Stellenbosch 2023 Abstract Submission

Title
HOW DOES WINE LABEL INFLUENCE CONSUMERS’ BUYING PROCESS?

I want to submit an abstract for:
Conference Presentation

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<table>
<thead>
<tr>
<th>Name</th>
<th>Affiliation</th>
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<tbody>
<tr>
<td>Consuelo Riaño Gil</td>
<td>University of La Rioja (Spain)</td>
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<tr>
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Keywords
Labeling, Aesthetics, Wine Marketing, Extrinsic wine attributes

Research Question
How aesthetic and symbolic contents of wine label affect the buying decision and the willingness-to-pay premium price?

Methods
PLS or variance based Structural Equation Models

Results
Aesthetic appreciation has a strong, positive and indirect effect on perceived value of wine, though wine brand personality. Also, it affects positively purchase intention

Abstract
1. THEORETICAL BACKGROUND
Many authors have shown that the visual aspect of a product (especially food products) contributes to its perception (Orth and Malkewitz, 2008; Velasco et al., 2014). Based on this background, marketers use the package design to communicate about their brands (Underwood, 2003). Recent studies have analyzed the relationship between the characteristics of the visual design and consumers’ understanding and perception of these wine labels’ design from a semiotic approach (Celhay and Remaud, 2018). But another topic less analyzed in relation to
the wine label is to quantify how y how much affects the purchasing decisions of consumers, question of interest from a consumer behavior perspective. In this study, we aim to respond to the following question: how do wine labels affect the purchase decision and the price to pay by consumers? In the marketing literature, there is consensus that wine label fulfills at least the following commercial functions: 1) capture the attention of the potential consumers in order to generate interest in that specific brand of wine (Rocchi and Stefani, 2005).
2) Communicate to the consumer signals or clues that allow the consumer to infer the quality of an specific wine (Elliot and Barth, 2012, Lick et al., 2016).
3) If it is attractive enough, it should persuade the consumer and stimulate the sale of the wine (Cohen and Lockshin, 2010).
In conclusion, the wine label contains aesthetic and symbolic elements that influence the purchase decision and are incorporated into the very personality of the wine brand (Celhay and Remaud, 2018). Aesthetic appreciation (AA) is usually defined in the literature as the appreciation of an object (e.g., a product) in terms of beauty; the degree of perceived beauty is based on the visual aspects of the product (i.e., its design) that induce a hedonic response for the consumer (Celhay and Trinquecoste, 2015). From a semiotic perspective, it has been detected that visual attributes are relevant for generating associations and quality assessments of wines; from this approach, packaging design also has symbolic contents (SC): it generates multiple meanings in the mind of the consumers (Celhay and Remaud, 2018). To measure the aesthetic appreciation of the wine label, the 5-item scale developed by Celhay and Passebois (2011) has been used; similarly, the symbolic contents of the wine label have been measured using the 4-item scale proposed by Celhay and Remaud (2018) Brand personality (BP) is formally defined as “the set of human characteristics associated with a brand” (Aaker, 1997, p. 347). It is a complex construct that is made up of five dimensions: sincerity, competence, sophistication, excitement and ruggedness. We have used the 10-item scale adaptation by Boudreaux and Palmer (2007) to the wine context of the original scale developed by Aaker (1997).
According to Mattsson (1991) perceived value (PV) is the addition of three dimensions: (a) ‘Extrinsic value’ that reflects the utilitarian or instrumental use of a particular product a means to a specific, (b) ‘intrinsic value’ represents the emotional appreciation of the consumption, and (c) ‘systemic value’ refers to the rational or logical aspects of the inherent relationships among concepts in their systematic interaction. For measuring this complex construct we use the 13-item scale developed by Gill et al. (2007).
Finally, we have included two consequences for the consumer behavior. First, Purchase intention (PI) is an attitudinal conduct pattern of the consumer regarding future buying intentions; there are several measurement approaches; it has been measured with the 3-item scale proposed by Bigné and Currás (2008). Second, willingness-to-pay premium price (WPP)is defined as being prepared to pay more for a particular (wine) brand than for comparable alternative brands (Netemeyer et al., 2004). These authors develop a 3-item scale that has been used in our study.
The proposed causal model has been summarized visually in the Figure 1:

2. METHODOLOGY
The survey and fieldwork were conducted between September and November 2022, gathering a total sample of 538 valid responses. The random error was a \( 4.31\% \) and the confidence level up to 95.5%. The statistical methodology has been variance based structural equation model (PLS-SEM) with Smart-PLS software 4.0. This technique has been used for different reasons:
a) The analysis has simultaneously predictive and explanatory purposes.
b) to have both reflective (AA, SC, PI, WPP) and formative constructs (PV)
c) at the same time, BP is a second order construct, specifically reflective-formative type.

3. RESULTS AND DISCUSSION
The assessment of the measurement model is very satisfactory. As is possible to see, it has been verified the reliability of the scale items, the internal consistence of the indicators, the convergent validity (Table 1) and the discriminant validity between the constructs (Table 2).
Regarding to the structural model (Figure 2), the overall assessment is very satisfactory; the explanatory capacity (adjusted R2) and the predictive capacity (Q2) are high, according the usual standards (Hair et al., 2022). The most important findings are the following. First, all the hypotheses are supported, with the only exception of H2: Wine label Aesthetic Appreciation do not have direct influence on Perceive Value of the wine. Second, Aesthetic Appreciation has an important but positive and indirect effect on Perceived Value; this effect is bigger that the
influence of Symbolic Contents about Perceived Value (Table 3). Third, the most important sequence of the consumers’ thought process is: Aesthetic Appreciation influences directly Brand Personality, and this last construct has a positive and significant influence on Perceived Valued. Four, the influence of the wine label is bigger about Purchase Intention that about Willingness-to-pay Premium Price.

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Figure 1. Proposed causal model

- **Aesthetic Appreciation (AA)**
- **Symbolic contents (Sc)**
- **Brand Personality (BP)**
- **Purchase Value (PV)**
- **Buying Behavior (PB)**

**H1**: 
- **H2**: 
- **H3**: 
- **H4**: 
- **H5**: 
- **H6**: 
- **H7**: 
- **H8**: 

- **Purchase Intention (PI)**
- **Willingness-to-pay premium price (WPP)**
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<th>CONSTRUCT</th>
<th>Indicator</th>
<th>Indicator</th>
<th>λ</th>
<th>Weight</th>
<th>VIF</th>
<th>t-value</th>
<th>Cronbach α</th>
<th>CR</th>
<th>AVE</th>
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<td></td>
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<td></td>
<td>AA4</td>
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<td>N/A</td>
<td>N/A</td>
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<td>Perceived Value (PV)</td>
<td>PV1</td>
<td>0.857</td>
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<td>0.349</td>
<td>3.760</td>
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<td>PV2</td>
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<td>0.261</td>
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<td></td>
<td>0.001</td>
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<td>4.052</td>
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<td>N/A</td>
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<td>4.279</td>
<td>0.090</td>
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<td></td>
<td>PV6</td>
<td>0.83</td>
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<td>0.035</td>
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<td>PV9</td>
<td>0.802</td>
<td>N/A</td>
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<td>3.424</td>
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<td>(0.585)</td>
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<td>PV10</td>
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<td></td>
<td>0.077</td>
<td>3.862</td>
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<td>3.357</td>
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<td>PV12</td>
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<td>-0.145</td>
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<td>Purchase Intention (PI)</td>
<td>PV13</td>
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<td>3.781</td>
<td>0.975</td>
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<td></td>
<td>PI</td>
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<td>N/A</td>
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<td>80.877</td>
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<td>WTP: Willingness to pay premium price</td>
<td>WPP1</td>
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<td>N/A</td>
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<td></td>
<td>WPP2</td>
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<td></td>
<td>WPP3</td>
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<td>82.288</td>
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Table 2. Discriminant Validity between the constructs

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<tr>
<th></th>
<th>AA</th>
<th>SC</th>
<th>PM Sincer.</th>
<th>PM Sophist.</th>
<th>PM Comp.</th>
<th>PM Excitement</th>
<th>PM Ruggedness</th>
<th>PV</th>
<th>PI</th>
<th>WPP</th>
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<tr>
<td>AA</td>
<td>0.940</td>
<td>0.546</td>
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<td>0.563</td>
<td>0.751</td>
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<td>0.558</td>
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<td>0.763</td>
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<td>0.442</td>
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<td>Competence</td>
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<td>0.704</td>
<td>0.551</td>
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<td>0.552</td>
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Note: Diagonal elements (in bold) are the square roots of the AVEs. The elements below the diagonal are the inter-construct correlations. The elements above the diagonal are the HTMT values.

Figure 2. Structural model
### Table 3. Total effects on Perceived Value

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<th>Indirect Effect</th>
<th>Total Effect</th>
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<td>0.506</td>
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<td>Symbolic Contents</td>
<td>0.148</td>
<td>0.146</td>
<td>0.294</td>
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<td>Brand Personality</td>
<td>0.601</td>
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### REFERENCES


