

A Work Project, presented as part of the requirements for the Award of a Master's degree in Management from the Nova School of Business and Economics.

TARGETING AND REPOSITIONING THE LANCERS BRAND IN THE PORTUGUESE
ROSÉ WINE MARKET

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Abstract

José Maria da Fonseca, a recognized Portuguese winemaker, is growing in the domestic market. However, one of its eldest brands, Lancers (a brand of mainly rosé), has been struggling despite several repositioning attempts. The developing rosé wine market led to the conduction of a market research to examine the behavior of Portuguese consumers and assess the most adequate target market and positioning for Lancers. The results show that Lancers' ideal target audience are mature wine drinkers, and it should be positioned as a top-quality brand offering a great social and gastronomical experience, as opposed to the firm's current marketing strategy.

Key words: Marketing strategy, Repositioning, Rosé wine, Market research

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1. The Company: José Maria da Fonseca

The company José Maria da Fonseca (JMF) assumed the name of its founder from its birth, in 1843, in Vilar Seco – a small village in Portugal. JMF is dedicated to the production and commercialization of wines, liquors and other related products. In 2019, and according to the European Commission standards, JMF was classified as being a SME with 210 employees and annual sales turnover around 19.584 million Euros (see Exhibits 1 and 2). Furthermore, this is a family-owned business, currently led by the 6th and 7th family generations – “Family of wines. Wines of a family” is the motto of JMF. The company owns 650 hectares vineyard area in the regions of Península de Setúbal, Alentejo, Douro, Vinhos Verdes and Dão, and performs the complete wine producing processes, from viticulture to winemaking. In total, JMF owns more than 30 brands and sells its products in more than 70 countries around the world (see Exhibits 3 and 4). As explained by the company’s Marketing Manager, its products are distributed through both on and off trade channels in the Portuguese market, with the latter now representing about 71% of its domestic sales. As of recently, JMF also owns an e-commerce channel that represents a residual part of its global sales.

The organizational culture promotes two values that have been passed over the different family generations – “tradition” and “innovation”. Some important milestones include JMF being a pioneer in commercialization the first table wine in the domestic market (Observador Lab 2020), and the first Portuguese producer to create a non-alcoholic wine (Rocha 2009). Over the past years, JMF has directed its concerns towards sustainability by introducing sustainable practices in its vineyards that contribute for a reduction of consumption of water, and a better management of natural resources, plus its preservation and conservation (Carvalho 2019).

2. Situational Analysis

2.1 External Analysis

Two strategy frameworks were used to analyze the current external environment in which JMF is competing in the Portuguese wine industry. First, a PEST analysis was elaborated to evaluate the Portuguese macroenvironment. PEST stands for political, economic, social, and technological, and it provides a simple tool that is used worldwide by Managers in order to study how these four factors influence an organization's business, its industry and finally, its markets (Campbell, Edgar and Stonehouse 2011). Regarding the microenvironment, JMF's main competitors were identified and briefly presented, in order to critically establish a comparison term and benchmark business performance for the competitive analysis (Campbell, Edgar and Stonehouse 2011). Porter's Five Forces framework was also applied, as it allows to determine the attractiveness of an industry based on: the degree and likelihood of threat of new entrants and substitute products; the degree of power of buyers and suppliers and finally the rivalry among businesses in the industry (Campbell, Edgar and Stonehouse 2011).

2.1.1 Macroenvironment – PEST Analysis

Political Environment

Wine exports and expeditions to foreign countries are regulated, in Portugal, by Instituto da Vinha e do Vinho (IVV) through taxes whose application differ according to the destination, and whether or not such destination is a member state of the European Union (IVV 2020). Moreover, “we should not forget legal restrictions for the consumption of alcohol” (Millán and Yagüe 1997, as cited in Alcaraz-Mármol and Medina-Albaladejo 2019, 114) that are transversal to the industry. With the UK as one of Portugal's largest wine importers (Lusa 2020), the Brexit situation in nothing impacts the free movement of goods, considering the EU-UK Trade and Cooperation Agreement released on 24 December 2020, which entered into force on 1 January 2021 (European Commission 2020). The first pillar of the Trade and Cooperation Agreement

consists precisely in providing “zero tariffs and zero quotas on all goods that comply with the appropriate rules of origin” (European Commission 2020). Thus, as long as JMF and other Portuguese wine firms meet such arrangements, the impact of Brexit will not bring further legal implications to their businesses, neither upper costs.

Economic Environment

Portugal’s real GDP decreased by 7.6% in 2020 reflecting the effects of COVID-19 (Carregueiro 2021). The decrease in tourist inflows, which played a big role on the recent success of the Portuguese wine market, as well as the decline in domestic demand, mean a huge overall decline in sales for this industry (Passport 2020).

In an effort to aid businesses and workers affected by the measures used to fight COVID-19 – and in particular for the wine industry – the Portuguese Minister of Agriculture has announced aid in the form of 15 million Euros, of which 10 million will be used to fight the crisis in distillation and storage (Passport 2020). Nevertheless, companies argue that this value will not be enough to keep companies afloat, especially the micro national producers, whose sales rely heavily on the HORECA channel – which is experiencing considerable low levels of demand (Pinto 2020). This is expected to change the landscape of the wine industry as the majority of players are micro producers. The fact that many of them will not survive this global societal crisis can be seen as an opportunity for larger companies, such as JMF, that have surplus to wait until the restrictions from COVID-19 are alleviated and to eventually capture that market share.

Socio-cultural Environment

Steenkamp (1997, 167) states that “culture clearly influences food consumption behavior”. Indisputably, cuisine is entrenched in the Portuguese identity. Many local traditions are related to the food sector, making Portugal very prominent for its gastronomy and its wine selection for both domestic consumers and tourists. Some authors support that once the pandemic is over,

tourism will be the main driver for the growth of the industry over the next years (Antunes 2019). Over the period of 2000 and 2019, in general terms, the world wine consumption has been increasing (IVV 2019). In 2019, the average wine consumption per person in Portugal was roughly 67.1ltrs, determining it the country with the highest wine consumption per capita in the world (Statista 2020). Also, the wine consumption in this country grew strongly during the lockdown between March to May 2020 that derived from the current COVID-19 global pandemic, opposing to what occurred with other alcoholic beverages such as beer and spirit drinks, according to a recent study by the European Association of Wine Economists (EUAWE) (DN/ Lusa 2020). As a result, wine producers experienced a reduced threat of substitute products in the market. In addition, consumers' knowledge of wine has been increasing, as they became more sophisticated users of this category and, as a consequence, are increasingly willing to pay more for quality wine, resulting in a higher growth in value than volume for the Portuguese wine market in 2019 (Passport 2020). This presents an opportunity for wine companies to promote the quality of their wines in order to leverage the consumers' increase of wine knowledge and consequent willingness to pay.

Overall, the wine sector should be vigilant to the upcoming trends in the behavior of consumers, such as a slowly but steady shift to online channels (Passport 2020) and consumers' increasing concern with a more sustainable and healthier lifestyle. Regarding the health factor, consumers may tend to reduce their wine consumption due to the perceived detrimental factor for health, and the calories contained in this kind of products. This trend can also be an opportunity for industry producers, who should closely monitor the development of this consumer segment and eventually develop new products to target their changing needs.

Technological Environment

Being one of the oldest players in the industry, Portugal produces some of wine's eldest brands, in which the stamp of tradition is automatically connected with quality (Pereira 2014). For companies that rely on innovation to compete, such as the case of JMF, and simultaneously adds tradition to its two core values, the difficulty in linking both concepts - apparently paradoxical -, suggests the need to review its brand identity communication.

Additionally, “technological improvements in oenological processes or new viticulture techniques” (Torres and Kunc 2016, 31) are illustrative of technological expansion that leads to more effective and efficient practices in wine production, denoting a need for wine firms to adapt to such improvements to keep up with the new shape of competition (Stasi et al. 2016). The implementation of innovative technologies such as biosensors that monitor wine quality parameters during the winemaking, innovative wine machinery with higher levels of automatism, or even alternative winemaking techniques (Stasi et al. 2016), holds various positive impacts in businesses, including “cost-reduction, product differentiation, process innovation and improvements of managerial organization” (Stasi et al. 2016, 290).

Finally, a full and detailed analysis of each factor can be found in Exhibit 5 in appendix.

2.1.2 Microenvironment

Competitive Overview

The Portuguese wine market is highly fragmented (Passport 2020), where 75% of the industry is composed by small producers and micro enterprises (Lourenço 2017), which brings up obstacles in tackling the underlying factors for the creation of clusters. The wine market “reveals itself to be an excellent example of monopolistic competition” (Rebelo et al. 2018, 308), in which most firms offer products or services that are similar, but not perfect substitutes. Some of the characteristics that companies use to disaggregate the market into differentiated

segments include region of origin, type of wine or type of grapes used (Santos and Ribeiro 2012), presenting a more product-oriented strategy, a particularity of “old world” country producers (Festa et al. 2016). Nevertheless, the strategic group in which JMF is situated contemplates rival companies that adopt identical or similar strategies, based on specific dimensions such as (1) products/ markets, (2) internationalization, (3) vertical integration, and (4) diversification (Freire 1997, as cited in Alberto and Ferreira 2007). In an interview – part of our exploratory analysis – JMF’s Marketing Manager pointed out *Aveleda Group*, *Esporão* and *Sogrape – Vinhos de Portugal* as the company’s three main competitors. The latter is the market leader with 3% of market share of the total volume sold in liters (Passport 2020). It owns some of the brands that compete directly with JMF’s mass market brands, namely Mateus and Gazela. The same happens with *Aveleda Group* which detains the brand Casal Garcia (among others) and *Esporão*, which is also a strong player with a solid presence in the domestic market and one of the most admired and recognized wine brands worldwide (Carvalho 2020).

Porter's Five Forces

Threat of New Entrants: Low

The wine industry presents high initial investment costs in terms of setting up the vineyard, the watering system, treatments, storage, transportation, and winery and extensive knowledge and expertise (de Spínola Barreto Soares Amaral 2018). Additionally, the access to distribution channels is extremely hard for new players due to the existence of the already well-established and numerous organizations in the industry with supplier deals. Up to date, there is still a lack of economies of scale due to the small size of the players and respective small production and transformation capacity (Gomes 2013).

In summary, the high barriers to entry lead to a low threat of new players entering the market, that result in increased profit potential for the existing producers.

Threat of Substitute Products: *Medium*

Due to the specific and hardly replaceable characteristics of alcohol “it is reasonable to suggest alcohol has relatively few substitutes” (Fogarty 2005, 15). Beer is pointed out as wine’s major substitute mainly due to cultural similarities in drinking behavior and positive emotional associations such as happiness, comfort, or pleasure (Silva et al. 2016). In fact, the complexity of the consumer decision-making in wine context that involves numerous features or attributes to take into account (Silva, et al. 2016) leads consumers who are not familiarized with wine or without regular habits of consumption, to easily switch for other products that are less complex (Lacey, Bruwer and Li 2009, as cited in Silva et al. 2016). The existence of low switching costs between substitute products is clear, especially when wine brands fail to achieve brand loyalty, which in the domestic market is highly dependent of “consumers satisfied with their preferred wine brand and conscious of a good brand image” (Loureiro and Kaufmann 2012, 339). To conclude, as the switching costs for consumers are low, organizations competing in the wine industry have to invest in product differentiation as well as in marketing and communication to be able to create a strong brand image and establish behavioral loyalty.

Bargaining Power of Buyers: *High*

It is highly unusual for domestic wine producers to sell directly to the end consumer, making them highly dependent on the on-trade retail buyers – also known as HORECA (Hotels, Restaurants and Cafés) – and off-trade channels – consisting mainly of supermarkets and hypermarkets – to distribute its products. The latter has been gaining importance since the lockdown derived from the current global COVID-19 pandemic (Passport 2020). Additionally, the Portuguese food retailing market is very concentrated as the top five companies account for roughly 80% of the market (Cardoso and Lima 2019), allowing large retailers to leverage large orders to lower prices. It is important to note that the sales of private label wines have been an

upward trend, as the quality of distributor brand wines has also improved. On the other hand, in the HORECA segment producers have higher negotiating power as this segment is more competitive and there is pressure from consumers for variety of wines (MarketLine 2014). Within each type of wine (red, white, rosé, etc.) there is a large variety of comparable products in terms of region, quality, and price. Thus, buyers experience low switching costs between different brands of wine (MarketLine 2014).

On the whole, we can conclude that buyers exert a tremendous power, meaning they can pressure companies to lower their prices, improve quality of their offering, or require better services (Porter 1979). A significant impact of this in the wine industry, is how dependent companies are on promotions to make the sale. As a matter of fact, many wine producers create specific brands to be sold by retailers constantly at a discount (Pacheco 2018).

Bargaining Power of Suppliers: *Medium*

Suppliers have a big influence on the quality of a producer's final product, as they are responsible for delivering the necessary raw material for production (Šperková and Hejmalová 2011), especially in the wine industry where the nature and quality of the grapevines are crucial for wine quality. Other important suppliers in the industry are those of sophisticated equipment and technological solutions for fermentation and bottling processes, the bottles themselves, corks and screw caps (MarketLine 2014). Moreover, independent suppliers exert an increased bargaining power as their businesses are not entirely dependent on the wine sector since grapes can be used in the production of fruit sugar and they can integrate their operations forward, becoming wine producers themselves (MarketLine 2014).

Overall, the bargaining power of the suppliers within the wine industry can be considered moderate, limiting this industry's profitability. Wine producers can reduce suppliers' bargaining power and ensure the highest quality of their products through the upstream vertical

integration, i.e., having their own vineyards and being responsible for both the viticulture and the whole winemaking processes – very common in the wine industry (Vivas and Sousa 2012).

Competitive Rivalry: *High*

The wine industry is characterized as being highly fragmented and consisting of mainly micro enterprises (Vivas and Sousa 2012). Over the past years, there has been a surplus in production, leading to a fierce price war within the industry in order to try to drain the existing stock (Alberto and Ferreira 2007). For those competing through differentiation, domestic companies can highlight the quality of their wines through the region of origin (Atkin and Johnson 2010) allowing them to distinguish its product as in Portugal this classification acts as brand value (Brochado and Oliveira 2018). Furthermore, the wine industry presents moderate exiting barriers: (1) companies' nature in the industry are predominantly family businesses (Vivas and Sousa 2012), which tend to have a higher affinity to the business leading to high emotional exit barriers and reluctance to change (Harris, Martinez, and Ward 1994), as well as the fact that (2) the reselling of the industry-specific and very sophisticated equipment is extremely hard.

To sum up, there is an intense jockeying for position among competitors in the domestic market (Vivas and Sousa 2012) that highly impacts the sector's profitability in a negative way mainly because (1) the numerous players feel constantly pressured to resort to tactics to improve their position in the market, often leading to an intense war price among competitors; (2) the reluctance of exiting the industry by existing players when the business is no longer sustainable may lead to the adoption of radical strategies that affect the whole wine sector (Porter 1980).

Exhibit 6 in appendix features the comprehensive examination of each of the forces previously presented. In conclusion, after analyzing each force individually and summarizing the results in Exhibit 7 in appendix, the attractiveness of the domestic wine industry is considered to be moderate given that the threat of new players entering is low and the bargaining power of

suppliers is not very high, and although the switching costs for consumers are low, wine is an alcoholic beverage, meaning there are few substitutes. The high bargaining power of buyers and the fragmented nature of this industry constitute the sector's biggest disadvantages.

2.2 Internal Analysis

Financial Resources

The complete analysis of JMF's financial resources focuses essentially in evaluating its financing structure, and within it, levels of debt and profitability. In Exhibit 8, such analysis is exposed in higher detail through the usage of financial measures/ratios, whose interpretation leads to a more accurate capture of results. Overall, the analysis indicates low economic and operational profitability in a business structure that is mostly financed through debt, constituting a weakness in the long run.

Products Portfolio

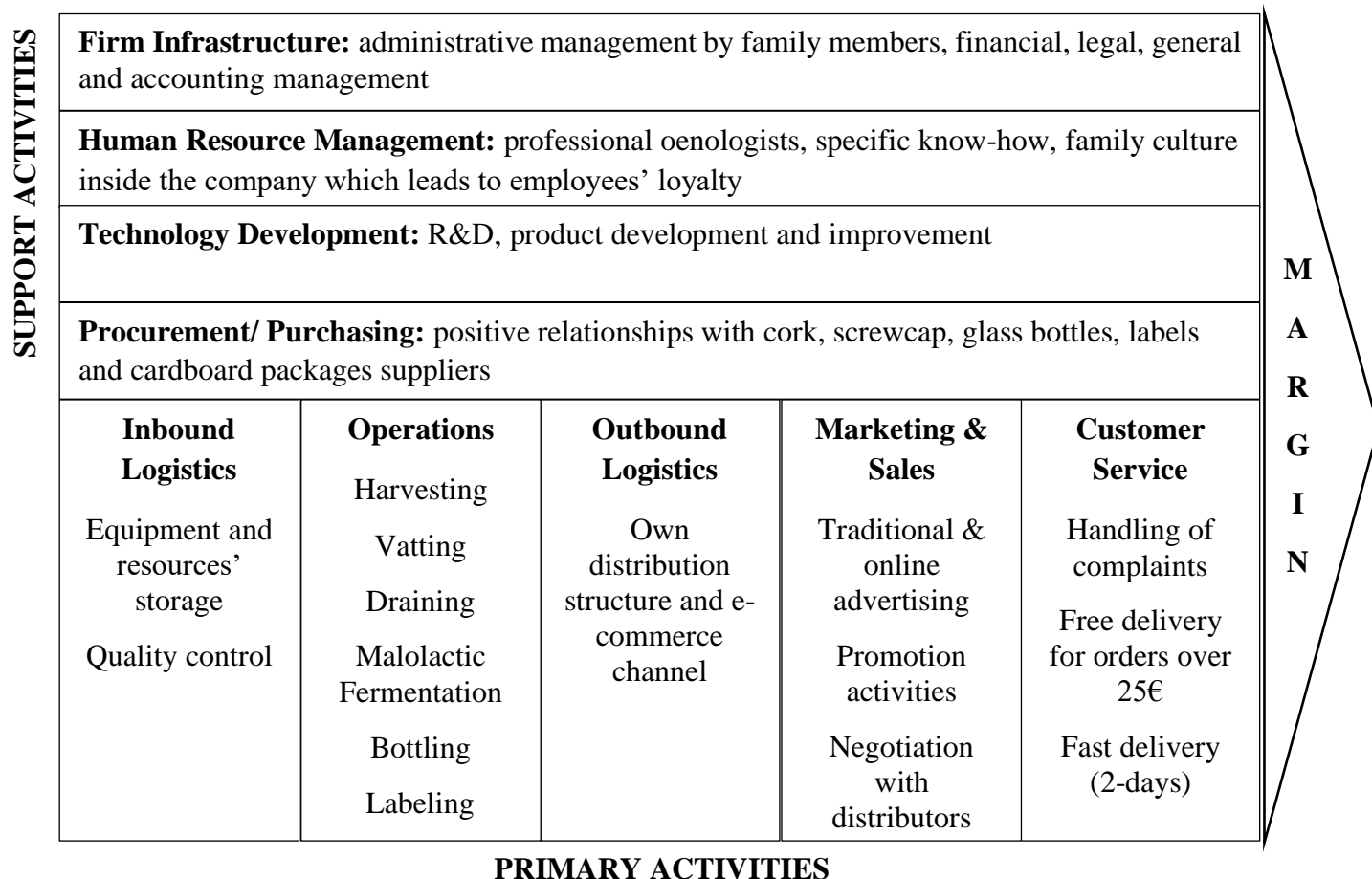
With more than 30 brands, JMF's brand portfolio is extremely diversified, divided into six main categories that can be found in Exhibit 9: key brands, premium, super premium, fortified wines – including brands and liqueurs -, old cellar and more recently, de-alcoholised wines.

There are three wine brands that stand out in this portfolio: *Periquita*, *Lancers* and *0%original*. *Periquita* was created in 1850 and is the oldest Portuguese table wine (Observador Lab 2018). *Lancers* is a brand with more than 76 years of history, which achieved a great success in the international market – especially in the United States – selling more than 12 million bottles per year during the 60s and 70s (Agricultura e Mar Actual 2020). Moreover, the company launched the first Portuguese non-alcoholic wine under the brand *Lancers* – *Lancers Rosé Free* – which in 2018 was discontinued and replaced by a new brand name *0%original*, under which three different non-alcoholic wines can be found: *0%original* white, red, and rosé.

Value Chain

The figure below was adapted from the Porter's Value Chain model and represents the current value chain of JMF, whose detailed explanation can be found in Exhibit 10 in appendix.

Figure 1. José Maria da Fonseca's Value Chain



Source: elaborated by the authors and inspired by the Porter's Value Chain (1998)

Company's and Brands' Performance

JMF has been experiencing a continuous positive growth rate over the past four years (2016-2019) in the domestic market. The average annual growth rate over this period is around 17.5¹%. Data referring to the period of 2018/ 2019 show that the company experienced a sales growth of 12% in the Portuguese market. Nevertheless, its business is still very much dependent

¹ Computation done based on the arithmetic mean of the annual growth rates provided by JMF.

of the external market. According to the company's Marketing Manager, the exported production accounted for 61% of the organization's total sales in 2020. Furthermore, the previously mentioned large sales gap between the on trade (29%) and off trade (71%) channels, became even more aggravated due to the COVID-19 pandemic, as it forced the restaurants to close and consumers to buy wine in super and hypermarkets.

The brands *Periquita*, *João Pires*, *BSE* and *Lancers* were defined as being JMF's mass-market brands, and the ones that receive the biggest share of marketing investment. Also, they are mentioned above in descending order of sales performance in the domestic market. *Periquita* is considered as both the most important and profitable brand in the portfolio by JMF, since it has been responsible for an average of 36.8% of the annual sales of JMF in Portugal over the period of 2016-2020. However, its domestic sales and importance have been declining over the last years. Data referring to 2019/2020 show that brand's sales decreased about 9% in Portugal, but this may be repercussions of the COVID-19 pandemic and thus this period is not the best representation. Nevertheless, when looking at 2018/2019 it shows that *Periquita* only grew 1% over this period in Portugal, meaning it has not been following the corporate's growth. The same scenario has been witnessed with the brand *Lancers*, but more aggravated. Over the same period (2016-2020), *Lancers*' sales had an average weight of 16% in the company's total domestic sales. In the years of 2016 and 2017, *Lancers* experienced a growth rate of 38% and 3% respectively, which have been followed by deep fall in the succeeding years. As data show, in 2020 – although not representative due to the pandemic effects – its sales suffered a fall of 20% and of 5% and 16% in 2019 and 2018, respectively.

As stated by the company's Marketing Manager during the interview, the rosé wine under the *Lancers* brand name accounts for 95% of the entire brand's sales. *Lancers* is a brand that competes in the rosé domestic market against strong top of mind brands such as *Mateus Rosé*, *Gazela* and *Casal Garcia*. Over the past years, in order to compete directly with the

aforementioned brands that are currently consumed by mostly young adults, JMF has been directing its efforts towards several attempts of repositioning its brand to target younger consumers with Lancers, even though the limited available research by a study provided by the company demonstrates that, within the range of respondents who have already tried Lancers, the majority of them (66%) are located between 35-54 years, going beyond young adulthood.

2.3 TOWS

As a summary of the situational analysis, a SWOT Analysis was elaborated, which is presented in Exhibit 11 in appendix. Further, in order to identify possible strategic choices for JMF, a TOWS Matrix was developed, whose main insights are presented in the following table:

Table 1. José Maria da Fonseca’s TOWS Analysis

<p>Strengths/ Opportunities (SO)</p>	<ol style="list-style-type: none"> 1. Take advantage of the increased wine consumption and potential post-pandemic exit of (micro) players by reinforcing the promotion of existing brands in the domestic market; 2. Increasing consumer knowledge about wine presents an opportunity to attract knowledgeable and well-informed consumers about JMF’s portfolio variety and recent innovations; 3. Explore new consumer moments for wine consumption, such as after a meal or as an aperitif by linking JMF existing types of wine to each occasion.
<p>Strengths/ Threats (ST)</p>	<ol style="list-style-type: none"> 1. The rising concern towards sustainability and healthier lifestyle is an opportunity for the creation of an organic wine brand; 2. Opportunity to promote the online channel (e-commerce) with the purpose of reducing the suppliers’ bargaining power (off trade) and losses from the on trade as consumers move online due to the pandemic; 3. Address consumers’ concerns towards sustainability and healthier lifestyle by making visible the company’s commitments to sustainability and social responsibility; 4. Strengthen international presence (main markets) to endure the uncertainties in the Euro market; 5. Enhance JMF’s identity and corporate brand reputation to mitigate the increased competition and decrease in consumers’ purchasing power (crisis effect).
<p>Weaknesses/ Opportunities (WO)</p>	<ol style="list-style-type: none"> 1. Ensure that quality standards evolve as consumers’ knowledge and expectations increase; 2. Demonstrate the quality of wines to leverage consumers increased knowledge and subsequent increased willingness to pay;

	<ol style="list-style-type: none"> 3. Take advantage of high fixed costs (equipment and vineyards maintenance) to expand to new business activities.
Weaknesses/ Threats (WT)	<ol style="list-style-type: none"> 1. Increase liquidity by promoting the online channel sales based on consumer profiling and data in social media; 2. Invest in the channels that provide higher margins for José Maria da Fonseca (on trade and e-commerce).

3. Corporate Strategy

3.1 Competitive Strategy

Michael E. Porter (1980), argues that a company has three main alternatives to compete in the market and to achieve competitive advantage, namely: (1) cost leadership – where the company tries to achieve the lowest production costs in the market; (2) differentiation – where the company tries to convince consumers that its product is superior compared to its competitors, which can then lead to charging a price premium; and finally (3) focus – where the company employs one of the previous two strategies to a narrow strategic scope or segment (Campbell, Edgar and Stonehouse 2011).

For JMF, there are two competitive advantages that stand out: (1) the company’s expertise/knowledge about winemaking and wine commercialization, and (2) innovation in product development (wine). Regarding (1), JMF is a family business with almost 200 years of history in grape and winemaking and owns vineyards in five different demarcated regions in Portugal. Also, by having a diversified portfolio in terms of products (wines, liquors, etc.), wine types (red, white – sweet and dry -, rosé, sparkling, etc.), regions (Douro, Dão, etc.), grape varieties (Castelão, Syrah, Aragonês, etc.) and price levels, the company seems to be trying to cover every possible type of wine product, which brings complexity to its management, competes for attention that could be devoted to studying market opportunities and how to explore them, and prevents focusing the limited resources on the products with highest potential for market success. In what concerns product development, (2) innovation seems to be at the core of the company’s business, as verified in the case of the first Portuguese non-alcoholic wine, but there

is no strong evidence that this innovative capability is followed by a strong targeting and positioning exercise that allows those innovations to persuade a willing target market. Based on the literature review, the conclusion is that JMF follows a differentiation strategy – it established a strong brand reputation in the market as a family of wines with a long history – and opts for a non-price competition.

3.2 Business Orientation

A product-oriented business assumes that the quality of the product is enough for the consumer to buy it (Pearson 1993). On the contrary, Boso, Story and Cadogan (2013) argue that, in a market-oriented strategy, companies are consumer oriented, competitor oriented and have inter-functional coordination (data collected about consumers and competitors is internally disseminated to all people/ functions in the organization). A commonly accepted definition for market orientation (Sandvik and Sandvik 2003) describes it as “the organization-wide generation of market intelligence pertaining to current and future customer needs” (Kohli and Jaworski 1990, as cited in Sandvik and Sandvik 2003). JMF’s family organizational culture and its extensive brands’ portfolio reflect a product orientation, instead of a market orientation.

4. Organizational Challenge

The organizational challenge to be addressed is to reposition the brand Lancers in the Portuguese market. The context given by the situational analysis constituted the starting point to determine market opportunities and to realize that the firm is facing difficulties in finding strategies to achieve a sustainable financial performance, as is the case with Lancers and Periquita, that absorb a significantly high investment and are underperforming. It was decided to focus on Lancers as it is a brand of mainly rosé wine, a category that is growing. Contrary to this trend, brand’s sales have been critically falling, which may be an indication of an ineffective strategy of the brand. Thus, we believe that with the right target Lancers may thrive in the domestic market. As literature and studies show, a good and successful segmentation

strategy brings benefits for both the company – identification of unfulfilled needs, better product designs, targeted promotions, and an increase in the consumer satisfaction -, and its consumers – tailored products and services, relevant offers, and personalized experiences (Gupta 2014). Following such strategy leads the company to achieve a sustainable profit growth while offering a compelling experience to its consumers.

Unlike red and white wines, rosé wines have been and still are a product for a niche market among wine consumers as its global consumption represents only about 11.2% of the three still wines (FranceAgriMer February 2020). Still, there has been witnessed a “blooming of the pink”, i.e., a rise in the global consumption of this product, reaching 25.6 million hl and in 2018 – which translates in an increase of 9% compared to the previous year, and 40% compared to 2002 (FranceAgriMer February 2020). Furthermore, according to the same source, the global trade value of rosé wine reached 2.2 billion Euros in 2018, a rise of 10% compared to 2017. All in all, this market seems to present an opportunity of growth for wine producers. As this category is still relatively recent, there is not much investigation made in this field, especially in Portugal. Thus, the present study aims at drawing relevant conclusions about the current perception of the brand Lancers among national category consumers. The end goal is to identify and characterize different segments using the product’s benefits as the foundation for the segmentation, in order to be able to recommend a potential repositioning strategy for Lancers to attract new consumers without losing the current ones. In the end of this project the following two research questions should be answered: 1) What is the most attractive segment/target market for Lancers rosé? and 2) What should the positioning and competitive advantage of Lancers be for that target market, in the domestic market?

5. Literature Review

5.1 Consumer Behavior and Decision Making for Wine Products

Wine is an alcoholic beverage typically made from fermented grapes, which is overall considered to be an “information-intensive experience product” (Bruwer, Saliba, and Miller 2011, 5), and whose buying process can be perceived as complex, and when consumed in excess has social and physical risks associated (Ferreira et al. 2019). The complexity comes from the enormous breadth of products in the market, market differentiation and information asymmetry (Marques and Guia 2018). Wine bears a strong social meaning making it an important decision for consumers (Nunes et al. 2016) and as such, wine is an “experience” product as crucial factors such as the olfactory can only be assessed once the product is consumed, ie experienced (Bruwer, Saliba, Miller 2011). Wine products are consumed for three experiential consumer motivations: sensorial (e.g., taste and accompanying with food), interactive (e.g., for socializing and fraternizing with others) and cognitive (e.g., challenge and exploration factors) (Marques and Guia 2018). As a result, consumers try to find ways to overcome complexity in the decision making by retrieving information through different sources, such as past experiences and external sources (Marques and Guia 2018). Factors such as price, brand, region of origin and label seem to be the most common indicators of quality used by wine drinkers (Ferreira et al. 2019). Nevertheless, the relevance of these cues depends on variables such as consumer involvement (Lo Monaco, Tavani and Codaccioni 2020), which is extremely linked to the perceived wine status and existing knowledge of wine drinkers. On the one hand, novice consumers tend to show low involvement in the purchase of wine and tend to employ risk reduction strategies as for example routinely buying the same wine type and/ or brand (Lo Monaco, Tavani and Codaccioni 2020; Marques and Guia 2018). On the other hand, expert consumers show high involvement and confident purchasing wines, being more open to experience new brands and wine types (Lo Monaco, Tavani and Codaccioni 2020; Marques and

Guia 2018). Additionally, our literature review has shown that gender identity plays a decisive role in consumers' wine purchase decision, with generally, females perceiving themselves as novice consumers and males as expert consumers (Marques and Guia 2018). In general, wine consumers tend to be risk adverse; thus, the best way to overcome this adverse selection problem in experience goods such as wine is through investing in strong branding for a high brand and/ or producer's reputation (Caldas and Rebelo 2013).

5.2 Branding in Wine

A brand is described as the combination of different elements used to (1) identify and (2) distinguish products or services of one party from those of other parties (Keller 2013). The literature suggests that branding has been gaining importance in the wine industry (Vrontis and Paliwoda 2008). The wine industry – and especially the “old world” producers – is much product-oriented than market or consumer-oriented. In order for producers to survive in a crowded market where a plethora of brands exist, they need to assure that their brands are considered strong in consumers' minds (Vrontis and Paliwoda 2008) and thus market orientation is paramount. Authors argue that a strong brand leads to more “cost-effective marketing campaigns, greater financial performance, ease of line extension, a better competitive position” (Vrontis, Thrassou and Rossi 2011, 290). Also, it is the route for achieving brand loyalty as it is a symbol of quality and trust (Vrontis, Thrassou and Rossi 2011).

5.3 Marketing Strategy

Since a broader group of consumers is starting to acknowledge and aspiring to drink wine, as well as due to the fact that wine is becoming a lifestyle product, it is necessary to understand deeply wine drinkers' values, patterns, and profile (Bruwer and Li 2007). Segmenting consumers allows to identify new market opportunities as well as to better understand what are the “attributes that maximize consumer-perceived value” (Pomarici et al. 2017, 99). The three basic elements of a marketing strategy are: segmentation – constitutes the division of consumers

into groups in which they share similar needs and wants followed by defining consumers' characteristics (Gupta 2014), targeting – involves the choice of at least one of the segments identified based on its attractiveness and best fit with the brand (Keller 2013), and positioning – the “act of designing the company’s offer and image so that it occupies a distinct and valued place in the target customer’s minds”. (Keller 2013, 79). The wine market can be segmented by grouping consumers with segmentation variables such as demographics (income, age, gender, education, etc.), behavioral (frequency of consumption, place of consumption, brand loyalty, etc.), and psychographic (values, lifestyle, attitudes, opinions, etc.). The literature establishes five different segments of wine consumers: adventurous connoisseurs; mainstream at-homers; weekly treaters; sociable bargain-hunters; and frugal conservatives (Santos and Ribeiro 2012), which are described in detail in Exhibit 12 in appendix.

Finally, as the so called “heritage brands” (those that have been in the market for longer) can be perceived as boring or uninteresting and thus resulting in a downturn in its sales, they must find ways to be repositioned in the mind of consumers by strengthening existing positive associations with the brand in addition to creating new ones. Also, a successful repositioning should aim at erasing or repairing negative associations that have been created (Keller 2013). Creating relevant usage situations, modernizing user profile and its brand personality are some of the existing strategies for more mature brands to become more contemporary (Keller 2013).

6. Methodology

6.1 Data Collection

This project is based on data collected both from secondary and primary sources through an exploratory research design followed by a confirmatory one. We started with secondary data in order to understand the wine market and existing trends, as well as the company by analyzing information obtained from published papers (scientific articles), market research reports and websites. For our primary data collection, we started out with an exploratory interview (see

interview protocol in Exhibit 13) to JMF's Marketing Manager to understand more about the organizational challenges from the actor's point of view. Both secondary and exploratory interview data informed the quantitative data collection through an online survey questionnaire (see survey questionnaire in Exhibit 14), meant to be representative of the population of rosé wine consumers in Portugal, given the lack of studies conducted specifically focused on the rosé wine market. In Exhibit 15, the methodology is described in detail. The hypotheses to test in the survey questionnaire were formulated taking into consideration the two research questions for the study. To address the first research question, the hypotheses were the following: H1. "The preference for rosé wine is higher in older than in younger consumers" in order to assess the target market regarding age; secondly, H2. "The consumption of rosé wine is higher by female than male consumers"; H3. "The frequency of consumption of rosé wine is smaller than the frequency of consumption of other wines"; finally, H4. aims to explore the influence that knowledge owns over willingness to spend in wine: "The higher the self-perceived knowledge about wine, the higher the willingness to spend in wine". Regarding the second research question, the hypotheses explore the existence of potential attributes regarding Lancers: H5. "Lancers' quality is more valued than price"; H6. "Lancers is more strongly associated to tradition rather than to modernity".

6.2 Sampling

The aforementioned approach allowed us to conduct market research about rosé wine in the domestic market with a sample of 728 respondents from the population of rosé wine consumers in Portugal. From the 728 collected answers, only 474 fulfilled all the necessary conditions² to conclude the whole survey and presented valid answers. The questionnaire, which was written and shared in Portuguese, collected relevant data regarding: (1) the respondents'

² Filters: 1. Be 18 years old or over, 2. Live in Portugal for at least 5 years, 3. Have purchased or consumed rosé wine at least once over the last 12 months

characterization – age group, gender, level of education, professional situation and monthly income -, (2) consumer behavior in the rosé wine category – how often do people drink it, in which occasions, what are their motives, what are their emotions towards the product and purchasing habits – , and finally, (3) the perception about Lancers – either from current Lancers consumers (the factors they value the most in the brand, as well as quality and price perceptions) and potential Lancers consumers, i.e., non-consumers of the brand (brand awareness, important factors when choosing a rosé wine, willingness to try the product, among others). The survey was then distributed through the snowball sampling technique in order to reach a few members of the target population able to locate, and then disseminate it by sharing it with other rosé wine consumers (Babbie 2010).

6.3 Data Analysis and Main Findings

In what regards the exploratory research, the interview with JMF's Marketing Manager took roughly 1 hour and 15 minutes through a zoom (online) meeting, it was recorded and afterwards transcribed. In this case, it was not necessary to apply an analysis grid - only one person was interviewed, and therefore there was no need to establish comparisons between individuals nor the identification of response patterns. Following the transcription, all the collected content was submitted to a careful analysis by the group in order to filter the most relevant information.

The first phase of the questionnaire data analysis was conducted to characterize the sample and draw the first conclusions about possible relations between variables. To do so, crosstabs as well as nonparametric and parametric tests were used. Before starting the analysis, the database was submitted to a careful inspection aiming at finding irregularities, such as outliers and invalid answers, which were deleted to ensure a good quality. Furthermore, the number of

observations allows the application of the CLT³ for statistical purposes. To bear statistical robustness the variables in Exhibit 16 in appendix were subject to regrouping.

About 74% of the whole sample (from the 474 observations) belongs to the female group. This is in line with what literature suggests, i.e., that females tend to show a preference for wines that present sweeter and fruitier notes (Bruwer, Saliba, and Miller 2011), which resembles the traditional qualities of rosé wines. However, when comparing the frequency of consumption of men and women in the sample the differences are not very significant thus rejecting H2. Regarding the age and level of education of the respondents, 26.79% are aged above 55, reflecting the matured nature of the Portuguese population; and 82.7% have completed a higher education, but according to INE (2020) the schooling rate of people with a higher education and aged between 25 and 64 is only 28.2% in Portugal. Thus, we conclude the sample is not rigorously representative of the current national education. As reported by PORDATA (2021) the family net annual income in Portugal in 2019 was about 34,433€. In terms of latter, the sample shows that the predominant grade is located at the “above 3,500€”, which is considerable higher than the real national average income.

Furthermore, in terms of consumption habits, rosé wine seems to be related to an in-home and infrequent drinking, as most respondents seem to consume it in a homely environment and less than once a month. This finding may be aligned with the fact that, compared to other types of wine, such as white and red, rosé wine seems to be less preferred or consumed among the Portuguese population, therefore H3 is confirmed by this study. Also, “socializing with friends” and “accompany a meal” stand out as the main motivations to consume this product. This study has shown that compared to Portuguese female, male show a greater confidence in their knowledge regarding both wine in general and rosé in particular – which seems to be aligned

³ Central Limit Theorem (CLT) dictates that the sample means from the population will be approximately normal as long as the sample size is large enough, i.e., ≥ 30

with the literature (Marques and Guia 2018). Additionally, on average, male seem to spend more on a 75cl bottle of rosé wine compared to female. In what regards consumption frequency, the light users – i.e., people who consume rosé once a month or less than once a month – are aged between 18 and 34, whereas the heavy users – i.e., people who drink rosé daily up to once a week – are more mature, which confirms H1. Also, compared to light users, heavy users demonstrate to have a greater confidence in their rosé wine knowledge as well as a greater willingness to pay for a better rosé wine, confirming that this product bears some importance to them, and validates H4. People with lower willingness to pay and to spend time choosing a rosé wine – at the present study, statistically correlated with people with a lower knowledge regarding rosé – tend to adopt risk reduction strategies when buying this product, since they generally buy the brand on promotion or always the same brand. Finally, it is important to note that only 56 out of 474 respondents confirmed being consumers of Lancers, but in general terms the perception of the brand is positive, as the most valued attributes are both the quality and taste of the wine, which confirms H5 as consumers value Lancers' quality more than they do its price. Finally, H6 was rejected as there was not a big difference between consumers seeing Lancers as traditional or modern. All study findings are detailed in the Exhibits 17 to 39.

In the second phase of data analysis, we used the Cluster Analysis technique. After carefully following the necessary steps presented in Exhibit 40 (Sarstedt and Mooi 2019; Janssens et al. 2018), 3 clusters were identified. Cluster analysis constitutes a set of multivariate statistical analyses that allow the creation of consistent groups of individuals or objects (Janssens et al. 2018). These objects should be homogeneous within groups and heterogeneous from the objects in other clusters (Sarstedt and Mooi 2019). The first step in this process consists in the choice of the clustering variables. Based on the analyses conducted in the previous step and guided by the literature review, two types of variables of segmentation were selected: (1) behavioral – average frequency of consumption of rosé, average price spent on a bottle of rosé wine; (2)

psychographic – perception of own knowledge regarding rosé wine, involvement with the product (willingness to pay for a better rosé wine and time spent in choosing a rosé).

The third step was to run a discriminant analysis to validate the number of solutions chosen by observing the dendrogram in the SPSS output. It resulted that the choice of 3 clusters is validated with 88.0% of the original grouped cases classified correctly (see Exhibit 41). Afterwards, the fourth and last step of the process – i.e., the crosstabs, and parametric and non-parametric tests in Exhibits 42 and 43 – allowed the description of the distinctive segments identified in the cluster analysis and to explore the differences among them. Finally, we concluded the existence of 3 different segments for rosé wine in the Portuguese market, that will be characterized individually in the following section 7.1.

7. Proposed Marketing Strategy for Lancers rosé

7.1 Segmentation

Concerning the size of each segment: Cluster 1 is the biggest one with 170 objects, Cluster 2 has 140 objects, and the smaller group is Cluster 3 with only 72 objects. In what regards Cluster 1, it encompasses mainly more mature and regular rosé wine drinkers, i.e., people aged above 45 who consume this product 4 times to once a week. Also, this segment statically presents the highest income level and therefore, consumers in Cluster 1 are assumed to have a high purchasing power. This cluster shows a high average spend per bottle of rosé wine, namely they confirm to pay above 4.00€ for a bottle and demonstrate to be willing to spend more for a better-quality rosé wine. In terms of buying behavior, they do not mind dedicating time in choosing a product in this category and seem to be more open to try new brands, reflecting the fact that – although not high – this cluster is the most confident about their own rosé wine knowledge. Rosé wine seems to bear some importance for this group. Similar to Cluster 1, Cluster 2 comprises frequent rosé wine drinkers. However, in contrast to Cluster 1 and Cluster 3, people in Cluster 2 are younger. This group presents those who have the lowest average spend per

bottle or that do not recall how much on average they spend on a bottle of rosé wine. Just like Cluster 1, Cluster 2 is mostly made up of employed individuals, however the level of monthly income is lower. This group has less individuals who favor experimentation than Cluster 1 and more than Cluster 3, conversely it has more individuals that are brand loyal or who make their choice based on promotions than Cluster 1, and less than Cluster 3. In addition, this group has low knowledge of rosé wines and is unwilling to spend time choosing a rosé. Finally, Cluster 3 is formed by those who do not drink rosé wine frequently, consuming it on average less than once month. People in this segment present a low level of income, which along with the fact that the product of the study does not bear almost any importance to them, may be the causes of their low willingness to pay more for a better rosé wine. In fact, in terms of buying behavior, this segment is not willing to spend much time in choosing rosé and therefore adopts risk reduction strategies: they always buy the same brand or the one on promotion. These consumers admit they have a very low level of knowledge about rosé wine.

7.2 Targeting

The attractiveness and eligibility of each segment was evaluated by taking into consideration an appropriate fit with the organization and product itself. Among the 3 different segments, we believe Cluster 1 to be the most suitable one to target for the following reasons: it is the cluster that gathers the highest number of rosé wine consumers (170), who are regular drinkers, i.e., present the highest average frequency of consumption, a relevant factor when the purpose is to attract new consumers. Furthermore, there is a rise in the ageing population (Pereira 2019) and considering that the majority of consumers in Cluster 1 are above the age of 45, targeting older individuals presents as a business opportunity for capturing market in the rosé wine category. Lastly, the higher purchasing power, allied to the superior willingness to pay a higher price for a rosé wine, also constitute attractive reasons for targeting this segment, even more since rosé wine is an important product for Cluster 1.

7.3 Positioning and Competitive Advantage

In order to determine their brand's positioning, firms need to know four things: (1) who is their target customer, (2) who are the main competitors, (3) what are the points-of-parity and (4) points-of-differentiation used by the target customer when comparing it to its main competitors (Keller 2013). Regarding (1), the target market encompasses mainly people over 45 years old, with a high level of income and who drink rosé frequently (a detailed description can be found in the previous section 7.2). For point (2), the main competitors of Lancers are *Mateus Rosé*, *Gazela*, *Casal Garcia*, *Casal Mendes*, *Gatão*, *Lagosta* and *JP*, that were identified using the competitive set provided by JMF's Marketing Manager, through our analysis of their offer and that compete in the same price level – a helpful aggregation indicator in a highly fragmented industry. About (3), Lancers points-of-parity are the fact that it is a Portuguese wine and detains several awards. All of the above-mentioned competitors are national brands that hold at least one award in their portfolio. Concerning (4), points-of-differentiation are its intrinsic quality transmitted through the wines' taste and aroma, the format of the bottle, which is quite different from the traditional wine bottles (see example in Exhibit 44) and the opacity of its packaging. Table 2 below summarizes the points discussed:

Table 2. Positioning Building Blocks

Points of parity	Portuguese wine; awards
Points of difference	Iconic wine bottle and unconventional opaque label; taste and aroma
Reasons to believe	Well-regarded reputation of José Maria da Fonseca as winemaker Lancers is a well-established brand with 77 years of history; time-proven production formula supervised by a highly qualified oenologist team; 200 years of family winemaking company culture

Source: Authors' Elaboration (2021)

After a deeper analysis, the competitive advantage of Lancers was established as being its intrinsic quality derived from its time-proven production formula. In fact, the conducted market

research shows that the quality of the Lancers' wine is the most valued attribute of the brand by the current consumers (see Exhibit 37). It is assumed that this quality is conveyed by its light and fruity aromas that award Lancers' consumers with a sweet and pleasing palate.

Finally, the following positioning statement is proposed for Lancers: "For mature wine enthusiasts, Lancers is a top-quality Portuguese wine presented in an iconic bottle with an opaque label and offers a refreshing and unique gastronomical experience when combined with food and friends due to its ancient wine production technique by knowledgeable oenologists with modern technologies from the well-established wine producing family: José Maria da Fonseca." In what regards the uniqueness of the gastronomical experience provided, this comes (1) from the aroma and tastes described before, that present a perfect match with food and (2) the social celebration of sharing a great (through quality) and fashionable (through the distinctive packaging) wine in with good friends.

8. Further Recommendations

By looking at the Lancers brand context within the organization's overall offer, we recommend a strategic review of the existing portfolio of 30 different brands, which we believe reflects the current product orientation of JMF. In order to compete in the crowded arena of the wine industry, it should adopt a market orientation instead. Thus, it is recommended that the company starts by proceeding with a deep portfolio analysis in order to find out which products and brands are its (1) stars – those that have both a high growth rate in the market and high market share; (2) cash cows – those that present a great profitability for a company, (3) dogs – those that do not generate much cash flows anymore, (4) question marks – those with high growth rates, but low market share (Proctor and Hassard 1990). JMF should take close attention to its question marks and dogs in the Portuguese market. On the one hand, the "question mark" products are products that bear a great potential for the company, as they are growing in the market and therefore should be closely monitored and nurtured. The company should keep only

the “question marks” that might be the products of the future (by monitoring if it is gaining share to main competitors or if the market is growing), otherwise they become “dogs” and should be seriously considered for deletion as “dog” products drain firm’s attention and resources that should go to promising “question marks” or “stars”. These innovative and risky products may be the most important in the long run for companies competing in the highly fragmented wine industry, where high market shares are almost impossible to attain. Also, “cow” products are usually mature products that do not need much investment and therefore are used to finance the “question mark” products. In fact, these should be the products of the future that receive the greatest share of the investment. Although not easy as managers become attached to previously successful brands, abandoning “dog” products prevents the organization from losing money.

Literature suggests that longer product lines can hinder the consumer’s decision process: “as the number of items rises, the mental costs of considering option rises” (Shugan 1980, Hauser and Wernerfelt 1990, Iyengar and Lepper 2000, as cited in Draganska and Jain 2005, 17) up to a saturation point where it might affect the consumer impressions of brand reliability and makes it harder to choose easily (DelVecchio 2000). Overall, JMF should consider reducing its portfolio and have a more balanced assortment instead, in which brands have a pre-defined target market and a respective clear and strong brand meaning and positioning. This would allow them to better serve the needs and wants of the several domestic consumers segments and consequently, achieve greater financial success in its business.

Finally, as currently the products Periquita rosé and Lancers rosé – both brands belonging to JMF – are competing with each other based on the same price level, it should be designed and communicated different moments of consumption to prevent product cannibalization. This will be approached in more detail when discussing Lancers’ strategic branding.

9. Limitations and Conclusion

There are two main limitations that need to be acknowledged, (1) the most relevant one is the lack of experience of the people who conducted the market research among rosé wine drinkers, which may cause mistakes in both the data collection as well as in the data analysis; (2) there was a lack of access to critical information, such as the cost structure of JMF that may have diffculted the analysis and the elaboration of an accurate proposal and limited the possibility of manipulating the current price of Lancers to best match the final recommendation.

This project had the objective to recommend a repositioning strategy for Lancers, by examining two questions: 1) What is the most attractive segment/target market for Lancers rosé?; 2) What should the positioning and competitive advantage of Lancers be for that target market, in the domestic market? Thus, a market research was conducted with the aim of overcoming the shortage of data and relevant studies about the domestic rosé market and consequently bringing relevant information to the domestic rosé wine industry. The same study served the main source for the proposal of the repositioning strategy. Answering to the research questions, we propose: 1) mature wine knowledgeable and enthusiast drinkers form the most attractive segment for Lancers since this target market shows both the highest frequency of consumption and a growth potential with the aging of the Portuguese population according to the research and the company's capabilities and resources; 2) above all, this target looks for quality in wines for social and gastronomical occasions, hence we believe that the brand's positioning should be in line with these needs and wants and offer a superior intrinsic excellence through its wines' aroma and taste, which together with the time-proven production formula constitute the competitive advantage of Lancers in Portugal. To sum up, it is recommended that the brand moves from a fun and youthful positioning – focusing on young adults (25 and above) – to a positioning focused on the quality of its wines and the experience of excellence provided by Lancers to be aligned with the recommended and more mature target audience (45 and above).

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Appendixes

Exhibit 1. José Maria da Fonseca's Balance Sheet and Profit & Loss 2019

Balço	
Ativo não corrente	
Activos fixos tangíveis	€ 13.370.126,39
Propriedades de investimento	€ 1.646.893,50
Goodwill	-
Ativos intangíveis	€ 558.353,56
Participações financeiras - método da equivalência patrimonial	€ 2.889.030,65
Participações financeiras - outros métodos	-
Acionistas/sócios	€ 1.246.994,75
Outros ativos financeiros	€ 10.457.297,61
Ativos por impostos diferidos	€ 3.737,61
Investimentos financeiros	-
Total	€ 30.172.434,07
Ativo corrente	
Inventários	€ 17.118.689,01
Ativos biológicos	-
Clientes	€ 2.975.550,73
Adiantamentos a fornecedores	-
Estado e outros entes públicos	€ 122.533,14
Acionistas/sócios	-
Outras contas a receber	€ 2.128.570,03
Diferimentos	€ 54.744,08
Ativos financeiros detidos para negociação	-
Outros ativos financeiros	-
Ativos não correntes detidos para venda	-
Outros ativos correntes	-
Caixa e depósitos bancários	€ 333.067,88
Soma	€ 22.733.154,87
TOTAL DO ACTIVO	€ 52.905.588,94
CAPITAL PRÓPRIO E PASSIVO	
CAPITAL PRÓPRIO	
Capital realizado	€ 2.500.000,00
Ações (quotas) próprias	€ -2.271.200,21
Outros instrumentos de capital próprio	-
Prémios de emissão	€ 120.393,48
Reservas legais	€ 241.512,95
Outras reservas	€ 4.243.348,77
Resultados transitados	€ -4.322.830,91
Ajustamentos em ativos financeiros	-
Excedentes de revalorização	€ 10.514.154,68
Outras variações no capital próprio	€ 1.386.596,00

	Soma	€ 12.411.974,76
Resultado líquido do período		€ 673.798,31
Dividendos antecipados		-
	TOTAL DO CAPITAL PRÓPRIO	€ 13.085.773,07
PASSIVO		
Passivo não corrente		
Provisões		€ 2.047.104,81
Financiamentos obtidos		€ 28.101.673,16
Responsabilidades por benefícios pós-emprego		-
Passivos por impostos diferidos		€ 1.607.562,25
Outras contas a pagar		-
	Soma	€ 31.756.340,22
Passivo corrente		
Fornecedores		€ 4.524.021,27
Adiantamentos de clientes		€ 21.756,95
Estado e outros entes públicos		€ 316.465,31
Acionistas/sócios		-
Financiamentos obtidos		€ 2.011.527,96
Outras contas a pagar		€ 1.173.941,16
Diferimentos		€ 15.763,00
Passivos financeiros detidos para negociação		-
Outros passivos financeiros		-
Passivos não correntes detidos para venda		-
Outros passivos correntes		-
	Soma	€ 8.063.475,65
	TOTAL DO PASSIVO	€ 39.819.815,87
	TOTAL DO CAPITAL PRÓPRIO E DO PASSIVO	€ 52.905.588,94

Rendimentos e Gastos		
Vendas e serviços prestados		€ 19.584.080,36
Subsídios à exploração		€ 199.830,69
Ganhos/perdas imputados de subsidiárias, associadas e empreendimentos conjuntos		€ -42.115,03
Variação nos inventários da produção		€ 505.170,16
Trabalhos para a própria entidade		-
Custo das mercadorias vendidas e das matérias consumidas		€ 10.349.265,59
Fornecimentos e serviços externos		€ 4.537.964,20
Gastos com o pessoal		€ 2.980.045,24
Imparidade de inventários (perdas/reversões)		€ 28.931,27
Imparidade de dívidas a receber (perdas/reversões)		€ 22.148,80
Provisões (aumentos/reduções)		-
Imparidade de investimentos não depreciáveis/amortizáveis (perdas/reversões)		-
Outras imparidades (perdas/reversões) / Imparidades (perdas/reversões)		-
Aumentos/reduções de justo valor		€ -66.484,50
Outros rendimentos e ganhos		€ 743.882,75
Outros gastos e perdas		€ 439.803,21
	Resultado antes de depreciações, gastos de financiamento e impostos	€ 2.566.206,12
Gastos/reversões de depreciação e de amortização		€ 822.473,02
Imparidade de investimentos depreciáveis/amortizáveis (perdas/reversões)		-
	Resultado operacional (antes de gastos de financiamento e impostos)	€ 1.743.733,10
Juros e rendimentos similares obtidos		€ 266.982,00
Juros e gastos similares suportados		€ 1.021.926,35
	Resultado antes de impostos	€ 988.788,75
Imposto sobre o rendimento do período		€ 314.990,44
	Resultado líquido do período	€ 673.798,31
Resultado das actividades descontinuadas (líquido de impostos) incluído no resultado líquido do período		-

Source: <https://www.racius.com/jose-maria-da-fonseca-vinhos-s-a/> (2019)

Exhibit 2. European Commission Standards for Classification of Organization Size

Company Category	Nr. of Employees	Annual Turnover	Balance Sheet Total
Medium-sized	< 250	≤ 50m Euro	≤ 43m Euro
Small	< 50	≤ 10m Euro	≤ 10m Euro
Micro	< 10	≤ 2 m Euro	≤ 2m Euro

Source: https://ec.europa.eu/growth/smes/sme-definition_en (2020)

Exhibit 3. Brand Portfolio of José Maria da Fonseca

KEY BRANDS	<i>White wines</i>	Albis
		Avis Rara
		BSE
		Casa Portuguesa White
		JMF White
		João Pires
		Lancers White
		Montado White
		Periquita White
		Twin Vines
	Vinhas de Algeruz White	
	<i>Red wines</i>	Casa Portuguesa Red
		JMF Red
		JMF Reserva Red
		Montado Red
		Periquita Red
		Ripanço
		Terras Altas
		Two Valleys Red
		Vinhas de Algeruz Red
Vinya		
<i>Rosé wines</i>	Lancers Rosé	
	Periquita Rosé	
<i>Sparkling wine</i>	Lancers Sparkling White	
	Lancers Sparkling Rosé	
PREMIUM	<i>White wines</i>	Coleção Privada Domingos Soares Franco Sauvignon Blanc 2017

		Coleção Privada Domingos Soares Franco Verdelho 2019
		Pasmados White
		Quinta de Camarate Sweet White
		Quinta de Camarate Dry White
	<i>Red wines</i>	Coleção Privada Domingos Soares Franco Touriga Francesa 2016
		Coleção Privada Domingos Soares Franco Syrah Tannat 2016
		Coleção Privada Domingos Soares Franco Grand Noir 2015
		Domingos
		Domini
		Pasmados Red
		Periquita Reserva
		Quinta de Camarate Red
	<i>Rosé wines</i>	Moscatel Roxo Rosé
	<i>White wines</i>	Hexagon White
		Puro Talha White
	<i>Red wines</i>	Dominis Plus
SUPER PREMIUM		FSF
		J de José de Sousa
		José de Sousa Mayor
		Periquita Superyor
		Puro Talha Red
DE-ALCOHOLISED WINES	<i>White wines</i>	0%riginal White
	<i>Red wines</i>	0%riginal Red
	<i>Rosé wines</i>	0%riginal Rosé
	<i>Brandies</i>	Aguardente Espírito
		Aguardente Velha Reserva 1964
		Aguardente Mosca
	<i>Liqueurs</i>	Alambre 10 anos
		Alambre 20 anos
		Alambre 30 anos
		Alambre 40 anos
		Alambre Moscatel de Setúbal
FORTIFIED		Alambre Moscatel Roxo de Setúbal
		Bastardinho de Azeitão 30 anos
		Coleção Privada Domingos Soares Franco Moscatel de Setúbal (<i>Armagnac</i>)
		Coleção Privada Domingos Soares Franco Moscatel de Setúbal (<i>Cognac</i>)
		Coleção Privada Domingos Soares Franco Moscatel Roxo
		Moscatel Roxo 20 anos
		Triologia
OLD CELLAR	<i>Liqueurs</i>	Apothéose
		Moscatel de Setúbal Superior 1911

Moscatel de Setúbal Superior 1955

Moscatel Roxo 1918

Moscatel Torna Viagem

Source: José Maria da Fonseca's Website (2020)

Exhibit 4. List of countries to which José Maria da Fonseca exports its wines

AMERICA	Bolivia	Dominican Republic	Panama
	Ecuador	Canada	USA
	Puerto Rico	Paraguay	Costa Rica
	Brazil	Uruguay	Peru
	Honduras	Colombia	Venezuela
EUROPE	Germany	Norway	Hungary
	Croatia	Romania	Lithuania
	Finland	Ukraine	Portugal
	Italy	Andorra	Russia
	Malta	Estonia	Bulgaria
	Czech Republic	Netherlands	Spain
	Switzerland	Latvian	Iceland
	Austria	Poland	Luxembourg
	Denmark	Republic of Ireland	UK
	France	Belgium	Sweden
	Liechtenstein	Slovakia	
ASIA	China	Philippines	India
	Japan	Singapore	Timor
	Cyprus	Hong Kong	
	Macao	Thailand	
AFRICA	South Africa	Cape Green	Mozambique
	Angola	Congo	
OCEANIA	Australia	New Zealand	

Source: José Maria da Fonseca Institutional Report (2020)

Exhibit 5. Full PEST Analysis

<p>Political</p>	<p>Portugal is politically stable – there are no predictions that political instability is going to arise, even under the current pandemic scenario of COVID-19. Like most European countries, the strength of Government indicates a guarantee of the implementation of its policies.</p> <p>The political dimension of the wine industry can be affected by diverse foreign trade regulations, particularly if an increase in the price per litre that is charged (in the tax) happens to occur. If taxes decrease, it is expectable that the industry will benefit from it, but since that is not likely to happen, regulations will continue to exert certain limitations in the industry.</p>
<p>Economic</p>	<p>In the current year, the world was hit with an unexpected economic crisis derived from the global pandemic. This phenomenon caused a sharp rise in unemployment, which in turn accentuated the social inequalities among the Portuguese population (Observador Lab 2020).</p> <p>Overall, the wine industry plays an important role in the Portuguese economy, being recognized as one of the largest wine exporters in the world. In 2019, the country’s exports amounted to a total of 296 million litters translated in EUR 820 million (Lusa 2020) even though agriculture has been contributing less and less to the Portuguese GDP (Passport 2020), which is about EUR 212 billion.</p> <p>As the Euro is a free-floating currency, it is determined by market forces. The Euro’s path in the foreseeable future may be highly volatile, due to disruptions created by Brexit and the US’s protectionist measures, as well as fallout from COVID-19 measures (Passport 2020). These fluctuations will impact companies such as José Maria da Fonseca, which exports the majority of its production as the exchange rate has implications on how competitive a company can be on the world market.</p>
<p>Socio-cultural</p>	<p>The current Portuguese population counts to about 10.3 million people (INE 2020) and has been witnessing two alarming trends over the past years. First, in general terms, there has been a continuous negative variation over the last 10 years. Second, is the rise in the ageing population.</p>

	<p>Portugal is currently considered the 5th most ageing country in the world and threatening to occupy the 1st place in the same ranking by 2050 (Pereira 2019).</p> <p>Moreover, Portugal aims at becoming a worldwide recognized wine tourism destination, as it was considered the best travel destination and having top quality wines (Turismo de Portugal 2019).</p> <p>Additionally, the rise in wine consumption during the lockdown can be explained by the anxiety felt during these uncertain and scary times that results from various factors such as loneliness, unemployment, or the decrease in the disposable incomes (Agência Lusa 2020).</p> <p>Within the wine industry, Portugal was considered to be “emerging as the leader of sustainability” (Clark 2019), which reflects the industry’s efforts in forcing this adaptation.</p>
Technological	<p>Data referring to the period between 2000 and 2012⁴ suggest that “the industrial innovation in the Portuguese wine sector has not been very significant throughout the years” (Pereira 2014, 50) reinforced by Portugal’s low R&D expenditure as a percentage of GDP (MarketLine 2020) when compared to countries such as the UK or France.</p>

Source: Authors’ Elaboration

Exhibit 6. Full Porter’s 5 Forces Analysis

Threat of new Entrants	<p>The access to distribution channels can be considered a barrier to entry as there are already many players in the industry and it is unusual for wine producers to forward integrate and selling directly to the end producers.</p> <p>In 2013, Francisco Pavão, at the time president of CVR Trás-os-Montes, explained that economies of scale were hard to achieve as there are many producers, with small size and small production and transformation capacity (Gomes 2013). Economies of scale are easier to achieve by larger firms as they benefit from larger productions as well as having more specialized managerial resources. It was suggested that creating economies of scale, was the way for this industry to move forward in</p>
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⁴ Information regarding the current year or past recent years has not been found in Instituto Nacional da Propriedade Industrial (INPI).

	<p>Portugal, namely through synergies with higher education institutions that conduct investigation in this area (Gomes 2013). This strategy seems to have paid off, despite having many small brands in Portugal, the creation of the brand wines of Portugal has helped promote small brands in international markets. (Botelho 2019).</p>
<p>Threat of Substitute Products</p>	<p>In wine purchasing contexts, consumers’ decision-making is an instinctive process involving numerous features or attributes to take into account (Silva, et al. 2016). Therefore, consumers not familiarized with wine or without regular habits of consumption, easily switch for other products as they “favor choosing beer over wine, as wine is perceived as much more complex” (Lacey, Bruwer and Li 2009, as cited in Silva, et al. 2016, 61).</p> <p>In general, the opportunity and switching costs are relatively low between substitute products, particularly when wine brands do not succeed in establishing brand loyalty. Effectiveness in meeting customer specific needs and product differentiation goes beyond the fulfillment of requisites regarding flavor or taste – it is necessary to “focus on positive emotions toward the wine, planning for favorable experience with the wine, and creating an image of trustworthiness” (Loureiro and Kaufmann 2012, 329); building attitudinal loyalty and passion for wine works as a predictor to leverage behavioral loyalty (Silva, et al. 2016).</p>
<p>Bargaining Power of Buyers</p>	<p>The private labels in Portugal account for 8.9% of the wine market compared to the top five brands’ collective 4.3% market share. The sale of private label wines has been on an upward trend, as the quality of private label wines has also improved.</p> <p>Nevertheless, in the HORECA segment producers have higher negotiating power as this segment is more competitive and there is pressure from consumers for variety of wines (MarketLine 2014).</p> <p>Within each type of wine (red, white, rosé, etc.) there is a large variety of comparable products in terms of region, quality, and price. Thus, buyers experience low switching costs between different brands of wine (MarketLine 2014).</p>

<p>Bargaining Power of Suppliers</p>	<p>There are no doubts that suppliers are a crucial part of any business, since they are responsible for delivering necessary resources for production and hence have a big influence on the quality of the final products (Šperková and Hejmalová 2011). This is particularly applicable to the highly fragmented – with numerous small independent growers – wine sector, where the grapevines and its nature are crucial for the quality of the final product.</p> <p>Overall, the wine industry features a high upstream vertical integration, meaning that many organizations have their own vineyards and are therefore responsible for both the viticulture and the whole winemaking processes (Vivas and Sousa 2012). This allows producers to reduce the suppliers’ bargaining power as well as to ensure the highest quality of their end product.</p> <p>Literature argues that both differentiation and cost-leadership strategies can lead to superior performance (Banker, Mashruwala and Tripathy 2014). Also, it is claimed that differentiation allows for a more sustainable performance on the long term when compared to the cost leadership strategies. However, Banker, Mashruwala and Tripathy (2014) defend that following a differentiation strategy is not always the most beneficial for every companies, as the pursue of this strategy leads to riskier and more volatile earnings.</p>
<p>Competitive Rivalry</p>	<p>The growth rates and profitability of the domestic wine industry are very negatively affected by the existing intense jockeying for position among competitors, and which can be explained by diverse factors (Vivas and Sousa 2012).</p> <p>In the Portuguese wine market, there are 14 different demarcated wine regions that act as a brand (Brochado and Oliveira 2018). Also, consumers tend to rely on the quality of national wines and therefore, be loyal to domestic products (Rebelo et al. 2019).</p> <p>A study carried out concerning wine family businesses in Portugal showed that these tend to be more profitable compared to non-family businesses; and that both the age of the organization and level of debt relate negatively to business performance (Pacheco 2019). Other factors that characterize</p>

	family businesses are the long-term orientation, slower growth rates and market shares, low market orientation and lastly, they are usually less capital intensive when compared to non-family businesses (Harris, Martinez and Ward 1994).
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Source: Authors' Elaboration

Exhibit 7. Conclusion of Porter's 5 Forces Analysis

Force	Ranking	Force's observed strength	Industry's attractiveness based on the observed strength
Threat of New Entrants	4	Low	High
Threat of Substitute Products	3	Medium	Medium
Bargaining Power of Buyers	2	High	Low
Bargaining Power of Suppliers	3	Medium	Medium
Competitive Rivalry	2	High	Low
Conclusion	3	Medium	Medium

Source: Authors' Elaboration

The second column ranks each of the forces by level of attractiveness to the industry, using a scale of 1 to 5, in which the ranking is the following:

1 – Most Unfavourable, 2 – Unfavourable, 3 – Neutral, 4 – Favourable, 5 – Most Favourable

Exhibit 8. Analysis of Financial Resources – Financing Structure and Levels of Debt & Equity of José Maria da Fonseca

Financing Structure	<p>The financing structure of José Maria da Fonseca is essentially based on debt, confirmed by the ratios:</p> <ul style="list-style-type: none"> • Financial autonomy = 24,73% • Indebtedness ratio = 75,27%
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	<p>By evaluating the liabilities of José Maria da Fonseca, it is possible to conclude that approximately 89% of the company's liabilities, in the medium/long run, are related to financing obtained by the company.</p>
Debt	<p>José Maria da Fonseca is highly leveraged:</p> <ul style="list-style-type: none"> • Debt-to-Equity (D/E) = 304,3% <p>The D/E ratio illustrates that the company's capacity of sorting solely to equity to cover up outstanding debt is endangered.</p> <p>The company's borrowing capacity is also evaluated through the Debt-to-EBITDA ratio:</p> <ul style="list-style-type: none"> • Debt-to-EBITDA = 15,52 (>1) <p>This suggests a substantial debt load and reduced availability of income to cover debt before further expenses with taxes, depreciations, and amortizations.</p> <p>However, the company's liquidity and readiness to cover debt without using external capital is favourable in the short run, considering the ratio between current assets and liabilities, which is fixed in 281,93%.</p>
Profitability	<p>Measures of profitability include the evaluation of profits in economic and financial/operational terms.</p> <p><u>Economic profitability</u>: can be assessed through ROA – Return on Assets – to measure JMF's efficiency in generating earnings from invested capital (assets), financed either through debt or equity.</p> <ul style="list-style-type: none"> • ROA = 1,27% <p>This aspect is the most worrying one of the entire financial analysis, as the ratio's reduced value shows the company is barely obtaining earnings (very low return) from its investments. Critically, José Maria da Fonseca is not managing its resources in a pertinent way to generate profits and reflects an urgent need to revise this management.</p> <p><u>Operational profitability</u>: despite not being so critical, is one component of the financial analysis that also deserves improvement.</p> <ul style="list-style-type: none"> • Operating margin (OM) = 8,9% <p>OM represents a low return regarding the company's core business, meaning that the majority of JMF's generated income does not come from it.</p>

Source: Authors' Elaboration through information retrieved from <https://www.racius.com/jose-maria-da-fonseca-vinhos-s-a/>.

Exhibit 9. Product Portfolio of José Maria da Fonseca



Source: Images retrieved from Institutional Presentation provided by José Maria da Fonseca

Exhibit 10. Detailed Value Chain of José Maria da Fonseca

<p>Value Chain</p>	<p>The primary activities are those that are essential for creating value for any business (Porter 1998), as well as competitive advantage. According to the creator of the value chain, Michael E. Porter (1998), the support activities exist to – as the name indicates – assist the primary activities. In fact, the differences in the value chains of competing companies are one of the main sources for them to achieve this competitive advantage (Porter 1998).</p> <p><u>The model:</u></p> <p>Infrastructure refers to all of the activities related to the reception, warehousing and management of inventory. Operations are the activities that allow to transform the raw material (grapes) into the final product</p>
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(wine) to be delivered to the consumer. Moreover, outbound logistics encompasses activities that ensure that the product is available for the consumer, i.e., the distribution of the final product. Finally, marketing & sales and customer service relate to the strategies that promote the product and ensure a positive experience to the consumer. In what regards the support the activities, the firm infrastructures include systems that concerns planning, accounting, finance and quality control. Human resources management (HRM), as the name indicates all activities related to hiring, retaining and training employees. In addition, technology development is closely linked to the research and development activities of an organization. Finally, procurement depicts the way a company acquires the necessary materials to execute and conclude its operations.

The case of JMF:

Although the grapevines are generally the main raw material in the production, there are other resources necessary – and that are currently supplied by external sources – to successfully complete the process. First, the glass bottles allow the preservation of the product, as well as the corks or screwcaps and the capsules. Finally, in order to ensure a safe transportation, the cardboard packages that protect the final product. Further, in what regards the winemaking, there are 4 main stages: harvest, vatting, and finally, the final stage where the malolactic fermentation takes place (M. Genc, S.Genc and Goksungur 2017). In order to assure the quality of its wines and the efficiency in the production process, JMF employs professional oenologists with valuable know-how and utilizes both self-grown quality grape varieties, as well as sophisticated equipment and machinery.

In terms of outbound logistics, about 6 years ago, JMF started operating in the distribution of its own brands to the national market by creating an e-commerce platform. However, its products are still distributed through the traditional channels: on-trade and off-trade. The negotiation with these national distribution actors is done by a specific team inside the company that report directly to the sales department. Furthermore, it is equally

	<p>important to make the end-consumers aware of the existence of the different brands and products, thus JMF has its own marketing department, which is responsible for creating and managing the different brand strategies and for implementing different marketing – online, traditional and trade – tactics.</p> <p>Since the existence of the e-commerce platform, JMF had a greater urge to offer a superior customer service, i.e., consumers can enjoy a fast delivery service of 2-days; a free delivery on orders over 25€ and finally, a customer support through telephone or e-mail for inquiries or complaints purposes.</p>
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Source: Authors' Elaboration (2020)

Exhibit 11. José Maria da Fonseca's SWOT Analysis

Strengths	Weaknesses
<p>S1. Almost 200 years of history in wine sector</p> <p>S2. Commitment to sustainability & social responsibility</p> <p>S3. Global presence</p> <p>S4. E-commerce channel</p> <p>S5. Diversified portfolio in terms of wine types, regions and price & related products</p> <p>S6. Corporate brand reputation</p> <p>S7. Innovation</p> <p>S8. Operates in the entire supply chain</p> <p>S9. Good relationship with distributors</p> <p>S10. Extensive vineyard area</p>	<p>W1. High family involvement in the entire business – management to product creation (oenologists)</p> <p>W2. Low profitability</p> <p>W3. Highly leveraged</p> <p>W4. High fixed costs (equipment and vineyards maintenance)</p> <p>W5. Over 30 different brands, which complicates an overall accurate brand management</p>
Opportunities	Threats
<p>O1. Rise in wine consumption during the pandemic lockdown compared to the decrease in substitute products</p> <p>O2. There might be micro producers that won't be able to overcome the crisis difficulties and will be forced to exit the market</p> <p>O3. Expand to new domestic demarcated wine regions</p> <p>O4. Wine tourism is growing in Portugal</p> <p>O5. Increase in consumers' knowledge about wine</p>	<p>T1. Increased competition – rise in number and quality of private labels & enter of "new world" producers</p> <p>T2. Increase in off trade distributors' bargaining power</p> <p>T3. HORECA channel not fully operationalized due to COVID-19 pandemic</p> <p>T4. Decrease in consumers' purchasing power due to crisis</p> <p>T5. Increasing concern towards sustainability and healthier lifestyle</p> <p>T6. Low switching costs for consumers</p>

	T7. Moderate to high exit barriers T8. Fluctuations and uncertainty in the Euro path
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Source: Authors' Elaboration (2020)

Exhibit 12. Segmentation of the Wine Market according to Literature Review

Possible Segmentation Variables	
Demographics	Income, Education, Gender, Age
Behavioral	Consumption Frequency, Wine Knowledge, Wine Involvement
Preferences	Preferred Price Level, Preferred Alcohol Content, Preferred Sweetness Level
Identified Segments	
Adventurous Connoisseurs	High-Income Broadsheet Readers, High Frequency, High Spend, High Wine Involvement
Mainstream At-Homers	Suburban Middle-Income Professionals, High Frequency, Average Spend, High Wine Involvement, Consumption Mainly at Home
Weekly Treaters	Younger Singles, Low Frequency, Above Average Spend, Moderate Wine Involvement
Sociable Bargain-Hunters	Prosperous Empty-Nesters, High Frequency On-Trade, Low Spend, Low to Moderate Wine Involvement
Frugal Conservatives	Low-Income TV Viewers, Low Frequency, Low Spend, Low Wine Involvement

Exhibit 13. Interview Protocol

Date of the interview	7 th November, 2020
Interviewee	Denise Madeira, JMF's Marketing Manager
Interviewers	Catarina Auer Madeira, Inês Rodrigues and Rita Leandro
Place	Online via Zoom Meetings
Duration	1 hour and 15 minutes
Objectives of the Interview	The main objective of the conducted interview was to develop a better understanding of JMF's business, where the company is

	<p>situated in the market in its own eyes and gather further information that was lacking from public sources. Also, the same research allowed the comprehension of how the company – and more specifically, its Marketing Manager – sees its brands and how the brand and marketing strategies are created.</p>
Important notes	<p>The interview was recorded, cannot be shared and once the project is completed will be deleted due to confidentiality reasons.</p>
Interview Guide	<p><u>Introduction:</u></p> <p>Somos alunas do mestrado de gestão na Nova SBE e neste momento encontramos-nos a elaborar a tese final de mestrado que consiste na criação de um plano estratégico e de marketing; e escolhemos a vossa empresa – José Maria da Fonseca para ser o objeto de estudo deste trabalho. Esta entrevista vai servir de base para obter informação relevante acerca da situação atual e estratégica da empresa e algumas introspeções que possa</p> <p>Se não houver problema, gostaríamos de lhe pedir autorização para gravar esta entrevista de forma a ser mais fácil para mais tarde trabalharmos a informação aqui recolhida.</p> <p>Se sim – Desde já muito obrigada e informamos que esta gravação não será transmitida a ninguém nem utilizada por ninguém fora deste grupo de trabalho.</p> <p>Se não – Obrigada por nos avisar e como tal, iremos apenas tirar notas acerca desta nossa conversa sem recorrer à gravação.</p> <p>Gostaríamos então de dar começo às perguntas que pedimos que responda aberta e livremente.</p> <p><u>Questions:</u></p> <ol style="list-style-type: none"> 1. Certamente que o Covid veio afetar a indústria do vinho e da agricultura em geral, incluindo o negócio da JMF. Neste sentido, quais as 2 principais ameaças e as 2 principais oportunidades para a JMF no curto – médio prazo? 2. Sabemos que o mercado do vinho em Portugal é altamente fragmentado e como tal torna-se difícil ter sucesso relativamente

aos muitos concorrentes que oferecem múltiplas marcas. Qual a posição da JMF no mercado Português, em comparação com os outros *players*? [se houver abertura, qual a quota de mercado?]

3. Por ordem de importância decrescente, quais os produtos da JMF que têm a melhor performance no mercado português?

4. Qual a performance da Periquita e da Lancers quando comparadas com as outras marcas da JMF? Qual o principal fator que pode explicar o desempenho **atual** da Periquita? E qual o principal fator que pode explicar o desempenho **atual** da Lancers?

5. Olhando para o **passado** de ambas as marcas, houve algum momento em que esse desempenho mudou? (Se sim, qual a principal causa?)

6. Qual diria ser a principal marca concorrente da Periquita no mercado nacional? Qual a principal marca concorrente da Lancers no mercado nacional?

7. Sabendo que a JMF tem uma plataforma própria de *e-commerce* onde vende todos os seus produtos, gostaríamos de saber qual a importância e o peso das vendas deste canal em relação às vendas globais da empresa.

8. No contexto da pandemia, a JMF testemunhou um aumento nas vendas de vinho através de canais online? Acha que no longo prazo os consumidores de vinho (geral) vão comprar mais vinho online?

9. Quais as características principais de um consumidor-tipo da marca Periquita? E Lancers?

10. Observámos que existe uma grande disparidade entre o sucesso nacional e internacional de ambas as marcas. Se lhe pedisse para identificar as 3 principais causas para o desempenho de cada uma ser inferior no mercado doméstico, quais seriam?

11. A JMF fez rebranding e reposicionamento das marcas Periquita e Lancers. Qual a principal razão para estes esforços e qual o respetivo impacto?

	<p>12. Porque se decidiu reposicionar a marca Lancers para um target market mais jovem? Terá havido algum risco de perder o target actual da Lancers ao reposicionar a marca para um target mais jovem?</p> <p>13. Qual o posicionamento pretendido pela empresa para a marca Periquita – vantagem competitiva?</p> <p>14. Qual o posicionamento pretendido pela empresa para a marca Lancers – vantagem competitiva?</p> <p><u>Closing:</u></p> <p>Porventura, existe mais alguma informação que gostasse de partilhar connosco? Na eventualidade de ser necessário, estaria disposta a reunir connosco novamente no futuro para fazer um follow-up da situação?</p>
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Source: Authors' Elaboration (2020)

Exhibit 14. Survey Questionnaire

Part 1: Consumption Habits and Preferences

- 1. Do leque de tipos de bebidas alcoólicas apresentadas, quais aquelas que consome com mais frequência? Por favor seleccione no máximo 3 opções**

• Cerveja	• Bebidas espirituosas (e.g. Vodka, Tequila, Whiskey)
• Cidra	• Cocktails
• Vinho rosé	• Outra. Qual?
• Outros vinhos (e.g. brancos, tintos)	
- 2. Em média, quantas vezes consome vinho rosé? Por favor seleccione apenas uma opção.**

• Diariamente	• 1-2 vezes por mês
• 2-4 vezes por semana	• 1 a 11 vezes por ano
• 1 vez por semana	
- 3. Qual o seu local favorito para beber vinho rosé? Por favor seleccione apenas uma opção.**

• Minha casa	• Praia/ Piquenique
• Casa de amigos	• Festivais e/ ou outras festas tradicionais
• Casa de familiares	• Outro. Qual?
• Restaurantes	
• Bar/ Esplanada	
- 4. Em qual dos seguintes pontos de venda prefere comprar vinho rosé (excluindo restaurantes, bares e restante restauração). Por favor seleccione apenas uma opção.**

• Super e/ ou hipermercados	• Nunca sou eu que compro vinho rosé → Question 7
• Garrafeiras	
• Lojas online de retalho	
• Lojas online de garrafeiras	
• Mercearias	
- 5. Em média, quanto é que gasta numa garrafa de vinho rosé (75 cl)? Por favor seleccione apenas uma opção.**

• Menos de 2,00€	• 5,00€ - 5,99€
• 2,00€ - 2,99€	• Mais de 6,00€
• 3,00€ - 3,99€	• Não sei/ não me lembro
• 4,00€ - 4,99€	
- 6. Relativamente aos hábitos de compra de marcas de vinho rosé, por favor seleccione a opção que melhor se adequa ao seu caso.**

• Compro sempre a mesma marca	• Gosto de experimentar novas marcas, mas tenho uma favorita
• Gosto de experimentar novas marcas	• Como sempre a que estiver em promoção

7. Das opções apresentadas, quais as suas 3 principais motivações para consumir vinho rosé? Por favor selecione no máximo 3 opções.

- Para conviver/ socializar com amigos
- Para relaxar
- Para acompanhar uma refeição
- Para me embriagar
- Em ocasiões especiais
- Como aperitivo

8. Por favor classifique o nível de concordância ou discordância com cada uma das seguintes afirmações de acordo com a escala apresentada de 1 a 5. [1. Discordo Totalmente; 5. Concordo Totalmente]

- "Tenho um nível elevado de conhecimento em relação a vinhos"
- "Tenho um nível elevado de conhecimento em relação a vinhos rosé"
- "O vinho rosé é um produto importante para mim"
- "Estou disposto a pagar mais por um bom vinho rosé"
- "Dedico muito tempo a escolher um vinho rosé"
- "O vinho rosé é mais sofisticado que os outros vinhos (branco, tinto, etc.)"
- "O vinho rosé é uma bebida principalmente para pessoas mais jovens"

9. Dos seguintes meios de comunicação apresentados, quais os mais utilizados no seu dia-a-dia? Por favor selecione no máximo 3 opções.

- Instagram
- Facebook
- YouTube
- Outras redes sociais (e.g. LinkedIn, Twitter, etc.)
- Blogs
- Revistas/ Jornais

10. Por favor mencione a primeira marca de vinhos rosé que lhe vem à cabeça. [Opcional]

[Resposta aberta]

10. Das seguintes marcas apresentadas, por favor selecione todas aquelas em que reconhece o nome, não sendo necessária a associação a vinho rosé (e.g. se reconhecer a marca Gazela e a associar em exclusivo a vinho verde, selecione na mesma a opção).



11. É consumidor da marca de vinhos Lancers? • Sim → *Part 2, Scenario 1* • Não → *Part 2, Scenario 2*

Part 2: Perceptions about the Brand Lancers

Scenario 1: Current consumers of Lancers

12. Como descreveria o nível de qualidade da marca Lancers?

- Muito mau
- Mau
- Nem bom nem mau
- Bom
- Muito bom

13. Qual a sua percepção do preço da marca Lancers?

- Muito caro
- Caro
- Nem caro nem barato
- Barato
- Muito barato

14. Por favor classifique o nível de concordância ou discordância com cada uma das seguintes afirmações relativamente à sua experiência com a marca Lancers, de acordo com a escala apresentada de 1 a 5. [1. Discordo Totalmente; 5. Concordo Totalmente]

- "Lancers é cool"
- "Lancers é tradição"
- "Lancers é moderno"
- "Lancers é sofisticado"



"Refresca a tua curiosidade"

15. Observe a imagem. Está a par da nova imagem da Lancers?

- Sim
- Não

16. Tendo em conta a nova imagem da Lancers, por favor classifique o nível de concordância ou discordância com cada uma das seguintes afirmações, de acordo com a escala apresentada de 1 a 5. [1. Discordo Totalmente; 5. Concordo Totalmente]

- "A nova imagem reflete a história da marca"
- "A nova imagem dificulta o reconhecimento do produto"
- "Posso esperar a mesma qualidade apesar da nova imagem"
- "O slogan é adequado à nova imagem da marca"
- "Em geral, a nova imagem agrada-me"

17. Considera que a nova imagem da Lancers mudou a sua perceção relativamente à marca? Por favor seleccione a opção que melhor se adequa à sua resposta.

- Sim, de forma positiva
- Não, a perceção mantém-se a mesma
- Sim, de forma negativa

18. Das opções apresentadas, quais os 3 fatores que mais valoriza na marca Lancers? Por favor seleccione 3 opções.

- Formato da garrafa
- História da marca
- Rótulo
- Intensidade da cor do vinho
- Preço
- Abertura fácil (tampa de rosca)
- Sabor
- Comunicação da marca
- Qualidade do vinho

Scenario 2: Non-consumers of Lancers

12. Qual o grau de importância dos seguintes elementos na sua escolha de um vinho rosé, tendo em consideração a escala apresentada de 1 a 5. [1. Nada Importante; 5. Extremamente Importante]

- Recomendações de pessoas em quem confio
- Intensidade da cor do vinho (rosa escuro, médio, claro, etc.)
- Promoções
- Embalagem (garrafa & rótulo)
- Sabor e aroma
- Familiaridade com a marca



13. Observe a imagem. Por favor classifique o nível de concordância ou discordância com cada uma das seguintes afirmações sobre a embalagem de Lancers, de acordo com a escala apresentada de 1 a 5. [1. Discordo Totalmente; 5. Concordo Totalmente]

- "O rótulo faz-nos perguntar se o produto é um vinho"
- "A garrafa é original"
- "O design dá-me vontade de provar o produto"
- "Não conseguir ver a cor do vinho é um problema"
- "Em geral, a embalagem (garrafa & rótulo) agrada-me"

Considere que o PVP (preço de venda ao público) desta garrafa de Lancers Rosé é 3,69€.

14. Estaria disposto a experimentar este produto?

- Sim
- Não → *Next section*

15. Dos seguintes fatores, qual aquele que mais provavelmente o levaria a experimentar este produto? Escolha apenas uma opção, a mais importante para si.

- A embalagem (garrafa & rótulo) apelativa
- Ser consumido por pessoas que sigo nas redes sociais
- Recomendações de amigos e/ou familiares
- Abertura fácil (tampa de rosca)
- Preço

Part 3: About the Consumer

19. Idade:

- 18-24
- 45-54
- 25-34
- Mais de 55
- 35-44

20. Género:

- Feminino
- Prefiro não dizer
- Masculino

21. Qual o nível de escolaridade mais elevado que completou?

- Básico
- Doutoramento
- Secundário
- Pós-doutoramento
- Licenciatura
- Mestrado

22. Situação profissional:

- Estudante
- Empregado/a
- Trabalhador-estudante
- Reformado/a
- Desempregado/a

23. Em que intervalo se encontra o rendimento líquido mensal do seu agregado família?

- Menos de 700€
- 2801€ a 3500€
- 700€ a 1400€
- Mais de 3500€
- 1401€ a 2100€
- 2101€ a 2800€

Exhibit 15. Methodology used in Market Research to address the Organizational Challenge

<p>Exploratory Research Design followed by Confirmatory</p>	<p>According to Babbie (2010), an exploratory research is conducted when the studied matter is relatively new or recent, and the purpose is to “explore a topic, that is, to start to familiarize a researcher with that topic” (Babbie 2010, 92). The initial approach of interviewing JMF’s Marketing Manager was relevant to understand JMF’s current strategy, performance, and market position, as well as to clarify doubts resultant from prior research. Data from secondary and exploratory interview were the input to conceive the online survey questionnaire to collect the quantitative data to be used in the next stages of the process. The survey questionnaire revealed to be the best tool to reach the desired target. Time constraints and the need to collect the required information with some level of autonomy, as well as cost effectiveness, supported the usage of the survey questionnaire in our study (Wright 2005).</p>
<p>Sampling</p>	<p>Given the impossibility of elaborating upon a list containing the data of all legitimate respondents using probability sampling (Babbie 2010), the situation called for nonprobability sampling, and the chosen technique was snowball sampling. The survey was first shared in different social media (Instagram, Facebook, LinkedIn groups) pages of the members of the group and sent to personal contacts who also shared with their close connections, creating the desired snowball effect. Later, in order to increase the number of responses and chances of ensuring that the specificity of the intended target audience was achieved, it was also distributed via several Portuguese Facebook groups of wine enthusiasts.</p>
<p>Limitations (Exploratory Interview, Survey Questionnaire and Sampling)</p>	<p>Considering the exploratory interview, limitations associated to it are mainly related to the fact that interviewed individual is a member of JMF, and therefore the information that is provided is naturally reliant on any judgmental or emotional attachment to the organizational culture and the organization itself which can</p>

	<p>make it even more difficult to approach more sensitive topics, for both the interviewee and interviewer sides. Exploratory interviews are also more prone to subjectiveness and challenging to analyze and interpret data.</p> <p>Online survey questionnaires also own some weaknesses, and in many ways, they can be inflexible (Babbie 2010). For instance, if a new variable emerges, relevant for the study, which was not planned in the research design, it can no longer be introduced in the survey questionnaire once it was already released, without discarding previous collected observations. Moreover, surveys are “generally weak on validity and strong on reliability” (Babbie 2010, 288).</p> <p>The main sampling limitation relies on the existence of a possible bias regarding the distribution of the survey questionnaire through the snowball sampling technique: reduced differences, i.e., biased responses in collected data might arise due to similarities in individuals’ characteristics or personality traits between groups of respondents.</p>
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Source: Authors’ Elaboration (2020)

Exhibit 16. Data Transformation

Variables	Original scale	Regrouped
Wine knowledge; Rosé wine knowledge; Importance of rosé wine; Time spent in choosing a rosé wine; Willingness to pay more for a better rosé win; Rosé wines are more sophisticated than other wines; Rosé wine is for younger people	1 – Totally disagree 2 – Disagree 3 – Neither agree nor disagree 4 – Agree 5 – Totally agree	1 – Totally disagree & disagree 2 – Neither agree nor disagree 3 – Agree & totally agree

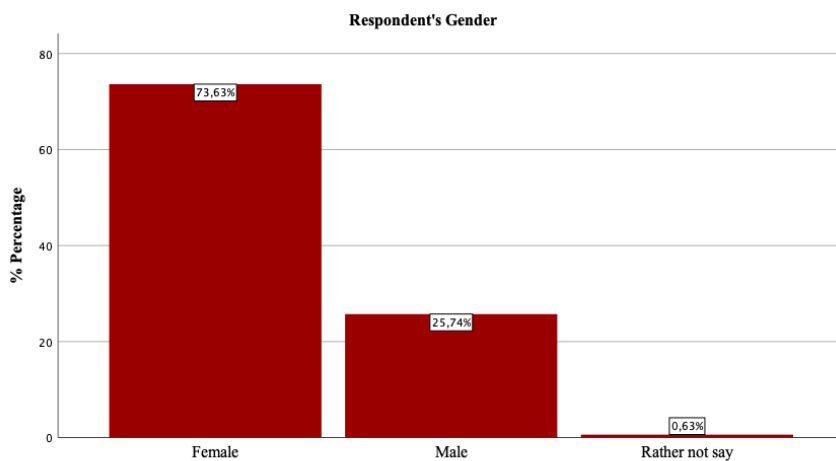
Perception of Lancers consumers about the wine quality of the brand	1 – Very poor 2 – Poor 3 – Neither good nor poor 4 – Good 5 – Very good	1 – Very poor & poor 2 – Neither good nor poor 3 – Good & very good
Perception of Lancers consumers about the price of the brand's rosé wine	1 – Very expensive 2 – Expensive 3 – Neither cheap nor expensive 4 – Cheap 5 – Very cheap	1 – Very expensive & expensive 2 – Neither cheap nor expensive 3 – Cheap and very cheap
Importance of different factors when choosing a rosé wine (promotions, recommendations, color and taste & aroma)	1 – Not at all important 2 – Low importance 3 – Neutral 4 – Important 5 – Extremely important	1 – Not at all important & low importance 2 – Neutral 3 – Important & extremely important
Frequency of consumption of rosé wine	1 – Daily 2 – 2 to 4 times a week 3 – Once a week 4 – Once a month 5 – Less than once a month	1 – Heavy users: daily, 2 to 4 times a week, once a week 2 – Light users: once a month, less than once a month
Favourite place for consumption of rosé wine	1 – At home 2 – Friends' house 3 – Family members' house 4 – Restaurants 5 – Bar/ Terrace 6 – Beach/ Picnic 7 – Festivals and/ or other traditional events	1 – In-home consumption: at home, friends' house, family members' house 2 – Out-of-home consumption: restaurants, bar/ terrace, beach/ picnic, festivals and/ or other traditional events

Favourite place for purchase of rosé wine	1 – Super – and/ or hypermarkets 2 – Wine cellars 3 – Online retailers stores 4 – Online wine cellars 5 – Grocery stores 6 – I am not the one that usually purchases rosé 7 – Gas station 8 – Directly to the producer	1 – Offline channels: super- and/ or hypermarkets, wine cellars, grocery stores, gas station, directly to the producer 2 – Online channels: online retail stores, online wine cellar 3 – I am not the one that usually purchases rosé
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Source: Authors' Elaboration (2021)

Exhibit 17. Respondents' Profile

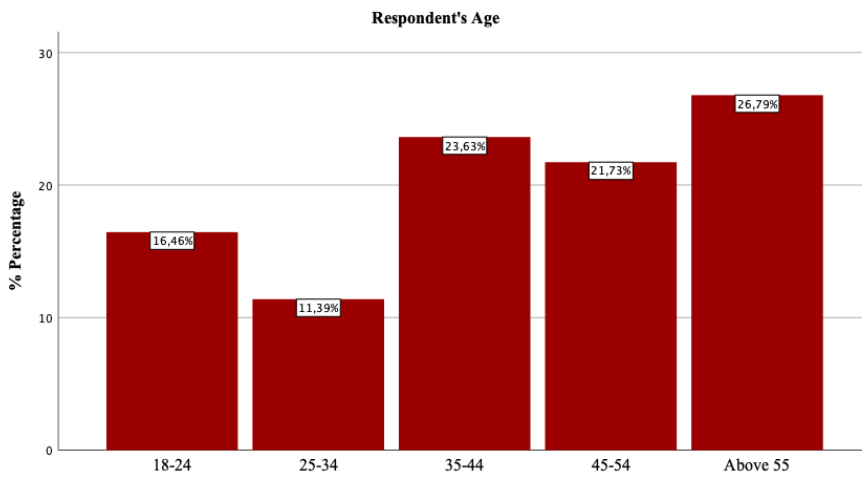
Gender



Respondent's Gender		
N	Valid	474
	Missing	0

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	349	73.6	73.6	73.6
	Male	122	25.7	25.7	99.4
	Rather not say	3	.6	.6	100.0
Total		474	100.0	100.0	

Age



Statistics

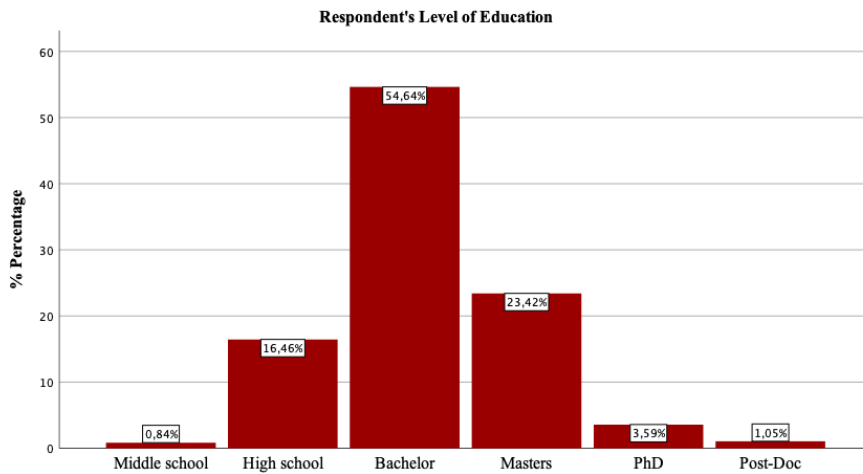
Respondent's Age

N	Valid	Missing
	474	0
Median		3.00

Respondent's Age

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 18-24	78	16.5	16.5	16.5
25-34	54	11.4	11.4	27.8
35-44	112	23.6	23.6	51.5
45-54	103	21.7	21.7	73.2
Above 55	127	26.8	26.8	100.0
Total	474	100.0	100.0	

Level of Education



Statistics

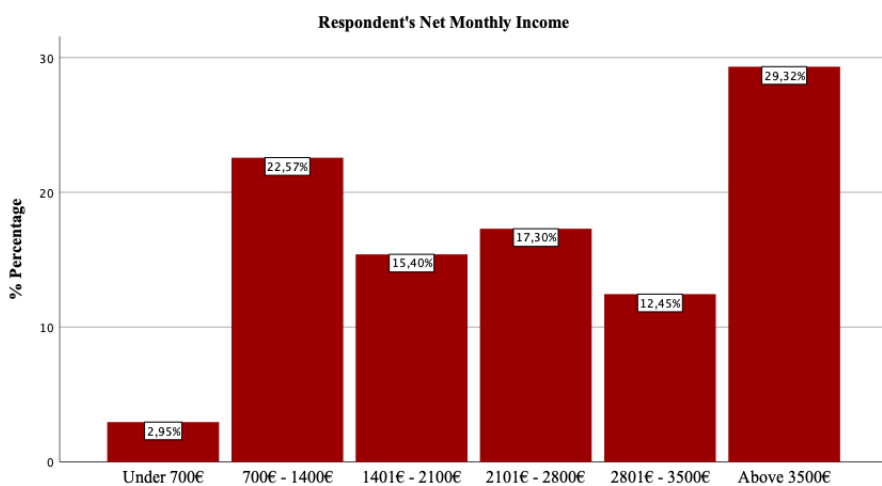
Respondent's Level of Education

N	Valid	Missing
	474	0
Median		3.00

Respondent's Level of Education

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Middle school	4	.8	.8	.8
High school	78	16.5	16.5	17.3
Bachelor	259	54.6	54.6	71.9
Masters	111	23.4	23.4	95.4
PhD	17	3.6	3.6	98.9
Post-Doc	5	1.1	1.1	100.0
Total	474	100.0	100.0	

Monthly Net Income



Statistics

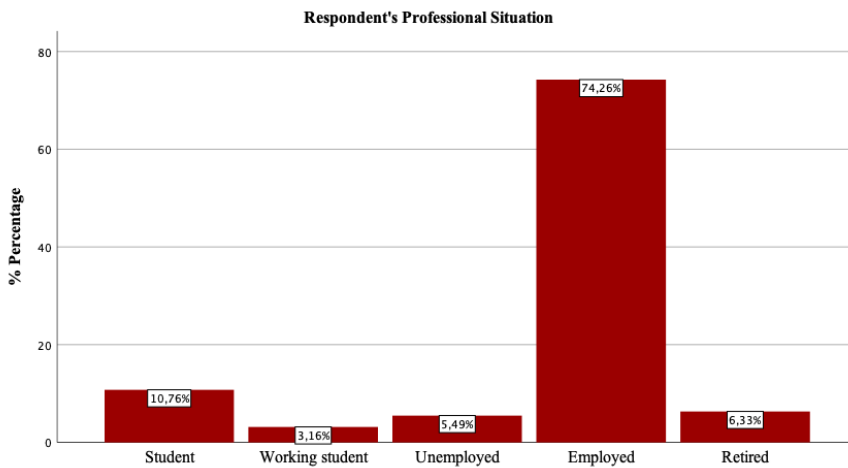
Respondent's Net Monthly Income

N	Valid	Missing
	474	0
Median		4.00

Respondent's Net Monthly Income

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Under 700€	14	3.0	3.0	3.0
700€ - 1400€	107	22.6	22.6	25.5
1401€ - 2100€	73	15.4	15.4	40.9
2101€ - 2800€	82	17.3	17.3	58.2
2801€ - 3500€	59	12.4	12.4	70.7
Above 3500€	139	29.3	29.3	100.0
Total	474	100.0	100.0	

Professional Situation



Statistics

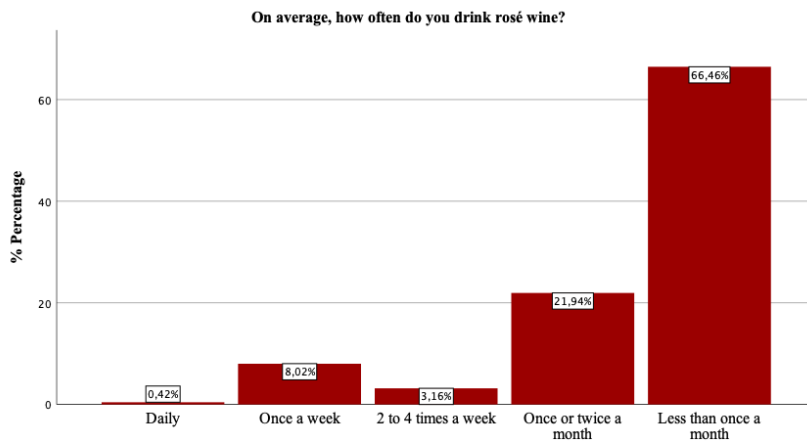
Respondent's Professional Situ

N	Valid	Missing
	474	0

Respondent's Professional Situation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Student	51	10.8	10.8	10.8
	Working student	15	3.2	3.2	13.9
	Unemployed	26	5.5	5.5	19.4
	Employed	352	74.3	74.3	93.7
	Retired	30	6.3	6.3	100.0
	Total	474	100.0	100.0	

Exhibit 18. Frequency of Consumption of Rosé Wine



Statistics

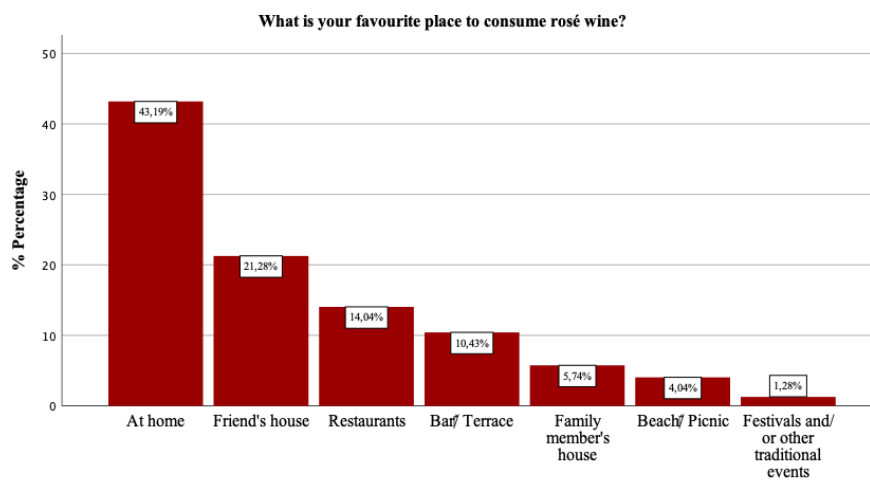
On average, how often do you drink rosé wine?

N	Valid	Missing
	474	0
Median	5.00	

On average, how often do you drink rosé wine?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Daily	2	.4	.4	.4
	Once a week	38	8.0	8.0	8.4
	2 to 4 times a week	15	3.2	3.2	11.6
	Once or twice a month	104	21.9	21.9	33.5
	Less than once a month	315	66.5	66.5	100.0
	Total	474	100.0	100.0	

Exhibit 19. Favorite Place for Consuming Rosé Wine



Statistics

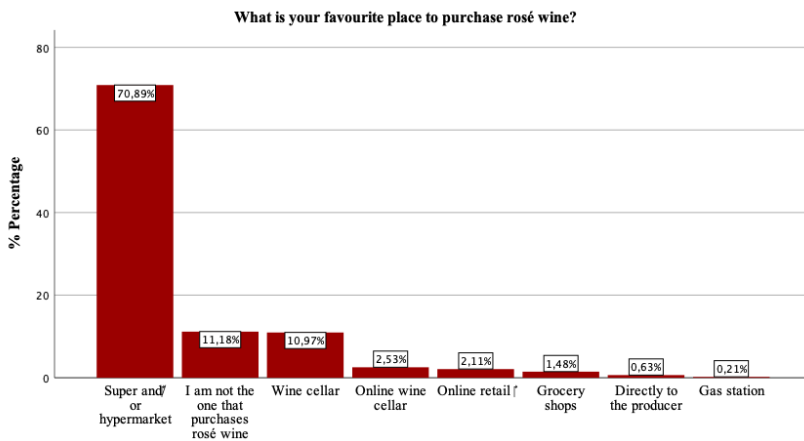
What is your favourite place to consume rosé wine?

N	Valid	Missing
	470	4

What is your favourite place to consume rosé wine?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	At home	203	42.8	43.2	43.2
	Friend's house	100	21.1	21.3	64.5
	Family member's house	27	5.7	5.7	70.2
	Restaurants	66	13.9	14.0	84.3
	Bar/ Terrace	49	10.3	10.4	94.7
	Beach/ Picnic	19	4.0	4.0	98.7
	Festivals and/ or other traditional events	6	1.3	1.3	100.0
	Total	470	99.2	100.0	
Missing	999	4	.8		
Total		474	100.0		

Exhibit 20. Favorite Place for Purchasing Rosé Wine



Statistics

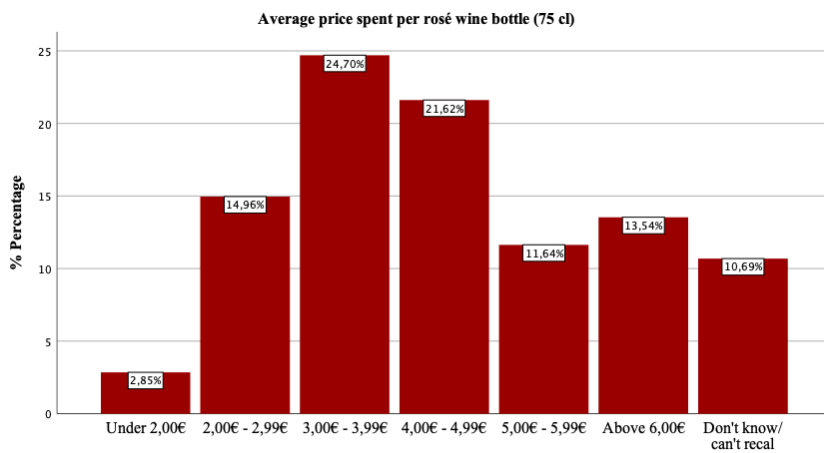
What is your favourite place to purchase rosé wine?

N	Valid	474
	Missing	0

What is your favourite place to purchase rosé wine?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Super and/or hypermarket	336	70.9	70.9	70.9
Wine cellar	52	11.0	11.0	81.9
Online retail	10	2.1	2.1	84.0
Online wine cellar	12	2.5	2.5	86.5
Grocery shops	7	1.5	1.5	88.0
I am not the one that purchases rosé wine	53	11.2	11.2	99.2
Gas station	1	.2	.2	99.4
Directly to the producer	3	.6	.6	100.0
Total	474	100.0	100.0	

Exhibit 21. Average Price Spent per Bottle of Rosé Wine



Statistics

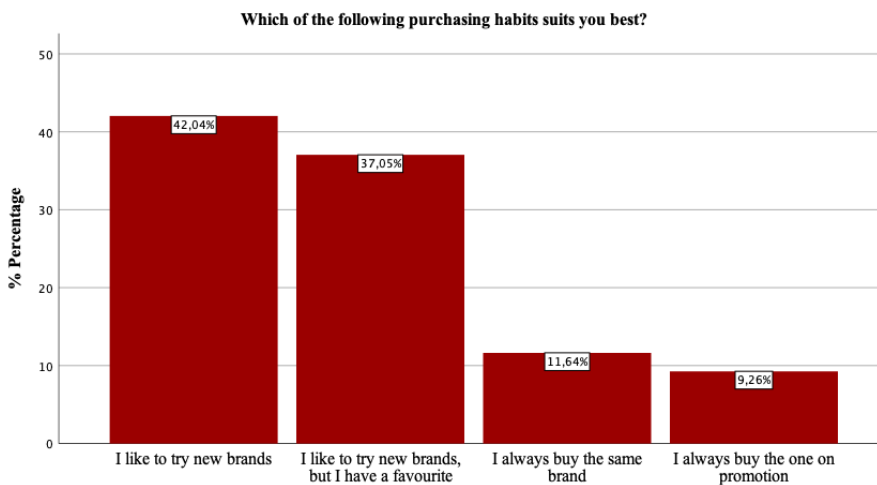
Average price spent per rosé wine bottle (75 cl)

N	Valid	421
	Missing	53

Average price spent per rosé wine bottle (75 cl)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Under 2,00€	12	2.5	2.9	2.9
2,00€ - 2,99€	63	13.3	15.0	17.8
3,00€ - 3,99€	104	21.9	24.7	42.5
4,00€ - 4,99€	91	19.2	21.6	64.1
5,00€ - 5,99€	49	10.3	11.6	75.8
Above 6,00€	57	12.0	13.5	89.3
Don't know/ can't recal	45	9.5	10.7	100.0
Total	421	88.8	100.0	
Missing System	53	11.2		
Total	474	100.0		

Exhibit 22. Purchasing Habits when Buying Rosé Wine



Statistics

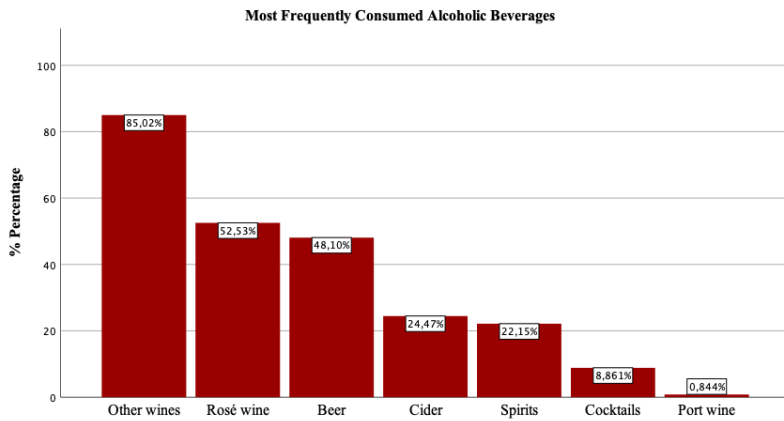
Which of the following purchasing habits suits you best?

N	Valid	421
	Missing	53

Which of the following purchasing habits suits you best?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid I always buy the same brand	49	10.3	11.6	11.6
I like to try new brands	177	37.3	42.0	53.7
I like to try new brands, but I have a favourite	156	32.9	37.1	90.7
I always buy the one on promotion	39	8.2	9.3	100.0
Total	421	88.8	100.0	
Missing System	53	11.2		
Total	474	100.0		

Exhibit 23. Most Frequently Consumed Alcoholic Beverages



Case Summary

	Valid		Cases Missing		Total	
	N	Percent	N	Percent	N	Percent
\$MR_Bev ^a	474	100.0%	0	0.0%	474	100.0%

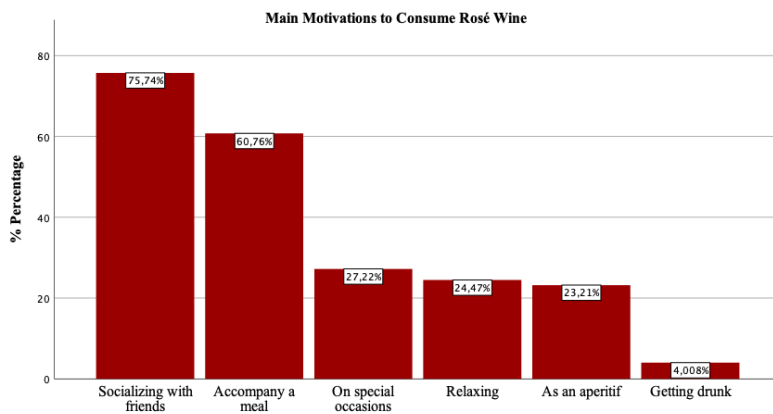
a. Group

\$MR_Bev Frequencies

Multi Response – Beverages ^a		Responses		Percent of Cases
		N	Percent	
	Beer	228	19.9%	48.1%
	Cider	116	10.1%	24.5%
	Rosé wine	249	21.7%	52.5%
	Other wines	403	35.1%	85.0%
	Spirits	105	9.2%	22.2%
	Cocktails	42	3.7%	8.9%
	Port wine	4	0.3%	0.8%
Total		1,147	100.0%	242.0%

a. Group

Exhibit 24. Main Motivations for Consuming Rosé Wine



Case Summary

	Valid		Cases Missing		Total	
	N	Percent	N	Percent	N	Percent
\$MR_MO ^a	474	100.0%	0	0.0%	474	100.0%

a. Group

\$MR_MO Frequencies

Multi Response – Motivations ^a		Responses		Percent of Cases
		N	Percent	
	Socializing with friends	359	35.2%	75.7%
	Relaxing	116	11.4%	24.5%
	Accompany a meal	288	28.2%	60.8%
	Getting drunk	19	1.9%	4.0%
	On special occasions	129	12.6%	27.2%
	As an aperitif	110	10.8%	23.2%
Total		1,021	100.0%	215.4%

a. Group

Exhibit 25. Frequency of Consumption vs. Gender

Respondent's Gender * On average, how often do you drink rosé wine? Crosstabulation

		On average, how often do you drink rosé wine?				Total	
		Once a week	2 to 4 times a week	Once or twice a month	Less than once a month		
Respondent's Gender	Female	Count	24	9	69	220	
		% within Respondent's Gender	7.5%	2.8%	21.4%	68.3%	100.0%
	Male	Count	7	4	31	65	
		% within Respondent's Gender	6.5%	3.7%	29.0%	60.7%	100.0%
Total		Count	31	13	100	285	
		% within Respondent's Gender	7.2%	3.0%	23.3%	66.4%	100.0%

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	2.982 ^a	3	.394
Likelihood Ratio	2.895	3	.408
Linear-by-Linear Association	.483	1	.487
N of Valid Cases	429		

a. 1 cells (12.5%) have expected count less than 5. The minimum expected count is 3.24.

Directional Measures

			Value
Nominal by Interval	Eta	Respondent's Gender Dependent	.083
		On average, how often do you drink rosé wine? Dependent	.034

Exhibit 26. Wine Knowledge vs. Gender

Males' perception regarding its wine knowledge is statically different and higher compared to females' perception.

"I have a high knowledge regarding wines" – Regrouped * Respondent's Gender Crosstabulation

			Respondent's Gender		Total
			Female	Male	
"I have a high knowledge regarding wines" – Regrouped	Totally Disagree & Disagree	Count	191	38	229
		% within Respondent's Gender	54.7%	31.1%	48.6%
		Adjusted Residual	4.5	-4.5	
	Neither agree nor disagree	Count	98	44	142
		% within Respondent's Gender	28.1%	36.1%	30.1%
		Adjusted Residual	-1.7	1.7	
	Agree & Totally agree	Count	60	40	100
		% within Respondent's Gender	17.2%	32.8%	21.2%
		Adjusted Residual	-3.6	3.6	
Total	Count	349	122	471	
	% within Respondent's Gender	100.0%	100.0%	100.0%	

Chi-Square Tests

Directional Measures				Chi-Square Tests			
		Value				Asymptotic Significance (2-sided)	
Nominal by Interval	Eta	"I have a high knowledge regarding wines" – Regrouped Dependent	.217	Pearson Chi-Square	22.605 ^a	2	.000
		Respondent's Gender Dependent	.219	Likelihood Ratio	22.640	2	.000
				Linear-by-Linear Association	22.204	1	.000
				N of Valid Cases	471		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 25.90.

Exhibit 27. Rosé Wine Knowledge vs. Gender

Males' perception regarding its rosé wine knowledge is statically different and higher compared to females' perception.

"I have a high knowledge regarding rosé wines" – Regrouped * Respondent's Gender Crosstabulation

			Respondent's Gender		Total
			Female	Male	
"I have a high knowledge regarding rosé wines" – Regrouped	Totally Disagree & Disagree	Count	226	54	280
		% within Respondent's Gender	64.8%	44.3%	59.4%
		Adjusted Residual	4.0	-4.0	
	Neither agree nor disagree	Count	94	46	140
		% within Respondent's Gender	26.9%	37.7%	29.7%
		Adjusted Residual	-2.2	2.2	
	Agree & Totally agree	Count	29	22	51
		% within Respondent's Gender	8.3%	18.0%	10.8%
		Adjusted Residual	-3.0	3.0	
Total	Count	349	122	471	
	% within Respondent's Gender	100.0%	100.0%	100.0%	

Chi-Square Tests

		Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square		17.808 ^a	2	.000
Likelihood Ratio		17.242	2	.000
Linear-by-Linear Association		17.661	1	.000
N of Valid Cases		471		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 13.21.

Directional Measures

			Value
Nominal by Interval	Eta	"I have a high knowledge regarding rosé wines" – Regrouped Dependent	.194
		Respondent's Gender Dependent	.194

Exhibit 28. Average Spend per Bottle of Rosé Wine vs. Gender

Male consumers are statistically more willing to pay more for a better rosé wine than female consumers.

Average price spent per rosé wine bottle (75 cl) * Respondent's Gender Crosstabulation

			Respondent's Gender		Total
			Female	Male	
Average price spent per rosé wine bottle (75 cl)	Under 2,00€	Count	9	3	12
		% within Respondent's Gender	2.9%	2.9%	2.9%
		Adjusted Residual	.0	.0	
	2,00€ – 2,99€	Count	54	9	63
		% within Respondent's Gender	17.2%	8.7%	15.1%
		Adjusted Residual	2.1	-2.1	
	3,00€ – 3,99€	Count	74	27	101
		% within Respondent's Gender	23.6%	26.0%	24.2%
		Adjusted Residual	-5	.5	
	4,00€ – 4,99€	Count	73	18	91
		% within Respondent's Gender	23.2%	17.3%	21.8%
		Adjusted Residual	1.3	-1.3	
	5,00€ – 5,99€	Count	38	11	49
		% within Respondent's Gender	12.1%	10.6%	11.7%
		Adjusted Residual	.4	-.4	
	Above 6,00€	Count	30	27	57
		% within Respondent's Gender	9.6%	26.0%	13.6%
		Adjusted Residual	-4.2	4.2	
Don't know/ can't recal	Count	36	9	45	
	% within Respondent's Gender	11.5%	8.7%	10.8%	
	Adjusted Residual	.8	-.8		
Total	Count	314	104	418	
	% within Respondent's Gender	100.0%	100.0%	100.0%	

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	21.387 ^a	6	.002
Likelihood Ratio	19.961	6	.003
Linear-by-Linear Association	4.017	1	.045
N of Valid Cases	418		

a. 1 cells (7.1%) have expected count less than 5. The minimum expected count is 2.99.

Symmetric Measures

		Value	Approximate Significance
Nominal by Nominal	Phi	.226	.002
	Cramer's V	.226	.002
N of Valid Cases		418	

Exhibit 29. Frequency of Consumption of Rosé Wine vs. Age

Younger rosé wine drinkers consume this product less often than those more mature, above 45.

On average, how often do you drink rosé wine? * Respondent's Age Crosstabulation

			Respondent's Age					Total
			18-24	25-34	35-44	45-54	Above 55	
On average, how often do you drink rosé wine?	Heavy users (daily, 2-4 times a week, once a week)	Count	1	4	14	20	16	55
		% within Respondent's Age	1.3%	7.4%	12.5%	19.4%	12.6%	11.6%
		Adjusted Residual	-3.1	-1.0	.3	2.8	.4	
	Light users (once a month, less than once a month)	Count	77	50	98	83	111	419
		% within Respondent's Age	98.7%	92.6%	87.5%	80.6%	87.4%	88.4%
		Adjusted Residual	3.1	1.0	-.3	-2.8	-.4	
Total	Count	78	54	112	103	127	474	
	% within Respondent's Age	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	15.370 ^a	4	.004
Likelihood Ratio	19.085	4	.001
Linear-by-Linear Association	8.750	1	.003
N of Valid Cases	474		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 6.27.

Directional Measures

			Value
Nominal by Interval	Eta	On average, how often do you drink rosé wine? Dependent	.180
		Respondent's Age Dependent	.136

Exhibit 30. Frequency of Consumption of Rosé Wine vs. Rosé Wine Knowledge

There is statistical evidence that people with higher perception level regarding its rosé wine knowledge consume this product more often.

"I have a high knowledge regarding rosé wines" – Regrouped * On average, how often do you drink rosé wine? Crosstabulation

			On average, how often do you drink rosé wine?		Total
			Heavy users (daily, 2-4 times a week, once a week)	Light users (once a month, less than once a month)	
"I have a high knowledge regarding rosé wines" – Regrouped	Totally Disagree & Disagree	Count	15	266	281
		% within On average, how often do you drink rosé wine?	27.3%	63.5%	59.3%
		Adjusted Residual	-5.1	5.1	
	Neither agree nor disagree	Count	17	124	141
		% within On average, how often do you drink rosé wine?	30.9%	29.6%	29.7%
		Adjusted Residual	.2	-.2	
	Agree & Totally agree	Count	23	29	52
		% within On average, how often do you drink rosé wine?	41.8%	6.9%	11.0%
		Adjusted Residual	7.8	-7.8	
Total	Count	55	419	474	
	% within On average, how often do you drink rosé wine?	100.0%	100.0%	100.0%	

Directional Measures

			Value
Nominal by Interval	Eta	"I have a high knowledge regarding rosé wines" – Regrouped Dependent	.332
		On average, how often do you drink rosé wine? Dependent	.370

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	64.752 ^a	2	.000
Likelihood Ratio	48.004	2	.000
Linear-by-Linear Association	52.292	1	.000
N of Valid Cases	474		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 6.03.

Exhibit 31. Frequency of Consumption of Rosé Wine vs. Willingness to Pay for a Better Rosé Wine

Statistical analysis shows that people with higher willingness to pay for a better rosé wine bottle consume rosé wine more often.

"I am willing to pay more for a good rosé wine" – Regrouped * On average, how often do you drink rosé wine? Crosstabulation

			On average, how often do you drink rosé wine?		Total
			Heavy users (daily, 2-4 times a week)	Light users (once a month, less than once a month)	
"I am willing to pay more for a good rosé wine" – Regrouped	Totally Disagree & Disagree	Count	7	129	136
		% within On average, how often do you drink rosé wine?	12.7%	30.8%	28.7%
		Adjusted Residual	-2.8	2.8	
	Neither agree nor disagree	Count	11	112	123
		% within On average, how often do you drink rosé wine?	20.0%	26.7%	25.9%
		Adjusted Residual	-1.1	1.1	
	Agree & Totally agree	Count	37	178	215
		% within On average, how often do you drink rosé wine?	67.3%	42.5%	45.4%
		Adjusted Residual	3.5	-3.5	
Total	Count	55	419	474	
	% within On average, how often do you drink rosé wine?	100.0%	100.0%	100.0%	

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	12.963 ^a	2	.002
Likelihood Ratio	13.563	2	.001
Linear-by-Linear Association	12.499	1	.000
N of Valid Cases	474		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 14.27.

Directional Measures

			Value
Nominal by Interval	Eta	"I am willing to pay more for a good rosé wine" – Regrouped Dependent	.163
		On average, how often do you drink rosé wine? Dependent	.165

Exhibit 32. Frequency of Consumption of Rosé Wine vs. Time Spent in Choosing a Rosé Wine

The Chi-Square test indicates that people who spend more time in choosing a rosé wine are those that consume it more often as well.

"I dedicate a lot of time to choose a rosé wine" – Regrouped * On average, how often do you drink rosé wine? Crosstabulation

		On average, how often do you drink rosé wine?			Total
		Heavy users (daily, 2-4 times a week, once a week)	Light users (once a month, less than once a month)		
"I dedicate a lot of time to choose a rosé wine" – Regrouped	Totally Disagree & Disagree	Count	15	236	251
		% within On average, how often do you drink rosé wine?	27.3%	56.3%	53.0%
		Adjusted Residual	-4.1	4.1	
	Neither agree nor disagree	Count	21	122	143
		% within On average, how often do you drink rosé wine?	38.2%	29.1%	30.2%
		Adjusted Residual	1.4	-1.4	
Agree & Totally agree	Count	19	61	80	
	% within On average, how often do you drink rosé wine?	34.5%	14.6%	16.9%	
	Adjusted Residual	3.7	-3.7		
Total	Count	55	419	474	
	% within On average, how often do you drink rosé wine?	100.0%	100.0%	100.0%	

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	20.581 ^a	2	.000
Likelihood Ratio	19.643	2	.000
Linear-by-Linear Association	20.535	1	.000
N of Valid Cases	474		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 9.28.

Directional Measures

		Value
Nominal by Interval	Eta	.208
	"I dedicate a lot of time to choose a rosé wine" – Regrouped Dependent	.208

Exhibit 33. Purchasing Behavior of Rosé Wine vs. Willingness to Pay for a Better Rosé Wine

Consumers that show a greater willingness to pay for a better rosé wine seem to be more open to try new and different brands, whereas those with low willingness to pay always buy the same brand or the one on promotion.

"I am willing to pay more for a good rosé wine" – Regrouped * Which of the following purchasing habits suits you best? Crosstabulation

		Which of the following purchasing habits suits you best?				Total	
		I always buy the same brand	I like to try new brands	I like to try new brands, but I have a favourite	I always buy the one on promotion		
"I am willing to pay more for a good rosé wine" – Regrouped	Totally Disagree & Disagree	Count	20	41	27	24	112
		% within Which of the following purchasing habits suits you best?	40.8%	23.2%	17.3%	61.5%	26.6%
		Adjusted Residual	2.4	-1.4	-3.3	5.2	
	Neither agree nor disagree	Count	15	46	39	8	108
		% within Which of the following purchasing habits suits you best?	30.6%	26.0%	25.0%	20.5%	25.7%
		Adjusted Residual	.8	.1	-.2	-.8	
Agree & Totally agree	Count	14	90	90	7	201	
	% within Which of the following purchasing habits suits you best?	28.6%	50.8%	57.7%	17.9%	47.7%	
	Adjusted Residual	-2.9	1.1	3.1	-3.9		
Total	Count	49	177	156	39	421	
	% within Which of the following purchasing habits suits you best?	100.0%	100.0%	100.0%	100.0%	100.0%	

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	42.987 ^a	6	.000
Likelihood Ratio	41.053	6	.000
Linear-by-Linear Association	.086	1	.769
N of Valid Cases	421		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 10.00.

Directional Measures

Nominal by Interval	Eta	Value
"I am willing to pay more for a good rosé wine" – Regrouped Dependent		.310
Which of the following purchasing habits suits you best? Dependent		.054

Exhibit 34. Purchasing Behavior of Rosé Wine vs. Willingness to Spend time in Choosing Rosé Wine

There is statistical evidence that people that do not take much time in choosing a rosé wine tend to adopt routinely purchasing habits – they always buy the same brand or the one on promotion and conversely, people that take time in choosing this product like to diversify their brand choices.

"I dedicate a lot of time to choose a rosé wine" – Regrouped * Which of the following purchasing habits suits you best? Crosstabulation

		Which of the following purchasing habits suits you best?				Total	
		I always buy the same brand	I like to try new brands	I like to try new brands, but I have a favourite	I always buy the one on promotion		
"I dedicate a lot of time to choose a rosé wine" – Regrouped	Totally Disagree & Disagree	Count	37	71	73	31	212
		% within Which of the following purchasing habits suits you best?	75.5%	40.1%	46.8%	79.5%	50.4%
		Adjusted Residual	3.7	-3.6	-1.1	3.8	
	Neither agree nor disagree	Count	10	64	51	6	131
		% within Which of the following purchasing habits suits you best?	20.4%	36.2%	32.7%	15.4%	31.1%
		Adjusted Residual	-1.7	1.9	.5	-2.2	
Agree & Totally agree	Count	2	42	32	2	78	
	% within Which of the following purchasing habits suits you best?	4.1%	23.7%	20.5%	5.1%	18.5%	
	Adjusted Residual	-2.8	2.3	.8	-2.3		
Total	Count	49	177	156	39	421	
	% within Which of the following purchasing habits suits you best?	100.0%	100.0%	100.0%	100.0%	100.0%	

Chi-Square Tests

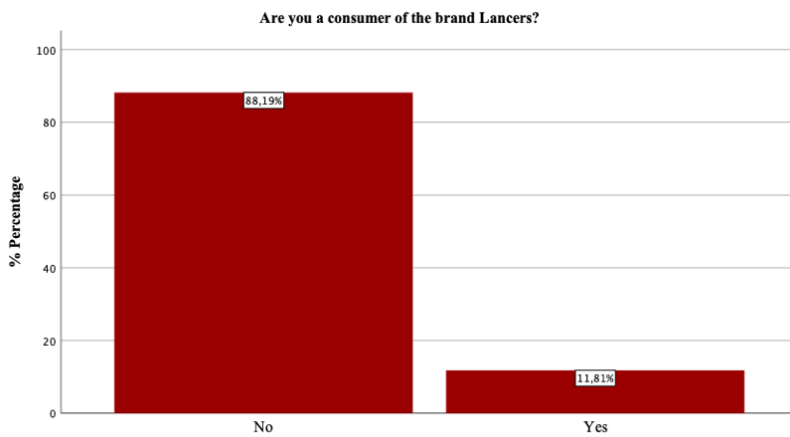
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	35.503 ^a	6	.000
Likelihood Ratio	38.763	6	.000
Linear-by-Linear Association	.159	1	.690
N of Valid Cases	421		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 7.23.

Directional Measures

Nominal by Interval	Eta	Value
"I dedicate a lot of time to choose a rosé wine" – Regrouped Dependent		.280
Which of the following purchasing habits suits you best? Dependent		.031

Exhibit 35. Percentage of Lancers' Consumers



Statistics

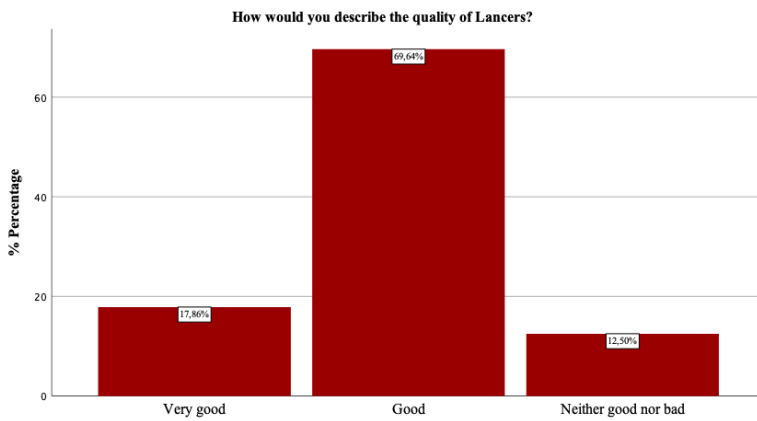
Are you a consumer of the brand Lancers?

N	Valid	Missing
474	474	0

Are you a consumer of the brand Lancers?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid No	418	88.2	88.2	88.2
Valid Yes	56	11.8	11.8	100.0
Total	474	100.0	100.0	

Exhibit 36. Current Consumers' Perception about Lancers' Quality



Statistics

How would you describe the q

N	Valid	Missing
56	56	418

How would you describe the quality of Lancers?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Neither good nor bad	7	1.5	12.5	12.5
Valid Good	39	8.2	69.6	82.1
Valid Very good	10	2.1	17.9	100.0
Total	56	11.8	100.0	
Missing System	418	88.2		
Total	474	100.0		

Exhibit 37. Lancers' Most Valued Attributes by Current Consumers

Respondents were asked to select up to three attributes from a pre-defined list.

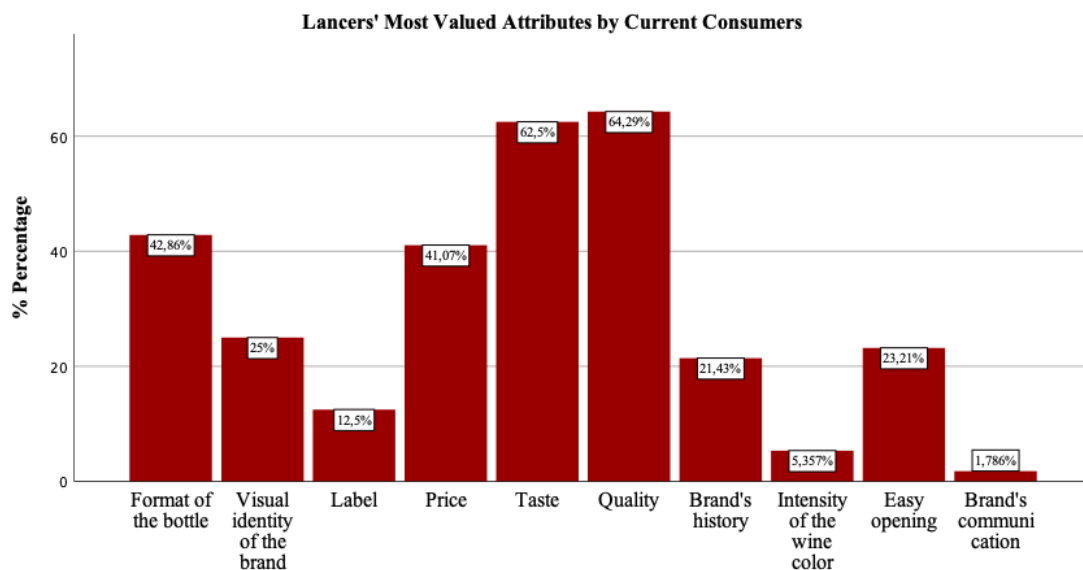


Exhibit 38. Perception of Lancers by Current Consumers: “Lancers is Modern”

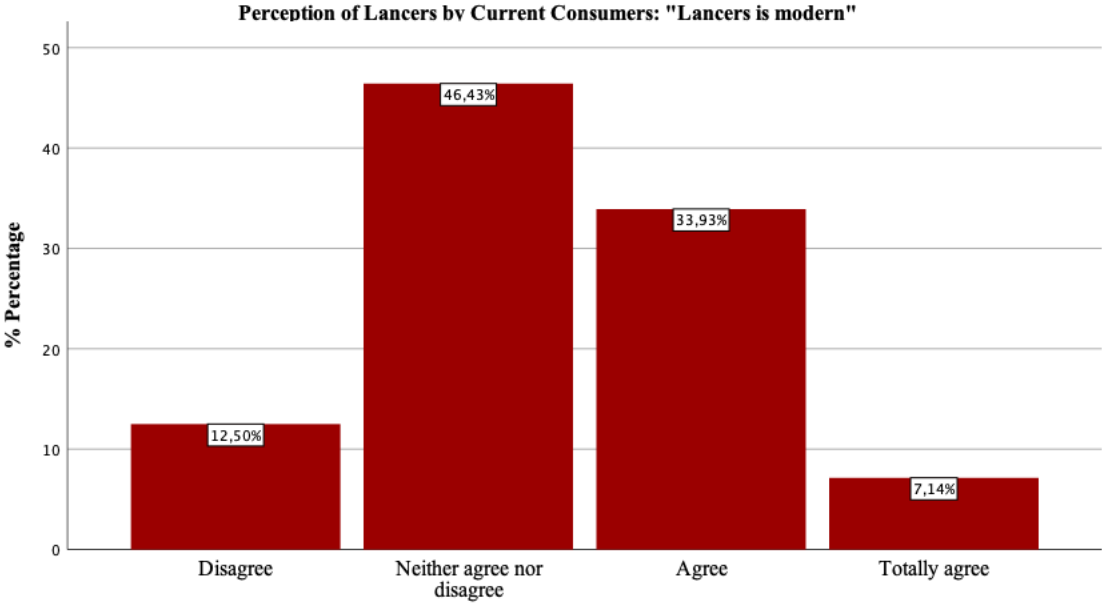


Exhibit 39. Perception of Lancers by Current Consumers: “Lancers is Tradition”

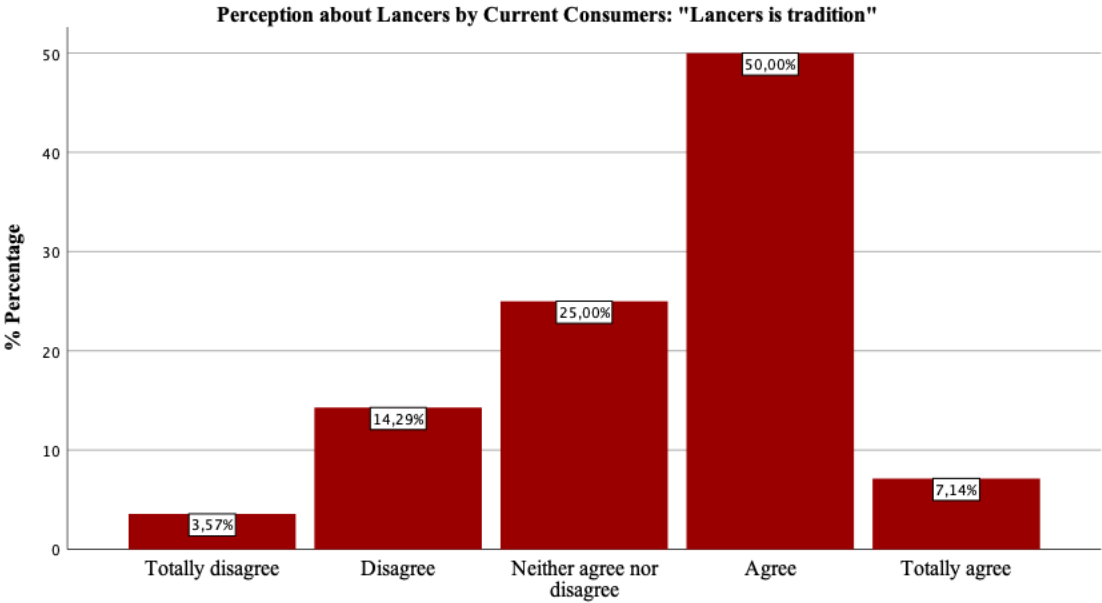


Exhibit 40. Steps to successfully conduct a Cluster Analysis

1	Select the clustering variables	<p>Based on the literature review, on the results of the initial statistical analyses and on the good quality of the variables – i.e., they display a strong academic basis, they are not affected by respondent’s exhaustion, and they reflect the current market situation (Sarstedt and Mooi 2019) – a combination of both psychographic and behavioral variables was chosen to run a Cluster Analysis:</p> <ul style="list-style-type: none"> – <u>Psychographic</u>: rosé wine knowledge, time spent and willingness to pay – <u>Behavioral</u>: avg. frequency of consumption, avg. price spent on a bottle of 75cl
2	Select the clustering procedure	<p>As there is no ideal or universal number of clusters to be used, it was decided to opt for the Hierarchical Clustering Method that is possibly the most employed method of all available (Lavine and Mirjankar 2006).</p>
3	Select the measure of similarity or dissimilarity	<p>Literature establishes that Ward’s method along with the Squared Euclidean distance interval is a widely used combination among researchers. Sarstedt and Mooi (2019) argue that although this method tends to work very well, it is important to note that its results are strongly affected by the existence of outliers and strong correlations between variables.</p>
4	Decide on the number of clusters	<p>By examining the dendrogram plotted by the output of the analysis, the ideal solution appeared to lay in 3 clusters. Through the application of the discriminant analysis to detect the differences and their magnitude between groups, the solution of 3 clusters was validated with 88% of confidence.</p>
5	Validate and interpret the clustering solution	<p>Two elements were assessed to validate the clustering solution: the stability and the differentiation of the data. The solution can be considered “stable” if the rule of thumb that no more than 20% of the affiliations of the objects do not change is applicable (Sarstedt and Mooi 2019). To test stability the cluster analysis with 3 groups was conducted twice using once the <i>hierarchal clustering method</i> and then again adopting the <i>k-means clustering method</i>. In what regards the second element to be assessed, there is need to look at the centroids of the clusters to understand if the suggested grouping differentiates the data well.</p> <p>Finally, the profiling and interpretation of the clustering solution was done with the help of crosstabs, parametric and non-parametric analyses</p>

		as well as the use of the demographic variables (age, gender, level of education, professional situation and monthly income).
--	--	---

Source: Authors' elaboration (2021), based mainly on: Sarstedt, Marko and Erik Mooi. 2019. *A Concise Guide to Market Research: The Process, Data, and Methods Using IBM SPSS Statistics*. Berlin: Springer-Verlag Berlin Heidelberg; Janssens, Wim, Katrien Winjen, Patrick De Pelsmacker and Patrick Van Kenhove. 2008. *Marketing Research with SPSS*. Edinburgh Gate: Pearson Education; Financial Times; Prentice Hall.

Exhibit 41. Discriminant Analysis Output for 3 clusters

Classification Results^{a,c}

		Predicted Group Membership				
		Ward Method	1	2	3	Total
Original	Count	1	157	9	4	170
		2	12	112	16	140
		3	3	2	67	72
	%	1	92.4	5.3	2.4	100.0
		2	8.6	80.0	11.4	100.0
		3	4.2	2.8	93.1	100.0
Cross-validated ^b	Count	1	153	13	4	170
		2	12	111	17	140
		3	3	3	66	72
	%	1	90.0	7.6	2.4	100.0
		2	8.6	79.3	12.1	100.0
		3	4.2	4.2	91.7	100.0

a. 88.0% of original grouped cases correctly classified.

b. Cross validation is done only for those cases in the analysis. In cross validation, each case is classified by the functions derived from all cases other than that case.

c. 86.4% of cross-validated grouped cases correctly classified.

Exhibit 42. Results of the Crosstab Analyses for Clusters 1, 2 and 3

PERSONAL INFORMATION				
Variables	Total	Cluster 1	Cluster 2	Cluster 3
Gender				
→ Female	75.7%	70.6%	77.1%	84.7%
→ Male	23.8%	28.8%	22.1%	15.3%
→ Rather not say	0.5%	0.6%	0.7%	0.0%
Age group				
→ 18-24	17.3%	13.5%	21.4%	18.1%
→ 25-34	11.5%	7.1%	16.4%	12.5%
→ 35-44	25.1%	19.4%	33.6%	22.2%
→ 45-54	21.2%	25.9%	15.7%	20.8%
→ above 55	24.9%	34.1%	12.9%	26.4%
Level of Education				
→ Middle School	1.0%	0.0%	1.4%	2.8%
→ High School	17.8%	14.7%	17.9%	25.0%
→ Bachelor	55.0%	56.5%	55.0%	51.4%
→ Masters	22.5%	24.1%	22.9%	18.1%
→ PhD	3.4%	4.7%	2.1%	2.8%
→ Post-Doc	0.3%	0.0%	0.7%	0.0%
Professional Situation				
→ Student	9.7%	7.6%	14.3%	5.6%
→ Working student	3.7%	3.5%	2.9%	5.6%
→ Unemployed	4.7%	2.9%	5.7%	6.9%
→ Employed	76.2%	77.6%	73.6%	77.8%
→ Retired	5.8%	8.2%	3.6%	4.2%
Monthly Income				
→ Under 700€	3.4%	1.2%	5.0%	5.6%
→ 700€ - 1400€	24.3%	16.5%	28.6%	34.7%
→ 1401€ - 2100€	15.7%	15.3%	17.9%	12.5%
→ 2101€ - 2800€	17.5%	16.5%	20.7%	13.9%
→ 2801€ - 3500€	13.9%	17.6%	9.3%	13.9%
→ above 3500€	25.1%	32.9%	18.6%	19.4%
Lancers Consumers				

→ Yes	13.9%	16.5%	13.6%	8.3%
→ No	86.1%	83.5%	86.4%	91.7%

CONSUMER BEHAVIOR				
Variables	Total	Cluster 1	Cluster 2	Cluster 3
Frequency of Consumption				
→ Daily	0.0%	0.0%	0.0%	0.0%
→ 2 to 4 times a week	7.9%	8.8%	8.6%	4.2%
→ Once a week	3.4%	5.3%	2.1%	1.4%
→ Once or twice a month	25.1%	24.1%	32.1%	13.9%
→ Less than once a month	63.6%	61.8%	57.1%	80.6%
Purchasing Habits				
→ I always buy the same brand	11.0%	6.5%	12.9%	18.1%
→ I like to try new brands	41.9%	50.0%	37.9%	30.6%
→ I like to try new brands, but I have a favorite	37.4%	41.2%	36.4%	30.6%
→ I always buy the one on promotion	9.7%	2.4%	12.9%	20.8%
Average Price Spent				
→ Don't know/ can't recall	10.5%	0.0%	28.6%	0.0%
→ Under 2.00€	2.9%	0.0%	6.4%	2.8%
→ 2.00€ - 2.99€	16.0%	0.6%	30.0%	25.0%
→ 3.00€ - 3.99€	24.6%	14.7%	32.1%	33.3%
→ 4.00€ - 4.99€	23.0%	38.8%	2.9%	25.0%
→ 5.00€ - 5.99€	11.8%	22.4%	0.0%	9.7%
→ Above 6€	11.3%	23.5%	0.0%	4.2%

PREFERENCES, PERCEPTIONS AND INTENTIONS				
Variables	Total	Cluster 1	Cluster 2	Cluster 3
Place for Consumption				
→ At home	47.4%	48.2%	50.0%	40.0%
→ Friend's house	19.7%	19.4%	17.9%	24.3%
→ Family member's house	5.8%	5.9%	7.9%	1.4%
→ Restaurants	13.4%	8.8%	15.0%	21.4%

→ Bar/ Terrace	8.7%	11.2%	5.7%	8.6%
→ Beach/ Picnic	4.2%	5.9%	2.1%	4.3%
→ Festivals and/ or other traditional events	0.8%	0.6%	1.4%	0.0%
Place for Consumption Regrouped				
→ In-home	72.9%	73.5%	75.7%	65.7%
→ Out-of-home	27.1%	26.5%	24.3%	34.3%
Place for Purchase				
→ Super and/ or hypermarket	81.9%	76.5%	85.7%	87.5%
→ Wine cellar	10.2%	13.5%	8.6%	5.8%
→ Online retail	2.4%	1.8%	2.9%	2.8%
→ Online wine cellar	2.9%	5.9%	0.0%	1.4%
→ Grocery shops	1.6%	1.2%	1.4%	2.8%
→ Gas station	0.3%	0.0%	0.7%	0.0%
→ Directly to the producer	0.8%	1.2%	0.7%	0.0%
Place for Purchase Regrouped				
→ Offline channels	94.8%	92.4%	97.1%	95.8%
→ Online channels	5.2%	7.6%	2.9%	4.2%
Wine Knowledge				
→ Totally disagree	15.2%	4.7%	17.9%	34.7%
→ Disagree	35.1%	29.4%	38.6%	41.7%
→ Neither agree nor disagree	30.1%	35.9%	30.7%	15.3%
→ Agree	16.0%	24.1%	10.7%	6.9%
→ Totally agree	3.7%	5.9%	2.1%	1.4%
Rosé Wine Knowledge				
→ Totally disagree	19.9%	7.1%	21.4%	47.2%
→ Disagree	40.1%	34.1%	44.3%	45.8%
→ Neither agree nor disagree	29.6%	41.2%	27.1%	6.9%
→ Agree	7.9%	13.5%	5.0%	0.0%
→ Totally agree	2.6%	4.1%	2.1%	0.0%
Importance of Rosé Wine				
→ Totally disagree	12.3%	1.82%	8.6%	44.4%

→ Disagree	19.9%	10.6%	20.0%	41.7%
→ Neither agree nor disagree	39.3%	57.1%	30.7%	13.9%
→ Agree	25.7%	26.5%	37.9%	0.0%
→ Totally agree	2.9%	4.1%	2.9%	0.0%
Willingness to Pay				
→ Totally disagree	7.9%	0.0%	5.0%	31.9%
→ Disagree	18.6%	2.9%	17.1%	58.3%
→ Neither agree nor disagree	25.9%	25.9%	35.0%	8.3%
→ Agree	38.5%	54.7%	37.9%	1.4%
→ Totally agree	9.2%	16.5%	5.0%	0.0%
Time Spent				
→ Totally disagree	15.4%	4.1%	12.9%	47.2%
→ Disagree	34.8%	20.6%	45.7%	47.2%
→ Neither agree nor disagree	32.5%	46.5%	29.3%	5.6%
→ Agree	14.9%	24.7%	10.7%	0.0%
→ Totally agree	2.4%	4.1%	1.4%	0.0%
Sophistication of Rosé Wine				
→ Totally disagree	17.8%	12.9%	12.9%	38.9%
→ Disagree	27.5%	24.7%	27.9%	33.3%
→ Neither agree nor disagree	34.8%	42.9%	34.3%	16.7%
→ Agree	15.2%	14.7%	19.3%	8.3%
→ Totally agree	4.7%	4.7%	5.7%	2.8%
Rosé Wine is a Beverage for Younger People				
→ Totally disagree	21.7%	18.2%	21.4%	30.6%
→ Disagree	40.8%	45.3%	37.1%	37.5%
→ Neither agree nor disagree	23.6%	22.9%	26.4%	19.4%
→ Agree	11.0%	10.0%	12.1%	11.1%
→ Totally agree	2.9%	3.5%	2.9%	1.4%
Motivations				
→ Socializing with friends	78.0%	81.8%	78.6%	68.1%
→ Relaxing	25.1%	26.5%	26.4%	19.4%

→ Accompany a meal	62.8%	67.6%	63.6%	50.0%
→ Getting drunk	3.9%	1.2%	7.9%	2.8%
→ On special occasions	28.3%	23.5%	32.1%	31.9%
→ As an aperitif	21.2%	28.8%	14.3%	16.7%

Source: Authors' Elaboration (2021)

Exhibit 43. ANOVA Analyses

The ANOVA results show that the means of the following variables: age, monthly net income, frequency of consumption of rosé, average price spent on a bottle of rosé, wine and rosé wine knowledge, importance of rosé wine, willingness to pay more for a better rosé wine, time spent in choosing a rosé wine, perception that rosé wine is more sophisticated than other types of wine are different between clusters. The Tukey test shows which groups have statically different means and what these means are.

		ANOVA				
		Sum of Squares	df	Mean Square	F	Sig.
Respondent's Age	Between Groups	46.539	2	23.269	12.620	.000
	Within Groups	698.836	379	1.844		
	Total	745.374	381			
Respondent's Level of Education	Between Groups	3.418	2	1.709	2.896	.056
	Within Groups	223.601	379	.590		
	Total	227.018	381			
Respondent's Net Monthly Income	Between Groups	54.668	2	27.334	11.174	.000
	Within Groups	927.143	379	2.446		
	Total	981.812	381			
On average, how often do you drink rosé wine?	Between Groups	6.158	2	3.079	3.967	.020
	Within Groups	294.187	379	.776		
	Total	300.346	381			
Average price spent per rosé wine bottle (75 cl)	Between Groups	598.669	2	299.334	230.109	.000
	Within Groups	493.017	379	1.301		
	Total	1,091.686	381			
"I have a high knowledge regarding wines"	Between Groups	55.512	2	27.756	29.251	.000
	Within Groups	359.632	379	.949		
	Total	415.144	381			
"I have a high knowledge regarding rosé wines"	Between Groups	68.234	2	34.117	44.813	.000
	Within Groups	288.543	379	.761		
	Total	356.777	381			
"Rosé wine is an important product for me"	Between Groups	123.962	2	61.981	85.268	.000
	Within Groups	275.493	379	.727		
	Total	399.455	381			
"I am willing to pay more for a good rosé wine"	Between Groups	213.747	2	106.874	165.400	.000
	Within Groups	244.891	379	.646		
	Total	458.638	381			

On average, how often do you drink rosé wine?

Tukey HSD^{a,b}

		Subset for alpha = 0.05	
Ward Method	N	1	2
2	140	4.38	
1	170	4.39	
3	72		4.71
Sig.		.996	1.000

Means for groups in homogeneous subsets are displayed.

a. Uses Harmonic Mean Sample Size = 111.466.

b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.

Average price spent per rosé wine bottle (75 cl)

Tukey HSD^{a,b}

		Subset for alpha = 0.05		
Ward Method	N	1	2	3
2	140	1.74		
3	72		3.26	
1	170			4.54
Sig.		1.000	1.000	1.000

Means for groups in homogeneous subsets are displayed.

a. Uses Harmonic Mean Sample Size = 111.466.

b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.

Respondent's Age

Tukey HSD^{a,b}

		Subset for alpha = 0.05	
Ward Method	N	1	2
2	140	2.82	
3	72		3.25
1	170		3.60
Sig.		1.000	.133

Means for groups in homogeneous subsets are displayed.

a. Uses Harmonic Mean Sample Size = 111.466.

b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.

Respondent's Level of Education

Tukey HSD^{a,b}

		Subset for alpha = 0.05	
Ward Method	N	1	2
3	72	2.93	
2	140	3.09	3.09
1	170		3.19
Sig.		.288	.580

Means for groups in homogeneous subsets are displayed.

a. Uses Harmonic Mean Sample Size = 111.466.

b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.

Respondent's Net Monthly Income

Tukey HSD^{a,b}

		Subset for alpha = 0.05		
Ward Method	N	1	2	3
3	72	1.99		
2	140		2.41	
1	170			2.97
Sig.		1.000	1.000	1.000

Means for groups in homogeneous subsets are displayed.

a. Uses Harmonic Mean Sample Size = 111.466.

b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.

"I have a high knowledge regarding rosé wines"

Tukey HSD^{a,b}

Ward Method	N	Subset for alpha = 0.05		
		1	2	3
3	72	1.60		
2	140		2.22	
1	170			2.74
Sig.		1.000	1.000	1.000

Means for groups in homogeneous subsets are displayed.

- a. Uses Harmonic Mean Sample Size = 111.466.
- b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.

"Rosé wine is an important product for me"

Tukey HSD^{a,b}

Ward Method	N	Subset for alpha = 0.05	
		1	2
3	72	1.69	
2	140		3.06
1	170		3.21
Sig.		1.000	.430

Means for groups in homogeneous subsets are displayed.

- a. Uses Harmonic Mean Sample Size = 111.466.
- b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.

"I am willing to pay more for a good rosé wine"

Tukey HSD^{a,b}

Ward Method	N	Subset for alpha = 0.05		
		1	2	3
3	72	1.79		
2	140		3.21	
1	170			3.85
Sig.		1.000	1.000	1.000

Means for groups in homogeneous subsets are displayed.

- a. Uses Harmonic Mean Sample Size = 111.466.
- b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.

Exhibit 44. Example of a "Traditional" Bottle of Wine



Source: Images retrieved from Google Images

A Work Project, presented as part of the requirements for the Award of a Master's degree in Management from the Nova School of Business and Economics.

CREATING A STRONG BRAND IDENTITY FOR LANCERS IN THE PORTUGUESE
WINE MARKET

INÊS SIMÕES RIBEIRO RODRIGUES

Work project carried out under the supervision of:

Prof. Carmen Lages

21-05-2021

Abstract

The following report addresses recommendations aimed at improving the brand Lancers strategies and tactics in the Portuguese wine market, in order to explore opportunities for the attraction of new customers and attain the desirable rise of the brand's sales. It begins with an analysis of the conducted market research to support the identification of the brand's issues that require examination, preceded by a literature review on branding. It concludes with the clarification of Lancers' identity, and how it can be reflected in the branding procedures of Lancers, for a better fit with the target market identified as a major opportunity.

Key words: Marketing strategy, positioning, competitive advantage, branding

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1. Introduction

The world of wine is characterized by an enormous and ever-growing number of brands (Bruwer 2004) that contributes to the complexity of the buying process for wine consumers (Lockshin, Rasmussen and Cleary 2000; Vrontis and Pappasolomou 2007). Throughout the past decades, the wine market has suffered key changes due to the rising globalization. With the expansion of the ‘new-world’ wine producers performing in traditional markets, the ‘old-world’ ones are currently facing a decline in domestic demand and an ongoing trend regarding increased quality in production and consumption patterns (Thorpe 2009). The need to adapt to the referred circumstances arises, and consequently, wine firms respond by moving their efforts towards the development of strong and reliable brands that are easy to recognize (Bruwer and Johnson 2010) and capable of diminishing competitive pressures (Reid et al. 2001).

This project’s collective component served as input to explore different problematics regarding brand strategy. Throughout the present report, these problematics and others will be stated with the purpose of providing strategic recommendations for their improvement, in order to deliver a transversal contribution for the core objective of a successful repositioning of the Lancers brand in the Portuguese wine market.

2. Scope and Objectives

An indicator that led to the repositioning strategy of Lancers was its low profitability. Lancers’ sales have been declining in the domestic market since the period of 2017/2018 and thereafter. In 2020, the fall was settled on 20%. The beginning of this fall is coincident with a partnership between José Maria da Fonseca (JMF) and IADE – Universidade Europeia, for the design of the packaging of a second limited summer edition of Lancers (Exhibit 1) with the strategic briefing aimed at communicating modernity and fun (Rito 2018), as the beginning of the brand rejuvenation strategy to attract a younger audience. The significant differences in the packaging – the transition to a conjunction of vivid colors and bolder design, not common in wine -,

certainly constituted a turning point in the way the brand was presented to the market so far (Exhibit 2), which might have caused a misfit in consumers' perception of the brand due to loss of understanding of the product category, and potentially contributed to the decrease in sales.

The performance of organizations is dependent of a successful brand strategy (Kapferer 2008), because brands constitute “an instrument for company growth and profitability, a business tool” (Kapferer 2008, 51). To achieve it, and prevent the decrease in profitability to continue, the end goal is to improve Lancers' brand strategy in Portugal, with major focus on the target market presenting a viable opportunity: mature wine enthusiasts above 45 years, who are regular drinkers and consider rosé wine an important product.

To address this objective, it is necessary to study the aspects that require improvement to later clarify the appropriate way to address and improve them. Thus, the work will begin with an overview of the relevance of rosé wine in Portugal, followed by an analysis of the conducted market research to rosé wine consumers in the country, and interpretation of key findings, to infer about their behavior and importance attached to different factors. This perspective will be important to understand the main issues that can be tackled through product and branding.

3. The Portuguese Rosé Wine Market

Contrary to France, United States, Germany, United Kingdom, Italy, and Spain – the biggest producers of rosé wine worldwide (OIV 2015) -, the production of rosé wine in Portugal is still far behind when compared with the production of red and white wines. Data retrieved from Passport (2020) illustrates the scenario of consumption (in million liters sold) of still light grape wine in the country, and is noticeable the discrepancy of values between rosé (39,1) and red (300,6) and white (126,3) wines. Rosé wine is still considered a product for a niche market for Portuguese consumers – it lacks tradition regarding origin of the wine making -, whose quality is difficult to access at first - the global industry knowledge regarding the sources of preference for the wine is still reduced (Velikova et al. 2015).

The market research results show that the target market purchases rosé wine essentially through offline channels (Exhibit 3), with a prominent preference for super and/or hypermarkets (Exhibit 4) for 76,5% of consumers. Despite the global increasing appeal of rosé wine among all groups of consumers (Wine Intelligence 2020), in some retailers it is still considered “a ‘static’ item on the shelf, unable to attract consumers’ curiosity” (Atzeni 2017, as cited in Capitello, Bazzani and Begalli 2019, 49). To stand out amongst competition (Jennings and Wood 1994), efforts should be moved towards the attractiveness of the packaging to enhance rosé wine identity (Sommacampagna 2017, as cited in Capitello, Bazzani and Begalli 2019). Indeed, the findings reveal that the target markets attaches some importance to the packaging when choosing a rosé wine, and enjoys Lancers’ packaging (Exhibits 5 and 6 respectively). Regarding the purchasing habits of rosé (Exhibit 7), only 6,5% claim to be loyal to a particular brand and half of the sample (50%) switch between brands; others also switch between brands but have one favorite (41,2%). This illustrates what is referred in the literature regarding the existence of numerous wine brands in the market, and the inherent difficulty of capturing loyalty and market share in a such fragmented industry (Passport 2020). It is also relevant to evaluate consumers’ preferences for the moment of consumption of rosé wine. This data provides guidance to understand under which context the target market meets their motivations of “socializing with friends” (81,8%) or “accompany a meal” (67,6%) (Exhibit 8), in order to frame the most adequate scenario for the consumption of Lancers. The vast majority (73,5%) has preference for an “in-home” context (Exhibit 9).

Lastly, it matters to examine the overall awareness of the brand in the domestic market. In comparison with its strongest competitors, Lancers’ brand recognition is significantly lower (48,6%) (Exhibit 10). It is placed far behind Mateus Rosé (98,4%), Casal Garcia (83,9%) and Gazela (80,6%) – the brand’s main competitors that are top-of-mind.

4. Lancers Rosé Wine Brand Challenges

Lancers current brand lacks awareness in the Portuguese market. This aspect indicates reduced identification of the brand with the wine customer, which denotes the need to guide the brand strategy towards the creation of relevant cues to enhance the chances of Lancers being reminded under certain circumstances (Keller 2001). Without awareness, the process of brand building will not be successful once it begins precisely with the creation of brand associations in consumers' memories (Keller 2001). Additionally, the fact that rosé wine purchasing habits of the proposed target market disclose they mostly alternate between different brands – some have a favorite, others not - demonstrates an opportunity for loyalty conversion if efforts are moved towards the creation of a stronger brand. However, it should be noted that such is hardly achievable in the short run considering all the work that firstly needs to be developed regarding awareness and posterior promotion/communication strategy.

The potential existence of cannibalization between Lancers rosé and Periquita rosé, two of the brands that stand out the most in the company's portfolio, is something that in the long run can reduce sales and profitability, and also requires thought to handle clear segments of consumers. Both brands belong to JMF in the category of key-brands and compete with each other in a similar mass-market price level. To mitigate the cannibalization effect, the main challenge lies on establishing and providing different moments of consumption for each brand.

To improve Lancers' brand strategy, it is crucial to find out an approach able to manage both the necessity to generate awareness and a clear contextualization of the brand for the target market. The path is to deliver a clear and strong brand identity that incorporates both the conceptualization of how quality of Lancers is worth, and products are adequate for different and specific moments of consumption. The aim is not to change the origin of the brand, but to offer clarification and direction for the marketing strategy.

5. Literature Review

5.1. Wine as a Product

According to Keller (2013, 31), a definition of a product is “anything we can offer to a market for attention, acquisition, use, or consumption that might satisfy a need or want”, either tangible or intangible. Wine as a product shares a high level of density – it is a “product with high experiential and emotional intensity” (Iazzi et al. 2020, 2445) and perishable (Galli, Boger and Taylor 2019).

According to Dimara and Skuras (2005), the quality of a product is addressed by various attributes. Search attributes, as color, help in the verification of quality before the acquisition of the good. Experience attributes like taste, are only addressed after experiencing the product, as the name itself implies. Lastly, credence attributes constitute the product’s properties, such as nutritional info, that cannot be tested even after buying or trying it. Charters and Pettigrew (2005, as cited in Charters and Pettigrew 2007) highlight the quasi-aesthetic character of wine quality, which enhances the necessity to evaluate it from a multidimensional perspective (Charters and Pettigrew 2007; Iazzi et al. 2020). The assessment of wine’s quality is primarily done with resort to extrinsic cues (Sáenz-Navajas et al. 2013) - search and credence attributes - since the actual quality is only possible to find out after tasting the wine (Lockshin, Rasmussen and Cleary 2000; Di Vita et al. 2019). In a study carried out by Wine Intelligence (2020) concerning global trends in wine for 2020, the increasing visual impact is one of the highlighted ones for any wine market, where the bottle and label design assume particular relevance in the choice process mainly for middle-aged consumers. Packaging owns a fundamental role in shaping competitiveness in the European food industry (Rundh 2005) and in wine (Galli, Boger and Taylor 2019) – it delivers symbolic meaning to the brand and directly impacts the consumers’ purchase intention (Barber and Almanza 2006; Celhay and Remaud 2018, as cited in Guerreiro and Loureiro 2019). The same is witnessed with labeling: “labels provide

important extrinsic cues (i.e., attributes that are not part of the physical product) to be used by consumers to assess quality” (Chaney 2000; Reidick 2003; Verdú Jover et al. 2004, as cited in Vlachvei, Notta and Efterpi 2012, 423).

5.2 Brand Strategy and Brand Identity

The American Marketing Association (2021) details a brand as “a name, term, design, symbol or any other feature that identifies one seller’s goods or service as distinct from those of other sellers”. Brands are assembled through a set of components called brand elements. These consist of the name, logo, slogan, symbols, URL, design of the packaging, characters (Keller 2013), which together form the unique identity of the brand (Farhana 2012; Keller 2013). The strongest brands generate awareness, deliver status or notoriety (Arthur Rooney 1995; Keller 2013), and differentiate products that satisfy the same need (Keller 2013), in a market environment where differentiation is critical to compete effectively (Wood 2000).

Brand building begins with the creation of an identity. Brand identity is a multi-dimensional concept (Viot 2011) that represents the brand’s tangible and intangible features – “everything that makes the brand what it is, and without which would be something different” (Kapferer 2008, 178), and delivers meaning to the brand (Aaker 1996). It precedes brand image – the associations that result from what was projected -, so it is imperative that companies are thoroughly conscious of what they want to transmit and can do it effectively (Basílio 2018).

5.2.1 Kapferer’s Brand Identity Prism model

Among the existing frameworks, Kapferer’s identity prism is one of the most valuable ones (Viot 2011; da Silveira, Lages and Simões 2013), and is composed by six elements – Physique, Relationship, Reflection, Personality, Culture, and Self-image (Kapferer 2008). Physique is the set of physical features that stand out in people’s minds when they hear the name of the brand. Relationship corresponds to the relation between the brand and the customer (Basílio 2018). Reflection is the stereotypical user of the brand (Kapferer 2009). The Personality facet refers

to the brand's character traits as if it were a person – it “helps position brands through emotional attributes” (Ahmad and Thyagaraj 2014, as cited in Brochado, Vinhas da Silva and LaPlaca 2015). Culture incorporates the values and principles to represent in the brand's products and communication. Finally, Self-image portrays how customers see themselves when using the brand and what is expected for them to feel.

5.3 Importance of the Brand for Wine Consumers

Westling (2001, as cited in Vrontis and Pappasolomou 2007) reinforces the need for wine firms to acknowledge the importance of building brands, otherwise it will become a problem in the long term. For Lockshin (2004, as cited in Viot and Pappasolomou 2010, 407) a wine brand “is a cluster of attributes which defines the identity of the wine in the eyes of the buyer” - they are sources of credibility, and the ones with greater brand equity generate higher awareness, brand loyalty and perceived quality (Vrontis and Pappasolomou 2007). Wine brands also function as “shortcuts” in the decision-making process (Lockshin and Albisu 2006; Viot and Pappasolomou 2010).

6. Recommended Branding Strategy and Tactics for Lancers

Lancers' targeting was young adults, mimicking its competitor's strategy in order to compete directly for a similar consumer type. Therefore, the current Lancers' identity relies essentially on establishing a relationship of celebration, fun and evasion, and the reflection of the consumer is of someone young, wild and adventurous. This is straightforwardly reflected in the current communication of the brand (Exhibit 11). The redefinition of the target market for consumers of more mature age, with a certain knowledge and somehow attached to the product, establishes a distinct user profile that must be incorporated in the core identity of the brand. Through brand revitalization, certain facets in tandem with symbol associations that are more suitable for the intended target market will be upgraded, in congruency with the marketing strategy.

6.1 Lancers' Brand Identity Prism

The most valued factor in the choice of a rosé wine is intrinsic quality (aroma and taste) (Exhibit 12) – the brand's competitive advantage. It is crucial that the identity is able to reflect it through tangible aesthetics, but equally important is the bond that Lancers strives to build with the customer. Contrary to the modernization that JMF seeks to print at Lancers, the target market who was found to offer the best fit does not have a well-formed opinion about it (Exhibit 13). The same happens with "Lancers is Cool" (Exhibit 14), meaning that the target market's associations with Lancers - brand image -, is not aligned with what JMF envisions for the communication of the brand. Instead, they are more prone to consider Lancers as a brand with tradition (Exhibit 15).

The identity should reflect quality, the importance of history and tradition allied to regular moments of socialization and experimentation. The conceptualization of identity will be linked to the recovery of the "old" image of the brand, referring to the retrieval of Lancers when it was a success both internationally and in Portugal, and used to be drunk by American celebrities such as Jimi Hendrix (Exhibit 16) in the late 60's. The main idea is to relive the "glory times" of the brand and remind or introduce that to consumers – evoke a feeling of nostalgia that is perpetuated in their minds. Thus, the focus is directed towards memorability to imprint that in the brand essence. The proposed identity for Lancers is exposed in Exhibit 17.

- **Physique**

The aspects to stress are the **distinctive format of the bottle** that must be kept, together with the **opacity of the label**. In what concerns the **labelling**, it will begin to include the name "José Maria da Fonseca" in the front label to reinforce the strength of the brand with an immediate association to the wine producer. Schamel (2006) argues that the reputation of the wine producer is a quality indicator, and wines made by well-known producers might lead consumers to choose them when uncertain about quality, or even pay a higher price. Also, Jennings and

Wood (1994) enlists the name of the wine maker as an extra complement to endorse differentiation. Other differentiating item is the **screw cap** which offers an easy opening and delivers functionality when carrying the bottle without causing any spillage of liquid.

- **Relationship**

The facet of relationship is mainly related to the attitudes and behaviors towards the brand, and vice-versa. In this case, the relation should be of **conviviality**, i.e., the appreciation of shared moments from a socialization point of view, and of **familiarity**. Because Lancers exists for so many years in the Portuguese market, the relation that is intended to be established is one of proximity, so that the consumer is also aware of the **versatility** of the brand to be present in various moments – social and gastronomical occasions.

- **Reflection (of the consumer)**

Consumer has a **good taste** in wine and is **sociable** – does several activities and spends time with friends and family -, and is able to find a great balance between work and leisure (**work-life balance**).

- **Personality**

Personality was elaborated by resorting to Aaker's brand personality framework (Exhibit 18) to support the choice of dimensions to include. The personification of Lancers should represent its emotional behavior. The personality trait of **sentimental** is essential for the idea that is being portrayed, along with the **contemporary** one – it is part of the present and at the same time grateful for the evolution throughout the years. It is of **reliable** competence, and **confident** of its capabilities and strengths. Nevertheless, all the aforementioned traits do not overshadow the **spirited** side of the brand.

- **Culture**

The values and DNA of Lancers are undoubtedly settled under the corporative culture of JMF. The culture of Lancers involves **devotion** – the commitment to create pleasant moments of

socialization and enjoyment to everyone -, under the premise of **trustworthiness** that characterizes the winemaking process – Lancers is not a “current” brand; is a brand with a history of success – **‘old-world’ tradition** - in what concerns quality of the product and professionalism in the winemaking process. Trustworthiness is perhaps the most important value to highlight in this element, mainly because rosé wine lacks belief in the domestic market, so the existence of quality needs to be transmitted from another perspective, namely, despite the lack of cultural heritage of rosé, for those who consume it, they should opt for Lancers.

- **Self-image**

When consuming Lancers, the desired self-image is of someone who enjoys spending quality time with friends or others and incorporates this mindset as a **lifestyle** – the importance given to a youth spirit (**youthfulness**) and **amusement** in energetic environments is high. Consumers drink Lancers because when they do it, they return back in time, experience nostalgia, and **feel good** with themselves.

6.2 Lancers’ Brand Elements

Considering the repositioning of Lancers, maintain the following brand elements is advantageous: name, domain, logo and the packaging. This final element features the format of the bottle and the opacity of the label. In the market research, the perception of the target market regarding the format of Lancers’ current bottle revealed to be appealing for most respondents (83,1%), as shown in Exhibit 19. The same was not witnessed with the opacity of the label (Exhibit 20), once approximately 60% of consumers consider a problem the inability to see the product as being a wine. When evaluating the impact of the opaque label, 40,8% of respondents agree that the intensity of the wine color is somehow important in the decision for a rosé (Exhibit 21), but almost half of the sample (49,3%) remain neutral about it. There is no clear evidence that leads to disregard the opaque labelling, so it should be kept for differentiation.

Name: Lancers

Domain: <https://lancers.pt>

Logo: 

Packaging:



6.3 Brand Cannibalization Risks (Lancers and Periquita)

As previously referred, Lancers and Periquita are at risk of cannibalization. Contrary to Lancers, Periquita's products are not present just in the category of key-brands, but also in the premium and super premium categories. Periquita does not have a clearly defined segmentation strategy (Madeira 2020), so the brand is not targeting a specific consumer profile. This prevents an accurate differentiation between Lancers and Periquita, which would require market research data, in particular about Periquita's consumer behavior and preferences, and its comparison to Lancers. Once "Lancers Rosé" is the flagship product in a product line with less items than Periquita, the cannibalization effect is even more evident in the rosé wine product line. On the one hand, the brands are communicated associated to different moments of consumption. "Periquita Rosé's" communication educates the consumer that the adequate product usage is casual picnics (Exhibits 22 and 23). However, "Periquita Rosé" is also communicated in a context of socialization and meal accompaniment gastronomic experience (Exhibit 25). When considering product quality, the technical information displayed for both wines online (Exhibits 25 and 26 for Lancers and Periquita, respectively) confirms the high similarity in products' quality regarding credence – alcohol percentage, total acidity, pH, temperature (12°C) and grapevines – and search attributes – pink color for both. It seems advantageous that different serving suggestions could be the path to differentiate one product from the other, which requires a deliberate effort to educate the consumer on which of the two wines is recommended to be served with which specific type of food, and which of the two wines is more suitable as an aperitif versus accompanying a meal or dish. It is recommended that "Periquita Rosé" to be

associated with aperitif, as our data suggests that Lancers' proposed target market has other motivations that consider more relevant (Exhibit 8).

7. Conclusions and Limitations

The present report had as main objective to propose some recommendations backed by desk research, market research and literature review that would contribute for the improvement of the branding of Lancers. The core intent of the work fell on strengthening the identity of the brand, concerning its reduced awareness in the domestic wine market and conformance with the new communication stands. Aware that a strong brand identity is not enough for the creation of a powerful brand, it is pivotal that this first step is given in order to initiate the progression of brand building that enables the establishment of the desired brand equity up to a point where it can be leveraged through other strategic choices (Ghodeswar 2008). In this case, different approaches could be taken to improve brand strategy, namely extending the brand. One of the recommendations in the collective component concerned the need for JMF to perform a reduction to its portfolio of products, to slowly shift its product orientation towards market orientation, including specific customer segments with specific needs and tastes. It would not be fruitful for Lancers to wonder about a prospective brand extension without establishing first a strong identity that boosts equity, considering the strategic work that still needs to be held for an accurate portfolio management. Furthermore, the literature suggests that there are risks associated with the implementation of actions aimed to strengthen the brand that can possibly alter its meaning for the "current" consumers, depending on the degree of self-brand connection (Gaustad et al. 2019). For a consumer who has established an identification with Lancers, it can refer to the ideal image that he/she created of themselves when using the brand, or correspond to the actual image of themselves as users of Lancers (Gaustad et al. 2019). In the end, Lancers' image will always be dependent of how current consumers incorporate the brand in their set of meaning and their lifestyle, either from an aspirational or actual viewpoint. To conclude, the

clarification of Lancers' brand identity in congruence with its brand elements is expected to increase brand awareness and attract new customers without losing the current ones.

The report presents several limitations. To begin, Lancers' latest repositioning and rebranding was performed very recently in the summer of 2020, thus the chances that JMF will re-direct its business strategy towards the execution of a new repositioning and consequent branding procedures are small. Secondly, it would have been valuable to have the opinion of a specialized oenologist outside the company through an interview to gather insightful information about the existence of more noteworthy materials or advanced techniques in the fabrication of the bottle, that could possibly contribute to maintain the rosé wine fresher for a longer period of time. If confirming this and other ideas next to experts available within the company, higher feasibility would be possible for recommending new differentiation dimensions, as for example a unique packaging functional capability for Lancers (properly protected by licencing). Thirdly, in the conducted market research, a question should have been asked regarding the name of the brand, in order to figure the respondents' perception about it. "Lancers" is not a Portuguese name, and given the importance of the name as a brand element, principally for identification and differentiation purposes, it is relevant to understand whether it contributes for the low awareness of the brand in the Portuguese market or whether other factors explain it. One way to minimize this data shortage limitation is to find other possible solutions. In this case the recommendation is to add the name of the company in the labelling, similarly to what is verified with Periquita, precisely to create the linkage with one of the oldest wine producers in the country, and with that, enhance the brand's credibility. Finally, without detailed evidence about the marketing of Periquita, it is challenging to provide an accurate recommendation for "Lancers rosé" that do not overlap with "Periquita rosé" consumption moments.

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Appendixes

Exhibit 1. Lancers' Summer Special Edition – Partnership with IADE – Universidade Europeia
(Packaging design)



Source: Lancers' official website (<https://lancers.pt/lancers-timeline/>)

Exhibit 2. Lancers' Rebranding Performed in 2015



Source: Lancers' official website (<https://lancers.pt/lancers-timeline/>)

Exhibit 3. Favorite Place of Purchase of Rosé Wine for the Target Market (Recorded)

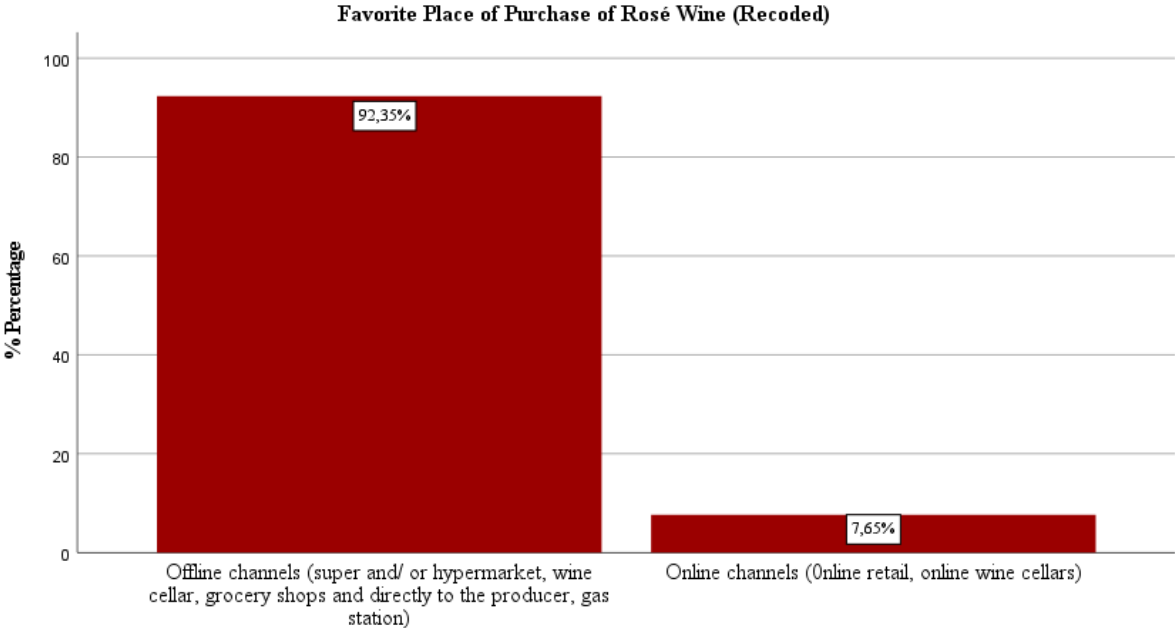


Exhibit 4. Favorite Place of Purchase of Rosé Wine for the Target Market



Exhibit 5. Importance of the Factor “Packaging” in the Choice of a Rosé Wine for the Target Market

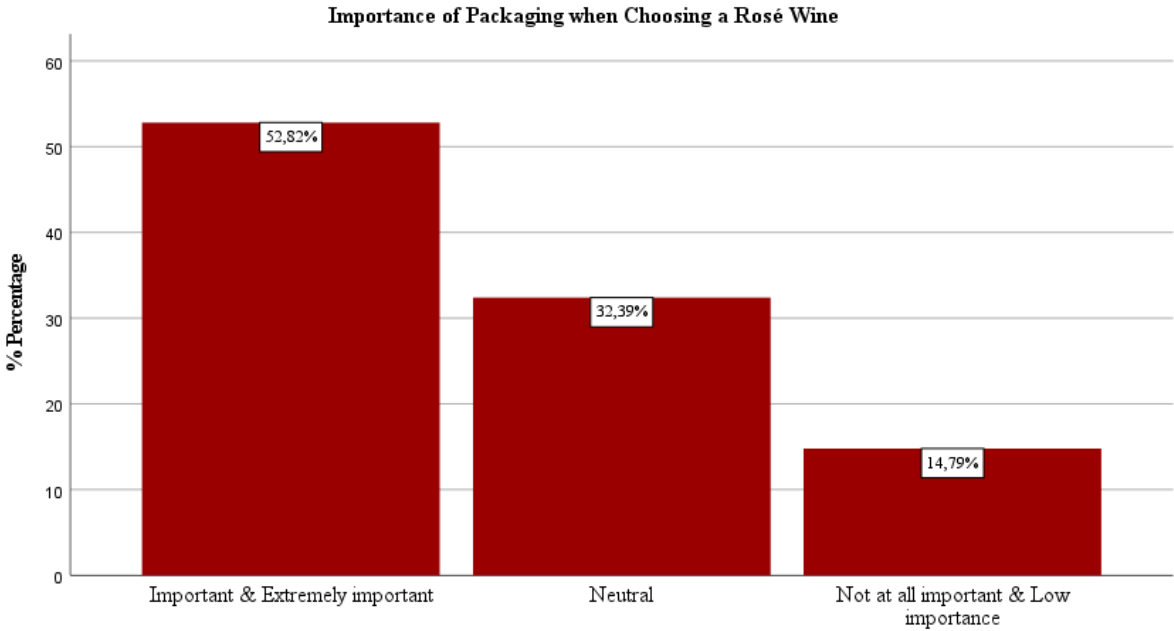


Exhibit 6. Target Market’s Perceptions about Lancers’ Packaging: “In general, I enjoy the packaging”

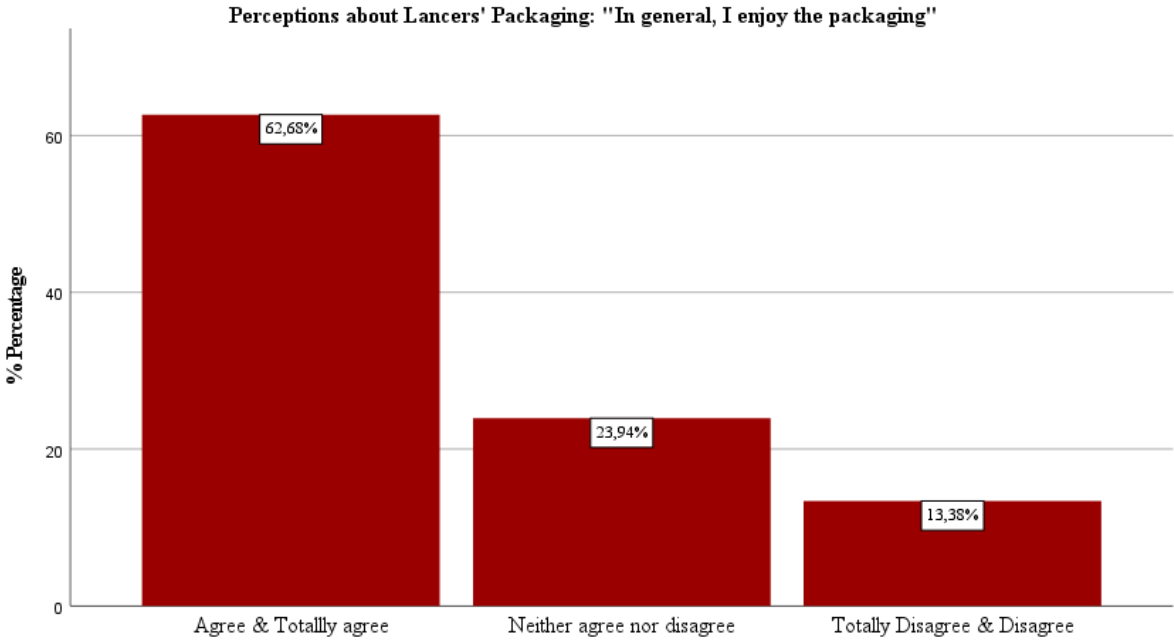


Exhibit 7. Purchasing Habits of Rosé Wine for the Target Market

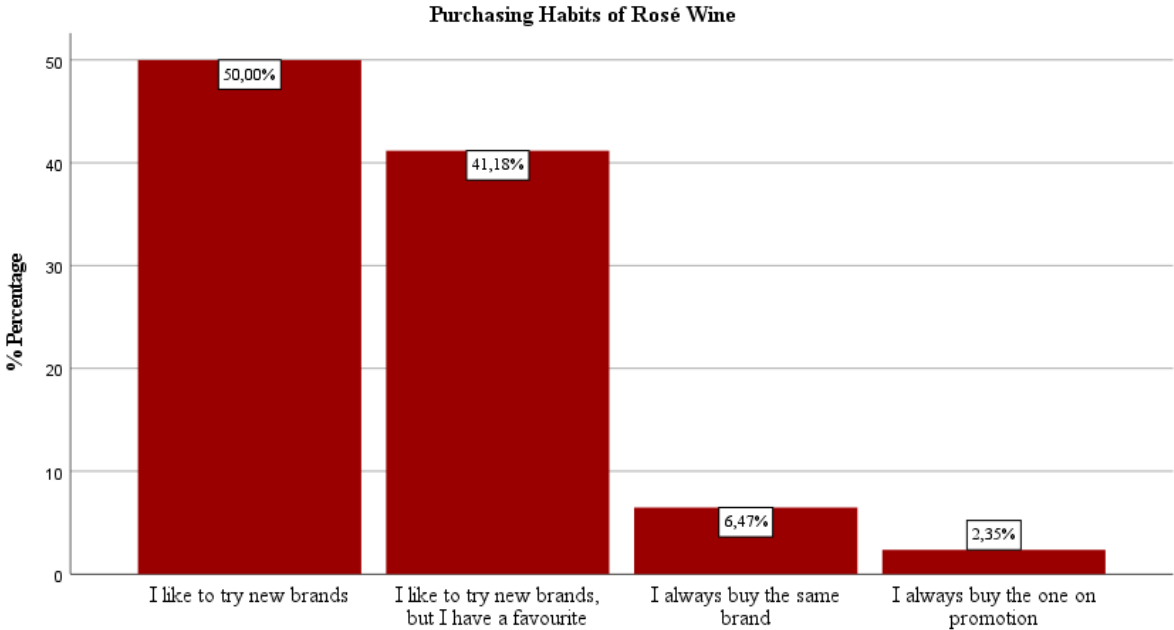


Exhibit 8. Main Motivations for Consuming Rosé Wine of the Target Market

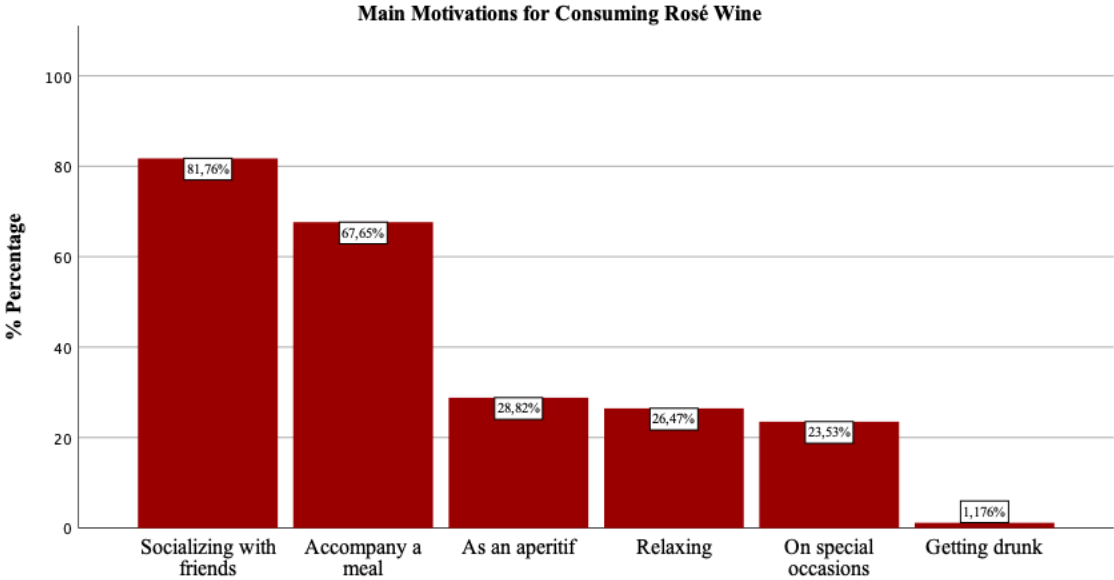


Exhibit 9. Favorite Place of Consumption of Rosé Wine for the Target Market (Recoded)

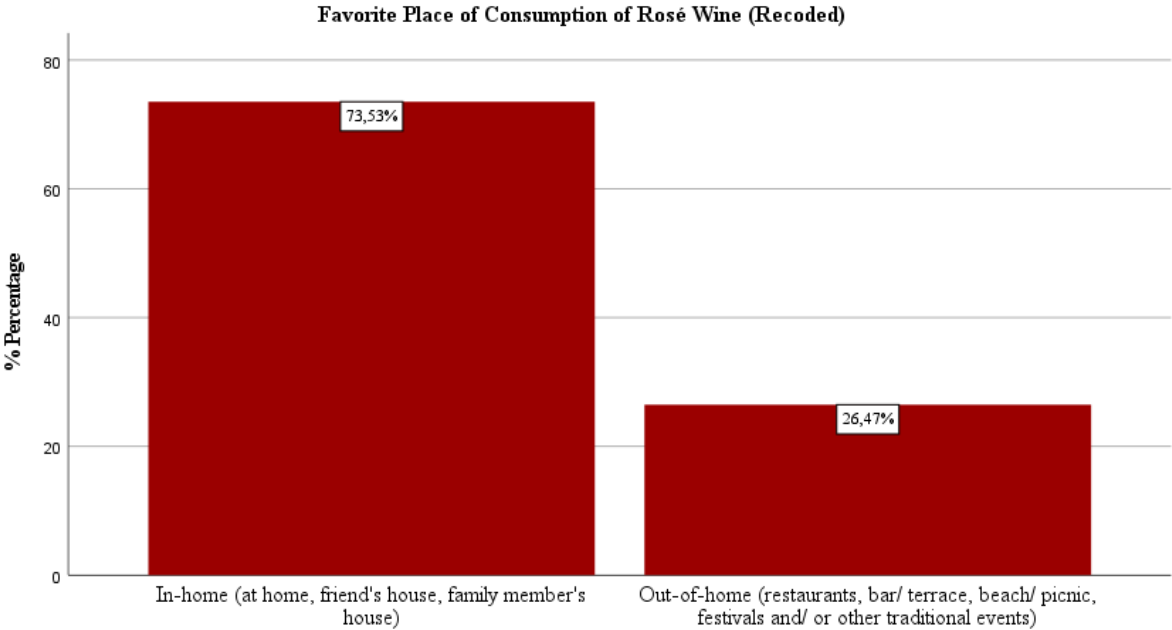


Exhibit 10. Lancers' Brand Recognition vs Brand Recognition of Competition

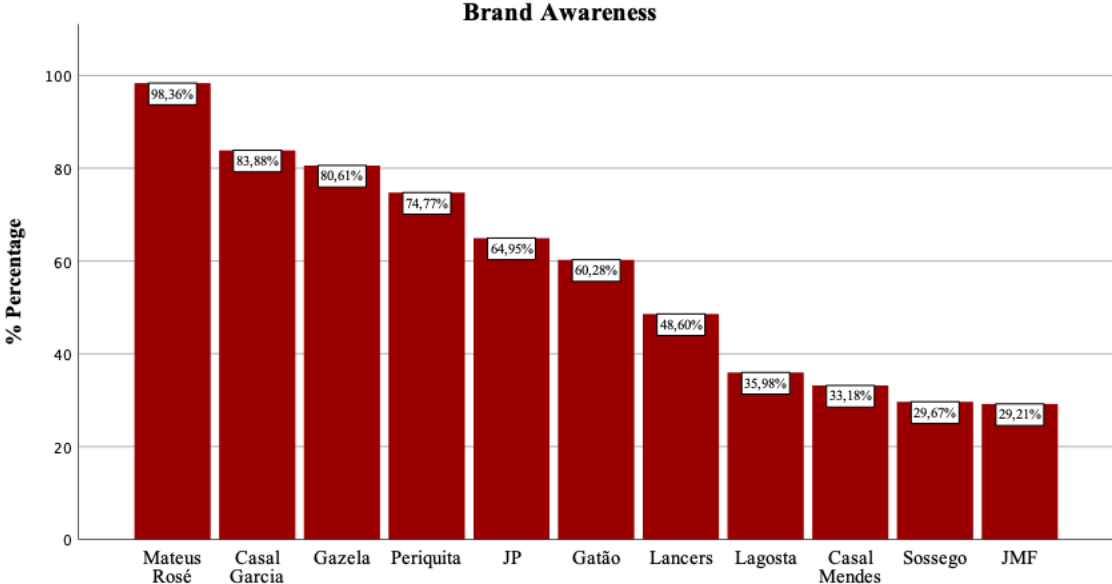
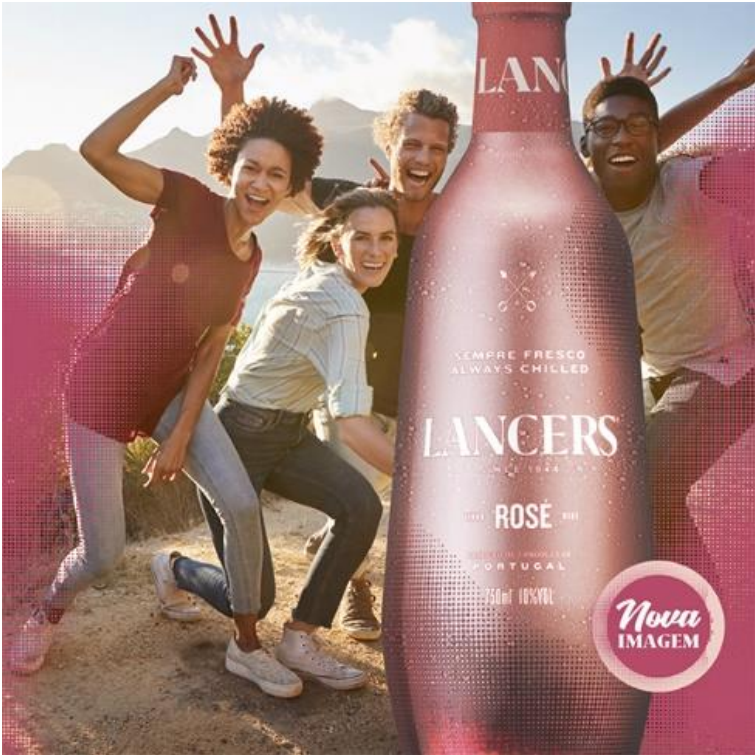


Exhibit 11. Lancers Current Brand Communication (2020)



Source: Lancers’ official website (<https://lancers.pt/lancers-timeline/>)

Exhibit 12. Importance of the Factor “Taste & Aroma” in the Choice of a Rosé Wine for the Target Market

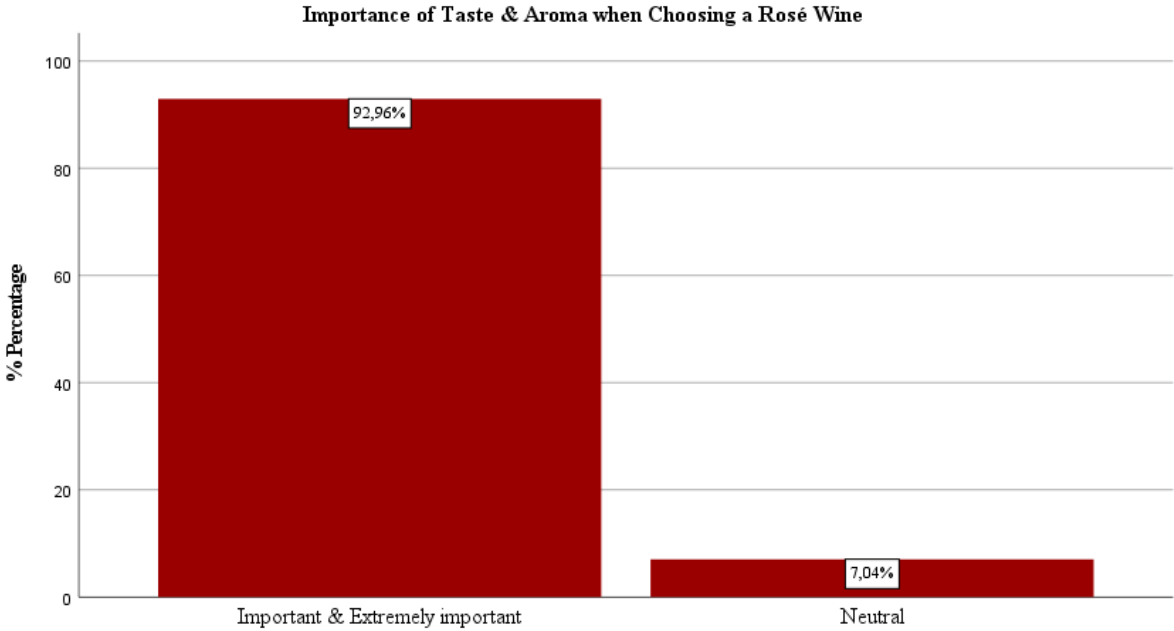


Exhibit 13. Target Market Experience with Lancers: “Lancers is Modern”

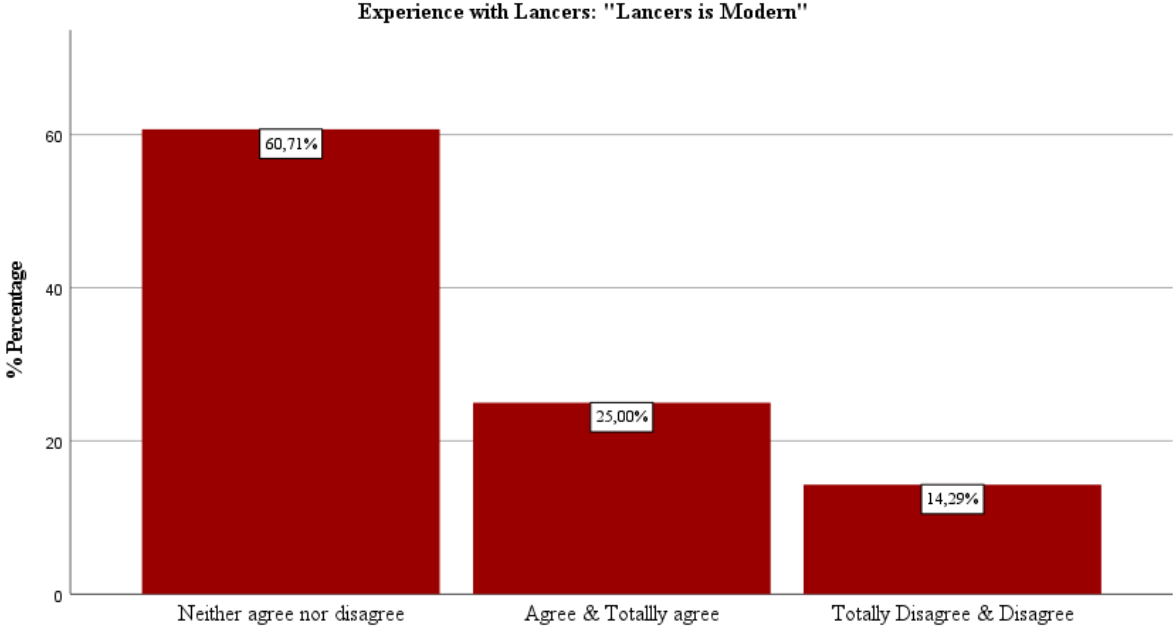


Exhibit 14. Target Market Experience with Lancers: “Lancers is Cool”

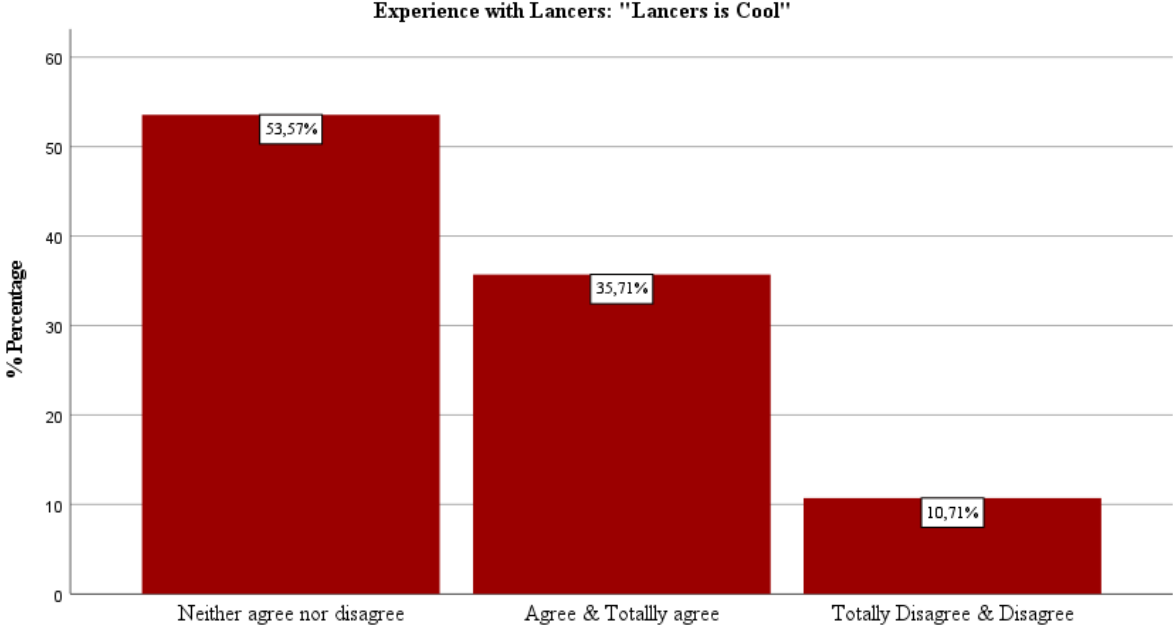


Exhibit 15. Target Market Experience with Lancers: “Lancers is Tradition”

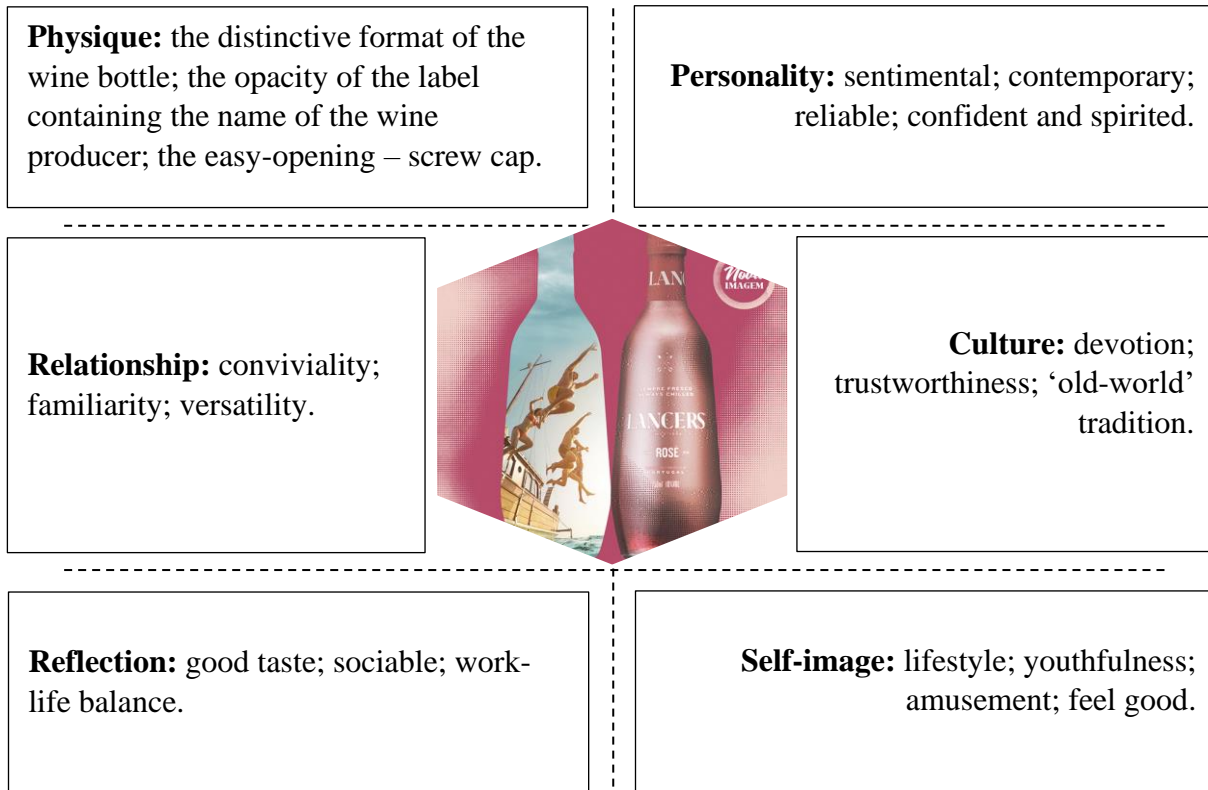


Exhibit 16. Jimi Hendrix used to drink Lancers given its popularity (image captured in 1968)



Source: Lancers’ official website (<https://lancers.pt/lancers-timeline/>)

Exhibit 17. Proposed Brand Identity for Lancers



Source: The Author, adapted from Kapferer’s Brand Identity Prism by Kapferer (2008)

Exhibit 18. Aaker’s Brand Personality Framework with the Original 42 items

BRAND PERSONALITY				
Sincerity	Excitement	Competence	Sophistication	Ruggedness
<u>Down-to-Earth:</u> down-to-earth, family-oriented, small town	<u>Daring:</u> daring, trendy, exciting	<u>Reliability:</u> reliable, hard working, secure	<u>Class:</u> upper class, good- looking, glamorous	<u>Masculinity:</u> outdoorsy, masculine, western
<u>Honesty:</u> honest, sincere, real	<u>Spiritedness:</u> spirited, cool, young	<u>Intelligence:</u> intelligent, technical, corporate	<u>Charm:</u> charming, feminine, smooth	<u>Toughness:</u> tough, rugged
<u>Wholesomeness:</u> wholesome, original	<u>Imagination:</u> imaginative, unique	<u>Success:</u> successful, leader, confident		
<u>Cheerfulness:</u> cheerful, friendly, sentimental	<u>Contemporary:</u> up-to-date, independent, contemporary			

Source: The Author, adapted from Aaker (2001)

Exhibit 19. Target Market’s Perceptions about Lancers’ Packaging: “The bottle is original”

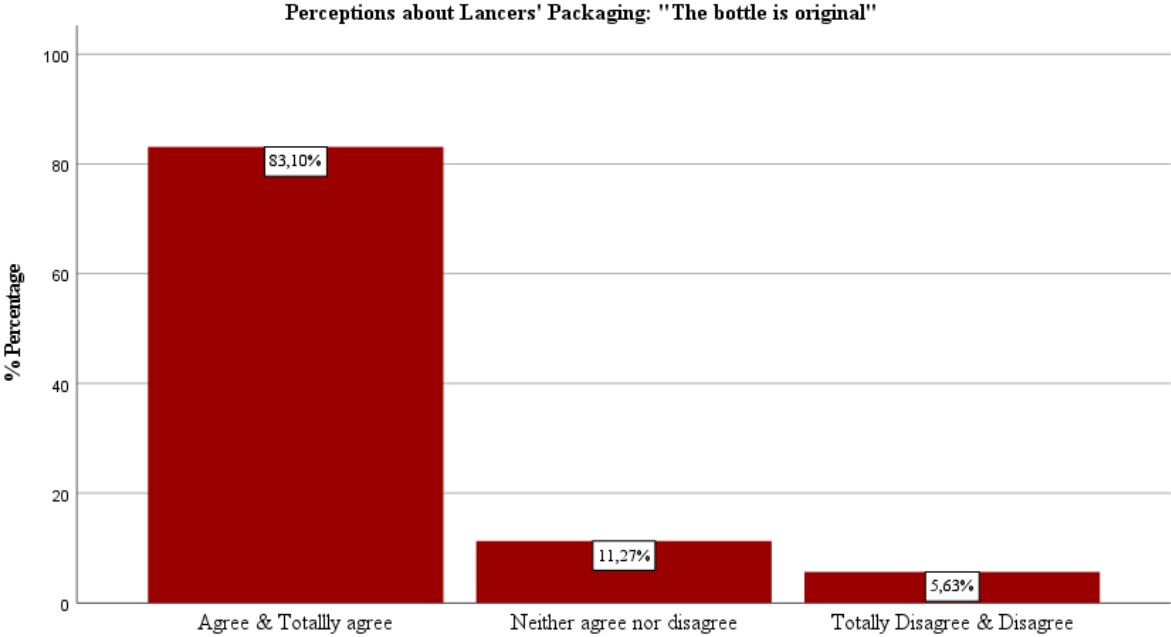


Exhibit 20. Target Market’s Perceptions about Lancers’ Packaging: “Inability to see the wine color is a problem”

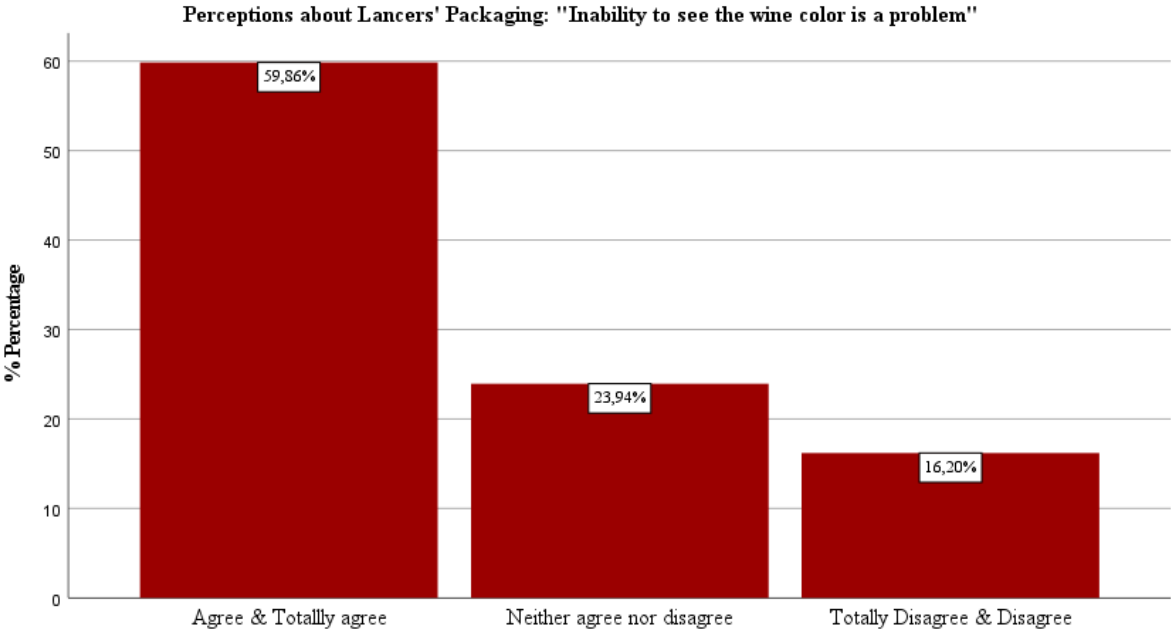


Exhibit 21. Importance of the Factor “Intensity of the Wine Color” in the Choice of a Rosé Wine for the Target Market

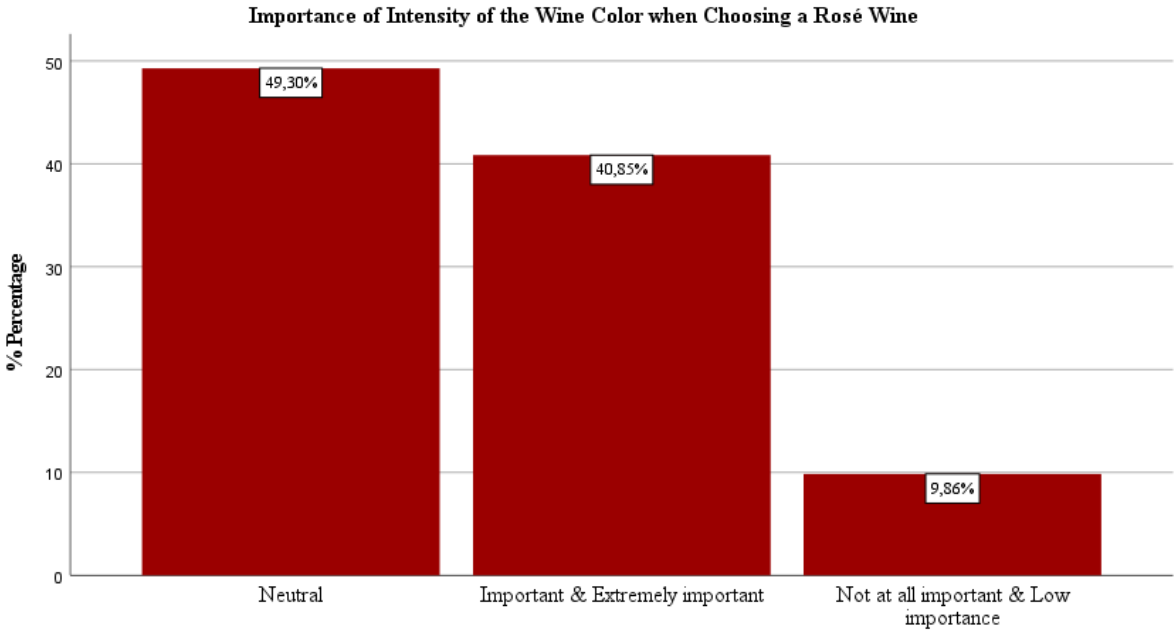
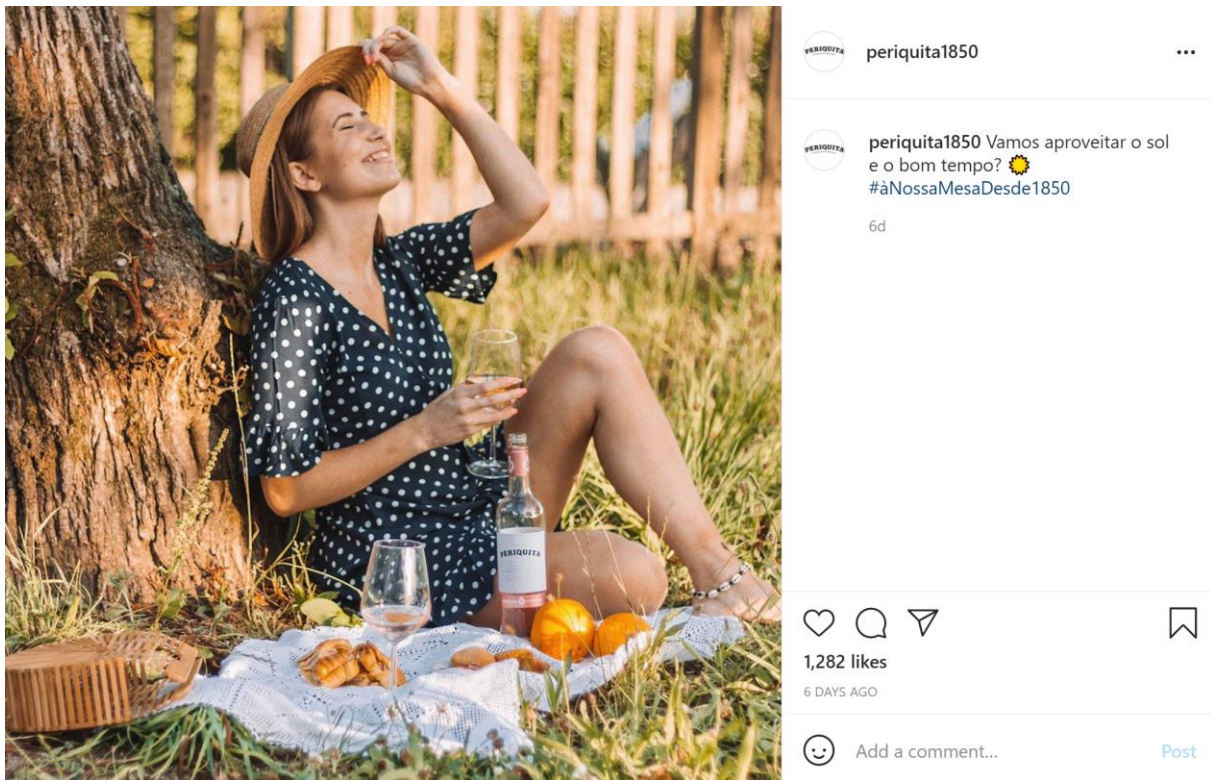


Exhibit 22. Periquita’s Promotional Video Excerpt Image - “A friends’ picnic”



Source: Periquita official website (<https://www.periquita.pt/pt/videos/>)

Exhibit 23. Periquita's Instagram Post Communicating Rosé Wine



Source: Periquita's official Instagram account (<https://www.instagram.com/periquita1850/>)

Exhibit 24. Periquita's Instagram Post Communicating Rosé Wine



Source: Periquita's official Instagram account (<https://www.instagram.com/periquita1850/>)

Exhibit 25. Technical Information for Lancers Rosé Wine

<p style="text-align: center;">LANCERS SINCE 1944</p> <p>Created in 1944 by António Porto Soares Franco, oenologist and member of the 5th generation of the family, the brand Lancers has grown to be one of the most original Rosé wine icons of the planet, with a distinguish wine and an opaque bottle with a different shape.</p> <p>After 76 years of its creation, Lancers continues to be part of the daily life of several generations throughout the world, adding that extra bubbling of originality in all social moments.</p> <p>Lancers, refresh your curiosity.</p> <p style="text-align: center;">Vintage Information</p> <p>TYPE OF WINE: Rosé</p> <p>GRAPES: Aragonês, Syrah, Touriga Nacional, Castelão and Trincadeira</p> <p>WINEMAKER: Winemakers team of José Maria da Fonseca</p> <p>VINIFICATION: Fermentation takes place in stainless tanks at 16°C. The red grapes are fermented without skin at a temperature of approximately 15°C.</p> <p>AGEING: None</p> <p>AVAILABLE BOTTLES: 750ml and 1500ml</p> <p>STORAGE: The bottles should be laid down at a temperature of 12°C and humidity of 60%</p> <p>SHELF LIFE: Drink while young</p> <p>SERVING SUGGESTIONS: Serve on its own or with any kind of food. Lancers goes very well with light meals, Italian dishes, Oriental and even spicy food like Mexican. It should be served well chilled at a temperature of 10°C.</p> <p>ANALYSES: 10% Alcohol 5.2 g/l Total acidity 3.3 pH less than 15 g/l Residual Sugar</p> <p style="text-align: center;">Tasting Notes</p> <p>COLOR: Pink</p> <p>AROMA: Red berries and tropical fruit</p> <p>PALATE: Fruity, with a sweet finish</p> <p>FINISH: Medium</p>	 <p style="text-align: center;">REGION: Portugal</p>
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Source: https://jmf.pt/pdf/pt/LRL_Nova%20Imagem.pdf (2021)

Exhibit 26. Technical Information for Periquita Rosé Wine

PERIQUITA

SINCE 1850

Periquita is renowned for being Portugal's first ever bottled red. That's where its originality comes from. And in existence since 1850, we've been around to celebrate the Portuguese way of life. That's what Portugal is all about and that we want you to enjoy.

The history of Periquita is interwoven with the story of José Maria da Fonseca itself, beginning in the 1820s when the founding father of the company, José Maria da Fonseca arrived in Lisbon and bought several local properties. One such purchase, most probably in 1846, was Cova da Periquita. It was on that property that José Maria da Fonseca planted red grapes of the Castelão variety. Periquita is now the oldest brand of Portuguese table wines, having acquired widespread popularity over the years in Portugal and considerable brand awareness in export markets such as Sweden, Brazil, the UK, the USA, Canada, Denmark and Norway.

Vintage Information

TYPE OF WINE: Rosé

VINTAGE: 2020

GRAPES: Castelão (83%) | Aragonês (9%) | Touriga Nacional (8%)

TYPE OF SOIL: Sandy

WINEMAKER: Winemakers team of José Maria da Fonseca

VINIFICATION: Stainless steel fermented at 18°C

DATE OF BOTTLING: April 2021

WINE PRODUCTION: 115 000 liters

AVAILABLE BOTTLES: 750 ml and 375ml

STORAGE: The bottles should be stored at a temperature 12°C and 60% humidity

SHELF LIFE: Drink while young

SERVING SUGGESTIONS: Consume at a temperature of 8°C as an aperitif or with salads, fish and sea food.

ANALYSES: 12% Alcohol | 4,4 g/l Total Acidity | 3,24 pH | less than 0,5 g/l Residual Sugar



Tasting Notes

COLOR: Soft pink

AROMA: Raspberry and currant

PALATE: Very fresh, fruity and with a very pleasant finish

FINISH: Medium

CLASSIFICATION
Regional
REGION:
Setúbal Peninsula

Source: https://www.jmf.pt/pdf/pt/PRO_20P.PDF (2021)