Work-in-Progress

Sustainable customer retention as an essential influencing factor for successful Direct-to-Consumer Marketing of self-marketing wineries – an explorative study

Cindy Lögow - Georg-August-Universität Göttingen, Germany
Ruth Fleuchaus - Hochschule Heilbronn, Germany
Achim Spiller - Georg-August-Universität Göttingen, Germany
Overview

1. Introduction
2. Objectives
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5. Implications and Outlook
1. Introduction

Development among German wine growing businesses

<table>
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<tr>
<th>Betriebsgröße (Rebfläche in ha) / Size (vineyard area in ha)</th>
<th>2010</th>
<th>2020</th>
<th>Veränderung (%) / Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Betriebe / Enterprises</td>
<td>Rebfläche / Vineyard area</td>
<td>Betriebe / Enterprises</td>
</tr>
<tr>
<td>0,5 bis 1,0 / from 0.5 to 1.0</td>
<td>5.660</td>
<td>4.039</td>
<td>4.026</td>
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<tr>
<td>1,0 bis 3,0 / from 1.0 to 3.0</td>
<td>6.294</td>
<td>11.172</td>
<td>4.705</td>
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<tr>
<td>3,0 bis 5,0 / from 3.0 to 5.0</td>
<td>2.620</td>
<td>10.285</td>
<td>1.912</td>
</tr>
<tr>
<td>5,0 bis 10,0 / from 5.0 to 10.0</td>
<td>3.310</td>
<td>23.687</td>
<td>2.616</td>
</tr>
<tr>
<td>10,0 bis 20,0 / from 10.0 to 20.0</td>
<td>2.057</td>
<td>28.092</td>
<td>2.167</td>
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<tr>
<td>20,0 und mehr /20.0 and more</td>
<td>617</td>
<td>20.183</td>
<td>968</td>
</tr>
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<td>Insgesamt / Total</td>
<td>20.558</td>
<td>97.458</td>
<td>16.394</td>
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</tbody>
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Table: Wine growing businesses and vineyard sizes in Germany 2010 - 2020
Source: German Wine Institute Ltd. (2021)
1. Introduction

The importance of Direct-to-Consumer Marketing (DTC) for self-marketing wineries

Figure 1: The importance of the different sales channels for self-marketing wineries
Source: Loose, Der deutsche weinbau 24/2018, journal article_sales_24_2018, p. 28
2. Research Objectives

Success Factor Research
- Business Success, strategies
- Business personality/Winery Manager
- Willingness/Ability to change

New:
- Performance of Sales Responsible
- Sales Types/
  Sales Personality
- Personality Traits
  (Female) attitudes

Direct-to-Consumer Marketing & Sales

Customer-Relationship Lifecycle

Customer Orientation
- Customer Relationship Management
- Customer Centricity
2. Research Objectives

Establishing long-term customer relationships

DTC Marketing …. one of the key instruments, to establish customer contact, to promote sales and the ongoing customer retention (Spandl, 2018). … Customer Retention as a consequence of purchase satisfaction leading to repeat purchases (Spiller, 2019)

Figure 2: Customer-Relationship-Lifecycle
Source: Own design based on Stauss (2011)
2. Research Objectives

Research Topic
Direct-to-consumer marketing - a significant strategy for long-term profitability in the context of diversified sales of self-marketing wineries

Aim of the study:
- Identification of gaps in the implementation of customer relationship management
- Identifying traits and attitudes promoting or inhibiting successful sales
- Defining success factors in wine sales
- Identifying different sales types

Key Words
Direct-to-Consumer Marketing, Sales, Success Factors, market-oriented, customer centricity, CRM, sales types
3. Method

Exploratory Sequential Mixed Method Approach

- Current status of the study: Qualitative Content Analysis of 22 interviews

**Qualitative Research**
- Expert interview (Glaeser/Laudel)
- Semi-structured interview guide

**Quantitative Method**
- Main study: hypotheses testing + theory development
- Multivariate Analyses: Factor Analysis + Cluster Analysis
- Aim: Typification + identification of success factors of DTC-Sales

**Analysis Method**
- Qualitative Content Analysis (Mayring/Kuckartz)
- Inductive Approach for the category formation
- Aim: Formulation of Hypotheses

Figure 3: Mixed Method Approach
Source: Own design
4. Preliminary Results

**First Key Findings**

- Attracting new customers / Customer Acquisition
- Customer development / Customer Relationship development
- Customer Retention / Customer Loyalty

Further:

- Personality traits and attitudes of sales responsibilities
- Influencing Factors of DTC Sales & Marketing
4. Attracting new customers

- Broad range of activities for potential customers
- Hesitant attitude of the sales responsible
- Reluctance towards any form of proactive customer acquisition
4. Customer(-Relationship)-Development

- Telephone
  - Positive attitude towards receiving phone calls from customers
  - Reluctance towards self-initiated communication with customers

- CRM-Tool
  - Different attitudes regarding the use of CRM-Tools

- Email & Social Media
  - Emphasizing on informative content

- Mail
  - Price lists with or without personal note
4. Customer Retention - Customer Loyalty

Winery’s proactive approach:

• Personal Delivery of wines as a way of customer retention
• Active, continuous updating of communication channels

Winery’s Inactivity:

-> Absence of orders
-> Accepting Relationship Dissolution
4. Personality traits and attitudes of sales responsibles

Personal Qualification Profile in Sales (Rösel, 2019)

- High degree of social competence
- Assertiveness
- Target-oriented
- Willingness to perform
- Strong Self-Esteem

Inner Attitude

- Strong motive for being successful
- True interest in other people
- Positive attitude to life
- Enthusiasm

Traits and Attitudes defined by the interviewed Sales Responsible

Figure 5: Traits and Attitudes of sales responsibles
Source: Own design
4. Influencing Factors of DTC Sales & Marketing

External and Internal Factors

Positive:

- Advantages of Tourism, favorable accessibility and hospitality
- Strengths in promoting outward effect
- Networking in forms of marketing & sales cooperations

Negative:

- Current and future staff shortages
- Insecurity regarding political decisions
- Lack of knowledge about online data-protection
5. Implications and Outlook

Implications:

- Negative attitude towards sales aspects
- Understanding of the process of the customer-relationship lifecycle
- Handling latest technologies as marketing & sales support

Outlook

- Understanding direct and indirect sales challenges
- View on current and future marketing & sales activities
- Eliciting the willingness for innovation
THANK YOU!

Cindy Lögow
Georg-August-University Göttingen

Department of Agricultural Economy and Rural Development
Marketing for Food and Agricultural Products

Platz der Göttinger Sieben 5
37073 Göttingen
Tel. +49-(0)170-9665294
cindy.loegow@stud.uni-goettingen.de
### 9. Literature

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<th>Author(s)</th>
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