### Uncovering the Online Marketing Potential of Nova Scotia’s Fledgling Wine Industry: Winery Websites

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Uncovering The Online Marketing Potential Of Nova Scotia’s Fledgling Wine Industry: Winery Websites

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INTRODUCTION

Nova Scotia (NS) is emerging as Canada’s newest wine region, offering unique wine and tourism opportunities for the new world wine tourist in a province that has long been a destination for history seekers and outdoor enthusiasts. Thus, wine tourism is a valuable component to match an existing visitor demographic, while also offering the opportunity to serve a new generation tech-savvy visitors who explore virtually before committing to a real life visit.

Increasingly important to the economic development of the province, there are currently 12 wineries in Nova Scotia, with four additional wineries slated to open within the next two years and a goal of 20 wineries by 2020. Concurrently, industry revenues of $7.2 million in 2005 are forecast to increase to $24 million by 2020 (Winery Association of Nova Scotia, 2009), representing a significant financial contribution to a largely rural region of this small province. The success of the existing wineries is effectively demonstrated by their award-winning wines: 28 awards at the 2009 All Canadian Wine Championships and 14 awards at the 2009 International Tasters Guild Competition. More recently, L’Acadie Vineyards received a gold medal for its 2007 Prestige Brute (Wine Access, 2010).

Recent research has demonstrated the importance of the website to inspiring both the purchase of wine and the selection of wineries to visit (Nowak & Newton, 2008): “The higher the level of customer satisfaction with a winery’s web site, the higher the reported purchase intentions by the customer” (Nowak & Newton, 2008, p. 62). Further, Wolfinbarger and Gilly (2003) showed that site design, fulfillment, and customer service predicted both loyalty intentions and attitude toward the site.

While practitioner advice to wineries proliferates, rigorous academic research specific to winery websites has lagged. The current research offers to address that gap, beginning with a comparison of existing Nova Scotia winery websites with best practice for effective websites in general. Future research will assess consumer perceptions of these websites, which will then be correlated with the objective features of the sites.

LITERATURE

Since perceived winery web site quality has similar impacts on consumer behaviour as a winery tasting room (Nowak & Newton, 2008), it becomes clear that an effective web site is a key component of the marketing efforts for successful wineries. Hoffman and Novak (1996) found that favourable experiences result in longer web site stay times and more frequent online usage. Similarly, Mathwick, Malhotra, and Rigdon (2001) found that Internet-based experiential value perceptions are positively associated with retail patronage intentions. In other words, a consumer’s online experience is a critical determinant of his or her shopping behavior (Childers, Carr, Peck, & Carson, 2001; Wolfinbarger & Gilly, 2001). Research has consistently demonstrated a number of common features of successful websites that include: atmospherics; navigation/usability; interactivity; frequent updates; process; smooth transactions; trust; and visibility. Each of these dimensions is briefly examined in turn below.
Atmospherics. Atmospherics have long been recognized for their impact on consumer behaviour in real life (IRL): colour, music, and scents are among the elements broadly investigated (Dubé, Chebat, & Morin, 1995; Yalch & Spangenberg, 1990). In parallel with Kotler’s (1973) definition of atmospherics, Dailey (2004) defines web atmospherics as: “the conscious designing of web environments to create positive effects (e.g., positive affect, positive cognitions, etc.) in users in order to increase favourable consumer responses (e.g. site revisiting, browsing, etc.)” (Dailey, 2004, pp. 796). In contrast to IRL efforts, web designers have only two senses to access: sight and sound. The strategic use of atmospherics on the web will influence consumer choice for winery visits and wine consumption.

Navigation/Usability. “Flexible navigation” or usability is a “critical element” of effective websites (Bridges & Florsheim, 2008, pp. 309-310). Navigation through the site must be clear, with a consistent layout of pages and formatting, the navigation bar in expected locations (left and/or top of page), and with typefaces and labelling legible and consistent (Dalal, Quible, & Wyatt, 2000). Sites that are economical in terms of navigation reduce both time and cognitive effort for consumers, and thus are thought to induce pleasure and satisfaction (Syzmanski & Hise, 2000).

Interactivity. The interactivity of a site is also a key success factor. The site itself may be interactive or “sticky,” encouraging virtual visitors to linger on the website (Wolfinbarger & Gilly, 2001). Interactivity may also come from social media presence through such tools as Facebook, Twitter, Foursquare, and blogs.

Up-to-date. Frequent updates are yet another determinant of attitude toward the site (Elliott & Speck, 2005). In the quickly changing context of the web, consumers equate frequent updates with credibility (Elliott & Speck, 2005). An out-dated site may undermine trust in the vendor’s understanding of how the web works. Moreover, consumers will not revisit an unchanging site any more than they will re-read yesterday’s newspaper.

Process. Services have long been viewed as scripts (Solomon, Suprenant, Czepiel, & Gutman, 1985), recognizing that the process is often as important as the outcome. Applying a transaction process-based framework, previous research has segmented the service experience into discrete stages. Likewise, researchers have segmented the online service process as well (Bauer, Falk, & Hammerschmidt, 2006). This is recognized not only through navigation and interactivity but also by the gestalt of the experience not only during the transaction process (Wolfinbarger & Gilly, 2003).

Transaction. The entirety of the process will sometimes include transactions. Abandoned shopping carts, for example, are a frequent problem for online sellers. This may be mitigated by a seamless process: “Importantly, across transactions at a particular website, judgments of security/privacy increase, and play an independent role in predicting quality” (Wolfinbarger & Gilly, 2003, p. 196).

Trust. Trust may is not uniquely related to the shopping experience, rather it is assessed across the process of virtual interaction, influenced by such things as advertising and download time (Elliott & Speck, 2005). As Nowak and Newton (2008) explain: “Increased perceptions of web site quality will lead to increased levels of trust and increased levels of perceptions of wine
quality” (Nowak & Newton, 2008, p. 62). Features such as testimonials, press mentions, and guarantees assist in fostering consumer trust.

Visibility. Finally, effective websites must be easily discovered by potential visitors. Sites with high visibility give due attention to choosing an effective URL, developing a linking strategy, and search engine optimization.

METHODOLOGY

Four research assistants evaluated the websites of each of the 12 wineries on the dimensions of: navigation/usability; interactivity; up-to-date status; atmospherics; process; transactions; and trust. For each website, coders were instructed to visit a minimum of 10 pages and to attempt to make a purchase at the end (abandoning their carts at the point where payment was required). Each dimension was measured using multiple indicators, scored on Likert-type scales. Thus, summative scores were calculated for each dimension.

RESULTS AND DISCUSSION

This paper has addressed the effectiveness of Nova Scotia’s 12 winery websites based on dimensions within the control of the designer. While each winery has a web presence, the effectiveness of the sites offered varies widely. For example, the success of linking strategies (a measure of visibility) varies from a low of 165 Google links to a high of 78,500,000. This variation is partially explained by the linking strategies themselves and partially by strategic choice of URLs which are general in nature.

Interactivity, as measured by social media involvement, also differs. Three of the twelve wineries have no presence on Facebook or Twitter. Five wineries have a Facebook presence; eight wineries have a Twitter presence. Again, the followers on Twitter vary from a handful to several hundred. Furthermore, the wineries with a social media presence do not leverage that presence equally. Some accounts are rarely used or defunct, while others utilize social media on a regular basis, promoting winery events and celebrating awards and other news-worthy occasions. Thus, while each winery is doing many things “right” when engaging potential customers on the web, no individual winery has mastered each of the elements that would promise success. Consequently, the insights from the specific analysis of each winery website offer guidance to the individual wineries that may help them to refine their online marketing efforts in the future.

CONCLUSION

The research project connects both scientific and applied communities through the application of principles of effective web marketing to the understanding and development of wine tourism in Nova Scotia’s fledging – but already economically significant - wine region. Future research should expand on these efforts by examining consumer reactions to these websites. The research offers managerial implications to support not only winery management, but also government policy makers, to further develop wine tourism and destination marketing strategies through better understanding the consumer.
REFERENCES


