

The Importance of Social Media from the Wine Marketing Perspective

TINA TOMAŽIČ

Abstract Mass media have never in their history had such a strong impact as they have right now, mainly due to the emergence of new technologies, which have become an important part of the marketing strategies of the wine industry around the world. This paper explores the impact of the information and communication society in social media in the light of the local governments of various countries input in the field of the wine industry. We find that social media allow users to use them free of charge, while paid advertising is an additional cost. The results can also be measurable, which allows the companies full control over the effectiveness of their marketing strategies, but the successful wine companies must use and exploit the social media as important marketing channels.

Keywords: • wine marketing • social media • local self-government
• mass media • wine industry

CORRESPONDENCE ADDRESS: Tina Tomažič, Ph.D., Assistant Professor, University of Maribor, Faculty of Electrical Engineering and Computer Science, Institute of Media Communications, Koroška cesta 46, 2000 Maribor, Slovenia, email: tina.tomazic@um.si.

[https://doi.org/10.4335/15.4.827-844\(2017\)](https://doi.org/10.4335/15.4.827-844(2017))

ISSN 1581-5374 Print/1855-363X Online © 2017 Lex localis

Available online at <http://journal.lex-localis.press>.

1 Introduction

Social media as part of the new technologies are becoming more significant every day in a variety of industries and sectors. Their emergence has changed the way of marketing communication, even in the wine industry, one of the oldest industries in the world. According to Atkin & Thach (2012), since the global wine industry is growing much more competitive, marketers strive constantly to differentiate their brand to consumers in ways that are vital for success. When we talk about brand differentiation, we find that marketing is focused increasingly on the consumer. Social media are a key communication platform for consumers as well as businesses (Lockshin & Corsi, 2012). They have become an important part of marketing strategies in the global wine industry.

Although social media are a relatively new concept in the business world, they are becoming important extremely fast, for business as well as consumers (Forbes *et al.*, 2015). With their help, the company can meet consumer's wishes and needs better, they provide more than just a pure ad, they also provide interactive communication with consumers (Hoffmann *et al.*, 2016), who are also available to the company 24 hours a day.

In our article, we show the role of social networks as part of the new technologies in the context of marketing wine and the importance of local self-governments of various countries in the wine industry. Furthermore, the purpose of this paper is to provide insight into how we think about wine through social media as a service channel and channels of two-way communication in the marketing strategies of wine. We also explored how the way of marketing communication is changing and how important and how functional the social networks are as marketing channels in the wine industry in the context of the sale of wine and the importance of the concept of local self-governments of different countries.

The methodological approach was used, based on the examination and review of the latest literature in this field and the interpretation of the offered sources. With this article, we want to close the gap in the literature in relation to the wine industry, social media and the importance of local governments of various countries in the marketing and sale of wine. We have included an iterative strategy that is often used in the process when the decision is not easily revocable, and further the content analysis and analysis of websites and online tools; we explored the role of the information and communication societies in social media in wine marketing in the concept of local self-government in some countries. By using the method of description, iteration, comparison, analysis and synthesis, based on the observation of online tools, we have shown the importance and role of social networks as part of the new technologies in the marketing and sales of wines under the various local governments in various countries.

The application and use of social networks and their tools are becoming an important part of the overall marketing strategies of companies in different countries which are engaged in wine marketing, and so, consequently, in their development and exploitation invest more and more attention, money and time. They are increasingly conscious that the existence of companies in the social networks is necessary for effective and successful marketing communications.

2 Wine and the wine industry

For tourism, the wine, the wine industry, culture and heritage of wine are important components of both the visibility and attractiveness of the destination, while the wine tourism is an important driver of viticulture, winemaking and tourism development (Gačnik, 2014). The wine industry is characterized traditionally by the culture of socialising and sharing of knowledge, especially among winemakers entering the wine industry because of the lifestyle (Lewis *et al.*, 2015).

Wine is produced, sold and consumed all around the world. As an agricultural food product whose quality is related closely to the nature of the original crop (ie., Grapes), wine production is highly dependent on the influence of geographical features (Flint *et al.*, 2016). The wine industry is growing in almost all countries of the world, including the countries in which it is officially prohibited, such as where growing conditions are not likely to be as perfect as, for example, in Bordeaux or Burgundy. Wines are made in hundreds of different ways; in small quantities intended for home use, or in limited quantities by known producers, or in larger quantities for mass marketers (Vigar-Ellis *et al.*, 2015).

Wine is a traditional food and, just in the last two decades, the international wine trade has experienced tremendous growth. If we look at concrete figures: In 1960, a 10% share of the total wine production was exported and, in 1990, this share was only 15%. However, by 2000 exported production reached 25% of global production and over 30% in the course of 2010 (Mariani *et al.*, 2012). The growth of the international wine trade is only one feature of the complex progress of the global wine sector.

Wine as a product category has a variety of meanings. According to Lockshin & Corsi (2012), wine is a drink. Wine is a socialization tool or way to celebrate an event. Wine tells us about the history and culture of a country. Wine is a symbol of prestige. Wine is heterogeneous, information-rich and deals with dozens of brands on the market (Vigar-Ellis *et al.*, 2015). We believe that each of these functions is also specific in other categories, such as marketing and sales of wine which are, from the point of view of social media and local governments of different countries, described below.

3 Significance of wine marketing and consumer behaviour

Like in any industry, it is also necessary in the wine industry to respect and consider the principles of good communication. These require us to respect the five W's, which, according to Flint *et al.* (2016), are as follow: Why, who, what (and how), where and when. Setting the primary communication objectives (why) is the first decision that must be taken. These arise from the marketing objectives that are linked to the strategic direction. Specific communication objectives need to be adapted to different objectives and timing requirements. Therefore, the objectives may be associated with the four A's of Advertising and Communication: Awareness, Attitude, Action (First Contact / test / buy), and Action Two (from the second purchase at various levels of loyalty). The second step is to define the communication objectives (who), and was expected to be different from the end-user. Each goal should have a specific objective, regardless of their level of awareness and experience with the brand or company. Then the message (what) should be set for those goals to achieve specific objectives. This is really the core of the process and it relates to what the company wants to say, why and to whom. When we define the selection of media (where) and its geographical borders, the message is encoded in verbal, visual phrase or experience (how). The media are then provided to a media plan. As we know, the mass media have never in their history had so much impact as they have right now. They reflect the social and cultural world in which we live. They serve as a source of information (distribute and collect information about events), have an interpretive function which allows the audience to create an opinion (clarifying information and anticipating opportunities for development), have an educational function (transfer of knowledge, values, norms), have the socialization function, which assists in the intergenerational transmission of content and a fun feature that allows entertainment and relaxation of an audience. We could say that the media is a new branch of government.

As stated by Higgins *et al.* (2016), marketing includes a number of media and tools, ranging from social media to magazines and TV ads or billboards on the roads. The purpose of marketing is to help to create value and foster the sale of goods and services. In the American Marketing Association (2007) marketing is defined as "an activity of certain institutions and processes for creating, communicating, providing and exchanging offers that have value for customers, clients, partners and society at large". Therefore, marketing in the wine industry is used to collect and promote information in order to attract and influence consumers to buy wine and spend on a specific brand.

It is important to know the difference between traditional and non-traditional marketing. According to Chester & Montgomery (2007) and Higgins *et al.* (2016), traditional advertising is based on one-way communication; messages are created and sent to target groups through media such as radio, television, print - while

non-traditional digital advertising opens the door to two-way communication strategies and coworks directly with consumers. Social media sites have become increasingly good at subtle advertising, such as banners, demographic, and behaviour ads. Marketers can gather a detailed profile of each customer, including demographic information, responses to advertising messages, shopping behaviour, and even the extent and nature of social networks.

Wine marketing in such a hyper-competitive global environment is a continual challenge full of different choices. A variety of marketing strategies can be used in the wine industry. These are ambient marketing, guerilla marketing, viral marketing, tribal marketing, omnichannel marketing; the most important in the wine industry is certainly territorial marketing, which is, according to Lewis *et al.* (2015), and Flint *et al.* (2016), the method of adopting marketing strategies and activities for general interest in a limited geographical area. Theoretically, it is important for all actors in the region to cooperate visibly and actively, so as to offer the best service, investing in local suppliers, specialising in local skills for the labour market, optimizing infrastructure, and promoting products and services throughout the area. Territorial marketing includes promotion, as well as synchronization between manufacturers from various industries, service providers and local government agencies. So, a territorial network should be useful for a large number of entities with direct and indirect results, including the territorial reputation. Trade Fairs play a key role in bringing together winemakers (eg, Vinitaly in Verona, or ProWein in Düsseldorf).

In the wine industry it is necessary to mention the factors that affect the effectiveness and efficiency of wine marketing greatly, but are often overlooked. These are experimentation, innovation, packaging, brand management and positioning. According to Flint *et al.* (2016), brand management is actually quite difficult and complex in the wine industry. Brand management takes place on many levels and includes the individual labels of wines within their combined portfolio sold by wineries, winemakers, specific wine regions, consortia, associations or institutions. The importance of wine positioning is great, especially when it comes to international markets. We can position in terms of price and quality implicitly (table wine, medium-fine wines, fine wines and super premium wines). They can also often be positioned in relation to the wines *raison d'être* (eg, as a gift, for a celebration, barbecue, investments).

The more wine consumption is growing, the more we see the growth in wine sales in stores. Given the fact that there are very few studies that provide information on what the consumer actually does in the shop, we believe that it would be interesting to see the following areas of wine consumer's behaviour, which are also important to understanding the article further. According to Lockshin & Corsi (2012), important wine consumer's behaviour is:

Understanding the time spent in the aisle: 80% of the time the customer uses to move in the store, but, the more shoppers move, the less they buy. How can we help the consumers to choose more quickly, so that they have more time to buy another product?

What consumers notice in the store: Unseen is unsold. Moreover, the involvement of wine categories makes it difficult for consumers to notice the brand on the shelf. In other product categories a lot of knowledge is available about how consumers are becoming aware of a certain brand in the store, but we do not know the extent to which these principles apply to the wine category.

Position on the shelf (category management): The position of a product on the shelf impacts on the ability of customers to notice, find and buy it. **The best shelf positions in the store:** Wine shelving is often designed in a grid pattern layout. However, it is known that the open spaces attract customers more than a closed space. How can we help retailers create better shelves to promote wine sales?

The impact of price promotions / added value: Price promotions: (a) Usually do not expand category demand; (b) Have poor reference prices; (c) Do not tend to have a long-term positive effect; and (d) Can damage profits. Nevertheless, it is difficult to persuade retailers to stop price promoting of brands which are on the shelves. Can we find alternative ways in which they can promote the wine, without decreasing the price?

Cross category buying and purchasing: In most countries the wine is sold together with other products. As promotion and advertising in one category usually tend to increase the sales of additional product categories, it would be useful to explore how to purchase wines integrated with complementary acquisitions, and vice versa.

Out-of-Stock Management: Out-of-Stock Management continues to cause major losses in sales and profit. When the product is not on the shelf some customers buy another brand and others go to another store. How can we reduce stocks of wine?

From everything written, we can conclude that wine marketing and analysis of consumer behaviour represents, in such a competitive environment as the wine industry is, a major challenge. In the following section we define the effectiveness of social media as an important part of marketing strategies in the context of wine marketing.

4 Successful social media in the context of wine marketing

With the development of the Internet, online communities and social networks have changed and, in particular, updated the marketing strategies. One of the industries in which both Web 2.0 and social media have a big influence is the wine industry.

Web 2.0 enables two-way communication, allowing users to show their interaction and that they are active senders. In the Web 2.0 the level of involvement / activity of social media is the benchmark for online communication. The emergence of Web 2.0 has, therefore, changed the possibilities for wine promotion and consumers have become familiar with public communication. The emergence of the recommendations or criticisms of consumers means that the wine producer now finds a way to take advantage of social media to include the new forms of interaction and become a part of the conversation. The traditional, one-way communication model is no longer the main source of information for customers, partners, drinkers, or investors. In addition, external sources are not always easy to monitor and control. The Internet and its tools, especially social media, enable businesses to track actions and conversations on the web and, for this reason, these discussions are becoming a valuable and unique source of information and analysis. The key issue for Marketing Managers is how to make full use of social media and find ways to contribute the social media to the marketing goals and support marketing strategies (Flint *et al.*, 2016; Tsimonis & Dimitriadis, 2013; Wilson & Quinton, 2012).

Marketing of social media entered the realm of industry and business in mid-2000 and has since mixed a lot of interest and controversy due to new advertising opportunities, products and services. Consumers are spending more and more time on social media, brands have discovered the power of social media as a marketing opportunity to attract consumers, encourage consumption and build relationships. Defined as UserGenerated content delivered via web and mobile technologies, social media allow users to communicate, discuss, recommend, co-create and modify the content (Kaplan & Haenlein, 2010). Companies mostly use social media to announce new products and services, run promotional contests, provide useful information, and as a means to provide customer service (Thach *et al.*, 2016; Tsimonis & Dimitriadis, 2013). According to Flint *et al.* (2016), some countries are more advanced regarding the use of new media and, consequently, the companies located in these environments, are reflecting the higher level of adoption. Personal meetings, e-mails and new audio / video call systems that have replaced phone calls professionally, are still regarded everywhere as the most important communication channels, but they are not enough.

Online social networks represent applications, Web services, platforms or sites that build social networks and relationships between people who have, for example, common interests and / or activities. These web applications enable individuals to create a public or semi-public profile within a limited system; articulate a list of users with whom they are related; and to display the influx of their lists of links and other links within the system. Social media platforms allow consumers to interact with brands, in new and dynamic ways. According to Kaplan & Haenlein (2010), general social channels include Facebook, Twitter, Instagram, Pinterest, Wikipedia, YouTube, TripAdvisor, Yelp and more, as well

as many mobile applications for smartphones. As argued by Forbes *et al.* (2015), social media platforms include those developed for social networking, text messaging, podcasts, wikis, blogs, photo sharing, streaming videos and online forums. These platforms are increasingly available to consumers (and businesses), including through mobile devices. The most well-known platforms include mechanisms for social or professional networking sites such as Facebook and LinkedIn, tools for sharing videos such as YouTube and blogging engines like Twitter. According to the data, as cited by Dolan *et al.* (2014), there are currently more than 15 million marks in the world that have a company registered with Facebook. More than 70 percent of Internet users around the world are connected to the social networks, and further, more than 50 percent of social network users used to interact with brands on the social platforms.

Numerous studies describe how social media can be useful to the wine consumers and wineries (Thach *et al.* 2016). Thach & Olsen (2015) mention three different types of users of the wine: Low, Moderate and High Spenders. All wine users allocate more wine purchases to different channels, but it is interesting that all three user groups use wine apps and social media applications. However, the low spender uses wine apps to find coupons for grocery stores, whereas the Moderate and High Spenders use social media for information and, perhaps, to communicate with friends in their social media networks. Marketers can create advertisements, promotions, and coupons for online, apps, and social media sites to match these needs. Furthermore, it was found by Dean & Forbes (2016) that many winery websites and social media portals (eg. Facebook) in the wine industry use those sites to promote sales, generate a buzz for the brand, and provide a home for their brand community.

In the wine industry, manufacturers are most interested in what consumers think and what they say about their wines. Therefore, studies were also made in this direction. According to Flint *et al.* (2016), third-party research firms can extract this information from sources such as blogs by opinion leaders, Facebook posts, tweets, forums, and even Instagram posts. Just identifying whether comments are positive or negative in association with a brand is known as sentiment analysis. Today, research firms can go further and gain insights to what consumers are saying in detail. This may seem rather easy, to interpret what people are saying, but, given that one month's posts in only one of these online social media applications could amount to the equivalent of seven thousand pages of text if printed, you realise that special tools and skills are needed to mine those data.

As noted, communication is changing. Consumer and buyer habits are becoming more dynamic. According to Flint *et al.* (2016), new technologies have an impact on how companies communicate and open up new opportunities. The old communication approach is less credible in relation to the new media (media with an exceptional focus, very measurable feedback and tailored messages). New

items in the communication process are becoming some strong message senders. Contemporary communication must deal, in a global competitive environment, with new technologies and their impact on behaviours (The number of new social media and new apps is growing: User-generated-content media allows users to gain control and power in communication: Big Data are now available; E-commerce).

After research and detailed analysis of websites and online tools, we found that social networks allow users to use their accounts free, while they allow businesses additional payable advertising. With such advertising a company can reach the target audience with its messages wherefore, on the basis of their targets, it could choose users of social networks depending on their demographic characteristics, behaviour, interests and location. The advertising results can be measurable, since the social networks enable the analytic of all users' activities, in particular the target audience. This provides to the company complete control over the effectiveness of marketing strategies. According to Szolnoki *et al.* (2016), social media are becoming increasingly important for obtaining and giving feedback on wine. According to Higgins *et al.* (2016), they allow to the businesses to include consumers in a more individualized manner and provide for their special interests and accelerate awareness of their wine.

A new wave of behaviour and technological change has, thus, caused a number of industries to modernise their communications strategies. Various industries are increasingly recognising the importance of social media and they try to use the tools of social media to reach both generation Y and baby boomers, to acquire new customers, retain existing ones and manage their reputations. The wine industry is also included in this trend, although slightly slower because of the culture industry, especially with the vast majority of small and medium-sized enterprises which are product / production oriented and invest primarily in winemaking or viticulture knowledge; there is conviction that marketing is time-consuming and expensive.

Marketing experts are not yet considered as strategic in this industry by many, at least not compared to other consumer goods industries. In any case, a successful wine company must deal with communication decisions and cannot stop these new challenging situations (Flint *et al.* 2016; Wilson & Quinton, 2012) and have to accept advertising opportunities offered by new technologies. However, we can conclude that the increase of the social media uses and their rapid adoption of consumers and businesses represents, according to Wilson & Quinton (2012), a phenomenon of the Internet economy.

5 Local self-government in the various countries in the wine industry

The Information society is a society in which the creation, communication and

information management are increasingly significant activities. The major part of the national economy is based on the use of Information and Communication Technologies (ICTs), and it depends on it. According to Bertot *et al.* (2011), many nations adopted ICT as a tool to reduce corruption and to increase government transparency. The latter goal has received a considerable amount of emphasis in newer applications of ICTs by some governments. The use of social media is a central part of some of the newer transparent and anti-corruption initiatives. According to Belanche Gracia & Casaló Ariño (2015), most governments have hoped that social media would transform the relationship between citizens and government in the governance and are carrying out measures to improve the level of citizens' confidence in public administration and provide citizens with public services tailored to their current needs, while also trying to find the best practices of effective and efficient government by using digitized tools, similar to marketing in the wine industry, but it is different in each country as we will see later.

Given the fact that we are also talking in wine marketing about territorial marketing, at this stage territorial decentralization can be mentioned as part of the implementation of tasks which, in some areas, is possible only in the context of decentralized administrative systems. In the broadest sense, according to Brezovnik *et al.* (2015), decentralization means any weakening of the direct impact of a given centrally organised system on parts of the system. Thus, in the territorial decentralization, the territorial unit to which tasks have been delegated is different from the central administration of the country. Although the functions and responsibilities according to Wall & Vilela (2016), are being devolved to local government through the establishment of combined authorities, local councils are faced with continued severity of cuts to their finances, largely provided by the centre, which threaten the provision of even the most essential and critical local services. According to Brezovnik *et al.* (2016), the territory as a concept merely indicates physical components of human residence and is important only in connection to the settlement of people on it. This could also be said for the wine industry. Throughout history States, as well as local communities, were as a rule frequently transformed in the process of territorial reorganisations, while there have always been attempts to bring in certain criteria of rationality.

However, decentralization in the framework of Public Administration is possible in two ways: (a) Administrative decentralization (devolution) and (b) Decentralization through (or by means of) self-government or local self-governing units. Decentralization has two different aspects: The administrative-technical and interest-related approaches. The aim of the former is to achieve the maximum possible rationality and efficiency of management, while the aim of the latter is to increase the opportunities of promoting the interests of their respective (interest) holders. There are no pure models of centralization and decentralization (including in the field of Public Procurement), but we can rather talk about different degrees of stricter and looser forms of centralization or decentralization. Brezovnik *et al.*

(2015).

The differences in the systems of local government are reflected in all matters governed by the law which, in all essential elements, represents the concept of local self-government (Brezovnik *et al.*, 2016). The wine industry must deal with many issues and, if the rules of the local government and the local authorities do not encourage their land, their products or their culture, then we can assume other associations perform this role (Flint *et al.*, 2016). Below we look at the concept of local self-government in the case of wine marketing and wine sales in some countries.

According to Gaeta & Corsinovi (2014), wine marketing in North America, particularly in Canada, is made more difficult due to the presence of monopolies on the market. The wine and alcoholic drink market is managed by the Liquor Control Boards, which holds the monopoly for the import and sale of the products in each province and territory. These monopolies buy different liquors and wines included in their sales catalogues and also carry out the distribution of the products and physical storage. However, this does not apply for British Columbia, where the monopoly requires that the importation and storage is carried out by an agent who must also cover storage costs. According to Canadian Federal Law, all supervisory Liquor Boards are to behave like primary importers of wine and alcoholic drinks. Monopolies purchase directly from the manufacturer, although the agent is a privileged party of the monopoly in its relations with the manufacturer as specified by the Importation of Intoxicating Liquors Act. Canadian consumers can buy alcoholic drinks at various outlets, restaurants (for consumption on-site), or by personal imports (only possible in limited quantities). Wine Clubs and restaurants buy alcohol from monopolies, either from the point of sale or producers (though private import restriction is placed on the amount, but not on the selection of the product). This explains why these monopolies play a central role in the distribution chain and why there are serious barriers to getting the product to market. Another country that puts these kinds of barriers on wine marketing is Norway, where the Standards and Regulations that cover imports of alcohol are prescribed from the Directorate of Health (Helsedirektoratet) and also from the Norwegian Directorate of Customs and Excise (Tollvesenet). Imports of alcoholic drinks for resale is prohibited, except officially registered importers for wholesale. The state-owned Vinmonopolet, is the only authority to retail wines and other alcoholic drinks with an alcohol content of more than 4.7 percent. In addition to problems in terms of dealing with various monopolies, restrictive forms of non-tariff barriers such as labelling, expressions and letters used in promotional materials, there are also serious problems in the implementation of the promotion measures. The policy of alcoholic drinks in these countries means that the country is subject to strict rules of promotion in order to avoid promotional material that is suggestive and promotes the consumption of alcohol directly. Among the countries considered to be emerging nations thanks to its

economic potential and export interests, Brazil stands out as an important market. The Brazilian government's approach has always been rather vague. However, the Brazilian legislation concerning wines changed recently. Given the fact that, in Brazil, a product considered to be wine shall not exceed 13 per cent alcohol content, these products are considered as liquor wines and have been subject to 40 percent duty, compared with 27 per cent for wine. The importation of alcoholic drinks in Brazil is subject to authorisation, valid for 60 days, renewable once again for a further 60 days, but the Brazilian bureaucracy is often complicated and results usually in operational delays. In addition, from 1 January 2011, a bottle of wine must bear an anticounterfeiting stamp from Receita Federal (Secretariat of the Federal Revenue of Brazil), which slows the procedures of customs clearance for imported wine further. Water and wine imported into Brazil are also subject to supervision on arrival at the border. China is also an interesting market for European wine. Many of the barriers to market access in China are reduced to industrial policy and the gradual application of the XII five-year plan for 2011-2015, which aims to strengthen and develop the national industry against the potential impact of import substitution segments. The alcoholic drink sector is governed by restrictive sanitary standards, rapid administrative procedures and uncertain periods of Licenses. From 1 January, 2013, the new National Food Safety Standard for Nutrition Labelling of Prepackaged Food came into force. It imposes an obligation on labelling details relating to nutritional food ingredients directly intended for consumers, as well as the obligation to include the Chinese label. Non-tariff barriers are also a major obstacle for market access in Japan, where exports of European wines are set at only 9 per cent by volume and 12 percent of the value. Japan's commitment to removing these barriers is a prerequisite for any future agreement between the EU and Japan, and for the future of greater economic integration. Japanese procedures for obtaining wholesale and retail licenses for drinks are particularly complex. Another country which has mainly restrictive regulations on import procedures for alcoholic drinks and wines is Russia, where the import controls system is based on State Licenses (of which only a limited number can be published or may be withdrawn without notice). In addition, new federal legislation on the import of alcohol provides for modifying the product definitions (accordingly, some of the sweet and semi-sweet wines fall under the category of "wine-based drink"), which does not exclude changes in tax classifications, and the significant excise duty increase. Additional barriers are created by measures on the promotion of alcohol, according to which it is forbidden to show promotional messages outside the areas specially intended for the sale of alcohol, including off the shelf publications and online. This measure shall be interpreted so restrictively that it specifies the limits for tastings and other promotional measures on the major trades. The problem is facing the entire agri-food sector in general, protecting and defending trademarks and geographical indications. In some countries, the problems of the wine sector related to religion, such as the import of wine is banned in Saudi Arabia, Pakistan, Iran, Libya and Kuwait, except for Diplomatic Missions and Embassies for

internal use. According to Željanić (2012), Slovenia ranks in the bottom third of the total market value of its ten most valuable brands of wine in terms of GDP per capita. Brand in Slovenia compared with its level of economic development has a relatively smaller share than the European average. However, the small size of a market such as the Slovenian, should not be an obstacle to internationally renowned brands, among which rank the brands of wine as an opportunity to raise the profile not only of wine, but also for placement of the Slovenian origin mark in the international arena.

Furthermore, Gaeta & Corsinovi (2014) considered that, although the export of wine in some countries since 2009 has increased, especially in key markets such as the US, Canada and Russia, the complexity of factors that affect trade flows (the difference in exchange rates, of economic crisis, local political crises, changes in standards in target countries, etc.), make it difficult to determine the direct impact of promotional measures within the meaning of the results obtained. However, especially in the early stages, the measure would allow European companies to consolidate their presence on traditional export markets and give them an opportunity to export to new markets.

As we have seen, every step of the process of policy making in the field of local self-government marketing and sales in the wine industry in different countries has its own explicit characteristics. According to Gaeta & Corsinovi (2014), some depend on existing institutional structures, while others are based on general political or market conditions, change of political actors or the impact of lobbying. However, we believe that there are many more such factors and they are different in different industries.

About the media and local government, it is necessary to mention the main distinguishing feature, as considered by Hill (2016), that those media that provide news focused at a local community tend to originate the vast majority of their content, whereas those providing entertainment buy-in most of their published or broadcast material. The technologies used in each medium have some part to play in this dichotomy: The printing process used by newspapers is comparatively simple, although innovation is beginning to make inroads, whereas the technologies used to broadcast colour television programmes and the techniques used to make available catch-up and similar facilities for viewers are arriving in increasing numbers.

6 Conclusion

The paper examines the impact of information and communication society of social media in the light of local governments of various countries in the wine industry. Social media have become a significant part of the marketing strategies of the wine industry worldwide. Traditional advertising only is not enough; it also

requires interactive communication with consumers through new technologies, which are presented in our paper. We found that social media allow users to use them free, while paid advertising represents an additional cost. The results can also be measured and, thus, enables companies complete control over the effectiveness of their marketing strategies, as external sources are not always easy to monitor and control, and successful wine companies should, therefore, use and benefit from the social media as important marketing channels. Social media are becoming increasingly important tools for obtaining and giving feedback on wine.

We have seen that the way of marketing communication has changed significantly in recent years as a result of the development and progress of technology, which allows faster and easier access to the web and mobile application development. Access to the Internet has enabled the creation of online categories or communities, in particular on the basis of common interests. Access to the Internet and mobile devices have shaped the modern consumer and facilitate him a way of selecting and purchasing. For the same reasons, it has changed the marketing communication posed by activities which raise awareness about products and present them to the target markets. Mostly in marketing communications have become the important role of social networks, which represent an important channel for two-way marketing communications.

Based on the analysis of websites and online tools, we found that the use of social media in the wine industry is, in certain countries, still in its early stages. According to Wilson & Quinton (2012), and Dean & Forbes (2016), wine-oriented companies currently do not optimize their value creation through social media. Wine merchants just try to understand how social media work and how they can be used in the business but, the existence of companies on social networks has become necessary also in wine marketing for the successful completion of marketing and communication. However, it must be supported by the existence of a strategic communication plan which is part of a broader marketing strategy. According to Strickland *et al.* (2016), the new e-frame is complex and dynamic: Websites, mobile applications, platforms and tools are changing constantly regarding numbers, usability and capability. Social media platforms are changing rapidly, adapt quickly and introduce new innovative ideas constantly. According to Wilson & Quinton (2012), enforcement of social media is encouraging the wine industry to deal differently with consumers like, for example, visits to wine cellars, emails or direct marketing campaigns and offline tasting and integration in the social sphere, exchange and extension of audience through social media. Thus, the business adoption of digital communication technologies would facilitate one of the fundamental principles of wine socialization. Social media does represent another way of marketing communications for social networks, and companies; communication between them improves the cooperative aspects of the assessment and consumption of wine, so for all those involved in the wine industry it is particularly important to be present and active in social media. Successful wine

companies deal with communications and decisions as soon as possible to face the new situation in the area of wine marketing.

Marketing in the wine industry is gradually becoming more sophisticated; it must follow trends and be particularly attentive to factors that influence the effectiveness and efficiency of marketing and sales of wine strongly, such as positioning, innovation, packaging, experimentation, and brand management. According to Flint et al. (2016), whereas social media are becoming well entrenched in the wine industry, the wineries will begin to leverage and master it more. It will become common practice to deal constantly with consumers; consumers will require this increasingly. Consumers are responsible and want to be part of the conversation. They do not want to be "sold." They want to be engaged and want experience. Wine could be, and is, one of the richest elements of a passionate life. Marketing should not merely be to offer the highest quality products that can be produced; it ought to be about enriching people's lives.

We have found that, with the development of the Internet, online communities and social networks have changed or modernised the marketing strategies. Social networks have gained an important role, they enable consumers to inquire about products, services and companies which offer these products and services. Thus, they have created not only a new way of business, but also a new type of modern consumer who is becoming more dynamic. That's why, according to Fiore *et al.* (2016), companies that accept digital and social strategies have significant direct knowledge of the needs and expectations of customers (with social networks, blogs and Wine Clubs social boundaries have been established), whereas the possibility to exchange ideas and so on with consumers can lead to positive management decisions that improve the product. According to Wilson & Quinton (2012), the wine industry is faced with emerging social media platforms and a growing number of consumers who are in contact through this platform and discuss wine, and it is necessary to obtain a better understanding of consumers in social media in relation to wine. In any case, an increase of the use of social media and their quick adoption of consumers and business represents a phenomenon of the Internet economy.

The paper further identifies key initiatives, potential impacts (on the environment) and the future challenges of using social media as a tool. As we have seen, the use of social media is the core of some of the newer transparent and anti-corruption initiatives. This paper is one of the first examinations of the interrelationship between ICT, social media and wine marketing in the light of local governments of different countries. Each level of policy making in the field of local self-marketing and sales in the wine industry has its own specific features, which depend on a variety of factors, such as general political or market situation, which depends on changing political actors or influence of lobbying (Bertot *et al.* 2011).

We divided the concept of local self-government in the case of marketing and

sales of wine in some countries. We believe that the wine marketing and analysis of consumer behaviour in such a competitive environment as the environment of the wine industry is a major challenge.

We also believe that, in the next few years, researchers should investigate wine marketing and consumer behaviour particularly. According to Lockshin & Corsi (2012), and López-Guzmán *et al.* (2014), knowledge developed in the research of wine marketing in the last 20 years should not be wasted, but it should also be supported in the future. However, the economic and financial issues faced by funders, have forced researchers to an understanding of the areas where we have a good knowledge and areas where we need further research. Therefore, it can be concluded that the promotion of wine tourism creates links between agriculture, culture and tourism, which could lead to greater socio-economic development.

References

- American Marketing Association (AMA) (2007) *Definition of Marketing*, available at: <http://www.marketingpower.com/aboutama/pages/definitionofmarketing.aspx>, (accessed 4 October, 2016).
- Atkin, T. & Thach, L. (2012) Millennial wine consumers: Risk perception and information search, *Wine Economics and Policy*, 1(1), pp. 54–62.
- Bertot, J. C., Jaeger, P. T., & Grimes, J. M. (2011) Promoting transparency and accountability through ICTs, social media, and collaborative e-government, *Transforming Government: People, Process and Policy*, 6 (1), pp. 78-91, doi: 10.1108/09593840510615879.
- Belanche Gracia, D. & Casalo Ariño, L. V. (2015) Rebuilding public trust in government administrations through e-government actions, *Revista Española de Investigación de Marketing ESIC*, 19, pp. 1-11.
- Brezovnik, B., Oplotnik, Ž. J., & Vojinovič, B. (2015) (De) centralization of public procurement at the local level in the EU, *Transylvanian Review of Administrative Sciences*, (II)46, pp. 37-52.
- Brezovnik, B., Finžgar, M., & Oplotnik, Ž. J. (2016) *Fiscal decentralisation in Slovenia* (Maribor: Institute for Local Self-Government and Public Procurement).
- Chester, J., & Montgomery, K. (2007) *Interactive food and beverage marketing: Targeting children and youth in the digital age* (Berkeley, CA: Berkeley Media Studies Group).
- Dean, D. L. & Forbes, S. L. (2016) Are Customers Having E-Conversations about Your Wine? The Importance of Online Discussion Forums as Electronic Word of Mouth for Wine Marketers, In: Szolnoki, G. (ed.) *Successful Social Media and Ecommerce Strategies in the Wine Industry* (Hampshire: Palgrave Macmillan), pp.115-132.
- Dolan, R., Goodman, S. & Habel, C. (2014) Facing up to running your Facebook. Is it a place to make friends or a place to sell wine?, *Australian and New Zealand Grapegrower and Winemaker*, 608, pp. 13-15.
- Fiore, M., Vrontis, D., Silvestri, R. & Contò, F. (2016) Social Media and Societal Marketing: A Path for a Better Wine?, *Journal of Promotion Management*, 22(2), pp. 268-279, doi: 10.1080/10496491.2016.1121755.
- Flint, D. J., Signori, P. & Golicic, S. L. (2016) *Contemporary Wine Marketing and Supply Chain Management. A Global Perspective* (New York: Palgrave Macmillan), doi: 10.1057/9781137492432.

- Gaeta, D., & Corsinovi, P. (2014) *Economics, Governance, and Politics in the Wine Market European Union Developments* (New York: Palgrave Macmillan).
- Gačnik, A. (2014) Slovenian wine stories and wine identities: from the heritage and culture of wine to wine tourism, In: Harvey, M. (ed.) *Wine and Identity* (Oxon: Routledge).
- Forbes, S., Goodman, S. & Dolan, R. (2015) Adoption of Social Media in the Australian and New Zealand Wine Industries, *Journal of New Business Ideas & Trends*, 13(2), pp.1 - 14.
- Higgins, L. M., McGarry Wolf, M. & Wolf, M. J. (2016) Wine on Facebook: A Look at Millennials' Wine Information Search, In: Szolnoki, G. (ed) *Successful Social Media and Ecommerce Strategies in the Wine Industry* (Hampshire: Palgrave Macmillan), pp.13- 29.
- Hill, J. (2016) *The British Newspaper Industry. The Future of the Regional Press* (New York: Palgrave Macmillan).
- Hoffmann, C., Szolnoki, G. & Thach, L. (2016) Cross-Cultural Comparison of Social Media Usage in the Wine Industry: Differences between the United States and Germany. In: Szolnoki, G. (ed) *Successful Social Media and Ecommerce Strategies in the Wine Industry* (Hampshire: Palgrave Macmillan), pp.154- 166.
- Kaplan, A. M. & Haenlein M. (2010) Users of the world, unite! The challenges and opportunities of Social Media, *Business Horizons*, 53, pp. 59 – 68.
- Lewis, G. K., Byrom, J. & Grimmer, M. (2015) Collaborative marketing in a premium wine region: the role of horizontal networks, *International Journal of Wine Business Research*, 27 (3), pp. 203-219.
- Lockshin, L. & Corsi, A. M. (2012) Consumer behaviour for wine 2.0: A review since 2003 and future directions, *Wine Economics and Policy*, 1(1), pp. 2–23.
- López-Guzmán, T., Castillo Canalejo, A. M. & Cerezo López, J. M. (2014) Analysing the potential of wine tourism of the island of Fogo (Cape Verde), *Tourismos*, Fall/Winter, 9 (2), pp. 241-258.
- Mariani, A., Pomarici, E. & Boatto, V. (2012) The international wine trade: Recent trends and critical issues, *Wine Economics and Policy*, 1(1), pp. 24–40.
- Strickland, P., Williams, K. M., Laing, J. & Frost, W. (2016) The Use of Social Media in the Wine Event Industry: A Case Study of the High Country Harvest in Australia, In: Szolnoki, G. (ed) *Successful Social Media and Ecommerce Strategies in the Wine Industry* (Hampshire: Palgrave Macmillan), pp.74- 92.
- Szolnoki, G., Thach, L., & Kolb, D. (2016) Current Status of Global Wine Ecommerce and Social Media, In: Szolnoki, G. (ed) *Successful Social Media and Ecommerce Strategies in the Wine Industry* (Hampshire: Palgrave Macmillan), pp.1- 13.
- Thach, L. & Olsen, J. (2015) Profiling the high frequency wine consumer by price segmentation in the US market, *Wine Economics and Policy*, 4(1), pp. 53–59.
- Thach, L., Lease, T. & Barton, M. (2016) Exploring the impact of social media practices on wine sales in US wineries, *Journal of Direct, Data and Digital Marketing Practice*, June 2016, pp. 1-12, doi:10.1057/dddmp.2016.5.
- Tsimonis, G. & Dimitriadis, S. (2013), Brand strategies in social media, *Marketing Intelligence & Planning*, 32(3), pp. 328-344.
- Vigar-Ellisa, D., Pittc, L. & Caruanad, A. (2015) Does objective and subjective knowledge vary between opinion leaders and opinion seekers? Implications for wine marketing, *Journal of Wine Research*, 26(4), pp. 304-318, doi: 10.1080/09571264.2015.1092120.

- Wall, R. & Vilela, N. B. (2016) Deal or no deal: English Devolution, a top-down approach, *Lex localis - Journal of Local Self-Government*, 14(3), doi: 10.4335/14.3.655-670(2016).
- Wilson, D. & Quinton, S. (2012), Let's talk about wine: does Twitter have value?, *International Journal of Wine Business Research*, 24(4), pp. 271-286, doi: 10.1108/1751106121128032.
- Željan, K. (2012) Treba je odkriti, komu in kako prodati slovensko vino, *Delo* (8.2.2012) available at: <http://www.delo.si/gospodarstvo/posel-in-denar/treba-je-odkriti-komu-in-kako-prodati-slovensko-vino.html> (October 12, 2016).

Reproduced with permission of copyright owner. Further reproduction prohibited without permission.