Adega Mayor: improving positioning for sustainable growth

Dissertation by

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ABSTRACT

Dissertation Title – "*Adega Mayor*: improving positioning for sustainable growth"

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Consumers' behavior and characteristics have been constantly adapting to current lifestyle, with inevitable repercussions in the wine industry. Actually, the extremely traditional drinking associated with wine is suffering enormous alterations, which imply the urgent restructuring of wine brands' strategy.

In the specific case of *Adega Mayor*, founded in Campo Maior by *Comendador* Rui Nabeiro, the brand had already reached an admirable position in the Portuguese wine market. However, the company claims that the brand values had not been yet perfectly transmitted to customers. *Adega Mayor* is considering restructuring its distribution and pricing strategy, while aiming to enlarge brand awareness, essentially through differentiated communication.

As a result, it emerges the need for a Market Research, in order to investigate wine consumption habits and peoples' perceptions of the general industry, complemented by an accurate analysis of *Adega Mayor* specific customers. The results will be interpreted and several suggestions are expected to be addressed to the company.

The strong perception of *Adega Mayor*'s medium-high pricing strategy results in recommendations towards giving up from introducing a penetration sub-brand. Moreover, intensification of the brand distribution along the hyper/supermarket channel is additionally suggested. Finally, some activities are proposed in order to promote brand awareness, particularly among younger segments. Concerning communication, it is incentivized the current emotional approach, especially through emphasis on Alentejo associations or by highlighting brand's "enoturism" experiences.

Keywords – brand identity, positioning, communication, distribution, pricing, awareness, wine, *Adega Mayor*

RESUMO

Título da Dissertação – "*Adega Mayor*: melhorar o posicionamento da marca para um crescimento sustentável"

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Os comportamentos e características dos consumidores têm sofrido grandes alterações nos últimos anos, com inevitáveis repercussões na indústria do vinho. Na verdade, o consumo tradicional associado ao vinho está a sofrer profundas alterações, o que implica a restruturação urgente das estratégias das marcas.

No caso específico da *Adega Mayor*, fundada em Campo Maior pelo Comendador Rui Nabeiro, a marca já atingiu uma posição relevante no mercado de vinhos português. No entanto, a empresa acredita que os seus valores não foram ainda totalmente transmitidos aos clientes. A marca está assim a considerar a restruturação da estratégia de distribuição e de preço, pretendendo igualmente aumentar a sua notoriedade, sobretudo através de uma comunicação diferenciadora.

Verifica-se a necessidade da realização de um estudo de mercado, com o objectivo de investigar os hábitos de consumo de vinho e as percepções das pessoas acerca da respectiva indústria. Este estudo será complementado por uma análise mais aprofundada dos clientes específicos da *Adega Mayor*. Finalmente, várias sugestões serão dirigidas à empresa.

A forte percepção da estratégia de preço médio-alto da empresa resulta na recomendação da não introdução de uma sub-marca de penetração. Além disso, é sugerida a intensificação da distribuição de vinho em hiper/supermercados. São igualmente propostas algumas actividades para promover o aumento da notoriedade da marca, especialmente entre os segmentos mais jovens. Relativamente à comunicação, é incentivada a estratégia actual de abordagem emocional aos consumidores, sobretudo através do destaque de elementos característicos da marca, como a associação com o Alentejo ou através de experiências de enoturismo.

Palavras-chave – identidade da marca, posicionamento, comunicação, distribuição, estratégia de preço, notoriedade, vinho, *Adega Mayor*

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1 INTRODUCTION

1.1 Problem statement

The development of an adequate positioning strategy is one of the most challenging jobs for every brand. In the specific context of the wine industry, there are several approaches regarding the selection of marketing strategies, which are reinforced by the constantly changing market environment. In fact, the consumers' characteristics and habits have been adapting to the current lifestyle. Moreover, most of the reference wine brands already reached the maturity stage and brands' success will depend on companies' ability to differentiate and display their competitive advantages.

With the aim of improving the positioning of Portuguese wine brand *Adega Mayor*, it emerged the need for a thorough study. Being the first bottles launched in 2002, this project was idealized by the well-known Portuguese businessman Rui Nabeiro, also owner of *Delta Cafés*. Although the brand is relatively recent in the market, it has already built an admirable reputation and recognition, especially due to its innovative standards, based on quality and design orientation.

Despite the fact that *Adega Mayor* had performed extremely favorably during the last years, the Marketing Department perceives that the brand values were not entirely recognized, conditioning the company's future sustainable growth. As a result, several objectives were established: leverage brand awareness and reputation among different segments; reinforce the brand as a sign of quality to consumers; restructure brand's communication and distribution strategy; increase emotional involvement; and leverage *Adega Mayor*'s market share and power.

1.2 Research questions

In order to reach a solution to the previous explained problem, the following research questions were suggested:

-How should *Adega Mayor* boost brand perception and awareness, particularly in different and younger segments?

-Is *Adega Mayor* likely to introduce a penetration sub-brand without jeopardizing its medium-high pricing strategy?

-Should the brand redefine its distribution strategy or would preferably continue to focus on the HORECA channel?

-How can the brand further increase the emotional approach with customers in order to leverage its equity?

1.3 Methodology

In order to obtain meaningful conclusions, both primary and secondary data will be collected. Regarding secondary data, the majority of the information is expected to be provided by the company, through presentations and interviews with the Marketing Department[1]. Moreover, a thorough exploration of the Website, Facebook page and brand's Youtube channel will be used as information source. When primary data is concerned, a quantitative research based on an online survey will be applied to Portuguese wine consumers, being deeply analyzed the respondents' consumption habits as well as their perception and overall assessment on *Adega Mayor*'s brand. Furthermore, a few interviews will be conducted with restaurants' owners selling *Adega Mayor* wine[2]. This research method will be particularly used to inspect restaurants' satisfaction level since they constitute the brand's major customer.

2 LITERATURE REVIEW

The ultimate purpose of the current paper is to support *Adega Mayor*'s brand improving its positioning strategy in the market. The positioning process was defined by Kotler (2000) as the act of designing an organization's offering and image to fill a unique place in the target market's mind. Managers seek to position their brands on the attributes that match customers' priorities, helping to build brand's superiority in their minds. Such attribute positioning may enable companies to leverage their resources to the extent possible. If existing product configuration or proposition becomes obsolete, the brand must move to higher levels of performance/benefits to sustain itself in increasingly dynamic markets (Ghodeswar, 2008).

2.1 The importance of brand identity for efficient brand positioning

Consistent with the belief that brand positioning derives from brand identity (Kapferer, 2008), initially, it is important to align all the brand-building efforts for brand's identity setting, which is what the company wants the brand to stand for (Aaker *et al*, 2000). Zaichkowsky (2010) describes brand identity as the visual picture and meaning derived from the visual impact of the brand. Currently, consumers are faced with many available choices and it is difficult to conclude on what makes a particular brand specific (Kapferer, 2008). As a result, the role of brand identity is an essential tool since it allows for brand's effective differentiation and management (Kapferer, 2008). This brand's differentiation, or identity, can be achieved through different approaches, such as establishing a well-known brand name, logo, typeface, symbol, color, shape, unique package design or any product benefit descriptions (Zaichkowsky, 2010).

Contrarily to the initial belief that a brand should develop and maintain a clear and consistent identity, serving as a stable reference for consumers (Kapferer, 2008), recent conclusions state that to be enduring, the brand identity needs to be dynamic and flexible (da Silveira *et al*, 2013). Brand relationships and brand experiences were also recently considered building blocks of brand identity (Petek *et al*, 2013).

2.1.1 Findings on the relationship between brand identity and brand equity

Brand identity is an important element and complement to the brand equity model, but it is different from brand equity (Zaichkowsky, 2010).

Accordingly to Keller (1993), brand equity corresponds to the differential effect of brand knowledge on consumer response to the marketing of the brand. The author includes in brand knowledge both brand awareness and brand image. More recently, there was suggested a positive impact of brand experience, mostly through sensory experience, on brand awareness and brand image (Cleff *et al*, 2014), which suggests a strong connection between brand identity and brand equity. These sensory experiences include stimulation through sight, sound, touch, taste or smell, which are responsible for a central role in creating brand equity (Cleff *et al*, 2014).

2.2 Leveraging brand equity in the wine industry

The Brown Forman Beverages Worldwide Wine Group's President, David Higgins, argued that in the wine business people do not understand the need to build brands. This fact will become increasingly problematic among mid-size wineries (Westling, 2001).

Nevertheless, more recently, it emerged the need for wine branding to be connected with more than just the quality of the product itself. Actually, consumers in developed countries are increasingly evaluating products based on their intangible attributes, rather than on physical quality ones (Vrontis *et al*, 2011). The same authors argued that consumer choice is increasingly based on images, associations and beliefs with frequently strong socio-cultural features, which leads to consumer perception management as the most appropriate marketing strategy.

2.3 Crucial communication decisions

Marketing communication is seen as the brands' voice (Keller, 2009) and therefore perceived as a critical strategic tool for brands' building (Naik *et al*, 2003). Heinonen *et al* (2005) argued that all the brands' activities should possess a communication dimension and all the marketing mix elements have an impact on brand equity. Actually, the different marketing communication tools are believed to contribute to high customer-based brand equity building (Vakratsas *et al*, 1999). Beyond this latter fact, many consumers are giving less attention to simply receiving messages regarding brands and are actively seeking for specific brand, diversified and vintage information (Kitchen *et al*, 1999).

Traditionally, advertising and word-of-mouth marketing are acknowledged to be the most influential marketing communication tools in terms of brand equity (Ilfeld *et al*, 2002).

Advertising, which was formerly communicated through traditional media such as television, radio, magazines and outdoors, is nowadays mentioned as traditional advertising (Trusov *et al*, 2009). However, given that we are in the digital era, Petek *et al* (2013) pointed that new ways of advertising appeared with the massification of internet and mobile phones, namely, an emerging online and mobile advertising.

Word-of-mouth in digital environments, designated electronic word-of-mouth, emerges in numerous online platforms like blogs, consumer review websites, emails, social networking sites and virtual communities (Chu *et al*, 2011). This type of word-of-mouth represents an effective tool, since it allows marketers to reach, listen and talk to consumers to get a better perception of their wants, needs and purchase behavior (Petek *et al*, 2013).

Even though the marketing communication mix has suffered significant alterations, traditional media will not become extinct, but it will rather need to adapt. Online advertising, for example, essentially in social networking, is widespread and liable for efficient measurement (Petek *et al*, 2013).

2.3.1 The choice of brand naming for building brand equity

One of the important ways to build brand equity for a new product is the appropriate choice of the brand name (Aaker, 1991). As it was previously mentioned, a well-known brand's name aims for an effective achievement of brand's identity and differentiation (Zaichkowsky, 2010). A suggestive brand name can be characterized as a brand name that brings relevant attributes or benefit information in a particular product feature (Keller *et al*, 1998) or that score higher in overall liking for being associated with positive attributes (Kohli *et al*, 2005). Brand names in each product class should be unique concerning sound, pronunciation, spelling and meaning, such that different types of names may be more suitable for either low or high involvement product categories (Zaichkowsky, 2010).

2.3.2 The importance of effective labeling

Labeling represents an important mean to communicate wine quality and increases the producer's image (Thomas *et al*, 2003). As an example, it was found that the information on the back label of wine bottles is considered by a reasonable number of consumers, during the wine's purchase decision. Moreover, some very specific information, such as flavors and aromas' description, plays a very positive role in increasing purchase interest (McGarry Wolf *et al*, 2010). Unique containers' shapes, packages or products increase distinctive identity. Color should be congruent throughout all the identity and marketing mix variables, and the use of color combinations contributes for improving brand identification (Zaichkowsky, 2010). Consumers are willing to pay premium prices for those desired attributes of the bottle and label (Stegelin, 2013).

2.3.3 Should the country and region of production be emphasized?

Country of origin comprises another critical concept in international marketing that has been demonstrated to affect consumers' perceptions (Balabinis *et al*, 2008). Consumers continue to rely on local knowledge in terms of both products and countries, since local knowledge is deeply connected to culture and traditions. When the global product ethnicity is strong, companies should establish full congruence between the origin consumers infer and product ethnicity. For such congruence, branding is the most typical tool, especially due to the fact that brand name can evoke product origin through linguistic inference (Usunier *et al*, 2007).

Wine's strong territorial identity was also considered a necessary condition to build a competitive advantage in the fine wines business (Rocchi *et al*, 2013). In fact, the presence of a DO sign can effectively increase the temporary involvement of consumers during the purchase process (RodriguezSantos *et al*, 2011).

A specific characteristic of this business is quality of wines being associated with the social position and reputation of vineyards owners. Actually, quality differentiation and wide price ranges show that hierarchies still matter in wine marketing and consumption (Demossier, 2001).

2.3.4 Approaching emotional involvement as a powerful communication tool

There are some markets, that for being saturated, it is difficult to differentiate products through quality and/or price. In these cases, consumers' purchase decisions are very much influenced by their perceived emotions. As a consequence, consumer decision-making processes involve both knowledge of the product and consumers' self-knowledge, increasing the importance of marketing strategists' role (Barrena *et al*, 2009). Binet *et al* (2007) demonstrated that emotional campaigns are more profitable than rational campaigns as well as that customers' attention is not always necessary and sufficient for success.

This perceived emotions importance raises some interesting opportunities since it can provide a useful tool for building information and advertising campaigns. In order to improve the product's introduction, advertising and promotion processes, marketers should enhance and make more use of information related to consumer personality traits. This is especially applicable to consumers who use the product to enhance their social leisure time, focusing on the psychological benefits and lifestyle values followed by such consumers (Barrena *et al*, 2009). Wine customers perfectly suit in this trait's category.

2.4 The effect of brand extensions on brand equity

It is also possible to leverage brand equity through brand extensions, which is characterized by the use of a brand name established in one product class to enter another product class (Aaker, 1991). The reason for this strategic decision arises after the establishment of a strong brand, when the respective brand has moved beyond the functional product into a realm of values. In this case, it makes economic sense to try to deliver similar emotional benefit in distinctive markets (Mortimer, 2003).

2.5 Pricing drivers in the wine industry

During the last years, academics have also investigated the main drivers for establishment of wine prices. It is true that for wine, price strongly depends on objective characteristics such as vintage, alcoholic content, geographical origin, grape variety or producer size. Beyond these factors, price is also positively affected by the use of specialized containers, since they confer finer characteristics and more sophisticated flavors. Regarding sensorial characteristics, aroma intensity and presence of particular smells in the wine became also important criteria (Roma *et al*, 2013). For several nondurable highly differentiated goods, some attributes are difficult to recognize by the average consumer or, in the limit, their recognition only occurs upon consumption, due to the nature of experience good. For this type of products, where wine is included, experts' reviews, quality designation and firm reputation provide a reasonable way to overcome the previously asymmetric information scenario (Benfratello *et al*, 2009), ending up having as much influence on price as other variables. It was verified an interesting relation regarding wine pricing: the producer size is inversely related to the respective product price. While lower prices are associated to large wine producers, smaller firms are strategically specialized in high quality wines, which are priced higher (Roma *et al*, 2013).

3 CASE STUDY

3.1 THE WINE INDUSTRY

3.1.1 Defining the product and industry

The first evidence of wine production backs to Georgia around 6.000 B.C. through extremely conventional and primitive processes[3]. However, technological progress has helped to increase productivity of every activity along the production chain, resulting in great expansion of production output as well as considerable quality improvements.

The wine industry includes distinctive steps: grapes farming, harvesting and crushing, and wine fermentation, clarification, ageing and bottling[4]. As a result, it is responsible for high levels of investment and employment, playing an important role in the economy of producing countries[5]. Internationalization is not an exception in the wine industry, which has been increasingly contributing for world trade (responsible for 25.7 billion euros, in 2013)[6].

This beverage disposes of a great number of worldwide loyal consumers and is easily associated with diversified consumption habits and occasions, which make it unique regarding world presence and acceptance. Moreover, when consumed moderately, wine has proved to have beneficial health effects[7].

3.1.2 An overview on the global wine industry

In terms of level of wine production, there are three countries (France, Italy and Spain) contributing for roughly half of the world's total production. The next players emerging correspond to USA and Argentina, respectively. Portugal arises in the 12th position, being responsible for the production of 2.2% of the worldwide wine (**Figure 1**). In a global perspective, the level of world production has been quite unstable in the last 15 years, with the European traditional producers suffering considerable declines at the same time that other emerging countries are increasing their production level[8].

Figure 1 - World largest wine producers (volume in thousands of hectoliters)

	Country	Volume (2014)	Quota
1	France	46.698	16,7%
2	Italy	44.739	16%
3	Spain	41.620	14,9%
4	USA	22.300	8%
5	Argentina	15.197	5,5%
6	Australia	12.000	4,3%
7	South Africa	11.316	4,1%
8	China	11.178	4%
9	Chile	10.500	3,8%
10	Germany	9.334	3,3%
11	Russia	6.694	2,4%
12	Portugal	6.195	2,2%
13	Romania	4.093	1,5%
14	New Zealand	3.204	1,1%
15	Greece	2.900	1%

Source: "Estatísticas Gerais – Produção de vinho" in *Vini Portugal* (2015)

Regarding world wine consumption, the top position is occupied by USA, followed by France. Each of these players exceeds 11% of global consumption of wine. Although with slightly lower consumption levels, it is possible to include Italy and Germany as key contributors. Globally, Portugal occupies the 11th position, with barely 1.8% of total world consumption (**Figure 2**).

Figure 2 - World largest wine consumers (volume in thousands of hectoliters)

	Country	Volume (2014)	Quota
1	USA	30.700	12,8%
2	France	27.900	11,6%
3	Italy	20.400	8,5%
4	Germany	20.200	8,4%
5	China	15.800	6,6%
6	United Kingdom	12.600	5,3%
7	Spain	10.000	4,2%
8	Argentina	9.900	4,1%
9	Russia	9.600	4%
10	Australia	5.400	2,3%
11	Portugal	4.200	1,8%

Source: "Estatísticas Gerais – Consumo de vinho" in *Vini Portugal* (2015)

When analyzing the largest importers of Portuguese wine, the top destination corresponds, by far, to Angola. USA, Germany and France appear afterwards also with great levels of wine importations from Portugal[9].

3.1.3 Recent trends on the Portuguese wine industry

In terms of Portuguese wine market value and volume, both have been showing a slightly decreasing trend during the last years[10] (**Appendix 1**).

The similar diminishing tendency has been observed concerning the vineyards area in Portugal. Actually, in the last 10 years, the number of planted hectares suffered an approximately 10% contraction (**Appendix 2**). Nevertheless, there is one region in Portugal displaying the opposite trend: the number of vineyards hectares in Alentejo almost doubled since 1999[11].

3.1.4 Analyzing the Portuguese wine market for correct strategic implementation

Typically, the SWOT framework is more likely to be applied to a specific company. However, it is feasible to perform an identical analysis to a sector, in order to set common strategies within firms. The main strengths, weaknesses, threats and opportunities of the Portuguese wine industry are featured in the following section[12].

3.1.4.1 Strengths

The primary strengths disposed by Portugal regarding the wine sector are related to the weather conditions. The fact that the Portuguese climate is characterized for being temperate grants a suitable development of the grapes. Both Mediterranean and Continental influences allow for production of a diversified type of grape varieties and therefore for different wine specifications. Portugal is indeed the country with the largest number of autochthonous grape varieties[13]. Not least important, the historical tradition of several Portuguese wine groups as well as the excellent international reputation and awarded prizes by the Portuguese wines[14], also constitute a critical strength to consider.

3.1.4.2 Weaknesses

In comparison to other heavy producers, Portugal exhibits, in general, smaller farms. This reality will limit the volume of investment and affect negatively the production that Portuguese companies are willing to pursue. Besides, although being currently increasing the productivity level in the sector, it is still fairly under the European average[15]. Moreover, the majority of the producers own a poor know-how regarding marketing strategies and the concept of branding is rather undefined. As a result, the weak communication among the potential customers, both nationally and internationally, does not allow the development of a strong image of the Portuguese wine companies.

3.1.4.3 Threats

More recently, countries like Chile, Australia and South Africa have become massive producers[16], establishing a strong source of competition for the Portuguese wine businesses. Furthermore, the leading world market players are enrolling in powerful marketing campaigns, which are contributing to their effective positioning in the world as market leaders. Lastly, the appearance of alternative consumption habits and substitutes, namely gin or tea during meals, might be jeopardizing the strong dominance of wine consumption.

3.1.4.4 Opportunities

The quality of several Portuguese wine brands is undoubtedly exceptional, which comprises a crucial attribute for penetration and positioning strengthening in international markets. If the existing quality is combined with an adequate marketing and communication strategy, these efforts might result in a great opportunity for an impressive internationalization process in the industry. A considerable number of smaller wine brands have additionally the opportunity to establish inter-firm cooperation agreements that will facilitate their operations and consequent growth. Moreover, the increasing use of technological development in the production process will result not only in improvements in the products' quality but also in labor productivity levels. Finally, the last appointed opportunity relates with the promotion of typical Portuguese grape varieties, which feature single characteristics within the world wines.

3.2 THE COMPANY: *ADEGA MAYOR*[17]

3.2.1 "If you can dream it, you can do it"[18]

Adega Mayor was created as a dream of its founder. "Passion is what moves us" says Mr. Rui Nabeiro, one of today's most famous Portuguese businessman. Born in Campo Maior in 1931, he was responsible for the founding of Portuguese successful coffee company *Delta Cafés*. Mr. Rui Nabeiro is recognized not only for his impressive professional and innovation skills, but also due to his humanitarian values which made him being involved in different charitable activities. As a result, in 1995, he was awarded the title of *Comendador*, by the Portuguese President of the Republic. Work, friendship, humility and positive attitude towards life are the values that best describe Mr. Nabeiro[19].

The passion and the personal ambition were actually the main drivers of Mr. Nabeiro dream of creating his own winery. Nowadays directly managed by his granddaughter Rita, *Adega Mayor* remains a very close and intimate project of the oldest Nabeiro (**Appendix 3**). The *Comendador* still frequently attends meetings and enjoys participating in important decisions. Additionally, the existing connection between Mr. Nabeiro and his hometown, Campo Maior, is a key project requisite.

Beyond the passion driver, there is also a more practical one. Historically, Mr. Nabeiro enjoyed distributing presents, particularly wine bottles, to his friends during Christmas or other occasions. For that, he established some small partnerships with local producers that provided the wine for the offerings, which constituted a temporary solution.

The origin of the winery backs to 1997, with the plantation of the first *Adega Mayor* vines at *Herdade da Godinha*, and three years later, at *Herdade das Argamassas*, both located in Campo Maior. The small village, near the Spanish boarder, was formerly a famous wine production region, and the project could be used to recover historical traditions.

The first final products came in 2002 with the launch of *Monte Mayor* and *Reserva do Comendador* bottles. Despite being in very low volume, the quality of that first crop pointed already a very special wine. In 2005, both sub-brands received extremely positive critics and obtained important awards, which was the actual driver and idea behind a future ambitious project.

3.2.2 Leveraging a MAYOR brand

There can be identified different brand's resources and capabilities that have been granting the current success and are likely to reinforce it in the future. Connected to the slogan "Drawing the wine", all the brand's activities aim to emotionally involve customers and every single action is built on strategic differentiation.

3.2.2.1 Being a young and modern brand brings advantage

First of all, the brand is relatively recent and not constrained by the past. This factor can be both negative and positive: on one side it has no historical value that can enhance their expertise or experience in the area while on the other side it can be pioneer in this market, introducing innovative marketing and communication approaches. Actually, the brand disposes of a competent marketing team, managed by CEO Rita Nabeiro, whose knowledge and travel experience around the world resulted in innovative and design-oriented concepts. In fact, she adopts ideas from different business areas and tries to implement them in the wine business.

3.2.2.2 Why not combining wine and architecture?

The building of a winery was since the beginning one of the company's goals, being actually realized with the contact with the famous and most awarded Portuguese architect Siza Vieira[20]. It is true that *Adega Mayor* had very few expertise and tradition within the wine sector. For that reason, it was decided to associate a famous architect to the project. This move, characterized by its differentiated character within the sector, attempted to guarantee an innovative element to the wine industry, which was still extremely linked to obsolete methods, both in terms of production and promotion. Inaugurated in 2007, the project also represented a challenge to the architect, as he had never built a winery before. Siza tried to identify a balance between a countryside environment and the modern and simple lines of his architecture character, designing a light, sensitive and future-wise building in the middle of a long plain. The distinctive project contrasts but at the same time perfectly suits with the surrounding countryside scenario (**Figure 3**). *Adega Mayor* was indeed the first wine brand to introduce an "author's winery" in Portugal (**Appendix 4**).

Figure 3 – The Winery

3.2.2.3 Increasing emotional involvement through peculiar initiatives

In order to increase the emotional and relational approach associated with the wine, several events were planned. Named after "wine talks" and normally related to the artistic field (namely music or visual arts), these events were used, along with other promoting sessions, for wine launches or other thematic and special days' events (for example, the Father and Mother's Day, the Flower Day or Valentine's Day) (**Appendix 5**). An additional important achievement is related to the international brand presence in the exhibition "How Wine Became Modern" in the outstanding "Moma's Museum", at San Francisco[21] (**Appendix 6**). In line with the previous reasoning, *Adega Mayor* established various partnerships with famous national chefs, in order to highlight the existing magic relationship between exceptional food and wine[22] (**Appendix 7**). The respective goal of the described initiatives is emerging as a modern worldwide winery, capable of leveraging the emotional and artistic side attached to the wine business.

3.2.2.4 "Enoturism" is always a good idea

The brand additionally promotes strong "enoturism" experiences in its Campo Maior properties. Organized tours along all the processes of wine production as well as other diversified activities such as countryside walks, boat or air ballon trips are intensively provided by the brand. In addition to the previous activities, there are some packs including direct interaction of people with grape harvesting, wine tasting, picnics and lunches elaborated with regional products (**Appendix 8**). Simple discovery days or even a weekend spent in Campo Maior at *Hotel Santa Beatriz* are additional promoted activities. These experiences motivate people to better approach the environment where wine is produced as well as the distinctive wine production steps, improving the emotional involvement of current and potential customers with the wine business. The success of such initiatives is proved by the award received in 2013 for the "Best Enoturism in Alentejo" by *Turismo do Alentejo*[23].

3.2.2.5 Campo Maior tastes of excellence

The region of production is, especially in this industry, a critical attribute. The humidity level, the solar radiation and the soil characteristics are only some characteristics that largely differ among the different regions, guaranteeing particular scents and flavors to the wine. The proximity of *Serra de São Mamede* ensures a temperate climate and therefore an elegant, balanced and sophisticated final product. *Herdade das Argamassas* is the name of the property where *Adega Mayor* vineyards are based. There is also an additional smaller property, *A Godinha*, responsible for some part of the production. Both are located in Campo Maior district, in the north Alentejo. In the past, Campo Maior acquired an important wine tradition and the appearance of *Adega Mayor* was the perfect opportunity to recover and highlight such a heritage from the past.

3.2.2.6 Distribution facilitated by group synergies

With the advantage of belonging to *Grupo Nabeiro*[24], *Adega Mayor* used the already established network of clients to develop an efficient product distribution. In fact, *Delta Cafés* is a dominant firm in the coffee distribution market, supplying an important percentage of restaurants, hotels and cafes in Portugal[25]. As a result, *Adega Mayor* could easily enter in a first contact with the same clients, resulting in high saving costs especially in marketing expenditures. For that reason, 81% of brand's total production is allocated to the HORECA channel (**Appendix 12**).

3.2.2.7 Internationalization as a requirement for a successful business

Adega Mayor is currently increasing the internationalization process. Taking advantage from *Grupo Nabeiro* broad international presence, *Adega Mayor* already exports wine to four different continents (**Appendix 9**). The value of revenues corresponding to exports is approximately thirty per cent (30%) of total company revenues, being the Angolan market responsible for nearly eighty per cent (80%) of the total exports value. In fact, Portuguese and especially Alentejo wines have been greatly accepted in Angola and are nowadays penetrating in this high potential foreign market. There are a couple of other strategic markets where the brand attempts to intensify its presence, such as the UK or the USA.

3.2.2.8 In the cutting edge of the digital era

The brand was equally one of the pioneers, in the Portuguese wine market, concerning the development of the online distribution channel. The main driver for the appearance of this channel was the need to increase consumers' wine accessibility, which was roughly limited to the HORECA channel. In addition to the online store, *Adega Mayor* includes different digital tools which aim for an effective promotion of the brand, such as a very active, professional and appealing Facebook page, Website and Youtube channel (**Appendix 10**). There is a continuous strong effort regarding improvements in the digital and online operations.

3.2.2.9 Collecting awards

During the last years, *Adega Mayor* has already accumulated a considerable number of national and international awards (more than 100, since 2004), which the brand managers actively promote, both through the digital channels and through the commercial teams that interact directly with clients. Also, reporters in specialized magazines constitute a common technique used to advertise awards or important happenings.

3.2.2.10 Innovation and technology as key drivers

In terms of production technology and facilities, *Adega Mayor* is also ahead of competition. Several smaller competitors continue to apply very traditional techniques, lacking of both quality control and process efficiency. Due to the fact of being a recent player and since innovation is a brand key value, the winery and all the equipment were originally implemented accordingly to all the innovative standards in the industry.

To conclude, the previously stated reasons are sufficient conditions to allow the creation of a new brand concept and differentiated communication, capable of boosting *Adega Mayor* relatively to its market competitors.

3.2.3 Single emotions for distinctive sub-brands

3.2.3.1 *Caiado* – Young, simple and balanced

With the purpose of enlarging the consumer spectrum and creating a simpler entering wine, a new sub-brand was launched in the market in 2008, the well-known *Caiado*. Being the most affordable division and especially addressed to a younger segment (**Figure 4**), *Caiado* revealed to be a strong success. *Caiado* is characterized for being an every-day consumption wine, casual and more appropriate for informal drinking (**Appendix 11**). Nowadays, it is available in white, rose and red varieties, exclusively distributed in the HORECA channel. It has a base price of €3.99, and represents 40% and 69% of total revenues and production volume, respectively (**Appendix 13-15**). Actually, last year's *Caiado* production doubled. These numbers prove the major success that this division has achieved and its indispensability within the brand's portfolio.

Figure 4 - Young and informal communication

3.2.3.2 *Monte Mayor* – "M" means Mayor

Already positioned as a medium-high quality wine, *Monte Mayor* introduces several improvements in comparison to *Caiado*. Although *Monte Mayor* division had already been launched in 2002, this sub-brand suffered an image change in 2008 (**Figure 5**). *Monte Mayor* is considered the brand's flag mark and it is the second most representative division, weighting 26% of total revenues and 22% of the total production volume. Available in white, red and sparkling, *Monte Mayor* is priced between €7.99 and €12.32 (**Appendix 13-15**). Besides being distributed through the HORECA channel, this sub-brand also shows up in certain hypermarkets and supermarkets, such as *Jumbo* or *El Corte Inglés*.

Figure 5 – *Monte Mayor* bottle design, before 2008 (left) and after (right)

3.2.3.3 *Solista* – Seeking talent with single grapes' variety

Solista is priced around *Monte Mayor* price level (between €7.98 and €11.90) and represents 2% in terms of volume of production (**Appendix 14-15**). This sub-brand is available in red, white and “pinot noir” (**Appendix 16**), and its limited production is the result of *Solista* being derived from a single grapes’ variety.

3.2.3.4 *Reserva do Comendador* – Classic *Alentejano* for wine experts

The next division of wines defines the entry in the premium segment. *Reserva do Comendador* represents the “genuine” Portuguese red wine and has a different, more demanding and experienced target consumer, since the wine’s structure and complexity gain emphasis. The volume produced drops to only 4% of the total but it still represents 17% of total revenues due to its high prices, between €14.90 and €19.90 (**Appendix 13-15**). This division is equally available in red and white (**Appendix 17**).

3.2.3.5 *Pai Chão* – Barely when Nature concedes

In the end of the wines’ range and launched in 2011, arises sub-brand *Pai Chão* as a homemade by *Comendador* Rui Nabeiro (**Figure 6**). This division was the result of an excellent quality 2009 crop, resulting in a limited number of bottles produced. *Pai Chão* is exclusively available in exceptional years of production (**Appendix 18**).

Figure 6 – *Pai Chão* pays tribute to Mr. Nabeiro (extract from the wine’s label)

3.2.3.6 Special Editions – Touching souls

During the last years, several special editions have been launched, each with a different meaning and available for very high prices (**Appendix 19**). The objective of these special editions is to celebrate and pay tribute to certain remarkable events or personalities. The differentiated character of these editions contributes for removing the traditional associations of wine consumption as well as promoting alternative and modern consumption habits, thus supporting brand equity building. Moreover, there is a great effort on the bottle shaping, packaging and labeling, which usually display distinctive features. Actually, special edition *Orionte* was distinguished in the famous "Red Dot Design Award" for its packaging[26] (**Figure 7**). Within this special edition portfolio, usually available to clients exclusively at specialized wine stores, it is likely to find the following sub-brands: *Sete*, *Oito*, *Nove*, *Orionte*, *Vitorino* and *Siza* (**Appendix 20**).

Figure 7 – *Orionte* packaging

3.2.3.7 Complementary products – The best from the countryside

Adega Mayor disposes of a set of products used to complement the wines' portfolio. Olive oil, vinegar, olives and bonbons are examples of products commercialized under *Adega Mayor* label, which have in common with wine being also originated from the "land" (**Appendix 21**). The connections with other *Grupo Nabeiro* companies, already producing these complements, resulted in a more sophisticated packaging and communication approach, thus maintaining roughly the same product while imprinting the *Adega Mayor* label: these products comprise typical brand extensions. This strategy aimed to provide clients with the distinctive products conceived at the farmland, at the same time that it contributes for leveraging *Adega Mayor*'s brand equity. Moreover, these products grant an acceptable contribution (**Appendix 13**), resulting in company's goal to increase their current production.

3.2.4 A Mayor brand deserves Mayor values

The strong focus on Innovation makes it the primary brand principle greatly influencing all the strategic direction that the brand is likely to adapt. The next value, emerging as a consequence of the previous, stands for the Irreverence approach that *Adega Mayor* is willing to embrace. Actually, *Adega Mayor*'s strategy greatly differs from the one that characterizes the majority of its competitors and the industry in the overall. Furthermore, it shows up the importance of the Excellence criteria: every brand activity is deeply planned in order to be provided the finest way possible. Besides the values already stated, there are some key words used as a complement to the brand orientation standards. The first word is Arts, which is connected to the architecture side of *Adega Mayor*, specifically to the winery element projected by Siza Vieira. Dream is another brand's principle as it was conceived as a dream of its founder. Related to the power of Mr. Nabeiro's dream it arises the Success of his corporate group, which immediately constitutes an important premise for positive business accomplishment. The brand does not desire any simple goal but to generate the best wine possible by delivering a Pleasure tasting experience. Moreover, the local identity comprises a central characteristic emphasized by the brand. Therefore, the focus on Alentejo region and especially on Campo Maior is a recurrent approach on brand principles (**Appendix 22**).

3.2.5 Redefining pricing positioning?

The pricing strategy adopted by *Adega Mayor* is slightly different from the competition. Traditionally, most wine brands include a penetration sub-brand, which is typically priced lower than *Caiado* price level. In fact *Caiado*, being the most affordable sub-brand, does not fit in a low-cost category. However, its price-benefit relationship is generally very well accepted by consumers. As a result, and following brand's excellence values, *Adega Mayor* approaches a medium-high pricing strategy, with several sub-brands being priced over 10 euros (**Appendix 15**).

Nevertheless, the absence of a low-cost sub-brand may represent the impossibility of entering massively in the hyper/supermarkets' channel, which would therefore expose *Adega Mayor* to the mass-market. This strategic move would likely result in awareness leveraging and the brand's management is considering this possibility.

On the other side, such low-cost sub-brand would not be suitable with the current brand's superior price positioning and values. *Adega Mayor*'s management does not accept risking the brand sustainability at the same time that they feel that an opportunity to effectively penetrate the market emerges.

3.2.6 Benefiting from an established HORECA network while seeking to develop other channels

Contrarily to the majority of its competitors, where hyper/supermarkets are the most used distribution channels, *Adega Mayor* displays a different orientation regarding the distribution channels it mainly adopts. In fact, distribution is possibly the activity in which *Adega Mayor* mostly beneficiates from being connected to *Delta Cafés*, and therefore to *Grupo Nabeiro*. Since the largest segment of restaurants/ hotels in Portugal holds a partnership with the above group on the respective coffee supply[27], it exceptionally facilitates the brand's contact with the current and potential wine clients. As a result, the HORECA channel accounts for 81% of the total volume of wine bottles distributed in the market. The second most representative channel, responsible for the distribution of 7% of the total wine produced, is occupied by different *Grupo Nabeiro* companies, which acquire wine bottles for posterior distribution in other markets. The other minor channels, in charge of the distribution of less than 15% of the volume of production, include wholesalers, hyper/supermarkets or any other residual type of channel (**Appendix 12**). This disparity to the competition, concerning distribution facilities, may be perceived as a major *Adega Mayor*'s competitive advantage, in a way that it disposes of unique market accessibility within the settled HORECA network.

Regarding the structure of the commercial teams, there is a specific group of sellers addressed to each channel. As a result, the team allocated to the HORECA channel is not only responsible for promoting coffee but also all the other products provided by the *Grupo Nabeiro* companies (such as wine, tea, water or beer). This represents enormously costs savings and constitutes an additional source of competitive advantage.

Adega Mayor's poor presence in hyper/supermarkets is essentially explained by the brand's still limited total production of wine, which do not allow for beneficial commercial contracts and efficient distribution along the entire channel. However, with last year's *Caiado* substantial production increase, there is an attempt to introduce this more affordable brand in additional hyper/supermarkets chains. Actually, with such a strong HORECA channel, *Adega Mayor* is immediately narrowing its target segment, since potential brand customers became nearly reduced to people going to restaurants. As a result, *Adega Mayor* seeks to strengthen its distribution through hyper/supermarkets, without jeopardizing the already established HORECA channel.

3.2.7 “Accept the challenges so that you can feel the exhilaration of victory”[28]

With an annual growth rate of roughly 15% and expectations to exceed 1.000.000 produced bottles in 2016, *Adega Mayor* aims to continue increasing these numbers in the future. At this stage of the work, it is already possible to outline some major brand’s achievements as well as concluding on the elements for improvement.

Although *Adega Mayor* is a recent player in the Portuguese market, the brand could experiment a robust penetration both in the national and international domains. Actually, the brand reflects all the positive features liable to be identified in nowadays’ Portugal. Youth entrepreneurship, branding conception, know-how and expertise properly allocated, internationalization desire and design orientation constitute key *Adega Mayor* traits, perfectly identifiable in all the 39 direct employees of the company.

However, besides embracing a stable and attractive market position, the company is currently concerned with the fact that it could not yet truly leverage the values aspired by *Adega Mayor*.

In comparison to the past, wine is not anymore restricted to the traditional consumption situations. Also, the Portuguese wine is specifically gaining international importance within its particular characteristics. In addition, several historical brands are getting saturated, most likely due to their limited level of innovation. Finally, the image and design associated with traditional products are increasingly valuable for efficient brand leveraging.

Considering all the previously identified brand characteristics as well as the current trends on the industry, *Adega Mayor* is capable of establishing the major goals it aims to achieve. Firstly, and as a consequence of the globalization tendency that most businesses are pursuing, the brand intends to enlarge its commercial power through national and international markets penetration. Secondly, brand visibility is extremely important and a strong effort is expected towards increasing brand awareness. Although the winery had already built a considerable reputation in the market, one major objective corresponds to reinforcing *Adega Mayor* as a symbol of quality in the market. Finally, the last purpose is concerned with engaging new consumers, specifically different and younger generations.

The ultimate intention of the brand, with the described goals, is to improve brand’s positioning strategy, essentially through three very precise steps: restructure brand’s communication, pricing and distribution approach; increase emotional involvement; and leverage *Adega Mayor*'s market share and power.

For all the previous reasons, it emerges the need for a Market Research. After an overall inspection on respondents' habits and knowledge on wine, the research aims to focus on *Adega Mayor*, specifically. At that stage, the study evaluates general brand awareness and perceptions on different subjects, including more customized items for *Adega Mayor* specific consumers. At the end, based on the data collected, the major conclusions and recommended strategies are accurately addressed.

4 MARKET RESEARCH

4.1 Aim and scope of research

The Market Research was conducted through an online survey (Qualtrics software) launched essentially through Facebook, available between November 13th and November 29th (**Appendix 23**). To complement the research, there were also performed short interviews to 3 restaurants' owners, since they comprise *Adega Mayor* most important clients[29] (**Appendix 24**).

The survey was distributed and shared through different age group participants, mainly in personal and in wine fans pages. Despite being available for everyone, a minimum level of interest for the wine industry and consumption of wine was required from participants. However, the survey was built and tested such that everyone could answer to it.

The research focused mainly in accessing consumers' expertise, satisfaction and consumption habits on wine; evaluation of general *Adega Mayor* and respective sub-brands' awareness; and identification of *Adega Mayor* specific customers' consumption patterns and satisfaction.

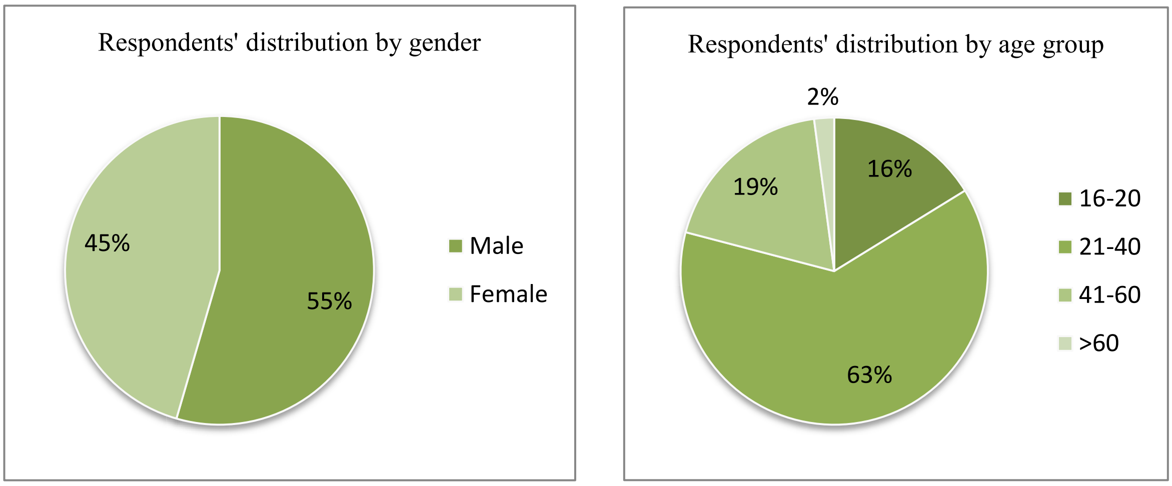
At the end, 191 valid responses were considered, which would allow for a meaningful analysis using IBM's SPSS statistics software. The illustration of the results will be complemented with SPSS outputs and Microsoft Word graphics.

4.2 Sample demographic description

The initial step for a significant data analysis includes a description of the essential demographics indicators, since the final strategic suggestions and conclusions are expected to be based on the sample characteristics.

In terms of gender, the respondents are quite balanced, with a slightly predominance of male individuals (54.5%). Regarding the age group, roughly 63% of the respondents are between 21 and 40 years old, while both (16-20) and (41-60) classes each correspond to approximately 16% and 19% of the total sample, respectively. The number of individuals over 61 is reduced, representing barely 2% (**Figure 8**).

Figure 8 – Respondents' distribution by gender and age group



When considering the level of schooling, the majority of the respondents hold a Bachelor degree (57%), while 28% indicated a Master's degree. Approximately 13% of the sample attended secondary school, being the remaining schooling classes residually represented. Finally, when questioned on their individual annual income, the number of respondents decreases for greater income levels: while individuals answering less than 10.000€ correspond to almost 55%, levels of income above 50.000€ account for only 6% of the sample (**Appendix 25**).

4.3 People's perception of the general wine industry

Respondents' expertise and interest on wine

When considering the number of wine lovers and experts in the sample, most respondents answered quite positively. Indeed, 45.5% of the sample considered themselves a wine's fan, at the same time that almost 80% of the respondents argued to have at least some interest and expertise in the Portuguese wine industry (**Appendix 26**). It should be noticed that even within younger segments (16-20 and 21-40 age groups), a substantial number of participants considered themselves "wine lovers" (**Appendix 27**).

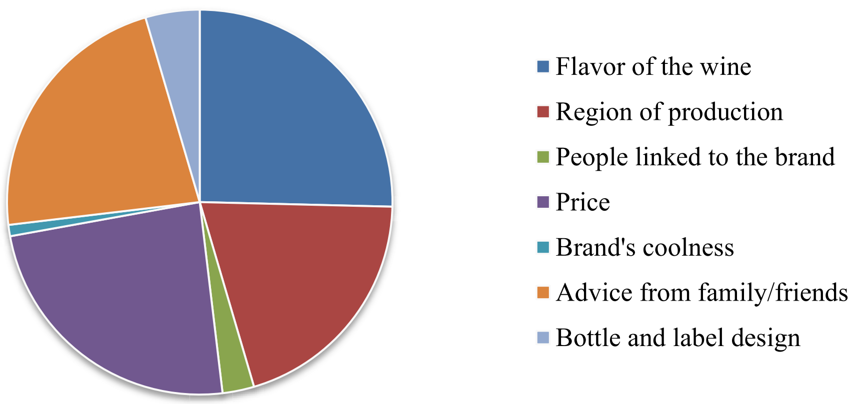
Respondents' satisfaction with wine

Additionally, it was investigated the general people's satisfaction in the wine business, specifically on communication, price and distribution issues. Concerning brands' communication along the industry, the largest sample segment (55%) partially agrees that it is being correctly implemented, while only 14% are fully satisfied with it. On the other side, respondents tend to exhibit higher satisfaction with price and distribution of wine in Portugal, with 38% and 44% of the sample, respectively, being entirely satisfied (**Appendix 28**).

Crucial attributes driving wine's brand choice

After the initial set of questions, respondents were asked to select the top attributes determining their choice of wine's brand. There are 4 attributes heavily mentioned (**Figure 9**), being wine's flavor the most influential criteria. Price emerges afterwards with nearly the same importance. The remaining relevant attributes for brand's choice are the region of production and the advice received from family and friends on wine issues (**Appendix 29**).

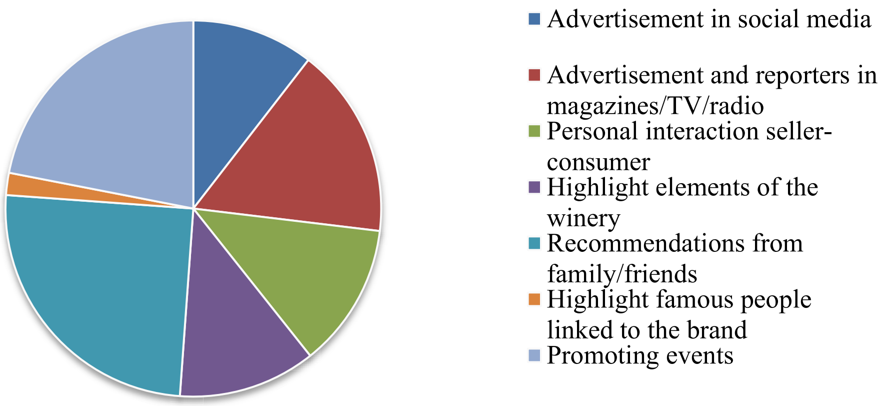
Figure 9 - Crucial attributes driving wine's brand choice



Most influential communication types

Following the same reasoning of the previous questions, participants were questioned about the communication types capturing more their attention, in the case of a new wine launch (**Figure 10**). There are two means of communication ought to be highlighted: family and friends' advices, along with promoting events (such as tasting sessions or wine fairs), with 131 and 115 respondents mentioning it, respectively. Advertising and reporters in magazines, television and radio; personal interaction seller-consumer; and emphasis on winery elements (namely "enoturism" or architecture), were also considerably selected. Contrarily to nowadays digital orientation, advertising on social media barely affects 55 respondents (**Appendix 30**).

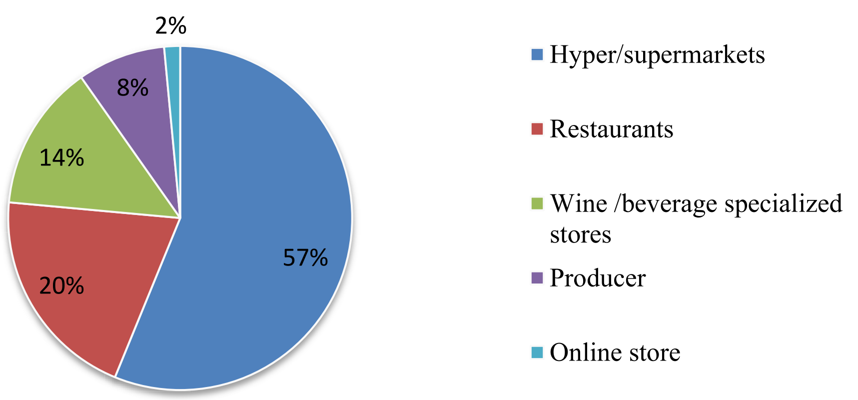
Figure 10 - Most influential communication types



Places used to purchase wine

Not least important for strategic decisions on distribution issues, arises the need to investigate the places where general wine drinkers typically purchase wine. The results were clearly illustrative and proved that supermarkets and hypermarkets are definitely respondents' most used distribution channel (**Figure 11**). When asked to distribute 100 points along the places of wine's purchase, hyper/supermarkets collected an average of approximately 57 points. Although exhibiting a much lower average (20 points), the next most representative channel are restaurants, ahead of specialized beverage stores, producer channel and online store (**Appendix 31**).

Figure 11 - Places used to purchase wine



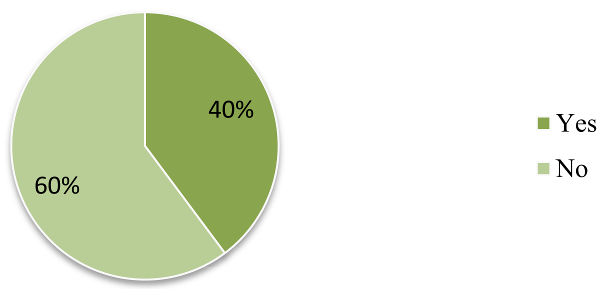
Pricing considerations on wine

To complete the analysis of the general consumers' perception on wine, several pricing issues were covered. More than 80% of the respondents believe that wine prices in restaurants are somehow excessively high while almost 60% clearly avoid drinking some brands at restaurants due to excessive price. Actually, the largest segment of participants is not fully convinced to spend more in a wine bottle at a restaurant than at a hyper/supermarket as well as to pay a high price for a premium wine (**Appendix 32**).

4.4 *Adega Mayor* awareness

The initial approach to *Adega Mayor*'s brand in the survey consisted basically on querying respondents if they recognized the brand name (**Figure 12**): 60% of the sample answered negatively while the remaining 40% were aware of *Adega Mayor* (**Appendix 33**).

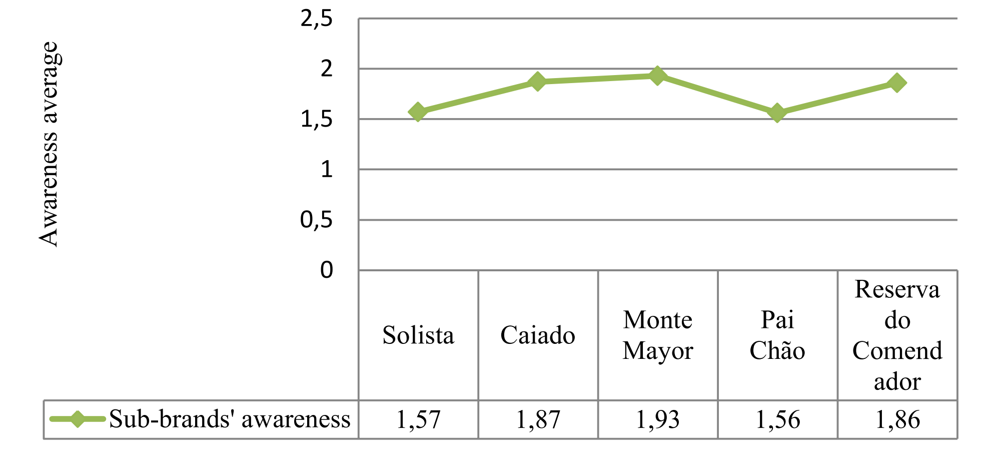
Figure 12 - Do you know the wine's brand *Adega Mayor*?



Sub-brands' awareness

Afterwards participants were asked to classify each sub-brand from 1 to 4, accordingly to their awareness, being the results simply an awareness average (**Figure 13**). Interestingly, *Monte Mayor* comprises the highest recognized sub-brand. With slightly lower levels of awareness emerge both *Caiado* and *Reserva do Comendador*. Finally, respondents are significantly unaware of *Solista* and *Pai Chão*, when comparing with the other sub-brands (**Appendix 34**).

Figure 13 - Sub-brands' awareness



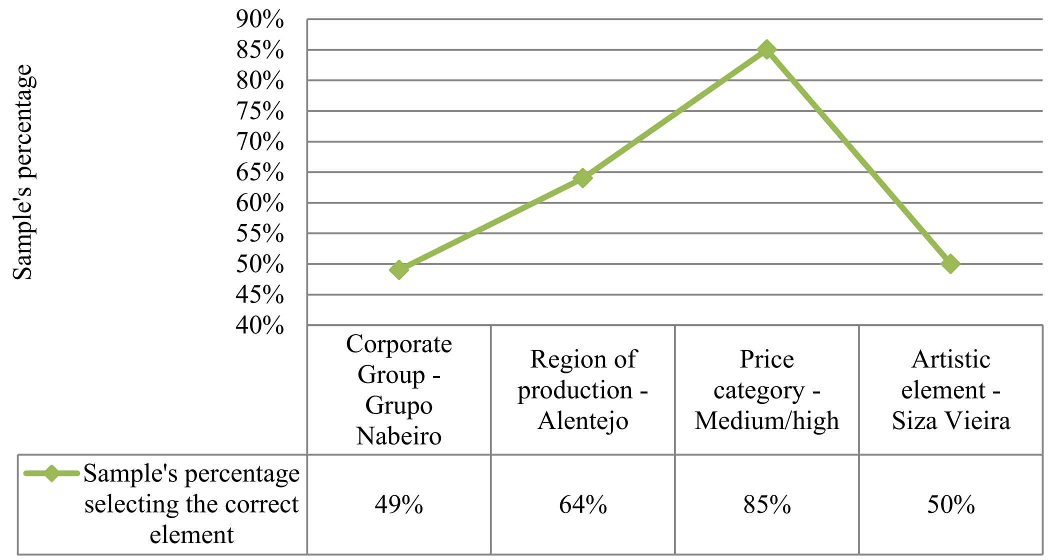
Pricing classification based on visual perception

To evaluate the respondents' perceptions on sub-brands naming and labels, it was requested an assortment from the cheapest to the most expensive sub-brand[30]. This is a very interesting exercise since it allows for verification if people's perception change for different levels of *Adega Mayor* awareness. There were analyzed the means obtained for each sub-brand (mean values could vary between 1 for the cheapest sub-brand, and 5 for the most expensive). Afterwards, it was investigated if the company is effectively addressing names and labels. This job was very well achieved and participants were close to be entirely correct. In fact, the overall classification allocates *Reserva do Comendador* as the most expensive wine, instead of *Pai Chão*. Both labels' similarity and the excellence meaning behind the name *Reserva* may constitute the cause for this respondents' option[31]. The remaining sub-brands ordering was correctly completed (**Appendix 35**).

Associations with brand elements

To evaluate people's perception of different *Adega Mayor* specific characteristics, several distinctive elements were exhibited to participants, with only one option corresponding to the correct brand's context (**Figure 14**). The first element relates to the corporate group in which *Adega Mayor* is incorporated, being correctly selected by almost half of the sample[32]. However, this was the least recognized feature, since both the region of production and especially the price category were precisely chosen by 64% and 85% of the respondents, respectively. Finally, when asked about the artistic personality associated to the brand, roughly 50% mentioned architect Siza Vieira[33]. From the previous analysis, it can be highlighted the great existing connection to brand's medium/high pricing strategy as well as to Alentejo origin of the wine (**Appendix 36**).

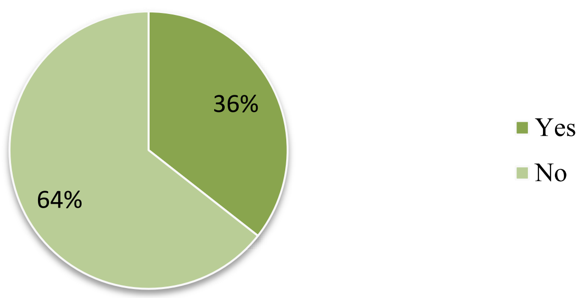
Figure 14 - Sample's percentage selecting the correct element



4.5 *Adega Mayor* customers

After capturing an overall perception of all the participants in the survey, it was necessary to narrow the sample, in order to apply customized questions to *Adega Mayor* specific consumers. As a result, it was directly asked respondents if they had already consumed any *Adega Mayor* sub-brand (**Figure 15**). Approximately 64% of the sample had never experimented the wine before, while the other 36% assumed to be customers (**Appendix 37**).

Figure 15 - Have you ever drank any of the *Adega Mayor*'s sub-brands?



It is interesting to compare these results with the ones in the previous question "Do you know brand *Adega Mayor*?". There is no point on respondents who kept their answer in both questions, but on those who answered initially "Yes" and afterwards "No", or vice-versa. Actually there are 27 participants who recognize *Adega Mayor* but had never experimented any of the sub-brands. On the other side, 19 of the brand's customers (representing almost 30% of total customers) believed they did not recognize *Adega Mayor*'s name but are indeed brand drinkers (**Appendix 38**). This might be explained by the lack of awareness of *Adega Mayor*'s name at the same time that any of the sub-brands prevails in consumers' mind.

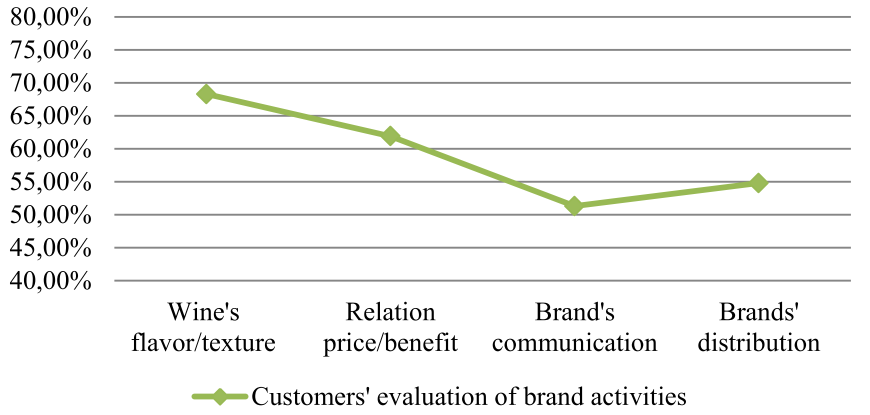
Adega Mayor wine distribution

Focusing on *Adega Mayor* drinkers, barely 70% of them are consuming the brand in other places rather than restaurants. However, even a larger segment of consumers (around 72%) somehow supports the development of the hyper/supermarkets' channel (28% strongly support it). Regarding distribution through the producer and the online store, brand customers tend to partially agree with improvements in these channels (**Appendix 39**).

Adega Mayor customers' evaluation

The last question basically requests a customers' general classification (from 0 to 100) of the brand different marketing mix elements. There is an initial very pleasant indicator: all the criteria score positively. This is additionally an engaging analysis since it allows for ranking the different brand activities based on customers' evaluation (**Figure 16**). The wine quality concerning flavor and texture is undoubtedly the parameter where *Adega Mayor* is best performing. Regarding price-benefit ratio, the brand also achieves acceptable results. The least scored elements were distribution and particularly brand's communication/promotion (**Appendix 40**). Although the brand allocates very large efforts on communication, people tend to associate communication to traditional advertising (such as TV, radio or outdoors), whose role in *Adega Mayor*'s marketing strategy is secondary[34].

Figure 16 - Customers' evaluation of brand activities

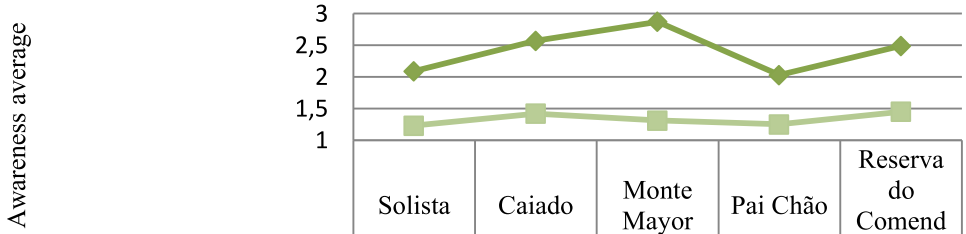


4.6 Testing for significant differences between *Adega Mayor* aware and unaware participants

Sub-brands' awareness

An interesting test to be performed consists in the comparison of the various sub-brands' awareness for two groups: respondents who recognized *Adega Mayor* and those who did not (**Figure 17**). Regarding aware participants, the order of sub-brands' awareness (measured by the mean value, between 1 and 4), is the following: *Monte Mayor* (2.87) – *Caiado* (2.57) – *Reserva do Comendador* (2.49) – *Solista* (2.09) – *Pai Chão* (2.03). On the other side, when considering *Adega Mayor* unaware respondents, the order is different: *Reserva do Comendador* (1.45) – *Caiado* (1.42) – *Monte Mayor* (1.31) – *Pai Chão* (1.25) – *Solista* (1.23). Actually, this means' divergence is proved by the Independent Sample Test performed, which indicates that there are significant differences for all the sub-brands between aware and unware respondents (**Appendix 41**). In fact, especially *Reserva do Comendador* (possibly due to the close relation to *Comendador* Nabeiro) and *Caiado* (perhaps for its strong presence in the HORECA channel)[35] enjoy a considerable level of awareness within people claiming to not recognize *Adega Mayor*.

Figure 17 - Sub-brands' awareness levels for brand aware and unaware participants



	Solista	Caiado	Monte Mayor	Pai Chão	Reserva do Comendador
Respondents recognizing Adega Mayor	2,09	2,57	2,87	2,03	2,49
Respondents not recognizing Adega Mayor	1,23	1,42	1,31	1,25	1,45

Price perception based on visual elements

With a similar approach to the previous analysis, it emerges the interest of comparing the sub-brands' price perception of brand aware and unaware respondents, when faced with distinctive wine's names, bottles and labels. The most significant difference between both groups occurs in sub-brand *Solista*, where several participants who were not aware of *Adega Mayor* classify it as one of the most expensive sub-brands (**Appendix 42**).

Associations with brand elements

Moreover, the same study ought to be performed for the distinctive brand elements. Concerning the corporate group, while most participants recognizing *Adega Mayor* assertively mentioned *Grupo Nabeiro*, unware respondents frequently selected incorrect alternatives (namely *Grupo Sogrape* or *Grupo José Maria da Fonseca*) (**Appendix 43**).

Despite the existing difference between brand aware and unaware groups, both tend to point Alentejo as *Adega Mayor*'s production region. Actually, this is a good indication, in such a way that Alentejo is commonly identifiable by everyone as a wine's production region (**Appendix 44**).

Regarding brand's price category, *Adega Mayor* medium-high pricing approach is massively appointed by every participant, which may result in notable conclusions (**Appendix 45**).

Finally, concerning the related artistic element, despite being Siza Vieira the highest selected element in the two groups, there were frequently selected other incorrect artists (such as Joana Vasconcelos) (**Appendix 46**).

4.7 Testing for significant differences between *Adega Mayor* drinkers and non-drinkers

Not least important, it is crucial to focus on the specific *Adega Mayor* customers and understand which are their main consumption patterns and behaviors. For that, the question "Have you ever drank any *Adega Mayor* wine?" was crossed with the different initial questions and the most important findings were summarized.

It was unsurprisingly found that *Adega Mayor* customers have a significant interest in wine, are more likely to be industry experts and dispose of higher knowledge on Portuguese wine brands than respondents who claimed not having tasted any of the sub-brands[36] (**Appendix 47**).

Concerning the attributes driving the choice of the wine's brand, it was found that *Adega Mayor* customers favored more the wine flavor and the respective region of production than the non-drinkers group, if compared in relative terms. On the other side, it is curious to notice the low preference for bottle and label design (**Appendix 48**).

The same analysis was performed regarding the communication types which the brand customers argue to influence themselves the most, being recommendations from family and friends as well as promoting events definitely the most selected ones. Proportionally to brand's non-drinkers, *Adega Mayor* customers selected more frequently the influence of the winery elements (for example, "enoturism" or architecture), which is an important achievement and proof of current brand's strategy success (**Appendix 49**).

Several significant differences regarding the places where *Adega Mayor* drinkers and non-drinkers typically access to wine were also identified. In fact, the brand customers are used to acquire less quantities of wine in hyper/supermarkets than people not drinking *Adega Mayor*. On the other hand, when purchasing wine, *Adega Mayor* consumers are more familiar with wine specialized stores and the producer channel than the remaining survey participants. These conclusions were based in an Independent Sample Test (**Appendix 50**).

When faced with several pricing questions, *Adega Mayor* customers are more likely to totally agree that restaurants generally overprice wines (**Appendix 51**).

4.8 Findings on demographic significant differences among survey participants

Concerning gender

There were found some significant differences when considering gender. Besides displaying higher brand awareness and willingness to have experimented any of the *Adega Mayor* sub-brands, male individuals also selected much more accurately the correct Corporate Group, in comparison to female respondents (**Appendix 52**).

Concerning age

In comparison to other age groups, participants between 41 and 60 years old are more likely to agree that restaurants overprice wine. Focusing on brand elements, the only existing significant difference concerns region of production, since the great majority of respondents over 41 years old correctly identified Alentejo as the wine's origin. Finally, while younger segments (16-20 and 21-40 age groups) are proportionally more influenced by social media advertising and personal interaction seller-consumer, they are also less likely to be customers of this specific brand, vis-à-vis older segments (**Appendix 53**).

Concerning income

Surprisingly, people belonging to high income levels (20.000-50.000€) tend to agree more, proportionally to respondents with less available income, that restaurants overprice wine[37]. However, the major result found is the existing significant relation that the intermediate income groups (especially the 20.000-50.000€ group) are *Adega Mayor* most loyal customers (**Appendix 54**).

4.9 Main findings from the interviews in restaurants

- restaurants tend to sell the majority of *Adega Mayor* sub-brands (*Solista* is an exception since it was not mentioned);
- customers typically ask for the specific sub-brand and not for *Adega Mayor*;
- since the brand displays a great number of sub-brands, it is possible to identify various types of consumption situations;
- customers are usually willing to pay the prices that restaurants assign to *Adega Mayor* sub-brands, as they recognize the wine's quality;
- the brand is essentially promoted and distributed through *Grupo Nabeiro* commercials (some restaurants claimed that commercials clearly put great effort on *Adega Mayor*, while others do not even mention it);
- restaurants' owners are usual readers of wine's magazines and awards' lists;

- generally, there are no contracts (namely exclusivity contracts) with *Grupo Nabeiro*;
- after drinking *Adega Mayor*, customers' feedback is actually very positive;
- *Adega Mayor* sales in restaurants had been quite stable in the last months/year;
- people typically choose historical and very recognized wine brands, being difficult for a new brand to penetrate in the market;
- restaurants' owners recommended *Adega Mayor* the usage of more discounts of quantity, which could further incentivize the purchase of a certain brand.

5 CONCLUSIONS

5.1 Closing Remarks and Recommendations

Throughout this section, it will be suggested a bundle of strategies which are likely to constitute adequate solutions for *Adega Mayor* future goals and challenges. The recommended plan of action was based on current firm's strategy and achievements, included in the Case Study; and especially in the Market Research which provided useful insights and perceptions of existing and potential customers.

How should *Adega Mayor* boost brand perception and awareness, particularly in different and younger segments?

First of all, it is relevant to highlight the positive feedback obtained from younger segments regarding wine interest and propensity to consume it. Actually, it proves that wine is not anymore exclusively associated to an older and extremely traditional approach as it was in the past. Consequently, as younger people tend to have experimented *Adega Mayor* less frequently, some measures should be undertaken to overcome this problem. Since one of the youth's preferred types of wine communication was through personal interaction, the respective solution must consider it. Therefore, it is proposed the establishing of partnerships with universities, such that the brand is promoted essentially among master's students and young executives, through distinctive events, in students' informal meetings and parties. Also, an interesting marketing case study on *Adega Mayor* could be used for teaching on marketing and strategy courses, which will forcibly guarantee students' brand awareness and curiosity to drink it. Similar strategies could be used for the architecture or agriculture students, with academic field trips to *Herdade das Argamassas*, for appreciation of both the winery design and the wine's production process, respectively.

Taking into consideration that social media was mainly mentioned by the youth segments as an efficient communication network, along with the emergence of "electronic word-of-mouth" as a powerful tool, it is recommended to increase the brand's effort on the development and spreading of advertising campaigns both in Facebook and Instagram. The initial focus of the previous strategies will essentially be on sub-brand *Caiado*, as it is the most affordable, simple and widely accepted category, especially addressed to young segments.

Adega Mayor can additionally take advantage of its close relation with design, to better approach the niche segment of art enthusiasts. Consequently, the brand should increase its presence in diverse design expositions and events, both exhibiting their artistic elements and providing wine tasting experiences.

Is *Adega Mayor* likely to introduce a penetration sub-brand without jeopardizing its medium-high pricing strategy?

When investigating the attributes driving people's brand choices, wine's flavor emerges as the top rated characteristic, ahead of price. Actually, when focusing specifically on *Adega Mayor* customers, price appears as a secondary choice attribute and price-benefit ratio is quite well rated. Also, *Adega Mayor* was strongly identified by both customers and non-customers as a medium-high pricing brand, being the majority of their drinkers included in an intermediate income group. This proves that the introduction of a low-cost edition comprises a risky move that would most likely unnecessarily change brand's pricing identity. In addition to the previous reasons, the launch of a new sub-brand will require very high marketing expenditures, which are clearly avoidable. However, it is recommended the restructuring of the cheapest sub-brand *Caiado*, concerning distribution and possibly pricing strategy, which is subsequently explained.

Should the brand redefine its distribution strategy or would preferably continue to focus on the HORECA channel?

As it was mentioned in the Case Study, *Adega Mayor* follows a distribution approach clearly based on the HORECA channel. However, there are several indicators suggesting a restructuring in the company's distribution strategy. First of all, hyper/supermarkets arise, by far, as the most used place for wine acquisition. Furthermore, there is the general perception (strongly displayed by *Adega Mayor* customers) that wine prices at restaurants are excessively high. Focusing specifically in *Adega Mayor* drinkers, the majority affirms that they are consuming the brand in other places rather than restaurants, which proves customers are seeking alternative channels. *Adega Mayor* distribution was additionally classified as a category for improvement, strongly supporting the development of alternative channels. Considering all the previous customers' perceptions, it is specifically incentivized the increasing presence of sub-brand *Caiado* in hyper/supermarkets. The current higher levels of this sub-brand production overcome the difficulties concerning entering in larger-scale distribution networks. *Caiado* selling price at hyper/supermarkets is recommended to either maintain stable or even slightly decrease, in a way that it can be used as a penetration sub-brand, instead of the introduction of an actual low-cost one. The remaining sub-brands would also be available essentially in the gourmet section of the hyper/supermarket, in order to clearly separate the distinctive sub-brands' market positioning. Preferably, *Adega Mayor* could use the link with *Grupo Nabeiro* to facilitate negotiations of store and shelf highlighting positions for the respective wine bottles.

Although *Adega Mayor* must sustain the competitive advantage of displaying the HORECA channel as its core distribution, there are some issues that could be improved. Brand commercials should be further encouraged to take into consideration that each sub-brand fits a corresponding restaurant category, changing their current undifferentiated approach to every segment.

How can the brand further increase the emotional approach with customers in order to leverage its equity?

Regarding *Adega Mayor* elements, people tend to very much associate the brand to Alentejo. Also, one of the most important attributes in customers' brand choice was the wine's production region. The previous reasons clearly support the development of an emotional approach based on Alentejo elements and feelings. As a result, it is recommended the featuring of word Alentejo in the different brand's communication activities (as an example, it might be interesting to change the brand slogan, incorporating the region name).

Moreover, the most important and recognized awards should be emphasized and massively promoted, essentially in specialized wine magazines. Since wine's flavor and texture are truly appreciated attributes, brand recognition and quality are crucial to highlight, mainly through trustworthy communication channels.

An alternative equity building approach relates to focusing on the winery elements, more precisely to "enotourism" and architecture oriented experiences. Actually, *Adega Mayor* is already a recognizable brand in the Portuguese wine tourism market, and incorporates all the conditions to further consolidate its position.

Additional considerations

Besides the described recommendations, some comments should be addressed to sub-brands *Solista* and *Pai Chão*. In comparison to the remaining, both sub-brands hold very limited awareness. At the same time, their corresponding revenue is quite reduced, being essentially targeted to niche segments. Consequently, it might be contemplated *Solista* and *Pai Chão*'s exit from the principal portfolio of sub-brands, allocating it to a different category (perhaps to Special Editions). This action would both eliminate the existing sub-brands' perception problems among customers and would contribute for improvements in price positioning along *Adega Mayor* portfolio (*Caiado* as a low/medium price; *Monte Mayor* as a medium/high price; *Reserva do Comendador* as a premium price).

5.2 Limitations and future research

Although the survey analyzed sample included an acceptable number of respondents (191), there are several limitations that should be highlighted. First of all, despite the sample's gender homogeneity, the number of participants among different age groups was quite biased (63% were between 21 and 40 years old). This fact resulted in the absence of significant relations, especially within older segments, due to the limited number of respondents. Also, only 35% of the sample constitutes *Adega Mayor* customers, which culminate in low response rates for some questions. Since the survey was essentially distributed through Facebook, it immediately narrows the sample (there are people displaying interest for wine as well as *Adega Mayor* drinkers who do not use social media). On the other side, some participants might have filled the survey without having any interest and knowledge in the wine industry, which is likely to be explained by the high dropout rate (from the 299 respondents initiating the survey, only 191 finished it).

Concerning access to valid data, the company does not purchase industry-related data, which led to some difficulties regarding incorporation of numeric features.

When considering *Adega Mayor* structure and values, there are very few competitors in the Portuguese market approaching similar strategies. Although this fact contributes to the brand competitive advantage, it also comprises a limitation, such that benchmarking analysis is hard to perform.

For future research, it is suggested the analysis of other agro-industrial similar products, where *Adega Mayor* strategic approach is likely to succeed. Moreover, it would be interesting to apply the exact same survey in one year's time and compare the results to the current ones, in order to evaluate the effect of the recommended strategies.

6 TEACHING NOTE

6.1 Synopsis

Born as a personal dream, *Adega Mayor* project constitutes the Portuguese businessman Mr. Rui Nabeiro ambition of wine production. “Passion is what moves us” says the *Comendador*, who started planting the vines in 1997. The first bottles came in 2002 and the very positive critics obtained in 2005 were the actual driver for building an aspiring project.

Characterized as a young and modern winery, *Adega Mayor* is efficiently allying wine’s exceptional quality with a design based orientation, which is clearly facilitating its differentiation within such a competitive market. Although having already achieved an important position in the Portuguese industry, the brand has all the conditions to further leverage its equity and consequently increase power and market share.

With current annual growth rate around 15% and more than 1.000.000 bottles expected to be produced in 2016, *Adega Mayor* features in an incredible HORECA network, due to synergies with *Delta Cafés*. However, it might be advantageous to strengthen other distribution channels.

Additionally, *Adega Mayor* does not include any penetration sub-brand, which would allow for brand awareness increasing, essentially within younger segments. This might be solved through the introduction of a more affordable sub-brand.

Finally, the brand’s emotional approach and *Adega Mayor*’s identification as a “design winery” ought to be consolidated. Actually, since the artistic field is clearly contrasting to the traditional methods and associations related to the wine’s industry, this design approach will only result if accurately implemented.

Considering the brand’s core values, the current industry environment and the future brand challenges, it emerges the need for improving *Adega Mayor*’s brand positioning, with the ultimate objective of achieving a sustainable growth.

6.2 Target audience, objectives and teaching plan

This Case Study can be applied in Marketing and Strategic Marketing courses both in the Bachelor and in the Master's degree. It provides students with theoretical oriented definitions of Brand Positioning, Brand Identity and Brand Equity, as well as with Communication, Distribution and Pricing Strategies. In practical terms, the Case Study incorporates a typical Portuguese industry, which is nowadays suffering enormous alterations, essentially towards the adoption of innovative and modern strategies.

Moreover, students can perfectly identify the different marketing mix elements along the Case Study. Therefore, it is strongly suggested students' clarification of the company's product, pricing, communication and distribution strategies, in order to complement the theoretical teaching. Such a practical and involving learning experience, based on a real company's operations, will guarantee the students' interest for the material.

It is recommended students' analysis and highlighting of the relevant aspects through the answer to the following questions (solutions available in **Appendix 55**):

1) **Do you believe that *Adega Mayor* founding context facilitated the initial brand leverage? Do you consider *Adega Mayor* a "design winery"? Which type of initiatives is the brand pursuing to leverage its emotional involvement with customers?**
2) **In the context of the wine industry, please dissert on the importance of the region of production. Should *Adega Mayor* highlight its Alentejo origin?**
3) **Suggest a definition to Brand Identity. Taking into consideration Dynamic Brand Identity, is the current's brand pricing strategy likely to be adapted? Please support your answer with your personal opinion.**
4) **Considering the already established HORECA channel, what are the main advantages and disadvantages of brand's increasing presence in hyper/supermarkets?**

During the class, students are expected to deliver their answers to the instructor. Afterwards, there should be created small groups, responsible for developing a short presentation on each question. Finally, groups will expose their main findings, which are expected to be complemented with professor's remarks. At the end of the class, a solution sample should be provided to students for their future study.

After the Case Study analysis, students should retain the following issues:

- understand the importance of correct brand identity setting and monitoring;
- perceive emotional approach as an alternative and efficient communication strategy;
- understand the effects of pricing and distribution strategies on brand positioning;
- realize the importance of marketing strategies in the wine industry.

7 Appendices

Appendix 1 – Portugal wine market value and volume

Year	Value (million euros)	% growth
2009	4.167,3	
2010	4.154,0	(0,3%)
2011	4.149,8	(0,1%)
2012	4.146,1	(0,1%)
2013	4.140,1	(0,1%)

Year	Volume (million liters)	% growth
2009	437,9	
2010	436,8	(0,3%)
2011	438,9	0,5%
2012	437,0	(0,4%)
2013	435,7	(0,3%)

Appendix 2 – Vineyards area in Portugal

Year	Area (hectares)
2005	238.830
2006	238.646
2007	237.588
2008	236.928
2009	234.663
2010	233.597
2011	233.680
2012	230.810
2013	224.074
2014	218.677

Appendix 3 – Ms. Rita Nabeiro and her grandfather Mr. Rui Nabeiro

Appendix 4 – Futher images of the winery

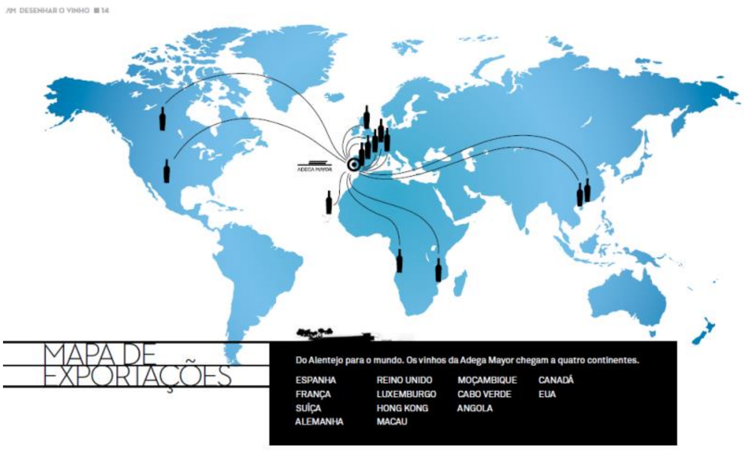
Appendix 5 – Examples of special events promoted by the brand

Appendix 6 – Brand presence at Moma's Museum in San Francisco

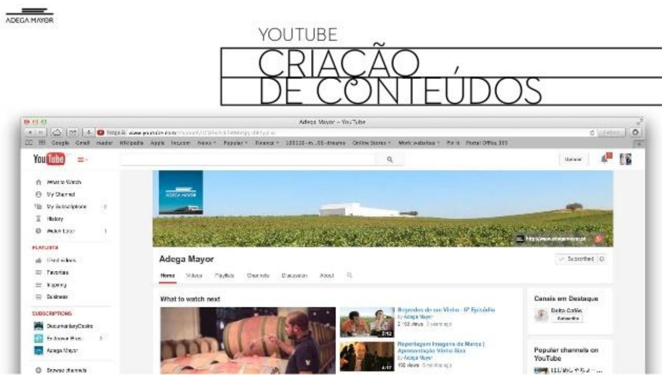
Appendix 7 – Partnerships with national chefs

Appendix 8 – Some examples of "Enoturism" experiences

Appendix 9 – Exports destinations

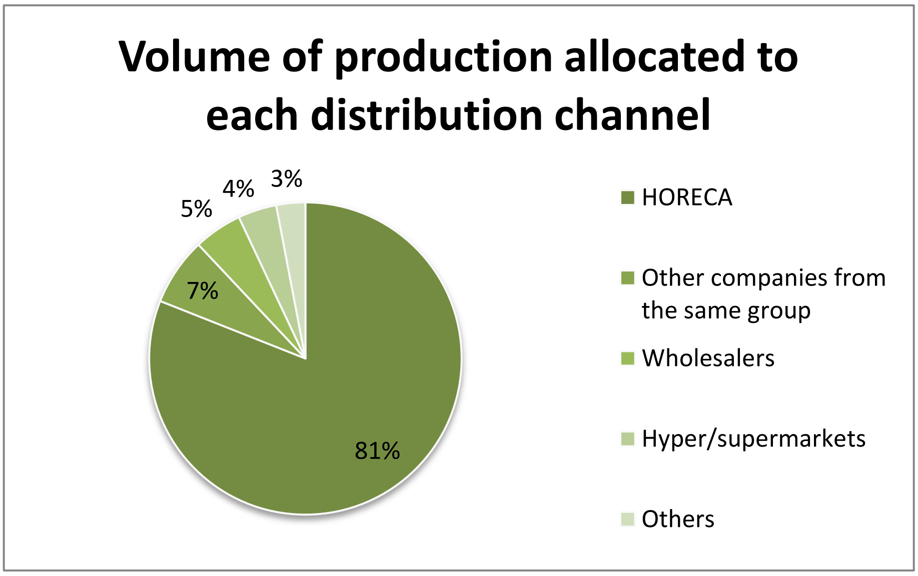


Appendix 10 – Different digital tools used by *Adega Mayor* (eg. Facebook and YouTube channel)

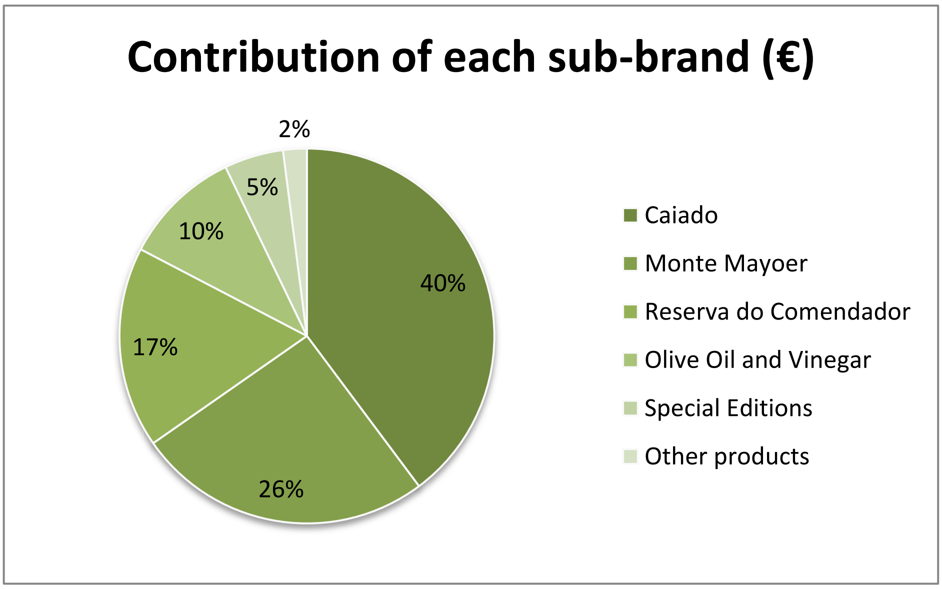


Appendix 11 – *Caiado*'s informal communication

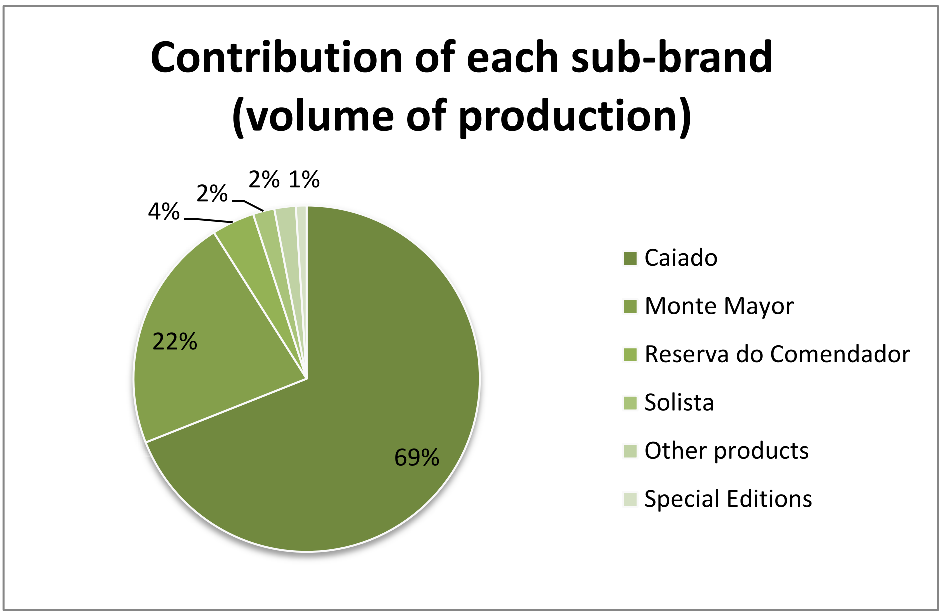
Appendix 12 – Volume of production allocated to each distribution channel



Appendix 13 – Contribution of each sub-brand in euros



Appendix 14 – Contribution of each sub-brand in volume of production



Appendix 15 – Prices of *Adega Mayor* sub-brands

Sub-brands (Special Editions not included)	Price (recommended PVP)
Caiado Red	€3.99
Caiado White	€3.99
Caiado Rosé	€3.99
Monte Mayor Red	€8.49
Monte Mayor White	€7.99
Monte Mayor Sparkling	€12.32
Solista Red	€11.90
Solista Verdelho	€7.98
Solista "Pinot Noir"	€11.90
Reserva do Comendador Red	€19.90
Reserva do Comendador White	€14.90
Pai Chão Red	€34.90

Appendix 16 – *Solista* in red, white and "pinot noir"

Appendix 17 – *Reserva do Comendador* in red and white

Appendix 18 – *Pai Chão*

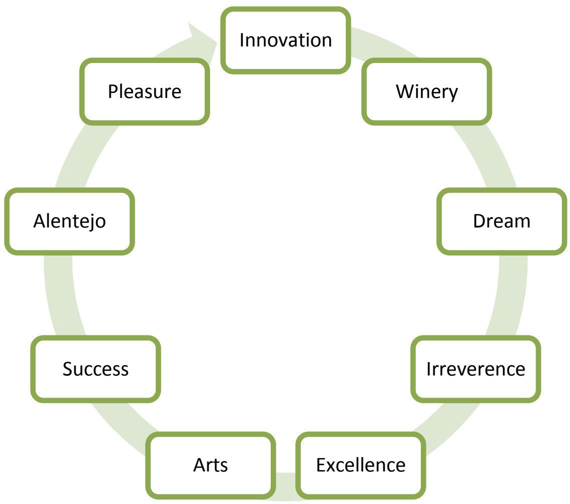
Appendix 19 – Prices of Special Editions (editions currently available)

Special edition	Price (recommended PVP)
8 (Oito)	2 bottles for €108.00
9 (Nove)	€69.00
Vitorino	€19.95
Siza	€56.00

Appendix 20 – Special editions (*Sete*, *Oito*, *Nove*, *Vitorino*, *Siza* and *Orionte*; from the left to the right)

Appendix 21 – Complementary products (olive oil, vinegar, olives, bonbons, and others)

Appendix 22 – Company's core values



Appendix 23 – Online survey

My name is Filipe Orvalho and this survey will be exclusively used for my Master's Thesis at Católica Lisbon School of Business and Economics. The study includes an analysis of the Portuguese wine consumers' general perception, specifically about a recent brand which is trying to position itself adequately in the market.

1) Please classify the following statements (1- completely disagree; 4- completely agree; 5 - do not know/ do not have opinion):

-I am a wine lover
-I am interested in the Portuguese wine industry
-I can recognize quite many Portuguese wine brands
-I like the way Portuguese wine brands communicate their products
-On average, I am satisfied with the price I pay for wine in Portugal
-On average, I have no problems finding and purchasing the wine's brand I desire

2) Which of the following attributes determine your choice of wine's brand? (please select up to 3 options)

-Flavor of the wine
-Region of production
-People linked to the brand (wine experts, famous people, others)
-Price
-Brand's coolness
-Advice from family/friends
-Bottle and label design

3) Imagine that a new wine brand is launched. Which type of communication would capture more your attention? (please select up to 3 options)

-Advertisement in social media (Facebook, Instagram, others)
-Advertisement and reporters in magazines/TV/radio
-Personal interaction seller-consumer
-Highlight elements of the winery (wine tourism, architecture, property's name, others)
-Recommendations from family/friends
-Highlight famous people linked to the brand
-Promoting events (tasting sessions, wine fairs, others)

4) Please distribute 100 points across the following places where you typically purchase wine:

-Hyper/ Supermarkets
-Restaurants
-Wine/ beverage specialized stores
-Producer
-Online store

5) Regarding the price of the wine you purchase, please classify the following statements (1- completely disagree; 4- completely agree; 5 - do not know/ do not have opinion):

-In general, I think restaurants overprice their wines
-I avoid drinking some wine brands at restaurants due to its high price
-I am willing to pay a higher price for a wine at a restaurant than at the supermarket

-If I find a cheaper but still same quality wine's brand than I am used to purchase, it would make me change my brand's choice
-I drink both cheap and expensive wines
-I am willing to pay a high price for a premium wine

6) Do you know the wine's brand "Adega Mayor"? (Yes/No)

7) Regarding your awareness of the following "Adega Mayor" sub-brands, please classify them (1- never heard it; 4- recognize it perfectly):

-"Solista"
-"Caiado"
-"Monte Mayor"
-"Pai Chão"
-"Reserva do Comendador"

8) Accordingly to your visual and name's perception, please order from 1 to 5 the following wine bottles concerning their price (1- corresponds to the cheapest wine; 5- corresponds to the most expensive wine):

Solista | Caiado | Monte Mayor | Pai Chão | Reserva do Comendador

9) From the following groups of elements please select the one, in each group, that best associates to the brand "Adega Mayor":

Corporate Group – Grupo Sogrape, Grupo Nabeiro, Grupo Mello, Grupo José Maria da Fonseca
Region of Production – Douro, Dão, Alentejo, Extremadura
Price Category – Low-cost, medium-high, premium, super-luxury
Artistic Elements – Siza Vieira, Joana Vasconcelos, Mariza, Fernando Pessoa

10) Have you ever drank any of the previous "Adega Mayor" sub-brands? (Yes/No)
Consider the following sub-brands: Caiado, Monte Mayor, Solista, Reserva do Comendador, Pai Chão

(If the respondent answers NO, the survey continues in question 14)

11) Regarding the place where you normally acquire "Adega Mayor" wine, please classify the following statements (1- completely disagree; 4- completely agree; 5 - do not know/ do not have opinion)

-I only drink “Adega Mayor” wines at restaurants
-I would like to have more “Adega Mayor” wines available at supermarkets/wine stores
-I think “Adega Mayor” should improve its distribution through the producer
-I think “Adega Mayor” should improve its distribution through the online channel

12) How do you classify “Adega Mayor” in the following characteristics? (1-100 scale)

-flavor/texture of the wine
-relation price-benefit
-way the brand is communicated/promoted
-easiness to find/purchase the brand

13) Do you have any more comment regarding the Portuguese wine industry or specifically about brand “Adega Mayor”?

14) What is your gender?

-Male
-Female

15) How old are you?

16-20
21-40
41-60
>61

16) What is you level of schooling?

-Primary school
-Basic school
-Secondary school
-Bachelor
-Masters
-PhD

17) What is your annual income?

< €10.000
€10.000 – €20.000
€20.000 – €50.000
> €50.000

Appendix 24 – Interview script for restaurants

Initial

- Do you sell in your restaurant wine from the brand "Adega Mayor" (AM)? Which sub-brands?
- Do people ask for information about AM brand? Do they usually ask for AM wine or for a specific sub-brand?
- Have you heard from your clients any type of comments about the brand? (before consumption, while ordering)

Consumption habits

- Do you notice any trend regarding the consumption habits of the brand and the respective sub-brands? (consumers' age, tourist/business/family consumer, dish type, lunch/dinner, others)

Price

- What are the prices at your restaurant for AM wines?
- Do you feel that consumers are willing to pay it? Or do you feel that sometimes consumers do not drink it for being too expensive? In which sub-brands do this happen?

- Regarding the price you pay for AM wine, do you consider it a fair price in relation to other brands you purchase? Can you practice your usual margin?
- Do you have any type of contract with the brand? Can you access any type of discounts?

Communication

- What types of communication channel are being used to promote brand AM with restaurants? Do you consider it to be efficient?
- What type of communication make you buy more wine of a certain brand?
- Do you consult lists of wine awards? Specialized wine magazines? Consumers' ratings? Expertise recommendation?

Distribution

- How do you get your wine brands to your restaurant? (wholesaler, retailer, directly from the winery)
- And in the case of AM wine, what is the mostly used distribution channel? Do you have any type of contract with the brand? Are you satisfied with it?

Final

- What is the overall consumers' feedback regarding AM brand? (after consumption)
- What was the evolution of sales of AM wine at you restaurant? Do you feel that people are currently more aware of the brand?
- Do you feel that it is difficult for your customers to try new wine brands that they never heard/tasted in the past? Do they very much prefer to drink historical and reputed brands?

- In your case, are you satisfied with the overall service provided by AM brand?
- Approximately which percentage of your customers asks for recommendation regarding wine? Do you recommend by yourself AM wines? Do you consider it to be a good quality wine? Why?
- What specific features would you mention that best describe the brand?

Appendix 25 – Sample demographic description

What is your gender?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	104	54,5	54,5	54,5
	Female	87	45,5	45,5	100,0
	Total	191	100,0	100,0	

How old are you?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	16-20	31	16,2	16,2	16,2
	21-40	120	62,8	62,8	79,1
	41-60	36	18,8	18,8	97,9
	>61	4	2,1	2,1	100,0
	Total	191	100,0	100,0	

What is you level of schooling?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Basic school	2	1,0	1,0	1,0
	Secondary school	25	13,1	13,1	14,1
	Bachelor	109	57,1	57,1	71,2
	Masters	54	28,3	28,3	99,5
	PhD	1	,5	,5	100,0
	Total	191	100,0	100,0	

What is your annual income?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	<10.000 €	99	51,8	54,7	54,7
	10.000 – 20.000 €	43	22,5	23,8	78,5
	20.000 – 50.000 €	28	14,7	15,5	93,9
	>50.000 €	11	5,8	6,1	100,0
	Total	181	94,8	100,0	
Missing	System	10	5,2		
Total		191	100,0		

Appendix 26 – Respondents' expertise and interest on wine

Please classify the following statements: -I am a wine lover

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Completely disagree	13	6,8	6,8	6,8
	Partially disagree	20	10,5	10,5	17,3
	Partially agree	67	35,1	35,1	52,4
	Completely agree	87	45,5	45,5	97,9
	Do not know/ Do not have opinion	4	2,1	2,1	100,0
	Total	191	100,0	100,0	

Please classify the following statements: -I am interested in the Portuguese wine industry

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Completely disagree	9	4,7	4,7	4,7
	Partially disagree	27	14,1	14,1	18,8
	Partially agree	79	41,4	41,4	60,2
	Completely agree	71	37,2	37,2	97,4
	Do not know/ Do not have opinion	5	2,6	2,6	100,0
	Total	191	100,0	100,0	

Please classify the following statements: -I can recognize quite many Portuguese wine brands

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Completely disagree	12	6,3	6,3	6,3
	Partially disagree	29	15,2	15,2	21,5
	Partially agree	87	45,5	45,5	67,0
	Completely agree	60	31,4	31,4	98,4
	Do not know/ Do not have opinion	3	1,6	1,6	100,0
	Total	191	100,0	100,0	

Appendix 27 – Respondents' interest on wine among age groups

Crosstabulation between "I am a wine lover" and "How old are you?"

		Please classify the following statements: -I am a wine lover					
		Do not agree at all	Partially disagree	Partially agree	Completely agree	Do not know/ Do not have opinion	Total
How old are you?	16-20	3	2	14	10	2	31
	21-40	9	17	41	51	2	120
	41-60	1	1	10	24	0	36
	>61	0	0	2	2	0	4
Total		13	20	67	87	4	191

Appendix 28 – Respondents' satisfaction with wine

Please classify the following statements: -I like the way Portuguese wine brands communicate their products

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Completely disagree	5	2,6	2,6	2,6
	Partially disagree	29	15,2	15,2	17,8
	Partially agree	105	55,0	55,0	72,8
	Completely agree	27	14,1	14,1	86,9
	Do not know/ Do not have opinion	25	13,1	13,1	100,0
	Total	191	100,0	100,0	

Please classify the following statements: -On average, I am satisfied with the price I pay for wine in Portugal

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Completely disagree	1	,5	,5	,5
	Partially disagree	14	7,3	7,3	7,9
	Partially agree	88	46,1	46,1	53,9
	Completely agree	72	37,7	37,7	91,6
	Do not know/ Do not have opinion	16	8,4	8,4	100,0
	Total	191	100,0	100,0	

Please classify the following statements: -On average, I have no problems finding and purchasing the wine's brand I desire

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Completely disagree	5	2,6	2,6	2,6
	Partially disagree	19	9,9	9,9	12,6
	Partially agree	65	34,0	34,0	46,6
	Completely agree	83	43,5	43,5	90,1
	Do not know/ Do not have opinion	19	9,9	9,9	100,0
	Total	191	100,0	100,0	

Appendix 29 – Crucial attributes driving wine's brand choice

Statistics

		Which of the following attributes determine your choice of wine's brand? - Flavor of the wine	Which of the following attributes determine your choice of wine's brand? - Region of production	Which of the following attributes determine your choice of wine's brand? - People linked to the brand (wine expert, famous people, others)	Which of the following attributes determine your choice of wine's brand? -Price	Which of the following attributes determine your choice of wine's brand? - Brand's coolness	Which of the following attributes determine your choice of wine's brand? - Advice from family/friends	Which of the following attributes determine your choice of wine's brand? -Bottle and label design
N	Valid	134	106	14	127	5	118	24
	Missing	57	85	177	64	186	73	167

Appendix 30 – Most influential communication types

Statistics

		Imagine that a new wine's brand is launched. Which type of communication would capture more your attention? - Advertisement in social media (facebook, Instagram, others)	Imagine that a new wine's brand is launched. Which type of communication would capture more your attention? - Advertisement and reporters in magazines/TV/radio	Imagine that a new wine's brand is launched. Which type of communication would capture more your attention? - Personal interaction seller-consumer	Imagine that a new wine's brand is launched. Which type of communication would capture more your attention? - Highlight elements of the winery (wine tourism, architecture, property's name, others)	Imagine that a new wine's brand is launched. Which type of communication would capture more your attention? - Recommendations from family/friends	Imagine that a new wine's brand is launched. Which type of communication would capture more your attention? - Highlight famous people linked to the brand	Imagine that a new wine's brand is launched. Which type of communication would capture more your attention? - Promoting events (tasting sessions, wine fairs, others)
N	Valid	55	86	65	62	131	10	115
	Missing	136	105	126	129	60	181	76

Appendix 31 – Places used to purchase wine

Statistics

		Please distribute 100 points across the following places where you typically purchase wine: - Hyper/ Supermarkets	Please distribute 100 points across the following places where you typically purchase wine: - Restaurants	Please distribute 100 points across the following places where you typically purchase wine: - Wine/ beverage specialized stores	Please distribute 100 points across the following places where you typically purchase wine: - Producer	Please distribute 100 points across the following places where you typically purchase wine: - Online store
N	Valid	190	188	189	187	191
	Missing	1	3	2	4	0
Mean		56,7263	20,4415	13,9101	8,3476	1,5131

Appendix 32 – Pricing considerations on wine

Regarding the price of the wine you purchase, please classify the following statements: -In general, I think restaurants overprice their wines

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Completely disagree	1	,5	,5	,5
	Partially disagree	21	11,0	11,0	11,5
	Partially agree	79	41,4	41,4	52,9
	Completely agree	77	40,3	40,3	93,2
	Do not know/ Do not have opinion	13	6,8	6,8	100,0
	Total	191	100,0	100,0	

Regarding the price of the wine you purchase, please classify the following statements: -I avoid drinking some wine brands at restaurants due to its high price

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Completely disagree	6	3,1	3,1	3,1
	Partially disagree	9	4,7	4,7	7,9
	Partially agree	50	26,2	26,2	34,0
	Completely agree	113	59,2	59,2	93,2
	Do not know/ Do not have opinion	13	6,8	6,8	100,0
	Total	191	100,0	100,0	

Regarding the price of the wine you purchase, please classify the following statements: -I am willing to pay a higher price for a wine at a restaurant than at the supermarket

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Completely disagree	26	13,6	13,6	13,6
	Partially disagree	23	12,0	12,0	25,7
	Partially agree	79	41,4	41,4	67,0
	Completely agree	56	29,3	29,3	96,3
	Do not know/ Do not have opinion	7	3,7	3,7	100,0
	Total	191	100,0	100,0	

Regarding the price of the wine you purchase, please classify the following statements: -I am willing to pay a high price for a premium wine

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Completely disagree	14	7,3	7,3	7,3
	Partially disagree	27	14,1	14,1	21,5
	Partially agree	89	46,6	46,6	68,1
	Completely agree	52	27,2	27,2	95,3
	Do not know/ Do not have opinion	9	4,7	4,7	100,0
	Total	191	100,0	100,0	

Appendix 33 – *Adega Mayor* awareness

Do you know the wine's brand "Adega Mayor"?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	76	39,8	39,8	39,8
	No	115	60,2	60,2	100,0
	Total	191	100,0	100,0	

Appendix 34 – Sub-brands' awareness

		Regarding your awareness of the following "Adega Mayor" sub-brands, please classify them: -"Solista"	Regarding your awareness of the following "Adega Mayor" sub-brands, please classify them: -"Caiado"	Regarding your awareness of the following "Adega Mayor" sub-brands, please classify them: -"Monte Mayor"	Regarding your awareness of the following "Adega Mayor" sub-brands, please classify them: -"Pai Chão"	Regarding your awareness of the following "Adega Mayor" sub-brands, please classify them: -"Reserva do Comendador"
N	Valid	191	191	191	191	191
	Missing	0	0	0	0	0
Mean		1,57	1,87	1,93	1,56	1,86

Appendix 35 – Pricing classification based on visual perception

Statistics

		Accordingly to your visual and name's perception, please order from 1 to 5 the following wine bottles concerning their price: "Solista"	Accordingly to your visual and name's perception, please order from 1 to 5 the following wine bottles concerning their price: "Caiado"	Accordingly to your visual and name's perception, please order from 1 to 5 the following wine bottles concerning their price: "Monte Mayor"	Accordingly to your visual and name's perception, please order from 1 to 5 the following wine bottles concerning their price: "Pai Chão"	Accordingly to your visual and name's perception, please order from 1 to 5 the following wine bottles concerning their price: "Reseva do Comendador"
N	Valid	180	180	180	180	180
	Missing	11	11	11	11	11
Mean		3,2056	1,3778	2,7611	3,4500	4,2056

Appendix 36 – Associations with brand elements

From the following groups of elements please select the one, in each group, that best associates to the brand "Adega Mayor": Corporate Group

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Grupo Sogrape	41	21,5	21,5	21,5
	Grupo Nabeiro	93	48,7	48,7	70,2
	Grupo Mello	17	8,9	8,9	79,1
	Grupo José Maria da Fonseca	40	20,9	20,9	100,0
	Total	191	100,0	100,0	

From the following groups of elements please select the one, in each group, that best associates to the brand "Adega Mayor": Region of Production

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Douro	31	16,2	16,2	16,2
	Dão	14	7,3	7,3	23,6
	Alentejo	122	63,9	63,9	87,4
	Extremadura	24	12,6	12,6	100,0
	Total	191	100,0	100,0	

From the following groups of elements please select the one, in each group, that best associates to the brand “Adega Mayor”: Price Category

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Low-cost	12	6,3	6,3	6,3
	Medium-high	162	84,8	84,8	91,1
	Premium	17	8,9	8,9	100,0
	Total	191	100,0	100,0	

From the following groups of elements please select the one, in each group, that best associates to the brand “Adega Mayor”: Artistic Elements

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Siza Vieira	96	50,3	50,3	50,3
	Joana Vasconcelos	50	26,2	26,2	76,4
	Mariza	21	11,0	11,0	87,4
	Fernando Pessoa	24	12,6	12,6	100,0
	Total	191	100,0	100,0	

Appendix 37 – *Adega Mayor* customers

Have you ever drank any of the previous “Adega Mayor” sub-brands?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	68	35,6	35,6	35,6
	No	123	64,4	64,4	100,0
	Total	191	100,0	100,0	

Appendix 38 – Evaluating the number of *Adega Mayor* customers based on their brand awareness

Crosstabulation

		Have you ever drank any of the previous "Adega Mayor" sub-brands? (Consider the following sub-brands: Caiado, Monte Mayor, Solista, Reserva do Comendador, Pai Chão)		Total
		Yes	No	
Do you know the wine's brand "Adega Mayor"?	Yes	49	27	76
	No	19	96	115
Total		68	123	191

Appendix 39 – *Adega Mayor* wine distribution

Regarding the place where you normally acquire "Adega Mayor" wine, please classify the following statements: -I only drink "Adega Mayor" wines at restaurants

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Completely disagree	23	12,0	33,8	33,8
	Partially disagree	24	12,6	35,3	69,1
	Partially agree	13	6,8	19,1	88,2
	Completely agree	4	2,1	5,9	94,1
	Do not know/Do not have opinion	4	2,1	5,9	100,0
	Total	68	35,6	100,0	
Missing	System	123	64,4		
Total		191	100,0		

Regarding the place where you normally acquire "Adega Mayor" wine, please classify the following statements: -I would like to have more "Adega Mayor" wines available at supermarkets/wine stores

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Completely disagree	2	1,0	2,9	2,9
	Partially disagree	12	6,3	17,6	20,6
	Partially agree	30	15,7	44,1	64,7
	Completely agree	19	9,9	27,9	92,6
	Do not know/Do not have opinion	5	2,6	7,4	100,0
	Total	68	35,6	100,0	
Missing	System	123	64,4		
Total		191	100,0		

Regarding the place where you normally acquire "Adega Mayor" wine, please classify the following statements: -I think "Adega Mayor" should improve its distribution through the producer

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Completely disagree	3	1,6	4,4	4,4
	Partially disagree	11	5,8	16,2	20,6
	Partially agree	31	16,2	45,6	66,2
	Completely agree	7	3,7	10,3	76,5
	Do not know/Do not have opinion	16	8,4	23,5	100,0
	Total	68	35,6	100,0	
Missing	System	123	64,4		
Total		191	100,0		

Regarding the place where you normally acquire "Adega Mayor" wine, please classify the following statements: -I think "Adega Mayor" should improve its distribution through the online channel

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Completely disagree	4	2,1	5,9	5,9
	Partially disagree	11	5,8	16,2	22,1
	Partially agree	23	12,0	33,8	55,9
	Completely agree	10	5,2	14,7	70,6
	Do not know/ Do not have opinion	20	10,5	29,4	100,0
	Total	68	35,6	100,0	
Missing	System	123	64,4		
Total		191	100,0		

Appendix 40 –*Adega Mayor* customers' evaluation

		How do you classify Adega Mayor in the following characteristics? -flavor/texture of the wine	How do you classify Adega Mayor in the following characteristics? -relation price-benefit	How do you classify Adega Mayor in the following characteristics? -way the brand is communicated/promoted	How do you classify Adega Mayor in the following characteristics? -easiness to find/purchase the brand
N	Valid	67	65	65	65
	Missing	124	126	126	126
Mean		68,2985	61,8615	51,3385	54,8462

Appendix 41 – Sub-brands' awareness for *Adega Mayor* aware and unaware participants

Group Statistics

	Do you know the wine's brand "Adega Mayor"?	N	Mean	Std. Deviation	Std. Error Mean
Regarding your awareness of the following "Adega Mayor" sub-brands, please classify them: -"Solista"	Yes	76	2,09	1,073	,123
	No	115	1,23	,547	,051
Regarding your awareness of the following "Adega Mayor" sub-brands, please classify them: -"Caiado"	Yes	76	2,57	1,075	,123
	No	115	1,42	,737	,069
Regarding your awareness of the following "Adega Mayor" sub-brands, please classify them: -"Monte Mayor"	Yes	76	2,87	,838	,096
	No	115	1,31	,667	,062
Regarding your awareness of the following "Adega Mayor" sub-brands, please classify them: -"Pai Chão"	Yes	76	2,03	1,032	,118
	No	115	1,25	,619	,058
Regarding your awareness of the following "Adega Mayor" sub-brands, please classify them: -"Reserva do Comendador"	Yes	76	2,49	1,000	,115
	No	115	1,45	,752	,070

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means				
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference
Regarding your awareness of the following "Adega Mayor" sub-brands, please classify them: -"Solista"	Equal variances assumed	59,242	,000	7,337	189	,000	,866	,118
	Equal variances not assumed			6,500	101,021	,000	,866	,133
Regarding your awareness of the following "Adega Mayor" sub-brands, please classify them: -"Caiado"	Equal variances assumed	24,933	,000	8,760	189	,000	1,148	,131
	Equal variances not assumed			8,134	121,171	,000	1,148	,141
Regarding your awareness of the following "Adega Mayor" sub-brands, please classify them: -"Monte Mayor"	Equal variances assumed	3,986	,047	14,224	189	,000	1,555	,109
	Equal variances not assumed			13,583	135,338	,000	1,555	,115
Regarding your awareness of the following "Adega Mayor" sub-brands, please classify them: -"Pai Chão"	Equal variances assumed	27,634	,000	6,475	189	,000	,774	,120
	Equal variances not assumed			5,876	110,758	,000	,774	,132
Regarding your awareness of the following "Adega Mayor" sub-brands, please classify them: -"Reserva do Comendador"	Equal variances assumed	14,044	,000	8,148	189	,000	1,035	,127
	Equal variances not assumed			7,696	129,646	,000	1,035	,134

Appendix 42 – Price perception based on visual elements for brand aware and unaware participants

Crosstab

		Accordingly to your visual and name's perception, please order from 1 to 5 the following wine bottles concerning their price: "Solista"					Total
		1,00	2,00	3,00	4,00	5,00	
Do you know the wine's brand "Adega Mayor"?	Yes	5	23	29	6	10	73
	No	8	18	33	18	30	107
Total		13	41	62	24	40	180

Appendix 43 – Corporate Group association for brand aware and unaware participants

Crosstab

		From the following groups of elements please select the one, in each group, that best associates to the brand "Adega Mayor": Corporate Group				Total
		Grupo Sogrape	Grupo Nabeiro	Grupo Mello	Grupo José Maria da Fonseca	
Do you know the wine's brand "Adega Mayor"?	Yes	11	54	3	8	76
	No	30	39	14	32	115
Total		41	93	17	40	191

Appendix 44 – Region of Production association for brand aware and unaware participants

Crosstab

		From the following groups of elements please select the one, in each group, that best associates to the brand "Adega Mayor": Region of Production				
		Douro	Dão	Alentejo	Extremadura	Total
Do you know the wine's brand "Adega Mayor"?	Yes	5	3	62	6	76
	No	26	11	60	18	115
Total		31	14	122	24	191

Appendix 45 - Price Category association for brand aware and unaware participants

Crosstab

		From the following groups of elements please select the one, in each group, that best associates to the brand "Adega Mayor": Price Category			
		Low-cost	Medium-high	Premium	Total
Do you know the wine's brand "Adega Mayor"?	Yes	4	65	7	76
	No	8	97	10	115
Total		12	162	17	191

Appendix 46 – Artistic Element association for brand aware and unaware participants

Crosstab

		From the following groups of elements please select the one, in each group, that best associates to the brand "Adega Mayor": Artistic Elements				
		Siza Vieira	Joana Vasconcelos	Mariza	Fernando Pessoa	Total
Do you know the wine's brand "Adega Mayor"?	Yes	46	20	6	4	76
	No	50	30	15	20	115
Total		96	50	21	24	191

Appendix 47 – Interest and expertise on wine among *Adega Mayor* drinkers and non-drinkers

Crosstab

		Please classify the following statements: -I am a wine lover					
		Completely disagree	Partially disagree	Partially agree	Completely agree	Do not know/ Do not have opinion	Total
Have you ever drank any of the previous "Adega Mayor" sub-brands?	Yes	1	2	22	43	0	68
	No	12	18	45	44	4	123
Total		13	20	67	87	4	191

Crosstab

		Please classify the following statements: -I am interested in the Portuguese wine industry					
		Completely disagree	Partially disagree	Partially agree	Completely agree	Do not know/ Do not have opinion	Total
Have you ever drank any of the previous "Adega Mayor" sub-brands?	Yes	0	3	26	38	1	68
	No	9	24	53	33	4	123
Total		9	27	79	71	5	191

Crosstab

		Please classify the following statements: -I can recognize quite many Portuguese wine brands					
		Completely disagree	Partially disagree	Partially agree	Completely agree	Do not know/ Do not have opinion	Total
Have you ever drank any of the previous "Adega Mayor" sub-brands?	Yes	1	3	27	37	0	68
	No	11	26	60	23	3	123
Total		12	29	87	60	3	191

Appendix 48 – Wine attributes proportionally more/less mentioned by *Adega Mayor* customers

Crosstab

		Which of the following attributes determine your choice of wine's brand? -Flavor of the wine	
		1	Total
Have you ever drank any of the previous "Adega Mayor" sub-brands?	Yes	58	58
	No	76	76
Total		134	134

Crosstab

		Which of the following attributes determine your choice of wine's brand? -Region of production	
		1	Total
Have you ever drank any of the previous "Adega Mayor" sub-brands?	Yes	48	48
	No	58	58
Total		106	106

Crosstab

		Which of the following attributes determine your choice of wine's brand? -Bottle and label design	
		1	Total
Have you ever drank any of the previous "Adega Mayor" sub-brands?	Yes	5	5
	No	19	19
Total		24	24

Appendix 49 – Communication types proportionally more mentioned by *Adega Mayor* customers

Crosstab

		Imagine that a new wine's brand is launched. Which type of communication would capture more your attention? - Highlight elements of the winery (wine tourism, architecture, property's name, others)	
		1	Total
Have you ever drank any of the previous "Adega Mayor" sub-brands?	Yes	28	28
	No	34	34
Total		62	62

Appendix 50 – Places used to purchase wine among *Adega Mayor* drinkers and non-drinkers

Group Statistics

	Have you ever drank any of the previous "Adega Mayor" sub-brands?	N	Mean	Std. Deviation	Std. Error Mean
Please distribute 100 points across the following places where you typically purchase wine: -Hyper/ Supermarkets	Yes	67	46,5672	26,73111	3,26572
	No	123	62,2602	27,01027	2,43543
Please distribute 100 points across the following places where you typically purchase wine: -Restaurants	Yes	68	20,7794	20,89194	2,53352
	No	120	20,2500	19,50921	1,78094
Please distribute 100 points across the following places where you typically purchase wine: -Wine/ beverage specialized stores	Yes	67	18,8657	21,35905	2,60942
	No	122	11,1885	18,02264	1,63169
Please distribute 100 points across the following places where you typically purchase wine: -Producer	Yes	66	12,9091	18,91497	2,32827
	No	121	5,8595	11,04106	1,00373
Please distribute 100 points across the following places where you typically purchase wine: -Online store	Yes	68	2,2206	6,76657	,82057
	No	123	1,1220	4,94160	,44557

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means				
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference
Please distribute 100 points across the following places where you typically purchase wine: -Hyper/ Supermarkets	Equal variances assumed	,000	,999	-3,840	188	,000	-15,69300	4,08641
	Equal variances not assumed			-3,852	136,916	,000	-15,69300	4,07386
Please distribute 100 points across the following places where you typically purchase wine: -Restaurants	Equal variances assumed	,031	,861	,174	186	,862	,52941	3,03851
	Equal variances not assumed			,171	131,497	,865	,52941	3,09685
Please distribute 100 points across the following places where you typically purchase wine: -Wine/ beverage specialized stores	Equal variances assumed	,924	,338	2,621	187	,010	7,67715	2,92962
	Equal variances not assumed			2,495	117,874	,014	7,67715	3,07758
Please distribute 100 points across the following places where you typically purchase wine: -Producer	Equal variances assumed	14,207	,000	3,219	185	,002	7,04959	2,18977
	Equal variances not assumed			2,780	89,727	,007	7,04959	2,53542
Please distribute 100 points across the following places where you typically purchase wine: -Online store	Equal variances assumed	4,886	,028	1,285	189	,200	1,09864	,85476
	Equal variances not assumed			1,177	107,216	,242	1,09864	,93374

Appendix 51 – Pricing considerations among *Adega Mayor* drinkers and non-drinkers

Crosstab

		Regarding the price of the wine you purchase, please classify the following statements: -In general, I think restaurants overprice their wines					Total
		Completely disagree	Partially disagree	Partially agree	Completely agree	Do not know/ Do not have opinion	
Have you ever drank any of the previous "Adega Mayor" sub-brands?	Yes	1	8	22	37	0	68
	No	0	13	57	40	13	123
Total		1	21	79	77	13	191

Appendix 52 – Findings on significant differences among different gender participants

What is your gender? * Do you know the wine's brand "Adega Mayor"? Crosstabulation

		Do you know the wine's brand "Adega Mayor"?		Total
		Yes	No	
What is your gender?	Male	52	52	104
	Female	24	63	87
Total		76	115	191

What is your gender? * Have you ever drank any of the previous "Adega Mayor" sub-brands? Crosstabulation

		Have you ever drank any of the previous "Adega Mayor" sub-brands?		Total
		Yes	No	
What is your gender?	Male	46	58	104
	Female	22	65	87
Total		68	123	191

Crosstab

		From the following groups of elements please select the one, in each group, that best associates to the brand "Adega Mayor": Corporate Group				Total
		Grupo Sogrape	Grupo Nabeiro	Grupo Mello	Grupo José Maria da Fonseca	
What is your gender?	Male	23	61	8	12	104
	Female	18	32	9	28	87
Total		41	93	17	40	191

Appendix 53 – Findings on significant differences among different age group participants

Crosstab

		Regarding the price of the wine you purchase, please classify the following statements: -In general, I think restaurants overprice their wines					Total
		Completely disagree	Partially disagree	Partially agree	Completely agree	Do not know/ Do not have opinion	
How old are you?	16-20	1	2	16	8	4	31
	21-40	0	18	55	39	8	120
	41-60	0	0	7	28	1	36
	>61	0	1	1	2	0	4
Total		1	21	79	77	13	191

Crosstab

		Imagine that a new wine's brand is launched. Which type of communication would capture more your attention? - Advertisement in social media (facebook, Instagram, others)	Total
		1	
How old are you?	16-20	10	10
	21-40	36	36
	41-60	8	8
	>61	1	1
Total		55	55

Crosstab

		Imagine that a new wine's brand is launched. Which type of communication would capture more your attention? - Personal interaction seller-consumer	Total
		1	
How old are you?	16-20	13	13
	21-40	43	43
	41-60	8	8
	>61	1	1
Total		65	65

Crosstab

		From the following groups of elements please select the one, in each group, that best associates to the brand "Adega Mayor": Region of Production				Total
		Douro	Dão	Alentejo	Extremadura	
How old are you?	16-20	9	0	18	4	31
	21-40	21	14	68	17	120
	41-60	1	0	32	3	36
	>61	0	0	4	0	4
Total		31	14	122	24	191

How old are you? * Have you ever drank any of the previous "Adega Mayor" sub-brands? Crosstabulation

		Have you ever drank any of the previous "Adega Mayor" sub-brands?		Total
		Yes	No	
How old are you?	16-20	7	24	31
	21-40	43	77	120
	41-60	16	20	36
	>61	2	2	4
Total		68	123	191

Appendix 54 - Findings on significant differences among different income group participants

Crosstab

		Regarding the price of the wine you purchase, please classify the following statements: -In general, I think restaurants overprice their wines					Total
		Completely disagree	Partially disagree	Partially agree	Completely agree	Do not know/ Do not have opinion	
What is your annual income?	<10.000 €	1	13	47	28	10	99
	10.000 – 20.000 €	0	4	15	24	0	43
	20.000 – 50.000 €	0	0	7	21	0	28
	>50.000 €	0	0	6	3	2	11
Total		1	17	75	76	12	181

What is your annual income? * Have you ever drank any of the previous “Adega Mayor” sub-brands? Crosstabulation

		Have you ever drank any of the previous “Adega Mayor” sub-brands?		
		Yes	No	Total
What is your annual income?	<10.000 €	29	70	99
	10.000 – 20.000 €	18	25	43
	20.000 – 50.000 €	16	12	28
	>50.000 €	2	9	11
Total		65	116	181

Appendix 55 – Solutions for the Teaching Note Questions

Question 1 – Look at paragraph (3.2.1), (3.2.2.2), (3.2.2.3), (3.2.2.4) in pages 17-20; and (3.2.3.6) in page 24.

Question 2 – Look at paragraph (2.3.3) in page 11; (3.2.2.5) in page 20; “Crucial attributes driving wine’s brand choice” in page 32; “Associations with brand elements” in page 35; and “How can the brand further increase the emotional approach with customers in order to leverage its equity?” in page 45.

Question 3 – Look at paragraph (2.1) in page 8; (3.2.5) in page 26; “Associations with brand elements” in page 35; and “Is Adega Mayor likely to introduce a penetration sub-brand without jeopardizing its medium-high pricing strategy?” in page 44.

Question 4 – Look at paragraph (3.2.2.6) in page 21; (3.2.6) in page 27; “Places used to purchase wine” in page 33; “Adega Mayor wine distribution” in page 37 and “Should the brand redefine its distribution strategy or would preferably continue to focus on the HORECA channel?” in page 44.

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8.3 List of Endnotes

[1] A total of 3 meetings were conducted with the company's Marketing Department (Ms. Mónica Oliveira, Ms. Carmen Pinto and Ms. Catarina Matos)

[2] 3 restaurants' owners were interviewed: Pedro Gomes from "Casa das Enguias", Pedro Cardoso from "Solar dos Presuntos" and Manuel Rosalino from "O Caçador"

[3] David Keys, A. (2003)

[4] Myers, K. (2014)

[5] Wineofthemonthclub.com (2015)

[6] Oiv.int (2014)

[7] Artero A, e. (2015)

[8] Ivv.min-agricultura.pt (2015)

[9] Viniportugal.pt (2015)

[10] Wine Industry Profile: Portugal (2014) by MarketLine

[11] Ivv.min-agricultura.pt (2015)

[12] This SWOT analysis was based in the following document: "da Silva, F. (2015). Informação Empresarial - Sector Nacional de Vinhos/ Grupo Sogrape"

[13] Ivv.min-agricultura.pt (2013)

[14] Winesofportugal.com (2015)

[15] Agrotec.pt (2014)

[16] Look at **Figure 1**

[17] All the data in section "The Company: Adega Mayor" was essentially provided by the interviews with the company's Marketing Team. It was complemented with two Institutional Presentations: "Oliveira, M. (2015). *Apresentação Adega Mayor"* and "Oliveira, M. (2015). *Desenhar o Vinho".* Finally, the access to the company's Website, Facebook page and Youtube channel was also useful

[18] By Walt Disney

[19] More information available in Adegamayor.pt (2015), *RUI NABEIRO*

[20] More information available in Cps.pt (2015)

[21] More information available in Elias, A. (2010)

[22] More information available in Durand, R. (2015)

[23] More information available in Adegamayor.pt (2015). *Adega Mayor distinguida com o Prémio Melhor Enoturismo*

[24] More information available in Grupo-nabeiro.pt (2015)

[25] More information available in Silva, A. (2013)

[26] More information available in Adegamayor.pt (2015). *Orionte distinguido no Red Dot Design Award*

[27] More information available in Silva, A. (2013)

[28] by George Patton

[29] The restaurants were the following: "O Caçador" in Évora, "Casa das Enguias" in Montijo and "Solar dos Presuntos" in Lisbon

[30] Look at question 8 in **Appendix 23**

[31] Justification provided by the company

[32] Look at the considerable values obtained by *Grupo Sogrape* and *Grupo José Maria da Fonseca*

[33] Look at the considerable value obtained by Joana Vasconcelos

[34] This justification was provided by the company

[35] These justifications were provided by the company

[36] Look at the number of respondents who selected "Completely agree"

[37] Perhaps for being the group that can better afford going to restaurants, accordingly to the company