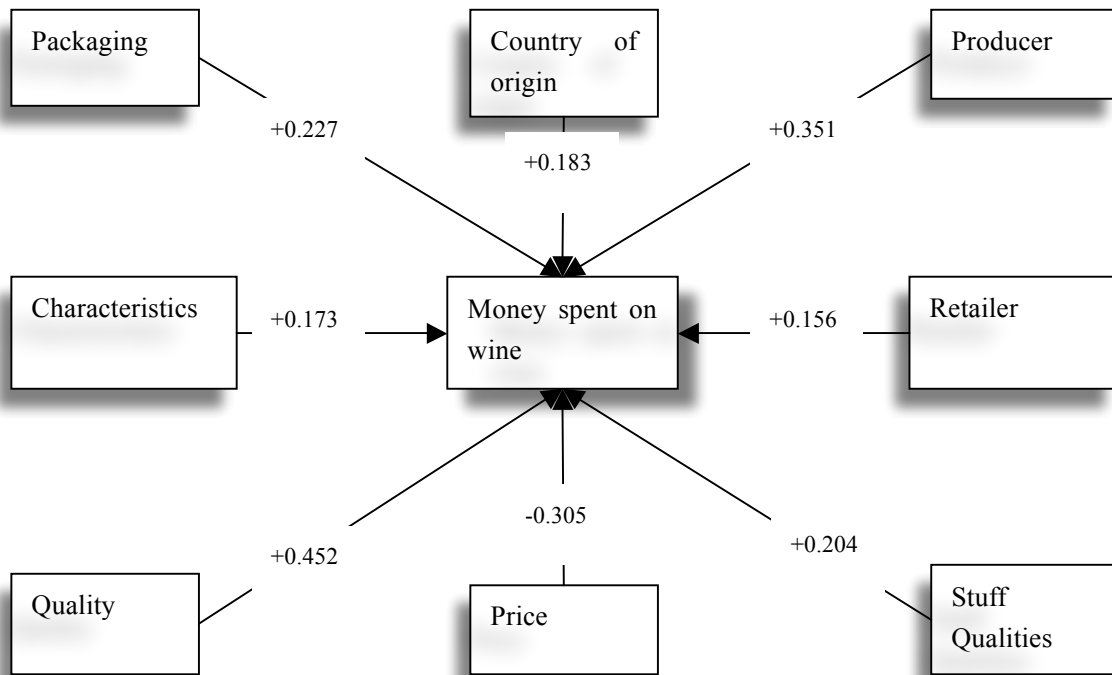
<b>Variable</b>	<b>Pearson Correlation</b>	<b>Sig(2-tailed)</b>
Packaging	0.227**	<b>0.001</b>
Characteristics	0.173*	<b>0.015</b>
Quality	0.452**	<b>0.000</b>
Price	-0.305**	<b>0.000</b>
Country	0.183**	<b>0.010</b>
Events	0.071	0.320
Producer	0.351**	<b>0.000</b>
Retailer	0.156*	<b>0.028</b>
Staff	0.204**	<b>0.004</b>

\*\* . Correlation is significant at the 0.01 level (2-tailed).

\* . Correlation is significant at the 0.05 level (2-tailed).

**Table 5.1 Pearson Correlation: Correlation between the amounts spent on wine and the respondents’ perceived importance of the nine brand associations**

Figure 5.11, following, therefore shows the results of the overall evaluation pattern for the Christchurch wine consumers. Each of the eight brand associations had a certain degree of impact on the amount that Christchurch consumers spent on wine.



**Figure 5.11 Pearson Correlation: Correlation between the amounts spent on wine and respondents' perceived importance of eight brand associations**

### **5.3.2 The wine evaluation patterns between the two ethnic groups**

The following sections outline the two ethnic groups' mean scores for the perceived importance of each of the nine brand associations. These sections also analyze whether some differences exist between the two ethnic groups regarding the way they perceive the nine brand associations when they are buying wine.

To examine whether different ethnic groups will have different product evaluation patterns and if so what are the differences, the second main research hypothesis was constructed as follows:

H2<sub>0</sub>: The product evaluation patterns within different ethnic groups are the same.

H2<sub>1</sub>: The product evaluation patterns within different ethnic groups are different.

This hypothesis aimed to compare the perceived importance of each of the nine brand associations between the two ethnic groups. In the questionnaire, the perceived importance of the brand association was measured at five ordinal scales that represent different degrees of importance. Mean score was applicable when the responsible levels were measured at an ordinal scale. Table 5.2 shows that the mean score was calculated for each of the brand associations for both European and Non-European consumers. Results revealed that the Europeans were most concerned with the characteristics of the wine (M=3.91) followed by the price of the wine (M=3.89), the quality of the wine (M=3.81), the packaging of the wine (M=2.91), the country of

origin (M=2.90), the wine producer (M=2.83), the qualities of the staff (M=2.31) and the events (M=2.26), and they were least concerned with the importance of the retailer, as the mean was equal to 2.09. For other ethnic groups, they focussed most on the quality of the wine (M=4.35), followed by characteristics of the wine (M=4.12), price of the wine (M=3.80), country of origin (M=3.54), packaging of the wine (M=3.16), wine producer (M=3.08), events (M=3.02), staff qualities (M=2.82) and retailer (M=2.66).

	Ethnic Group	N	Mean	Std. Deviation	Std. Error Mean
Importance of the Packaging of the Wine	European	150	<b>2.91</b>	1.183	0.097
	Others	49	<b>3.16</b>	1.214	0.173
Importance of the Characteristics of the Wine	European	149	<b>3.91</b>	1.042	0.085
	Others	49	<b>4.12</b>	1.033	0.148
Importance of the Quality of the Wine	European	149	<b>3.81</b>	1.057	0.087
	Others	49	<b>4.35</b>	0.903	0.129
Importance of the Price of the Wine	European	150	<b>3.89</b>	0.952	0.078
	Others	50	<b>3.80</b>	0.969	0.137
Importance of the Country of Origin	European	150	<b>2.90</b>	1.278	0.104
	Others	50	<b>3.54</b>	1.328	0.188
Importance of Events	European	150	<b>2.26</b>	1.039	0.085
	Others	50	<b>3.02</b>	1.186	0.168
Importance of the Wine Producer	European	150	<b>2.83</b>	1.186	0.097
	Others	50	<b>3.08</b>	1.209	0.171
Importance of the Retailer	European	150	<b>2.09</b>	1.029	0.084
	Others	50	<b>2.66</b>	1.154	0.163
Importance of Staff Qualities	European	150	<b>2.31</b>	2.588	0.211
	Others	50	<b>2.82</b>	1.224	0.173

**Table 5.2 Mean scores for the importance of the nine brand associations for the two ethnic groups**

## Hypothesis Test

A t-Test was used to test the means of the importance of the nine brand associations for the two ethnic groups. By comparing the mean scores of each secondary brand association between European and other ethnic groups, the t-Test table (Table 5.3) showed that statistically significant differences existed between ethnic groups in determining the importance of the quality of wine, country of origin, events and retailers because the test statistics, Sig. equal to 0.002, 0.003, 0.000 and 0.001, respectively, were under the significance level ( $\alpha=0.05$ ). Therefore, the null hypothesis was rejected and this showed that differences exist. This was consistent with the result of other wine research which showed that race leads to different consumer behaviour (Hussain et al., 2007).

	t-test for Equality of Means						
	T	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
Importance of the Packaging of the Wine	-1.309	197	0.192	-0.257	0.196	-0.643	0.130
Importance of the Characteristics of the Wine	-1.264	196	0.208	-0.216	0.171	-0.554	0.121
Importance of the Quality of the Wine	-3.220	196	<b>0.002</b>	-0.542	0.168	-0.873	-0.210
Importance of the Price of the Wine	0.555	198	0.580	0.087	0.156	-0.221	0.395
Importance of the	-3.036	198	<b>0.003</b>	-0.640	0.211	-1.056	-0.224

Country of Origin							
Importance of Events	-4.320	198	<b>0.000</b>	-0.760	0.176	-1.107	-0.413
Importance of the Wine Producer	-1.302	198	0.194	-0.253	0.195	-0.637	0.130
Importance of the Retailer	-3.308	198	<b>0.001</b>	-0.573	0.173	-0.915	-0.232
Importance of Staff Qualities	-1.351	198	0.178	-0.513	0.380	-1.262	0.236

**Table 5.3 T-Test: Comparisons of the means of the nine brand associations' perceived importance by the two ethnic groups**

### 5.3.3 Perceptions regarding wine drinking

The following sections will analyze the two ethnic groups' perceptions and attitudes regarding drinking wine and its impact on their perceived retailer importance when purchasing wine. Two sub-hypotheses were generated to test the relationships and the results are outlined.

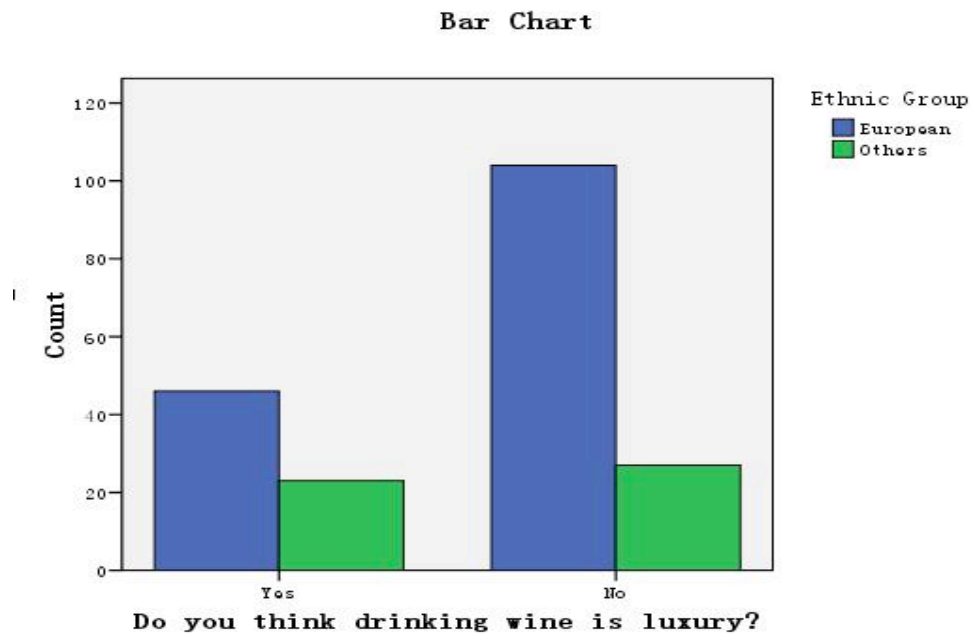
First, to analyze whether there is a difference between ethnic groups in attitude towards drinking wine, a hypothesis was constructed as follows:

H3a<sub>0</sub>: Perceptions regarding whether drinking wine is a luxury are not affected by ethnicity.

H3a<sub>1</sub>: Perceptions regarding whether drinking wine is a luxury are affected by ethnicity.

More than half the total respondents (65.5%) think drinking wine was not a luxury.

The bar chart shows that more than two thirds of the Europeans do not think drinking wine was a luxury while half of the other ethnic groups agree it was a luxury (Figure 5.12).



**Figure 5.12 Respondents' perceptions regarding whether drinking wine is a luxury or not**

### **Hypothesis Test**

This hypothesis was to find out the relationship between “perceptions regarding whether drinking wine” and “ethnicity”, as the two categorical variables. Categorical variables take on values that are names or labels. The Chi-Square test for independence was suitable for determining whether there was a significant association between the two categorical variables. Also, both events considered in the hypothesis must be mutually exclusive and have total probability. In this case, the two variables

in this hypothesis were both mutually exclusive, so Chi-Square can be applied (Plackett, 1983). Therefore, in this case, by carrying out the Chi-Square Test (Table 5.4) on the answers of the two ethnic groups, results showed that the Sig. value was 0.048, which is below the significance level ( $\alpha = 0.05$ ). Therefore, the null hypothesis was rejected. We concluded that there were statistically significant differences between the two ethnic groups' perceptions, in which, Europeans think drinking wine was not a luxury while other ethnic groups considered it was a luxury.

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	3.902(b)	1	<b>0.048</b>		
Continuity Correction(a)	3.253	1	0.071		
Likelihood Ratio	3.802	1	0.051		
Fisher's Exact Test				0.059	0.037
Linear-by-Linear Association	3.882	1	0.049		
N of Valid Cases	200				

a Computed only for a 2x2 table

b No cells (.0%) have an expected count of less than five. The minimum expected count is 17.25.

**Table 5.4 Chi-Square: Relationship between ethnicity and the respondent's perception of whether drinking wine was a luxury or not**

Secondly, to examine the impact of the two ethnic groups' perceptions regarding drinking wine on the way they perceive the retailer, a hypothesis was constructed as follows:

H3b<sub>0</sub>: There is no relationship between the two ethnic groups' perceptions regarding drinking wine and the importance of the retailer.

H3b<sub>1</sub>: There is a relationship between the two ethnic groups' perceptions regarding drinking wine and the importance of the retailer.

### **Hypothesis Test**

This hypothesis was to find out the relationship between “the two ethnic groups' perceptions regarding drinking wine” and “the importance of the retailer” as the two categorical variables. Categorical variables take on values that are names or labels. The Chi-Square test for independence was suitable for determining whether there was a significant association between the two categorical variables. Also, both events considered in the hypothesis must be mutually exclusive and have total probability (Plackett, 1983). In this case, the two variables in this hypothesis were both mutually exclusive, so Chi-Square can be applied in the hypothesis. Therefore, the Chi-Square Test (Table 5.5 & 5.6) was used to analyze the relationships for each ethnic group. Results showed that for Europeans and other ethnic groups, the Sig. was equal to 0.62 and 0.887, respectively which were greater than the significance level at 0.05. Therefore, the perceptions of both Europeans and other ethnic groups regarding

drinking wine do not statistically significantly affect the perceived importance of the retailer. Thus, the null hypothesis was not rejected. We can conclude that the perceived importance of the retailer was not statistically significantly affected by the two ethnic groups' perceptions regarding drinking wine.

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	2.637(a)	4	0.620
Likelihood Ratio	3.584	4	0.465
Linear-by-Linear Association	1.888	1	0.169
N of Valid Cases	150		

a Three cells (30.0%) have an expected count of less than five. The minimum expected count is 0.92.

**Table 5.5 Chi-Square: Relationship between the European respondents' perceptions of drinking wine and the importance of the retailer.**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.147(a)	4	0.887
Likelihood Ratio	1.187	4	0.880
Linear-by-Linear Association	.084	1	0.772
N of Valid Cases	50		

a Six cells (60.0%) have an expected count of less than five. The minimum expected count is 1.84.

**Table 5.6 Chi-Square: Relationship between the other ethnic group respondents' perceptions of drinking wine and the importance of the retailer.**

### 5.3.4 The impact of the retailer's wine range

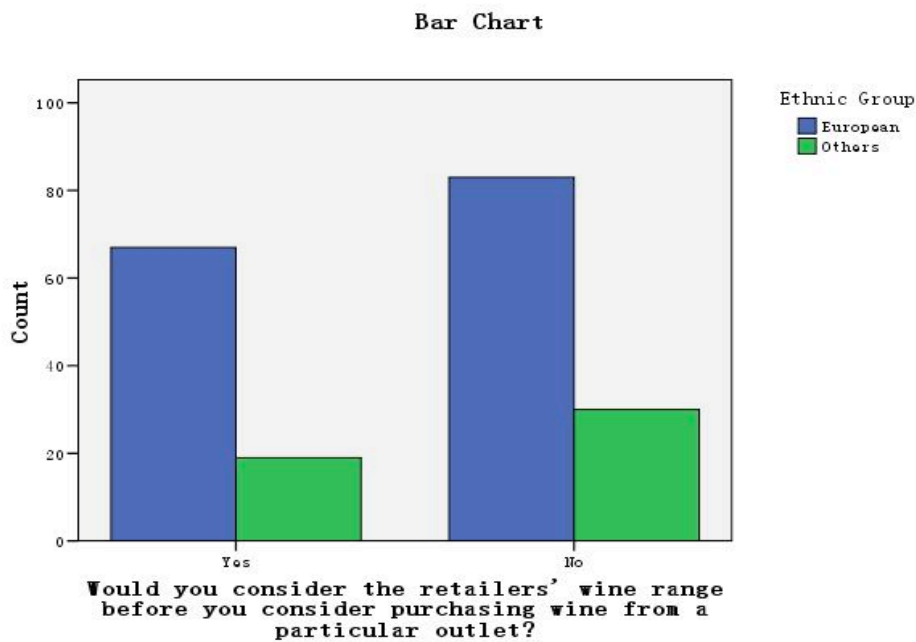
The aim of this hypothesis was to find out if there were any difference between the two ethnic groups' purchasing decisions from retailers with different sized wine product ranges and whether there was a relationship between whether the consumer will consider the wine product range and the importance of the retailer. Two sub-hypotheses were constructed to examine the relationships.

First, to analyze attitudes of the two ethnic groups in regard to whether they will consider the size of the retailer's wine range, a hypothesis was constructed as follows:

H4a<sub>0</sub>: Perceptions of whether the consumer will consider the size of the retailer's wine range are not affected by ethnicity.

H4a<sub>1</sub>: Perceptions of whether the consumer will consider the size of the retailer's wine range are affected by ethnicity.

Figure 5.13 indicates that there were more respondents, in total, who do not consider the retailers' wine range before they choose where to buy wine than those who do, especially for other Ethnic Groups, with 61.2% and 55.3%, for European.



**Figure 5.13 Respondents' perceptions of whether they will consider the retailer's wine range**

### **Hypothesis Test**

In this case, in order to test the relationship between “the ethnic groups” and “whether people will consider the retailers' wine range or not” as the two categorical variables so the Chi-square test was applied. The Chi-Square test for independence was suitable for determining whether there was a significant association between the two categorical variables. Categorical variables take on values that are names or labels. Both events considered in the hypothesis must be mutually exclusive and have total

probability (Plackett, 1983). In this case, the two variables in this hypothesis were both mutually exclusive, so Chi-Square can be applied. The result showed that there was no statistically significant relationship between the ethnic groups and whether people will consider the retailers' wine range or not as the Asymp. Sig. value was 0.47, which is over the significance level of  $\alpha=0.05$  (Table 5.7). Therefore, the null hypothesis was not rejected and we can conclude that there were no statistically significant differences between the two ethnic groups' perceptions of whether they will consider the size of the retailer's wine product range before buying wine or not.

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	0.522(b)	1	<b>0.470</b>		
Continuity Correction(a)	0.310	1	0.578		
Likelihood Ratio	0.526	1	0.468		
Fisher's Exact Test				0.510	0.290
Linear-by-Linear Association	0.520	1	0.471		
N of Valid Cases	199				

a Computed only for a 2x2 table

b No cells (.0%) have an expected count of less than five. The minimum expected count is 21.18.

**Table 5.7 Chi-Square Tests: Relationship between ethnicity and consumers' perceptions of whether they will consider the size of the retailer's wine range**

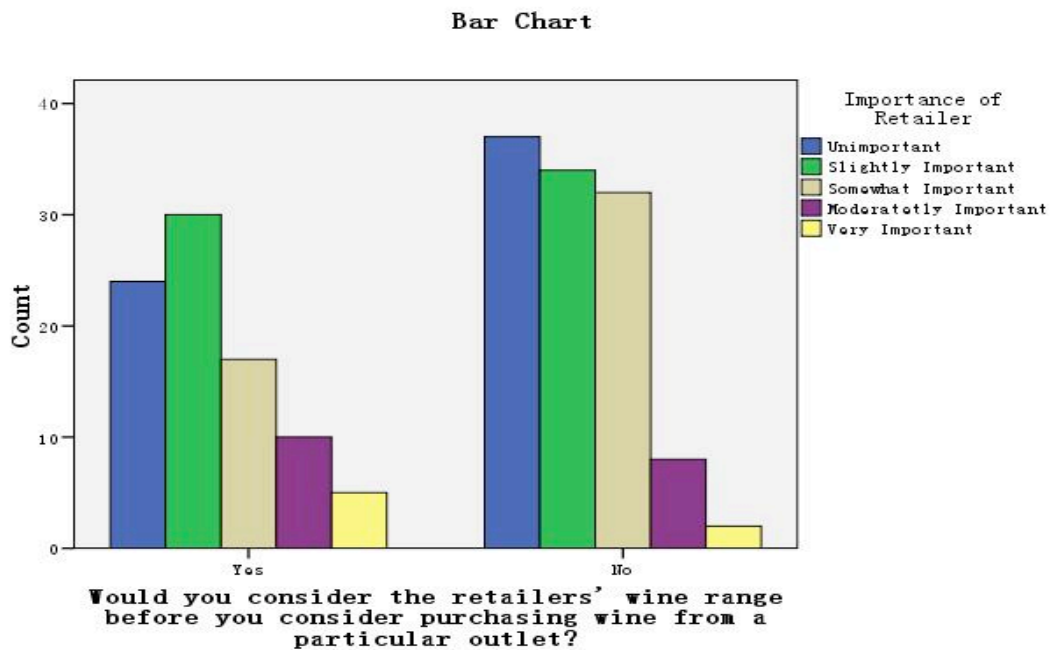
Secondly, to analyze whether there was a relationship between whether the consumer will consider the wine product range and the importance of the retailer, a sub-hypothesis was constructed as follows:

H4b<sub>0</sub>: There is no relationship between the two ethnic groups' perceptions of whether consumers will consider the size of the retailer's wine range and the importance of the

retailer.

H4b<sub>1</sub>: There is a relationship between the two ethnic groups' perceptions of whether consumers will consider the size of the retailer's wine range and the importance of the retailer.

Of the respondents who said they do not consider the size of the retailer's wine range, most perceived the retailer as not very important. It was interesting that most of the people who considered the size of the retailer's wine range also perceived the retailer as not very important (Figure 5.14).



**Figure 5.14 Relationship between whether respondents consider the size of the retailer's wine range and the perceived importance of the retailer**

## **Hypothesis Test**

To further investigate the relationship between “whether respondents consider the size of the retailer’s wine range” and “the perceived importance of the retailer”, a Chi-Square test to compare these two variables was carried out for each ethnic group (Table 5.8 & 5.9). Chi-Square analysis is suitable for evaluating whether or not the two variables within a contingency table are independent, or that there is no association between them. Both events considered must be mutually exclusive and have total probability (Plackett, 1983). In this case, the two variables in this hypothesis were both mutually exclusive, so Chi-Square can be applied. Results revealed that for both ethnic groups, there was no statistically significant relationship between whether consumers consider the retailer’s wine range and the perceived importance of the retailer. Asymp. Sig. for Europeans and other ethnic groups equal to 0.143 and 0.902, respectively, which were all greater than the significance level 0.05, so it did not reject the null hypothesis and confirmed that the perceived importance of the retailer was not affected by the two ethnic groups’ perceptions of whether they consider the retailer’s wine range.

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	6.870(a)	4	0.143
Likelihood Ratio	8.001	4	0.092
Linear-by-Linear Association	2.152	1	0.142
N of Valid Cases	150		

a Three cells (30.0%) have expected count less than five. The minimum expected count is 1.34.

**Table 5.8 Chi-Square Test: Relationship between whether European respondents consider the size of the retailer’s wine range and the perceived importance of the retailer**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.048(a)	4	0.902
Likelihood Ratio	1.065	4	0.900
Linear-by-Linear Association	.022	1	0.882
N of Valid Cases	49		

a. Six cells (60.0%) have an expected count of less than five. The minimum expected count is 1.55.

**Table 5.9 Chi-Square Test: Relationship between whether other ethnic respondents consider the size of the retailer’s wine range and the perceived importance of the retailer**

### 5.3.5 The impact of the retailer on the wine brand image

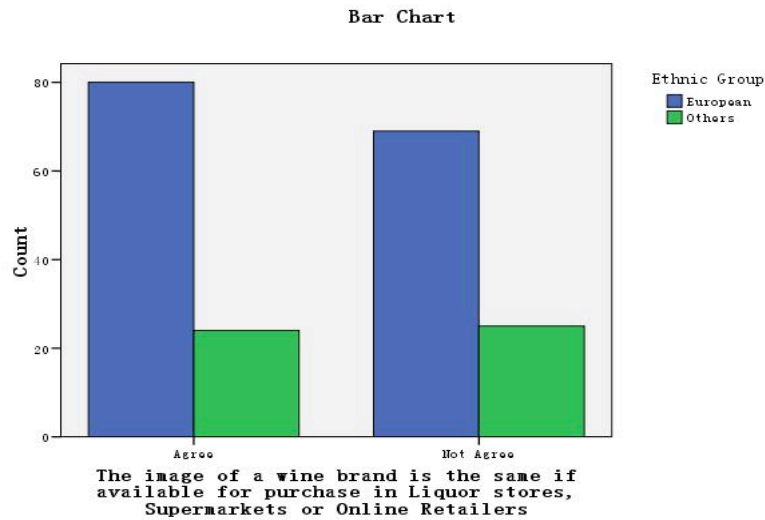
To examine whether differences existed in the two ethnic groups’ perceptions regarding whether the brand image of a product will vary in different kinds of retailers, a hypothesis was constructed as follows:

H5<sub>0</sub>: Perceptions of whether the image of a wine brand is the same when the wine is available in different kinds of retailers are not affected by ethnicity.

H5<sub>1</sub>: Perceptions of whether the image of a wine brand is the same when the wine is available in different kinds of retailers are affected by ethnicity.

For European respondents, half of them (53.7%) agreed that a wine brand was the same if available for purchase in liquor stores, supermarkets or online retailers. Also, for other ethnic respondents, 50% of them agreed that a wine brand was the same if

available for purchase in different kinds of retailers (Figure 5.15).



**Figure 5.15 Respondents' perceptions regarding whether the image of a wine brand is the same**

### **Hypothesis Test**

This hypothesis was to analyze the relationship between “perceptions of whether the image of a wine brand was the same when the wine was available in different with “kinds of retailers” and “ethnicity” as the two categorical variables. Chi-Square analysis is suitable for evaluating whether or not the two categorical variables within a contingency table are independent, or that there is no association between them. Both events considered must be mutually exclusive and have total probability (Plackett, 1983). In this case, the two variables in this hypothesis were both mutually exclusive, so Chi-Square can be applied. By carrying out the Chi-Square test, results showed that Asymp. Sig. equals to 0.567 which was less than the significance level

( $\alpha=0.05$ ). Therefore, it did not reject the null hypothesis and we can conclude that there was no statistically significant relationship between ethnic groups and whether people think the image of a wine brand was the same if available for purchase in a liquor store, supermarket or online retailer (Table 5.10).

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	0.328(b)	1	<b>0.567</b>		
Continuity Correction(a)	0.167	1	0.683		
Likelihood Ratio	0.328	1	0.567		
Fisher's Exact Test				0.622	0.341
Linear-by-Linear Association	0.327	1	0.568		
N of Valid Cases	198				

a Computed only for a 2x2 table

b No cells (.0%) have an expected count of less than five. The minimum expected count is 23.26.

**Table 5.10 Chi-Square: Relationship between ethnicity and perception regarding whether the image of a wine brand is the same**

### **5.3.6 The impact of the type of retailers**

As the results of the Hypothesis 1 indicated that retailers did affect consumers' wine spending, therefore, Hypothesis 6 analyzed the impact of ethnicity on the expected wine budget in liquor store, supermarket and online retailer, and it also looked at the impact of different types of retailers on consumers' wine purchasing behaviour.

First, to examine whether ethnicity will impact on how much money consumers were willing to spend on wine in different types of retailers, a hypothesis was constructed as follows:

H6a<sub>0</sub>: The expected budget to spend on wine in a liquor store, supermarket or online retailer is not affected by ethnicity.

H6a<sub>1</sub>: The expected budget to spend on wine in a liquor store, supermarket or online retailer is affected by ethnicity.

In the questionnaire, as the expected budget was measured at an ordinal scale from very low to very high, this meant the core was suitable for comparing which retailer had the higher budget expectation by the consumers. Table 5.11 compares the mean scores for each of the two ethnic groups' expected budget in liquor stores, supermarkets and online retailers. For Europeans, it showed that they expect to need a higher budget for online retailers (M=3.80) followed by liquor stores (M=3.73) and supermarkets (M=2.51). Other ethnic groups expected to need a higher budget for

liquor stores (M=3.41) followed by online retailers (M=2.96) and supermarkets (M=2.37).

	Ethnic Group	N	Mean	Std. Deviation	Std. Error Mean
Expected Budget in Liquor Stores	European	148	<b>3.73</b>	0.980	0.081
	Others	49	<b>3.41</b>	1.135	0.162
Expected Budget in Supermarkets	European	148	<b>2.51</b>	1.013	0.083
	Others	49	<b>2.37</b>	0.929	0.133
Expected Budget in Online Retailers	European	145	<b>3.80</b>	1.058	0.088
	Others	49	<b>2.96</b>	1.399	0.200

**Table 5.11 Comparison of mean scores in the expected budget in Liquor stores, Supermarkets and Online retailers of the two ethnic groups**

### **Hypothesis Test**

To compare the means difference of the expected budget between two ethnic groups in each of the liquor store, supermarket and online retailer, a t-Test was used. The two-sample t-test was applied to analyze whether two independent populations have different mean values on some measure. Independent samples are usually two randomly selected groups (O'Mahony, 1986). In this case, this hypothesis was to test the mean differences between Europeans and Non-Europeans that were two independent randomly selected groups. Therefore, t-test is suitable for hypothesis testing. Results (Table 5.12) showed that Sig. = 0.000, which was less than the significance level when  $\alpha=0.05$ , so it rejected the null hypothesis. We can conclude

that statistically significant differences exist between ethnic groups and the expected budget for online retailers.

	t-test for Equality of Means						
	T	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
Expected Budget in Liquor Stores	1.912	195	0.057	0.322	0.168	-0.010	0.653
Expected Budget in Supermarkets	0.893	195	0.373	0.146	0.164	-0.177	0.469
Expected Budget in Online Retailers	4.414	192	<b>0.000</b>	0.841	0.190	0.465	1.217

**Table 5.12 t-Test: Comparisons of the mean of the expected budget in liquor store, supermarket and online retailers between the two ethnic groups**

Secondly, to examine whether the type of retailer will impact on how much money consumers were willing to spend on wine, a hypothesis was constructed as follows:

H6b<sub>0</sub>: There is no difference in the expected budget in the liquor store, supermarket and online retailer.

H6b<sub>1</sub>: There is a difference in the expected budget in the liquor store, supermarket and online retailer.

### **Hypothesis Test**

This sub-hypothesis compared the mean differences between the three groups. One-factor ANOVA (Analysis of Variance), also called one-way ANOVA is suitable for comparing means between three or more levels of a single independent (Lindman, 1974). In this case, “liquor store”, “online retailer” and “supermarket” were the three independent variables. In order to interpret the findings of the ANOVA test, the testing of the homogeneity of variance was required (Garcia, and Kandemir, 2006). Therefore, a Levene Test was carried out to examine the homogeneity of variance of the dependent variable between groups (Levene, 1960). The test statistics (Sig. = 0.055) were greater than the 5% significance level (Table 5.13). Therefore, the homogeneity assumption was not rejected which indicated that the population has equal variances. Thus, the differences between groups can be tested by One-Way ANOVA in the following sections.

Levene Statistic	df1	df2	Sig.
2.909	2	597	<b>0.055</b>

**Table 5.13 Levene Test: Homogeneity of variance**

From Table 5.14, we can see that the observed mean scores indicated that the liquor store was assigned the highest expected budget to spend on wine (M=3.65), and was followed by the online retailer (M=3.59). However, it showed only a slight difference

in the mean scores between liquor stores and online retailers with the supermarket assigned the lowest expected budget to spend on wine (M=2.48). It also showed a bigger difference from the mean scores for the other two types of retailers.

Expected budget to spend on wine

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Liquor store	197	3.65	1.027	.073	3.51	3.79	1	5
Supermarket	197	2.48	.993	.071	2.34	2.62	1	5
Online Retailer	194	3.59	1.207	.087	3.42	3.76	1	5
Total	588	3.24	1.205	.050	3.14	3.33	1	5

**Table 5.14 Mean scores of the expected budget to spend on wine in liquor store, supermarket and online retailer**

A One-Way ANOVA was used to test the hypothesis. The test statistic (Table 5.15) Sig. = 0.000 was less than the significance level ( $\alpha = 0.05$ ), so the null hypothesis was rejected and showed that there were statistically significant differences in the expected budget in the liquor store, supermarket and online retailer and indicated that the expected budget in at least one type of retailer was different from those in the others.

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	171.151	2	85.576	73.513	<b>0.000</b>
Within Groups	680.990	585	1.164		
Total	852.141	587			

**Table 5.15 One-Way ANOVA: Differences in the expected budget to spend on wine in liquor store, supermarket and online retailer**

After the existence of differences was known, the Bonferroni test was used to find out which type of retailer makes the difference. The Bonferroni correction is a multiple-comparison correction used when several dependent or independent statistical tests are being performed simultaneously. It states that  $n$  dependent or independent hypotheses were tested on a set of data, then one way of maintaining the error rate was to test each individual hypothesis at a statistical significant level of  $1/n$  times what it would be if only one hypothesis were tested ( $\alpha/n$ ) (Abdi, 2007). In this case, there were three independent sub-hypotheses to be tested simultaneously. It tests the mean difference between “liquor store” and “online retailer”, “online retailer” and “supermarket”, and “liquor and supermarket. Therefore, Bonferroni can be employed. The test results (Table 5.16) showed that the expected budget to spend on wine was different between liquor stores and supermarkets, and online retailers and supermarkets as their Sig. were both equal to 0.000 which was less than the significance level when  $\alpha = 0.005$ . No difference existed between liquor stores and online retailers as the Sig. = 1 was greater than the significance level ( $\alpha = 0.05$ ). We concluded that the type of retailer impacted the expected budget on wine. Christchurch’s consumers expected a lower budget to spend on wine in the supermarket than in the other two types of retailers which was consistent with another New Zealand wine study (Wyllie, 1993). There was no difference in Christchurch’s consumers’ expected budget to spend on wine in either liquors store or online retailers.

Dependent Variable: Expected budget to spend on wine

Bonferroni

(I) Type of retailer	(J) Type of retailer	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Liquor store	Supermarket	1.173*	.109	.000	.91	1.43
	Online Retailer	.062	.109	1.000	-.20	.32
Supermarket	Liquor store	-1.173*	.109	.000	-1.43	-.91
	Online Retailer	-1.110*	.109	.000	-1.37	-.85
Online Retailer	Liquor store	-.062	.109	1.000	-.32	.20
	Supermarket	1.110*	.109	.000	.85	1.37

\*. The mean difference is significant at the .05 level.

**Table 5.16 Bonferroni: Comparisons of the expected budget to spend on wine in liquor store, supermarket and online retailer**

## 5.4 Chapter Summary

After analyzing the data, this chapter provided the discussion of the general descriptive information and the detailed results of each of the research hypotheses. The results indicated that the nine brand associations except events do affect the amount Christchurch consumers spend on wine. Two ethnic groups have different perceptions of the importance of the quality of the wine, country of origin, events and retailer. Also, different perceptions of whether drinking wine was a luxury were found in different ethnic groups. Furthermore, it suggested that there was no relationship between perceptions of wine and the perceived importance of the retailer for both ethnic groups. Ethnicity did not affect the relationship between wine brand image and the type of retailer. Also, the retailer's wine range was found to be irrelevant to the perceived importance of the retailer in consumers' minds. Although the results

showed that the expected budget to spend on wine in online retailers was affected by ethnicity, it did not affect the expected wine budget in the other two types of retailers. Finally, it was found that the retailer did affect wine consumers' purchasing behaviour.

# **CHAPTER SIX: RESEARCH CONCLUSIONS**

## **6.1 Chapter Overview**

The above chapter has provided details of the findings of the results. Several factors have been analysed in relation to whether ethnic consumers consider the relevance of retailers. The results support the hypothesis that retailers do affect the amount of money consumers spend on wine, also consumers' wine evaluation pattern, perceptions of drinking wine and expected budget to spend on wine in online retailers are affected by ethnicity. The consumer's expected budget in the supermarket was different from those in the online retailer and liquor store. This chapter gives a conclusion and summary of the results findings. Some managerial implications will also be presented. Then, the research limitations that may lead to constraints in the research results will be described and recommendations for future research provided.

## **6.2 Research Summary**

Retailers have been seen as the final point at which manufacturers could possibly influence consumers' purchasing behaviour (Thomas 2000). More and more manufacturers transfer their brand building to retailers and retailers have risen as a brand (Bruwer, Li *et al.* 2002 ). These trends have affected the importance of retailers in product brand building and consumers' decision making. Furthermore, the wine industry and the wine retailing industry contribute considerably to New Zealand's economy. The Canterbury region has more than half of the total retailers in the South

Island. Therefore, the effects of retailers in the largest city of the Canterbury region - Christchurch have been analyzed. The results of this research found that retailers do affect Christchurch consumers' wine buying behaviour in the amount they spend. The more important they perceived the retailer to be, the more money they spent on wine. Moreover, ethnicity does affect the way consumers think about drinking wine and the expected wine budget for the online retailer.

The primary aim of this study was to find out whether Christchurch's ethnic consumers consider the relevance of retailers when buying wine. The six main research objectives are as follows:

1. To identify the impact of the nine brand associations on Christchurch consumers' wine purchasing behaviour.
2. To determine whether different ethnic groups have different evaluation patterns.
3. To identify whether ethnicity affects perceptions of drinking wine and the impact of these perceptions on the perceived importance of the retailer.
4. To examine whether ethnicity affects the perceptions regarding the size of the retailer's wine range.
5. To determine whether the type of retailer affects the image of a wine brand and whether ethnicity makes a difference.
6. To determine whether ethnicity affects Christchurch consumers' willingness to spend on wine in the liquor store, supermarket and online retailer and how the type of retailer affects the willingness to spend on wine.

### **Hypothesis 1 – The impact of nine brand associations on consumer behaviour**

This research found out that packaging, price, quality and country of origin have an impact on wine consumers' behaviour, which was consistent with the findings of other wine researchers (Orth *et al.*, 2005; Yasin, *et al.*, 2007; Batt and Dean, 2000; Dodd, 1995; Dodd and Gustafson, 1997; Zanten, 2005; Thomas, 2000). Besides that, the results of this research implied that producers, retailers and staff also influence on how a consumer chooses a wine brand. Based on the correlation coefficients in the Pearson Correlation test, it indicated that the nine brand associations, except events, did affect the amount Christchurch consumers spent on wine at the 1% and 5% significance levels. Results not only found out the factors that affected consumer's spending on wine but also affected the wine spending. Associations including packaging, characteristics, quality, country of origin, producer of the wine, retailer, and staff qualities had positive impacts on wine spending, which means consumers who perceived them as more important would spend more on wine. In addition, price was the only association which had a negative relationship with wine spending. The more consumers cared about the price, the less they spent on wine.

### **Hypothesis 2 – The wine evaluation patterns between two ethnic groups**

Hussain et al (2007) pointed out that race can lead to different consumer behaviour. Results of this research provided corroborated their research findings. Ethnicity leads to different evaluation patterns in buying wine. This research further proved that in

Christchurch, differences exist between Europeans' and Non-Europeans' minds in determining the importance of the quality of the wine, country of origin, events and retailer. The null hypothesis of the product evaluation patterns between two ethnic groups was rejected at the 5% significance level by the t-Test, which suggested that differences existed between two ethnic groups in the way they evaluate wine. They have different perceptions of the importance of the quality of the wine, country of origin, events and retailer. Other ethnic groups consider the quality of the wine, country of origin, events and retailer as more important than Europeans do.

### **Hypothesis 3 – Perceptions regarding drinking wine**

Regarding to the impact of ethnicity on consumers' perceptions of wine, results of the Chi-Square test indicated that different ethnic groups have different perceptions of whether drinking wine was a luxury. This was consistent with the research of Semiotica (2005). More Europeans perceived wine as not a luxury good than those non-Europeans who think drinking wine was a luxury. There was little difference between the numbers in other ethnic groups who think drinking wine was a luxury and the numbers of those who did not. Therefore, at the 5% significance level, results suggested that there were differences in the perceptions of wine between these two ethnic groups. Furthermore, as mentioned earlier, some researchers advocated that luxury was an attitude that will affect consumer's behaviour. (Seelig, 1989; Engel *et al.* 1993; Davidson, 1996; Ehrenberg *et al.*, 1997; Steinberg, 1998; Summers *et al.*, 2006). However, in this research, the result rejected, at the 5% significance level, the

null hypothesis of the relationship between perceptions of wine and the perceived importance of the retailer for both ethnic groups. In other words, how consumers perceived the importance of the retailer was not affected by the way they think about drinking wine.

#### **Hypothesis 4 – The impact of retailer’s wine range**

As showed by previous researchers, product range was one of the retailer’s functional attributes that influenced consumer’s behaviour (Sanchez and Gil, 1998; Wyllie et al., 1993). However, in this research, it found that the retailer’s wine range did not affect the perceived importance of the retailer in consumers’ minds. In addition, results implied that ethnicity did not affect consumers’ consideration of the size of the retailer’s wine range.

#### **Hypothesis 5 – The impact of the retailer on the wine brand image**

Sanchez and Gil (1998) pointed out that retailers’ brands affect consumer’s opinion of the product’s quality, categories and price, etc. of the goods. This research analyzed whether retailers’ brand had an impact on the wine brand image for different ethnic groups. However, the Chi-Square results revealed that for both Europeans and other ethnic groups, type of retailer did not affect the image of a wine brand. In other words, ethnicity did not make any statistically significant difference to the relationship between wine brand image and the type of retailer. It can be concluded that if a wine brand were available in different types of retailers, the image of this wine brand

would be considered to be constant by Christchurch wine consumers.

**Hypothesis 6 – The impact of the type of retailers on the expected budget to spend on wine**

Based on the t-Test, the results indicated that the expected budget to spend on wine with online retailers was affected by ethnicity. However, ethnicity did not affect the expected wine budget in the other two types of retailers. Therefore, at the 5% significance level, Europeans were willing to spend more in the online retailer than other ethnic groups. There were also no statistically significant differences between the two ethnic groups' expected wine budget in the supermarket and liquor store.

By comparing the Christchurch consumers' average expected wine budgets in liquor store, supermarket and online retailer, ANOVA test results revealed that consumers' average expected wine budget in supermarkets was less than those in liquor stores and online retailers at the 5% significance level. However, at this significance level, there was no difference between the liquor store and online retailer in the average expected wine budget. Therefore, it can be concluded that the retailer did affect wine consumers' purchasing behaviour.

### **6.3 Research Limitations**

Owing to the limited time and resources, the consumers were only divided into two groups, European and other ethnicities. A better understanding of ethnic wine consumers could be gained if more ethnic segments had been applied in this research.

The second limitation was the population frame. As this research was a study of wine consumers' behaviour based on two ethnic segments, thus, the target population was those who had ever bought a wine. However, no target population frame was available. Therefore, in this research, the determinant of the proportions of the two group's respondents was only based on the ethnic proportion of the whole Christchurch population, not the wine consumer population.

The third limitation was the sample selection method. As mentioned above, no target population list was available, so I used multi-stage sampling methods. First, I used convenience sampling to compress the population size as the convenience selection method makes the data easier to gain but also easier to generate bias. Therefore, quota sampling was then employed to ensure the sample resembled the ethnic proportion of Christchurch's population. Finally, I conducted systematic random sampling to collect the data to reduce bias.

## **6.4 Future Research Suggestions**

First this research has confirmed that ethnic consumers do consider the relevance of retailers and retailers do affect the amount they spent on wine. However, this only presented the current situation. Therefore, future research is required to understand by what means retailers can have an impact on wine consumers. Secondly, previous literature indicated that online shopping was well accepted by many consumers (Haubl and Trifts 2000) but this was not the case with online wine shopping in Christchurch. Thus, further research is required to understand the reason online wine shopping is not very popular in Christchurch. Thirdly, it would be interesting to find out the wine consuming behaviour differences between more ethnic groups. Fourthly, future research can be carried out to analyse more retailer types than the three in this research. Another suggestion is that other retail industries could be investigated as retailers might have no impact on consumers' decision making regarding other types of goods. Lastly, this research only provides reference to Christchurch and it does not generalize for New Zealand. As a result, variations might occur if future research was carried out for the whole of New Zealand.

## **6.5 Managerial Implications**

As shown earlier, the retailer is one of the secondary brand associations that have an impact on Christchurch wine consumers. Ethnicity was also found to be relevant to wine consumers' purchasing behaviour. The following sections present the

managerial implications, which are derived from the research's results.

1. Besides the previous researchers, who also found that packaging, price, quality and country of origin have impact on wine consumers' behaviour (Orth *et al.*, 2005; Yasin, *et al.*, 2007; Batt and Dean, 2000; Dodd, 1995; Dodd and Gustafson, 1997; Zanten, 2005; Thomas, 2000), this research has further proved that producers, retailers and staff have an influence on how consumers chose a wine. The quality of a wine has the highest impact on the amount that Christchurch consumers spent on wine, following by the producer of a wine. Therefore, in order to increase the overall brand image perceived by consumers, retailers and producers should draw attention to the price, quality, packaging, attributes and country of origin of the wine.

2. This research found that in Christchurch, differences exist between Europeans' and Non-Europeans' minds in determining the importance of the quality of the wine, county of origin, events and retailer. Ethnicity, in this research, was found to be relevant to wine consumers' behaviour, as shown by their different evaluation patterns and perceptions of wine, which influences wine buying behaviour; thus wine retailers, producers and wineries could take into account demographics, especially for ethnicity, in their marketing strategies.

3. The findings also showed evidence of the rise of retailers as a brand. It is important to know that this research implied that more than half of the European respondents

and respondents from other ethnic groups recognized that the type of retailer's brand image would impact on the wine brand image. Consequently, wine producers may wish to consider their distribution channels, such as choosing the right type of retailer to match the positioning of their wine product.

4. Regarding to the impact of different types of retailers on consumer's decision-making process, the results in this research revealed that wine consumers are willing to spend more at a liquor store, followed by online retailers. They expect the lowest budget in supermarkets when buying wine. Thus, as a guide for the new online retailers when making their wine pricing strategies, they could set their price in the gap between liquor stores and supermarkets.

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## **APPENDICES**

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# Appendix 1

## Research Questionnaire

### SECTION ONE: PERCEPTIONS OF WINE AND WINE BUYING BEHAVIOUR

**1. Have you ever bought a wine bottle?**

- Yes (GO TO Q2)
  - No (GO TO Q14)
- 

**2. Do you think drinking wine is a luxury?**

- Yes
- No

**3. Do you buy wine mostly for personal consumption?**

- Yes
- No

**4. How many times in a month do you purchase a bottle of wine?:**

- Less than once a month
- 1 to 4 times a month
- 5 to 8 times a month
- More than 8 times a month

**5. What type of wine do you mostly purchase? (Choose the most appropriate answer)**

- Value wines - every day wines which are affordable (under \$12 )
- Mid-range wines - grapes from particular vineyards, or classes ( \$12-20 )
- Upscale wines - grapes from particular regions, mixed with other grape varieties (\$21-40)
- High end wines - from particular vintages (more than \$40)

**6. Please rate the importance of each of the following factors which you consider when buying wine.**

**On a scale of 1-5, 1 being not at all important and 5 being very important**

***(Circle one answer for each item):***

	<i>Unimportant</i>				<i>Very important</i>
- Packaging of the wine	1	2	3	4	5
- Characteristics of the wine <i>(e. g. fruity, dry)</i>	1	2	3	4	5
- Quality of the wine	1	2	3	4	5
- Price of the wine	1	2	3	4	5
- Country of origin	1	2	3	4	5
- Events <i>(e.g. promotion, advertisement)</i>	1	2	3	4	5
- Wine Producer	1	2	3	4	5
- Retailer	1	2	3	4	5
- Staff Qualities <i>(e.g. from retailer)</i>	1	2	3	4	5

## SECTION TWO: PREFERENCE FOR RETAILERS

**7. When purchasing bottles of wine, where do you usually purchase them?**

- Liquor stores
- Supermarkets
- Online retailers
- Others

**8. Why is the wine usually bought there? (*Can tick more than one answer*)**

- Ease of Location
  - Shop Outlet
  - Professional Advice from sellers
  - Particular brand of wine
  - Price
  - With your normal grocery shopping
- Others \_\_\_\_\_ (*please specify*)

**9. Do you agree with this statement?:**

**“The image of a wine brand is the same if available for purchase in Liquor stores, Supermarkets or Online retailers.”**

- Agree
- Not agree

**10. Would you consider the retailers' wine range before purchasing wine from a particular outlet?**

- Yes
- No

**11. In each of the following outlets what budget range do you expect to be available? (*Circle one answer for each item*):**

	<i>Low budget</i>			<i>High budget</i>	
- Liquor stores	1	2	3	4	5
- Supermarkets	1	2	3	4	5
- Online retailers	1	2	3	4	5

**12. I have used the Internet to purchase wine:**

- Yes
- No

**13. I would like to use the Internet to learn more about wine.**

- Yes
- No
- Don't know

**14. I would like to use the Internet to make more wine purchases.**

- Yes
- No
- Don't know

### SECTION THREE: PERSONAL INFORMATION

**15. Select your age group:**

- 18-30                       31-40                       41-50
- 50-61                       Above 61

**16. Indicate your gender:**

- Female                                       Male

**17. What is the highest educational qualification you have obtained?**

- Primary only       3 yrs secondary       School Certificate       NCEA
- UE                       Higher School Cert                       Bursary                       Scholarship
- Trade qualification                                       Degree                       Postgraduate degree
- Other \_\_\_\_\_ (Please Specify)

**18. Indicate your approximate annual gross income:**

- \$0-\$20,000                                       \$20,000 -\$30,000
- \$30,000-\$40,000                                       Above \$50,000

**19. Indicate your ethnic group**

- European                       Others

**THANK YOU VERY MUCH FOR YOUR HELP WITH THIS QUESTIONNAIRE**

Name \_\_\_\_\_ Date \_\_\_\_\_ Time \_\_\_\_\_

Suburb \_\_\_\_\_

Signature \_\_\_\_\_

**YOUR ASSISTANCE HAS BEEN APPRECIATED AND WILL ASSIST MY STUDY PROGRAMME**

## Appendix 2

### Summary of Hypotheses Results

	Hypothesis	Test	Significance ( $\alpha= 0.01, 0.05$ )	Result
H1 <sub>0</sub>	H1 <sub>0</sub> : All of the nine brand associations have an impact on the amount Christchurch consumers spent on wine.	Pearson Correlation	Significant	Reject H1 <sub>0</sub>
H2 <sub>0</sub>	H2 <sub>0</sub> : The product evaluation patterns within different ethnic groups are the same.	T-Test	Significant	Reject H2 <sub>0</sub>
H3a <sub>0</sub>	H3a <sub>0</sub> : Perceptions regarding whether drinking wine is a luxury are not affected by ethnicity.	Chi-Square	Significant	Reject H3a <sub>0</sub>
H3b <sub>0</sub>	H3b <sub>0</sub> : There is no relationship between both the ethnic groups' perceptions regarding drinking wine and the importance of the retailer.	Chi-Square	Not Significant	Not Reject H3b <sub>0</sub>
H4a <sub>0</sub>	H4a <sub>0</sub> : Perceptions of whether the consumer will consider the size of the retailer's wine range are not affected by ethnicity.	Chi-Square	Not Significant	Not Reject H4a <sub>0</sub>
H4b <sub>0</sub>	H4b <sub>0</sub> : There is no relationship between the two ethnic groups' perceptions of whether consumers will consider the size of the retailer's wine range and the importance of the retailer.	Chi-Square	Not Significant	Not Reject H4b <sub>0</sub>
H5 <sub>0</sub>	H5 <sub>0</sub> : Perceptions of whether the image of a wine brand is the same when the wine is available in different kinds of retailers are not affected by ethnicity.	Chi-Square	Not Significant	Not Reject H5 <sub>0</sub>
H6a <sub>0</sub>	H6a <sub>0</sub> : The expected budget to spend on wine in either a liquor store, supermarket and online retailer is not affected by ethnicity.	T-Test	Significant	Reject H6a <sub>0</sub>
H6b <sub>0</sub>	H6b <sub>0</sub> : There is no difference in the expected budget in the liquor store, supermarket and online retailer.	ANOVA	Significant	Reject H6b <sub>0</sub>