



# What does it take for local restaurants to promote local wines?

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# Research setting and key motivations behind this investigation

Ontario restaurateurs confront the challenge of whether they should adopt more BUY LOCAL practices by including or broadening the selection of locally produced wines on their wine lists. Given the relatively young age of the Ontario wine industry, local wines are often received with skepticism by consumers (Aspler, 2006), and thus, their promotion in restaurants may not be cost effective.

- Improved understanding of restaurants' support for local wines
- Better leverage restaurants' support for local wines
- Increase market visibility, enhance brand credibility, and improve market-sensing capability





## Restaurateurs' possession of relevant knowledge and their embeddedness in local networks

First, restaurateurs' human capital, such as their knowledge of how local wines compare to more popular foreign ones, can increase their understanding of how BUY LOCAL practices can create a win-win situation (Cohen and Winn, 2007; Dean and McMullen, 2007), whereby environmental concerns are seen as opportunities rather than threats.

Second, restaurateurs' social capital or connectedness with local market players can increase both awareness and understanding of the benefits of supporting local wines (Stam and Elfring, 2008).



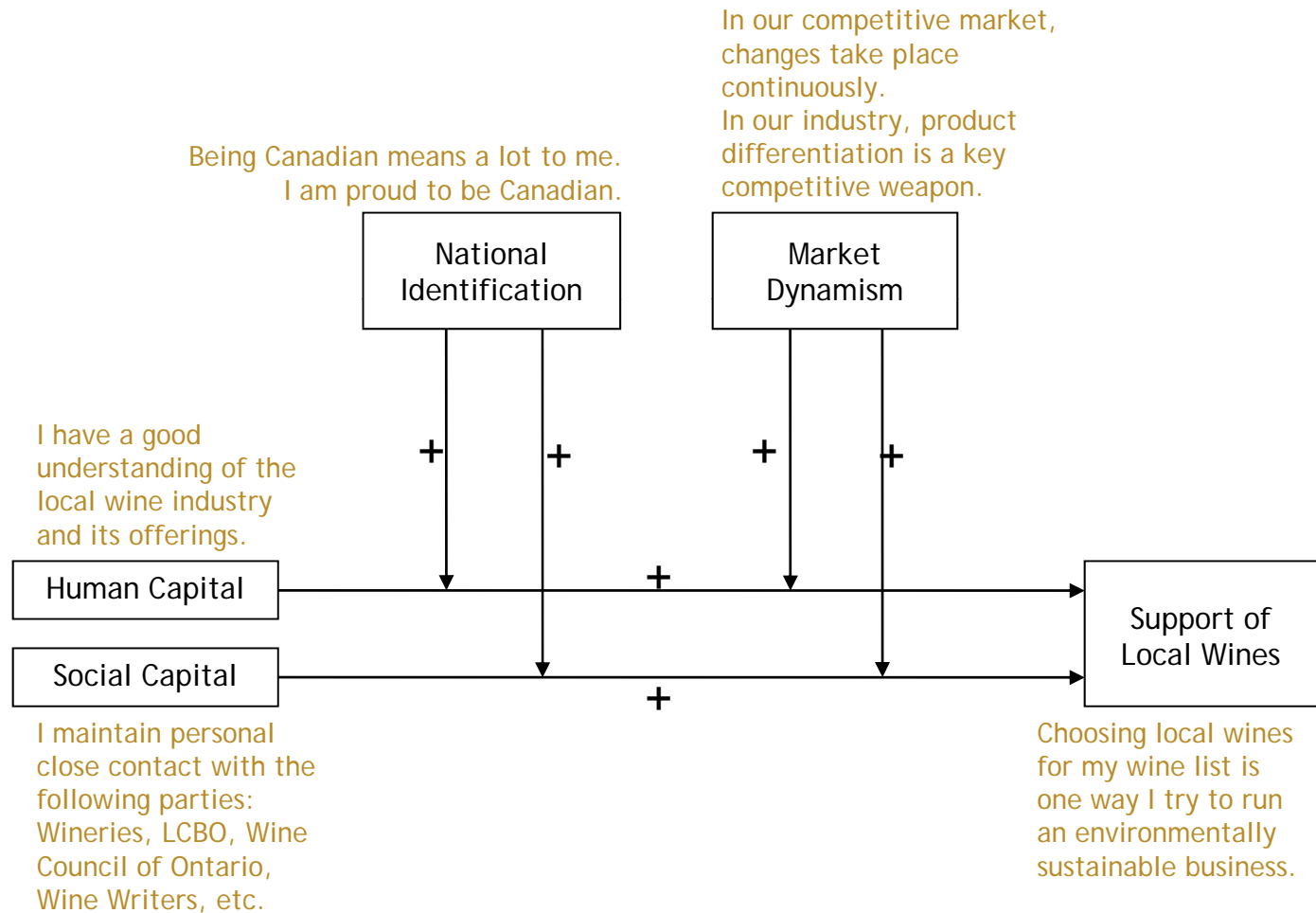
# Restaurateurs' patriotism and perception of market turbulence



- The relationship between resource access and BUY LOCAL orientation will be greater among restaurateurs who are more patriotic because national identification makes people go out of their way to support local wine producers over foreign ones (Papadopoulos et al., 1990).
- High levels of perceived market dynamism will prompt restaurateurs to feel a stronger need to modify their product bases continuously, which in turn motivate them to exploit their resource base toward supporting local wines before their competitors do (York and Venkataraman, 2010).



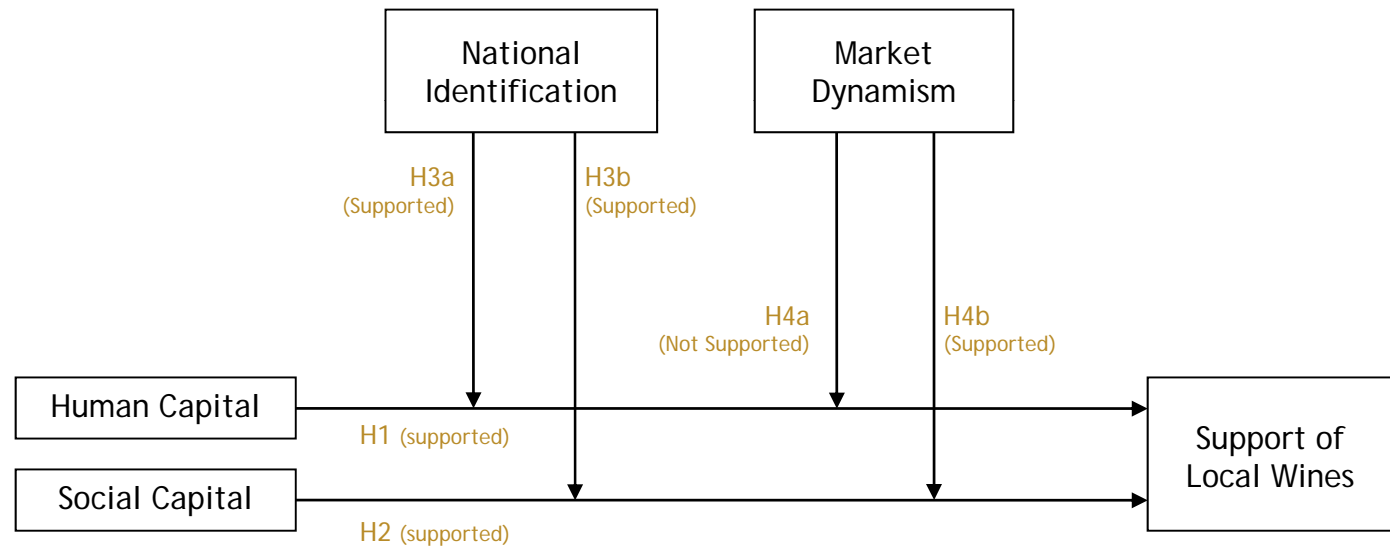
# Conceptual Model





# Empirical Analysis and Results

(based on collected survey responses from over 250 Ontario-based restaurateurs)





## Summary findings

RED WINES		6-oz Glass	1/2-oz Glass
<b>Jackson-Triggs</b>	Merlot - British Columbia	5.95	7.95
<b>Jackson-Triggs</b>	Cabernet Sauvignon - British Columbia	6.25	8.25
<b>Vina Tarapaca</b>	Merlot - Maipo Valley, Chile	7.95	10.95
<b>Robert Mondavi</b>	Cabernet Sauvignon - California	7.95	10.95
<b>Painter Bridge</b>	Zinfandel - California		
<b>Lindemans</b>	Pinot Noir - South Eastern Australia		
<b>Jean Bousquet</b>	Malbec - Mendoza, Argentina		
<b>Fetzer</b>	Merlot - California		
<b>de Frescobaldi</b>	Chianti - Tuscany, Italy		
	South Eastern Australia		

- Restaurateurs' perceived feasibility (i.e., access to capital) and attractiveness (both internally and externally) serve as a foundation for their support of local wines
- Support of local wines depends on restaurateurs' access to relevant human capital ("what you know") and social capital ("who you know")
- Patriotism helps amplify the relationship between both capital types and support of local wines, market dynamism on the other hand only amplifies the effect of social capital.



# Contributions to industry

- Promotion of local wines requires the cultivation of communities of support where members are well-informed and well-connected
- Different communities of support are needed to accommodate members' similarities/differences and what they confront

