

CONSUMER PREFERENCES AS A BASIS FOR POSITIONING WINE- MAKING PRODUCTS IN THE REGIONAL MARKET OF THE ATU GAGAUZIA

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Abstract: *The article focuses on the consumer preferences for specific wine brands, awareness of product labelling, as well as a system of marketing methods, strategies and tools, the use of which ensures the formation of alcoholic beverages brand by positioning the product in the regional market.*

Key words: *Positioning, consumer preferences, marketing research, market segmentation.*

JEL CLASSIFICATION: M3

1. INTRODUCTION

In the context of the development of market relations, marketing plays a special role. This is due to changes in consumer behavior, increased competition, the production of goods in significant quantities that exceed real needs and requirements. The named factors determine the need for further development of the classical concept of marketing, which cannot be achieved without improving the theory and practice of using its main tools, one of which is the positioning of goods in target markets.

Positioning allows enterprises to create demand for their products, ensure their stable position in the market, coordinate the activities of structural divisions. The achievement of these goals requires taking into account the perception and characteristics of target consumers, distinctive advantages of competing products, market situation, industry characteristics, which necessitates an integrated approach to product positioning.

This approach allows enterprises to influence consumer preferences by shaping their perception, as well as ensuring that the products offered meet the requirements of the target market.

2. RESEARCH METHODS

As a practical basis for the article were used the scientific developments of domestic and foreign scientists-economists on the theory and practice of marketing and marketing activities. The methodological base is based on the following methods: empirical research (observation, comparison); sociological methods (expert assessments, polls, questionnaires); statistical methods of data processing (grouping, rating).

3. RESEARCH RESULTS

The aim of the study was to identify preferences for wine products and to find out the reserves for increasing wine consumption. To achieve this goal were consistently solved a *number of tasks*:

- there were revealed the preferences of buyers in connection with the purchase of wine products by them;
- there has been determined the level of awareness of the population about the forms, methods and technologies of labeling of wine products.

- There has been identified a set of factors that have the greatest impact on consumer behavior in the process of making decisions about buying wine products;

- segmentation of the wine products market taking into account social status;

During the study were formed working hypotheses:

- ✓ Consumers prefer domestic wine products produced in specific regions of our country to a greater extent than imported ones.

- ✓ The presence of a trademark is a decisive factor when deciding whether to purchase a particular type of wine product, and the brand logo on wine products is perceived by the consumer as a source of information about its high quality.

- ✓ For most consumers, a branded product is more valuable than a regular product.

Among the factors that are significant when deciding on the purchase of wine products are such as gender, age, social and material status of consumers.

A marketing research was carried out to confirm the hypotheses put forward. For this was used the method of polling consumers included in the number of respondents.

The respondents were divided into four age groups: the first group from 18 to 30 years old - 29,0% of the respondents; 31-45 years old - 37,0%; 46-60 years old - 25,0%; over 60 years - 9,0% of the total sample size. (Figure 1.)

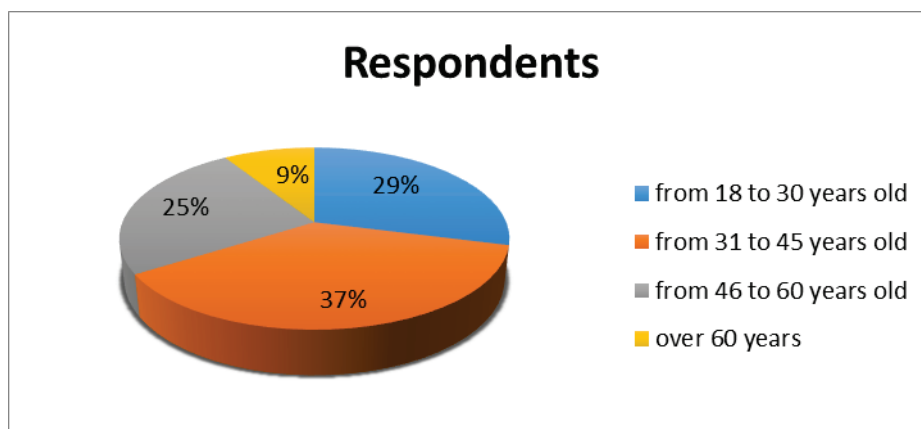


Figure 1. Structure of the distribution of respondents by age groups in the ATU (Autonomous Territorial Unit) of Gagauzia, %

Source: Developed by the author based on questionnaire data

The most numerous groups identified according to the criterion „level of financial situation” include respondents with income below average - 37,5% and average - 32,0%. 17,0% of the respondents are people with low income. 14,0% of respondents have above average and high income.

To determine the factors most influencing making a decision to purchase wine products, respondents were asked to indicate those that they take into account when buying alcohol.

In the process of marketing research, the respondents indicated the following factors that influence their decision to buy wine products: price, quality, place of manufacture, advertising, popularity of the alcoholic beverage, appearance (packaging), public opinion (reviews), the presence of special signs, brand of wine products, strength of the product, assortment, taste characteristics, container volume, prestige, habit, safety, prevalence in retail chains.

According to the survey, the most significant factors influencing the consumer's decision to buy wine products are price (38,5% of surveyed respondents), quality (29,0%), place of production (10,0%), place of production - 5,6%, fame, popularity - 9%, fame, popularity – 7,9%. (figure 2)

Consideration of the distribution of respondents by age and sex, depending on the influence of one factor or another on the process of making a decision to purchase wine products, showed that with age, the influence of the „Price” factor increases in men (starting from the age of 31 it has a value for 44,0% respondents versus 43,2% in the sample as a whole). For women, this parameter is most significant only from the age of 60 years. The data of the survey results, taking into account the influence of factors, are presented in the table 1.

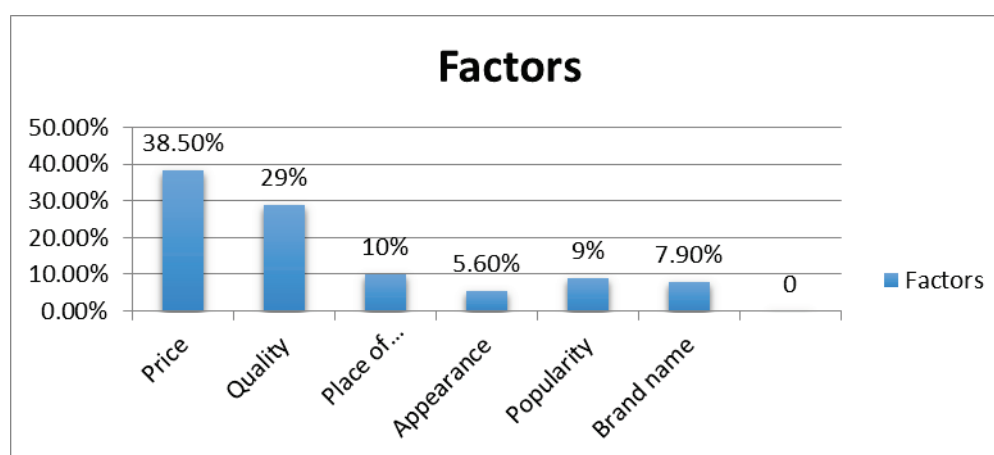


Figure 2. Factors influencing the decision to purchase wine products in the ATU (Autonomous Territorial Unit) of Gagauzia, %

Source: Developed by the author based on questionnaire data

Men aged 18 to 45 pay more attention to product quality, as well as to price (36,7% and 38,7% versus 33,3% in the sample as a whole), while for women, packaging and fame are the most significant factors.

The place of manufacture takes the third step in terms of the degree of importance of the factor when making a purchase decision. It is mainly taken into account by women under 60 years old and men over 60 years old.

The factor „Brand of wine products” is not so important for consumers, and in the buying process it is taken into account only by young people (both women and men).

Table 1 - Influence of factors on making decision to buy wine by respondents

Factors	Gender								All respondents
	men				women				
	Age								
	18-30	31-45	46-60	over 60	18-30	31-45	46-60	over 60	
Price	41,43	44,00	50,49	54,17	41,76	39,81	41,30	51,92	43,23
Quality	36,67	38,67	33,01	30,56	32,98	31,02	30,03	32,69	33,28
Place of manufacture	7,14	6,67	9,22	11,11	9,04	13,66	11,60	3,85	9,84
Package	5,24	4,00	2,91	0,00	7,18	7,18	9,56	1,92	5,98
Fame, popularity	4,76	4,00	3,40	1,39	6,12	5,32	5,46	7,69	4,95
Wine products brand	4,76	2,67	0,97	2,78	2,93	3,01	2,05	1,92	2,73
Total	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0

Source: Developed by the author based on questionnaire data

Analyzing the data in the table, it can be concluded that there are gender differences in the degree of sensitivity to the factor „price” when deciding on the purchase of wine products. For example, low- and middle-income men with no higher education are sensitive to the price of alcohol. For men with a high level of income, regardless of education, the price does not matter. However, such results do not completely coincide with the opinion of women from this group. In

contrast to men, in women there are no clear differences in the degree of price sensitivity in the selection of alcohol in terms of income and education.

The second most important factor influencing the decision to purchase wine products is „Quality”.

It was found that men of any income level with higher education pay attention to the quality of wine products. Women, in most cases (regardless of income and level of education), are neutral towards this factor.

The factor „Place of production” when making a purchase of wine is taken into account by women with higher education with middle and low income levels, as well as men with higher education and low income.

Another factor in the formation of demand for wine products is package.

Women (in most cases) without higher education with low and high income levels, as well as women with higher education and an average income level pay attention to the appearance of products. Among men, the appearance of products when buying is taken into account by respondents with low income and higher education.

The process of identifying the power of influence of the „Fame (popularity)” factor on the process of making a decision to buy wine showed that almost all women, regardless of their level of education and income, fall under its influence. Among men, it is taken into account by respondents with a low level of income and higher education, as well as with an average level of income without higher education.

One of the research tasks consisted in identifying the degree of presence in the motives for buying wine products of such characteristics as quality, high popularity of products, optimal price / quality ratio, breadth of assortment, product representation in chains and retail outlets, naturalness of wine (figure 3).

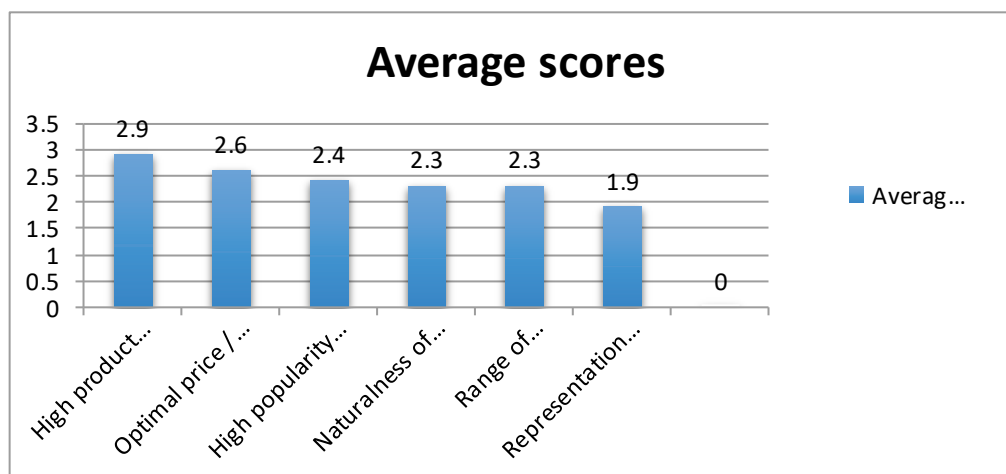


Figure 3. Structure of average scores of characteristics of wine products of domestic producers in (descending order)

Source: Developed by the author based on questionnaire data

Assessing the characteristics presented by the respondents, we can say that consumers did not assign all 5 points to these characteristics (this was the maximum, the highest rating).

Consumers rated the characteristic „High quality of products” of domestic wine producers at an average of 2,9 points out of 5, approximately 4% of respondents gave it a negative assessment. Consequently, a certain part of consumers is not satisfied with the quality of products of local producers.

„Optimal combination of price / quality” on a positive scale is estimated by almost 100% of respondents. However, this characteristic also does not come close to 5 points. Its average value is 2,6 points. This suggests that consumers are not completely satisfied with the pricing policy of domestic wine producers.

„High recognition of the local wine producers received good marks.” So, 92% of respondents rate it on a positive scale, 8% - on a negative. The average score is 2,4. Accordingly, according to the respondents, the level of popularity of wine products of domestic producers, despite the high share of positive answers, even among the local population is not high enough.

„Naturalness of products” and „Range of assortment” have the same, rather high average score – 2,3. But, despite this, on a negative scale, the breadth of the assortment was assessed by only 11% of respondents versus 0,13% - the naturalness of products, consumers believe that some of the products are not natural. The last characteristic is „Representation of producers' wine products in chains and retail outlets”. Average value (potential of respondents) is 1,9. From this it can be concluded that these products represent a small share in the total volume of all wine products sold in chains and other retail trade organizations.

The researches carried out made it possible to single out two approaches used in the positioning of goods: in the first case, the positions of goods are determined taking into account their perception by consumers; second - positions are set relative to competitors' products, taking into account their competitive advantages.

When using these approaches are considered the attributes of goods, but the factors of formation of consumer preferences (expectations, needs, income, age of consumers, the availability of knowledge about the product among consumers, satisfaction of consumers with the product) are not taken into account, which does not allow for the positioning of goods at the proper level. In this regard, the dissertation substantiates the use of an integrated approach to positioning (figure 4).

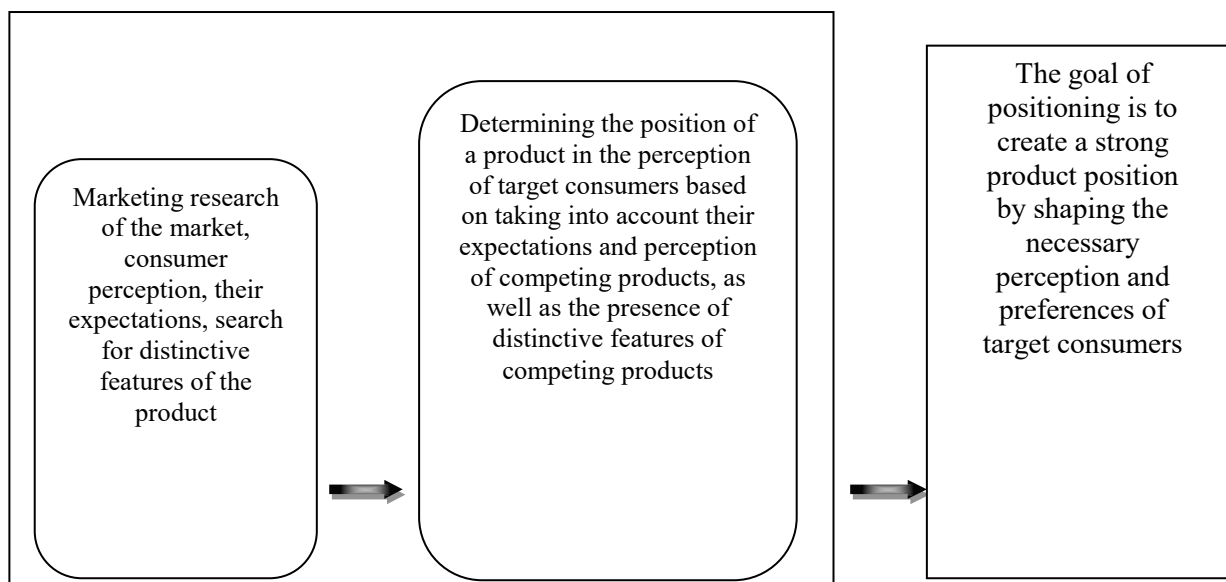


Figure 4. An integrated approach to product positioning
Source: Compiled by the author

The differences of this approach, which determine its novelty, from the existing ones are: taking into account the full list of objects of marketing research (competitors, perception and expectations of consumers, consumer behavior, goods), which makes it possible to form an

information base for making informed decisions on the position of a product; focus both on the perception and on the distinctive features of the product in comparison with the products of competitors, which allows to ensure the achievement of the final results of positioning; clearer definition of the target of positioning; taking into account the relationship between consumer perception and product attributes.

In the scientific publication, the validity of decisions related to the positioning of goods is determined by the degree of achievement of its goal, which contributes to the creation of a strong position of the product in the perception of consumers. Obtaining this result is ensured by the presence of characteristics of the product that form its value, compliance of the product with the expectations of consumers, the presence of knowledge about the product, which was the basis for determining the criteria for assessing the validity of positioning.

4. CONCLUSION

The positioning of goods is a way to ensure the efficiency of the efficiency of enterprises by influencing consumer behavior, which determines its importance. Based on the results of the analysis conducted there were identified methodological problems, and was justified the use of an integrated approach to positioning.

The processes that ensure the creation of strong positions in the market are reflected in the methodological recommendations for positioning developed by the author. It is proposed to develop a positioning plan. It is based on making decisions such as the choice of distinctive features of the product, the choice of consumer associations with the product, determining the position of the product for the target segment in the form of a promise, bringing the product in line with the expectations of the target segments. Such information serves as the basis for the development of the marketing complex and is used by the functional divisions of the enterprise when they carry out their activities.

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