Australian Government

Australian Grape and Wine Authority

THE UNIVERSITY of ADELAIDE

Effective use of interactive media: A pathway for wine brand growth



FINAL REPORT to

AUSTRALIAN GRAPE AND WINE AUTHORITY

Project Number: **UA 12/04**

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1. Abstract:

This research explores how wine brands communicate to consumers via Facebook. It investigates how online communication facilitates customer engagement. The results show a large disparity between the content delivered by brands, and the times in which wine consumers are more likely to engage. While wine brands appear to post most content from 5 to 7pm, users are most likely to engage prior to midday. Similarly, the greatest number of posts are delivered on Thursdays, however Facebook fans were found to engage more over the weekend; at a time closely aligned with wine purchase and consumption The results also demonstrate a very low level of engagement among fans. On average, only 10% of Facebook fans engage with the brand. This finding indicates that brands have not been successful in facilitating high levels of engagement amongst fans; the work presented here is intended to assist wine brands increase this effect.

2. Executive summary:

Although practitioners are constantly developing strategies and models to drive customer engagement in social media, empirically tested strategies for exactly how to enhance engagement have not been tested. This research used a large scale quantitative study to test exactly *how* wine brands communicate on Facebook, and what effect this communication has on how wine consumers engage with the brand. In order to understand consumer engagement with brands on Facebook, we tested 6 specific types of 'social media engagement behaviour'. This behaviour includes various actions such as commenting, contributing (through 'liking' and 'sharing' content), consuming (by reading content and clicking on photos or watching videos), remaining dormant, detaching (unliking the page, hiding posts) and finally, destructing (writing negative comments).

In order to derive the results, the research process included in-depth interviews with social media managers at Australian wineries, focus groups with wine consumers around Australia and quantitative analysis of Facebook Insights data from 12 active branded Facebook pages over a 12 month period, to yield a total of 2,236 social media posts. The results indicated a large disparity regarding content delivery and engagement timing. For example, we found a sharp increase in the average number of engagement actions between 7am and 11am. Interestingly, wine brands rarely deliver Facebook posts at this time of the day. Rather, most of their posts are scheduled for 5 to 7pm.
Similarly, we also investigated post timing with respect to the day of the week in which a post is made. Very few posts were delivered by wine brands on Fridays and Saturdays. However, we found that posts are significantly more likely to be 'shared' on Fridays (average of 49 shares per post).

Through the use of Facebook data, this study implemented a formula through which to calculate the percentage of users who exhibit dormancy and engagement rates. The dormancy rate refers to the number of people who see the post (organic reach) but make no engagement actions such as commenting, liking, sharing, reading, clicking and so on, i.e. they remain 'dormant'. The results also show that on average, 90% of fans who see a wine brands post will remain dormant. Hence, 10% of fans are expected to engage with the post. The results provide some benchmarking data for specific engagement actions. For example, the average

number of comments of a post is 2, the average number of 'likes' on a post is 22. The average number of link clicks was 2, and the average number of photo views is 17.

The results provide specific guidelines for the use of informational, entertaining, remunerative and relational content in order to successfully positive engagement behaviour among brand fans. The quantitative survey work on communication orientation shows which types of communication had more effect on consumers in terms of measures such as 'wanting to know more about the wine', 'wanting to visit the cellar door', 'attitude to the brand' and wine knowledge in general. This gives solid insight to wine brand managers seeking to use social media to generate brand effects.

3. Background:

Considering the high levels of competition within the Australian wine industry, and the plethora of small brands, it is not surprising that many are seeking new and innovative ways to communicate with consumers. Social Media offers an opportunity to do so, but work on how to use it has remained at a technical level rather than considering the type of use a winery might have and the consumer response to that use. Consumers are more likely to be influenced by someone in their social network than a celebrity in an advertisement, understanding how to implement the activity offers the winery an opportunity to grow its brand. Seventy percent of consumers visit social media sites to retrieve brand and product information, with almost half making a purchase decision based on information found through social media. This research seeks to identify what types of communication have the better brand effect and generate engagement behaviours.

4. Project Aims and Performance targets:

Outputs and Activities 2012–13

Year 1	Output	Target Date	Activities
a	Project participants recruited and engaged	1/2/2013	Establish and promote Facebook Group membership for Australian wineries and their staff Commence Phase 1 interviews and focus groups
b	Industry Journal Paper	1/3/2013	Promoting the project, outlining what is happening and gathering interest

Outputs and Activities 2013–14

Year 2	Output	Target Date	Activities
a	Preliminary findings disseminated - Industry journal paper	1/7/2013	Write up paper announcing the project and early findings
b	Preliminary findings disseminated - Webinar	1/8/2013	Prepare and deliver webinar - data analysis to date - outline of project - outline of tools for adoption
c	Winery findings disseminated - Industry Journal paper	1/1/2014	Write up data collection of full winery data and use typology
d	Winery findings disseminated - Report on Wine2030	1/3/2014	Write up report
e	Consumer focus groups findings disseminated - Industry journal paper	1/4/2014	Write up data from consumer work

Outputs and Activities 2014–15

Year 3	Output	Target Date	Activities
a	Consumer focus groups findings disseminated – Webinar	30/7/2014	Develop and deliver webinar
b	Consumer focus groups findings disseminated - Industry journal paper	1/9/2014	Write up data from consumer work
c	Consumer quantitative survey completed	1/10/2014	Conduct Phase 2 data collection (surveys) Design and execute survey to explore consumer response Analyse results of survey Develop report summary
d	Consumer focus groups findings disseminated - Report on Wine2030	1/12/2014	Write up report of consumer analysis
e	Quantitative results Webinar	1/4/2015	Develop and deliver Webinar

Outputs and Activities 2015–16

Year 4	Output	Target Date	Activities
a	Framework findings disseminated - Industry journal paper	1/07/2015	Write up full framework promote web seminar
b	Framework findings disseminated – Webinar	1/10/2015	Develop and deliver webinar
c	Framework findings disseminated - Report on Wine2030	1/09/2015	Write report
d	Final report to GWRDC	1/12/2015	Write report

5. Method:

This project adopted a mixed method (qualitative and quantitative) approach to data collection and analysis, as detailed in each stage below.

- **Stage 1**: In-depth interviews with Australian wine brands (SA, TAS, VIC, NSW). Purpose: further investigation of social media challenges, strategies and implications for the Australian wine industry. This assisted in the design and delivery of the project objectives and outcomes.
- **Stage 2:** Consumer focus groups: Conducted in Sydney, Melbourne and Adelaide. Purpose: establish a typology (different, distinct types) of communication orientations of Australian wine brands and investigate how these orientations are perceived by wine consumers. This provided initial insights into why certain content strategies and preferred by wine consumers.
- **Stage 3**: Quantitative survey of Australian wine consumers and social media managers. Purpose: to test the perceptions of communication orientations, comparative between managers and consumers.
- **Stage 4 (modified from original plan due to access to new social media data)**: Use of Facebook Insights and NCapture to extract data from 12 active branded Facebook pages over a 12 month period, to yield a total of 2,236 social media posts. Quantitative content analysis (QCA), binary logistic regression, and Process moderation analysis were used to analyse the set of data and establish the significance of the relationships between social media content and social media engagement behaviour. As such, the research empirically tests construct of engagement behaviour, and its six typologies, and provides a richer understanding of the nature of engagement behaviour in the online, social context. This engagement behaviour construct includes six discrete levels of behavioural intensity that recognise the positively- and negatively-valenced nature of engagement behaviour. Further, the influence of informational, entertaining, remunerative, and relational content on each of the types of engagement behaviour is examined. This enables us to predict how these social media engagement behaviours are facilitated or mitigated as a result of the presence of these types of content.
- **Stage 5**: Quantitative online survey of consumer brand effect of various social media posts, using the orientations identified in earlier phases.

6. Results/Discussion:

Part One: Facebook Insights Data Analysis

A total of 12 wine brands participated in the study, from various regions across Australia. We analysed 12 months of data, beginning on the 1st of January and concluding on the 31st of December.
In this time, a total of:

- 2,236 posts were made
- 4,960 comments were received
- 48,465 people ‘liked’ posts
- 3532 posts were shared
- Videos were played 294 times
- Photos were viewed 38075 times
- Posts were hidden (as selected by the fan) 364 times.

- 109 people unliked pages
- 17 people reported posts as spam
- 687 (30.7%) of the posts made by the brands were status updates
- 1,500 (67.1%) of the posts made included a photo
- 49 (2.2%) of posts made included a video.

The study included various metrics to measure the engagement behaviour of social media wine brand fans. These are found in the table below.

Table 1: Metrics for measuring customer engagement

Metric	Data source	Description
Type	Both	Status, link, photo, video
Comments	Both	Total number of comments made in response to the page post
Likes	Both	Total number of likes received by the page post
Shares	Insights	Total number of shares received by the page post
Created Time	Both	Date, day and time that the post was created
Clicks to play	Insights	Relevant to video post type only. Total number of time the video way clicked to play
Link click	Insights	Total number of clicks on a link within the page post
Other click	Insights	Number of clicks on the page post (excluding link clicks, clicks to play video and photo view clicks)
Photo view	Insights	Total number of times the page post photo was viewed
Post reach	Insights	Post reach is the number of people who have seen the post. The post counts as reaching someone when it's shown in the "News Feed". Figures are for the first 28 days after a post was created and include people viewing the post on desktop and mobile.
Negative Feedback	Insights	Total number of negative feedback clicks, separated into four metrics; 'hide post', 'hide all posts', 'report as spam' and 'unlike page'
Individual or brand tagged	NCapture	The name, brand or other page tagged within the post
Picture	NCapture	A link to the picture/photo file provided with the brand's post
Video	NCapture	A link (URL) to the video provided with the brand's post
Commenter username	NCapture	Username of comment author
Comment text	NCapture	Content of the comment made by author
Comment likes	NCapture	Number of likes received on the comment
Comment time	NCapture	Time the comment was made
Commenter gender and age*	NCapture	Gender and age of the comment author if listed in personal profile

Commenter location*	NCapture	Location of comment author when comment was posted
Commenter relationship status*	NCapture	Relationship status of comment author if listed in personal profile
Commenter hometown*	NCapture	Hometown of comment author if listed in personal profile
Commenter religion*	NCapture	Religion of comment author if listed in personal profile

FINDINGS: Engagement rates

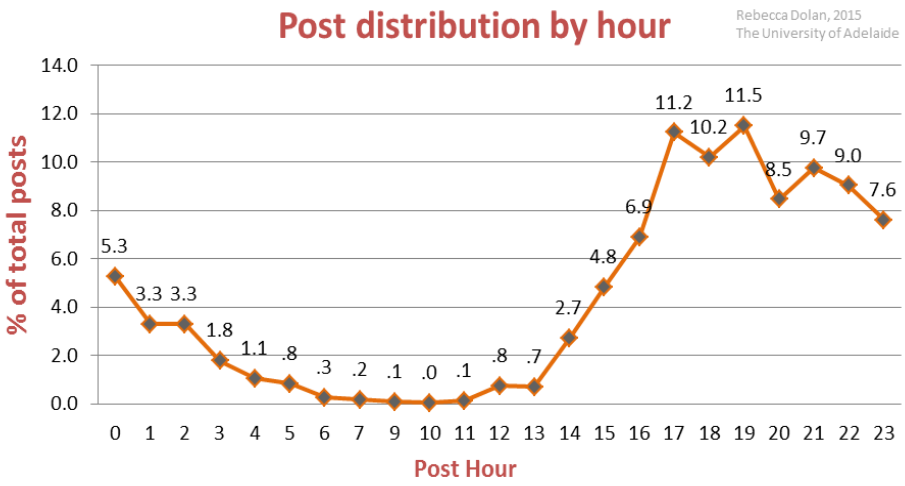
The research highlights an important issue to managers, with regards to the low average engagement rate and corresponding high dormancy rate identified. Through the use of Facebook data, this study implemented a formula through which to calculate the percentage of users who exhibit dormancy. The results of the study demonstrated a very high level of dormancy among social media users. The mean score for dormancy was 90%. This finding indicates that social media managers **have not been successful** in strategically engineering their content in order to stimulate high levels of engagement amongst their users. The mean score for organic reach was 19.5%, which represents the percentage of the total number of users that the post reaches, when there is no paid sponsorship or promotion of the post. These figures are important for managers to understand, as they can provide benchmarking figures through which future research and engagement rates can be compared.

To illustrate, for a sample brand of 5000 fans, the average organic reach of 19.5% would result in a social media post reaching 975 fans. The study shows that on average, 10% of users who see a post are expected to engage with the post. In this example, that would be just 97 users, out of a total of 5000 fans. The data within this study also shows that the average number of times that a post would be commented on is 2 times. This means that on average, less than 1% of users who see the Facebook content will make a comment on the content. The results showed that posts receive on average 22 ‘likes’ (3% of reached users). On average posts are shared 2 times (less than 1% of reached users), within a maximum of 105 shares achieved.

FINDINGS: Post Scheduling

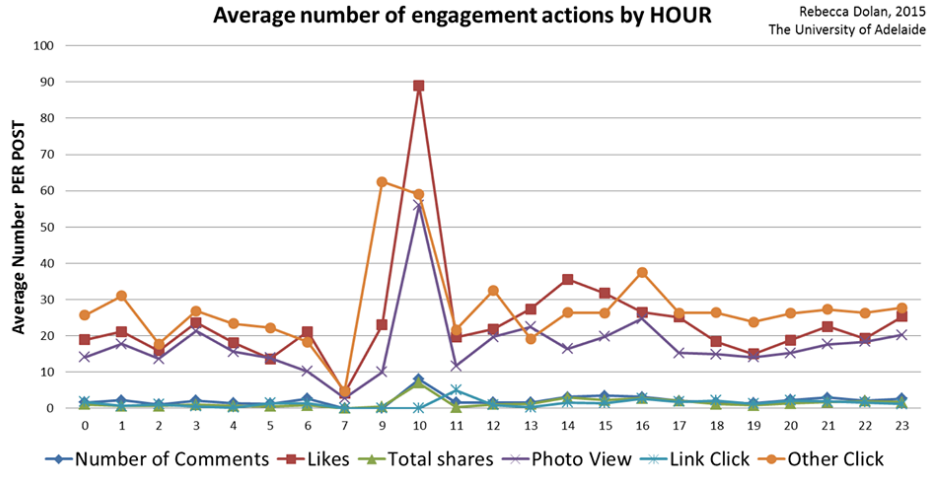
The distribution of posts by time of the day (across 24 hours) was also included in the study. The lowest level of activity in terms of number of posts shared by the wine brands occurs at 10am (.0%, 1 occurrence). The highest numbers of posts were shared between 5pm and 7pm. Over 60% of posts are made between 5pm and 10pm as demonstrated in Figure 1 below.

Figure 1: Post distribution by hour



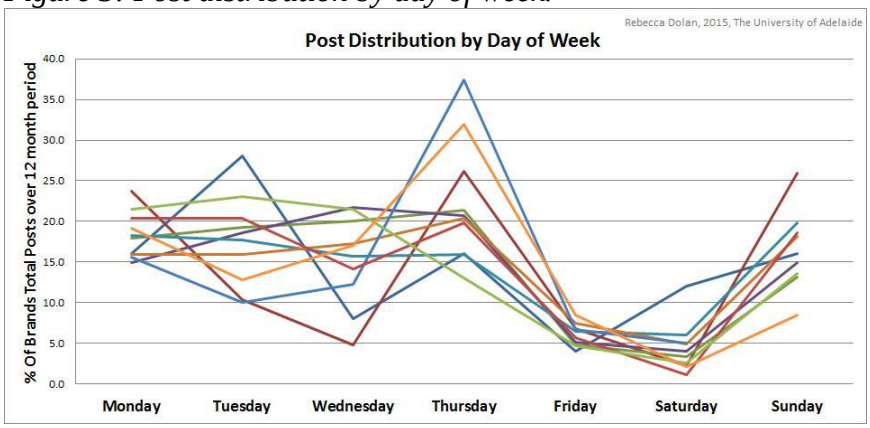
A comparison of engagement actions across the day provides an interesting insight for wine brands, particularly with regard to post scheduling in order to enhance engagement. The graph below shows a sharp increase in the average number of engagement actions between 7am and 11am.Interestingly, the first graph above to the left showed that wine brands rarely deliver Facebook posts at this time of the day.

Figure 2: Average number of engagement actions by hour



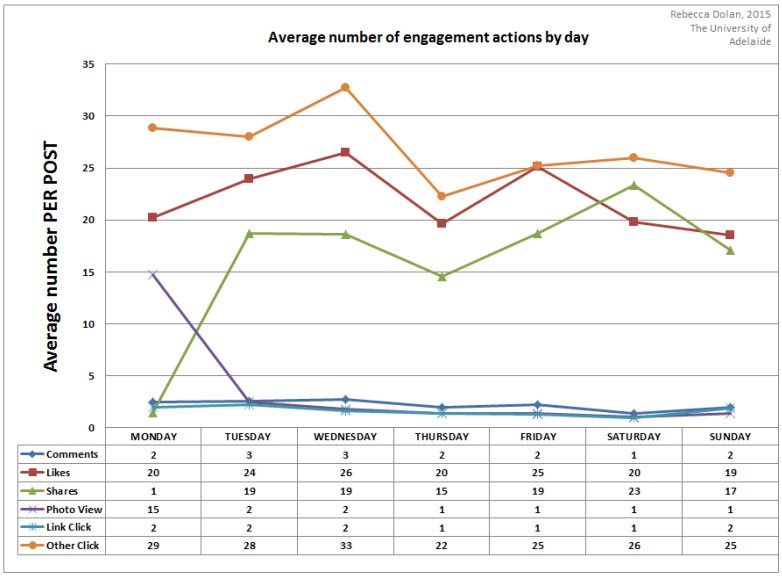
We also investigated post timing with respect to the day of the week in which a post is made. It can be seen that the lowest level (4.8%) of activity in terms of number of posts delivered by wine brands over a seven day period occurred on Saturdays with 107 occurrences. The greatest amount of posts were published on Thursdays with 476 occurrences (21.1%) as shown in Figure 3.

Figure 3: Post distribution by day of week.



A comparison of engagement actions across each day of the week provides an interesting insight for wine brands, as shown in Figure 4. The average number of comments made on a post remains relatively stable across each day of the week. Similarly, the average number of likes made on a post is relatively consistent across each day of the week, with a slight peak on Wednesday (average = 26 likes). The average number of shares made on a post is significantly higher on Fridays (49). Interestingly, only 7.2% of the total posts were made on a Friday. The average number of times a photo is viewed is higher on a Monday (average of 15 times) and consistently low for the remainder of the week. Similarly, the average number of times a link is clicked on is consistently low regardless of the day of the week. The average number of 'other clicks' on a post are slightly higher on Wednesdays, compared to other days of the week.

Figure 4: Average number of engagement actions by day.



	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY
Comments	2	3	3	2	2	1	2
Likes	20	24	26	20	25	20	19
Shares	1	19	19	15	19	23	17
Photo View	15	2	2	1	1	1	1
Link Click	2	2	2	1	1	1	2
Other Click	29	28	33	22	25	26	25

FINDINGS: Post engagement benchmarking

Through analysis of the data set of Facebook posts and engagement behaviours, the study also derived a set of benchmarking scores for customer engagement.
The average number of likes a post receives is 22. The maximum number of likes on a post was 629. The average number of times a post is shared is twice, with the highest number of

shares being 105. Posts receive on average just 2 comments, with the highest number of comments a single post achieved being 121. Users only click to play a video on average 0.1 times, with 36 times being the most times a video is played. The average number of link clicks was 2, with a maximum of 76 being achieved. The average number of photo views is 17. The post with the highest number of photo views received 473 views.
For managers and developers of social media content, the most notable findings from the study relate to the importance of the strategic design and delivery of social media content**.** In the study we looked specifically at informational, entertaining, remunerative and relational types of social media posts, and the effect each type had on how fans engage.

FINDINGS: Post content

Following the descriptive statistics presented regarding post scheduling and post engagement, the study addressed the specific content of a post and how this content could facilitate an increase in user engagement behaviours, such as the number of likes, comments and shares. We analysed the 2,236 posts and grouped the posts into four overarching categories of content.

We then used a process of quantitative content analysis (QCA) and binary logistic regression to empirically test the relationships between the content types, and user engagement behaviours. This allowed us to predict the probability of certain behaviours (e.g. a 'like') occurring, dependent on the post content.

1. INFORMATIONAL POSTS: This form of content relates to content aimed at specifically delivering category, brand and product related information to community members.

2. ENTERTAINING POSTS: This form of content may not focus on the brand or specific product, however may provide light-hearted and fun or humorous content and images, details about the weather, events, interesting and fun facts, food and produce details or images of animals.

3. REMUNERATIVE POSTS: This form of content relates specifically to the offer of economic incentives to users. This can include price details, special offers, giveaways and contests.

4. RELATIONAL POSTS**:** These posts appeal to users' needs for social interaction by asking the audience questions, providing fun quizzes and questions and posting photos of customers or staff members.

Using binary logistic regression, we empirically tested the relationship between the four types of content present within posts, and the occurrence of user engagement behaviour.
Within this study there were 6 types of user engagement behaviour defined, these were presented on page 5.

FINDINGS: Informational Posts

When informational content is present within a post fans are:

- 1.41 times more likely to comment on the post
- 2.5 times more likely to 'like' the post
- 1.9 times more likely to share the post
- 2.3 times more likely to consume the content (see page 5 for definition)

However, we found support for the notion of information overload, in which users are said to reach a maximum capacity of information processing, beyond which they do not process and pay attention to the content.

When there are more than 8 pieces of information within a post, users do not comment, like, share or consume the content.

- A product image increases the likelihood of users commenting by 2 times
- A link to the website reduces the likelihood of fans commenting by 40%
- A winery image increases odds of user commenting by 1.4 times.
- Details about an even reduce the likelihood that fans will comment by 67%,
- Mentioning a grape variety within a post increases the chances of a post being liked by 2.4 times.
- Posts that include information about a wine show award increases are 11 times more likely to be liked.
- Posts which describe the flavour and taste of the wine are 2.7 times more likely to be liked.
- When the posts includes the brand name, they are 1.4 times more likely to be shared.
- When the post mentions the grape variety, users are 1.5 times more likely to share the post.
- Mentioning a wine show award increases the odds of the post being shared by almost 2 times.
- Finally, mentioning information about an event reduces sharing by 46%.
- For informational posts with 8 or more pieces of information, the dormancy rate was significantly increased.

FINDINGS: Entertaining Posts

When entertaining content is present within a post fans are:

- 1.41 times more likely to comment
- 1.2 times more likely to 'like' the post
- 1.4 times more likely to share the post
- 35% less likely to remain dormant

Again, we found support for the notion of information overload, in which users are said to reach a maximum capacity of information processing, beyond which they do not process and pay attention to the content.

- When there are more than 3 pieces of entertaining content within a post, users do not comment, like, share or consume the content.

- The likelihood of dormant behaviour being reduced is only true if there are 1 or 2 pieces of entertaining content within the post.
- Mentioning or describing the local weather increases the odds of fans commenting on the post by 1.5 times
- Including an image of food increases the likelihood that a fan will comment by 1.3 times.
- Including a cartoon/meme results in fans being over 3 times more likely to provide a comment.
- Mentioning or describing the local weather increases the odds of the post being liked by 3.5 times.
- Inclusion of an image of an event held at the winery increases the odds that a fan will like the post by 2.5 times.
- Using slang language decreases the chances that the post will be liked by 66%.
- Incorporating an image of food into the post increases the chances that the post will by shared by 1.5 times.
- Inclusion of a meme or cartoon images doubles the odds that the post will be shared.
- The inclusion of slang language decreases the likelihood of a post being shared, by 46%.

FINDINGS: *Relational Posts*

When relational content is present within a post fans are:

- 1.4 times more likely to comment
- 2.2 times more likely to 'like' the post
- 1.3 times more likely to share the post
- 3.7 times more likely to consume the content
-

Again, we found support for the notion of information overload, in which users are said to reach a maximum capacity of information processing, beyond which they do not process and pay attention to the content.

- When there are 4 or more pieces of relational content within a post, users do not comment, like, share or consume the content.
- Including an image of an employee within a post doubles the likelihood of fans commenting.
- Congratulating or thanking staff members, family members or customers within a post increases the likelihood that fans will 'like' the post by 8 times.
- When emotive language is used in a post, it is 1.5 times more likely to be 'liked' by fans.
- A quiz or game embedded within a post such as 'guess the number of tonnes crushed' etc., decreases the number of shares on the post by 60%. This type of content is commented on and liked, but not shared.
- Including an image of an employee within a post decreases the chances of a user remaining dormant (i.e. not engaging at all) by 53%.

FINDINGS: *Remunerative Posts*

When remunerative content is present within a post, fans are:

- 1.3 times more likely to comment
- 1.2 times more likely to 'like' the post
- 1.7 times more likely to share the post
- 25% less likely to remain dormant

Again, we found support for the notion of information overload, in which users are said to reach a maximum capacity of information processing, beyond which they do not process and pay attention to the content!

- When there are 2 or more pieces of remunerative content within a post, users do not comment, like, share or consume the content.

- When the post contains 2 or more remunerative elements, the fans are actually 2.5 times more likely to detach. This means they click to hide the post, hide all future posts or unlike the page.

- Inclusion of a deal or special offer within a post increases the odds that users will detach from the content (by clicking to hide the post) by 2.3 times.

- Inclusion of an image within competition details increases the odds that users will detach by 2.7 times.

FINDINGS: *Combining various types of social media content*

Combining entertaining content with informational content was found to place conflicting demands on users, which significantly decreased the odds of positively-valenced engagement behaviour occurring. Additionally, the simultaneous presence of informational content and entertaining content will increase the likelihood of users remaining dormant and therefore essentially 'scrolling' straight past the content. Managers are therefore advised to present informational and entertaining content exclusively from each other, rather than attempting to provide posts that contain both elements. Similar effects were observed regarding the simultaneous presence of informational and relational social media content, which had a detrimental effect on positively-valenced engagement behaviours, whilst the likelihood that users would either remain dormant, or detach from the social media content increased. Although the negative effects of combining two social media content types were minimal, when the possible number of relationships are considered, it should be noted that there were no additional positive effects identified in combining content types. Therefore, for managers, there is no benefit in designing social media content which attempts to simultaneously appear to users' needs for information, entertainment, remunerative and relational interaction.

FINDINGS: *Type of post used*

The results also indicate that managers should carefully considered the type of post used (status, photo or video), depending on the type of content being delivered to users. For example, the findings showed that when a post has more than two elements of information, a

high level of richness (e.g. video) should be used in order to increase the number of times the post will be shared. For informational posts with less than two specific items of informational content, a medium level of richness (the use of a photo) resulted in the greatest number of post shares. For entertaining, remunerative and relational content, there was no significant effect identified regarding the type of post used.

FINDINGS: *Content congruity*

The findings show that in order to increase the number of likes on a post, informational content should be of medium congruity. This means that informational content should be more generally related to the product category (e.g. wine), rather than specifically related to the brand and product. Comparatively, the results showed that when the content is entertaining, it should be related specifically to the brand or product (high congruity) in order to increase the number of comments on a post (creating behaviour). Posting entertaining content that has nothing to do with the product or brand is therefore not a recommended strategy for wine brands.

FINDINGS: *Community Size (number of fans)*

The results indicated that community size (measured by the number of likes on the brand page) had a significant impact on the occurrence of engagement behaviours. Medium and large community sizes (over 1,500 'fans') demonstrated a clear advantage in the number of likes received on entertaining posts. Additionally, for small community sizes, increasing the amount of entertaining content within a post decreased the number of shares made on a post. However, for medium and large community sizes, increasing the community size to 1,500 fans or more significantly increased the number of times the post was shared. Small community sizes were also penalised regarding dormant behaviour. While increasing levels of entertaining content within a post decreased the dormancy of users for medium and large community sizes, when the same posts were made in small community sizes, users increased in their level of dormancy. These findings show a clear justification for increasing the number of fans on social media pages in order to enhance the community size.

Part Two: Brand effects of Facebook communication

At brand level, it can be argued that posts can predominate in one of three orientations:

- Customer orientation
- Sales orientation
- Event orientation

These were investigated to ascertain the extent to which consumers had different perceptions of the orientation types. After focus group work to investigate to why consumers perceived different posts differently, a selection of 6 posts were used in a quantitative online survey.

The survey measured number of possible consumer responses to the post, in terms of how they relate to the brand.

Stimuli

Each orientation was represented by 2 posts as shown below. It was determined, due to the focus group work, to only use posts that included pictures due to the increased engagement that photo posts provide. The total six posts used were culled from the original 18 used in the exploratory phase.

The posts that used are shown below

Posts: Customer Oriented

P1



P13



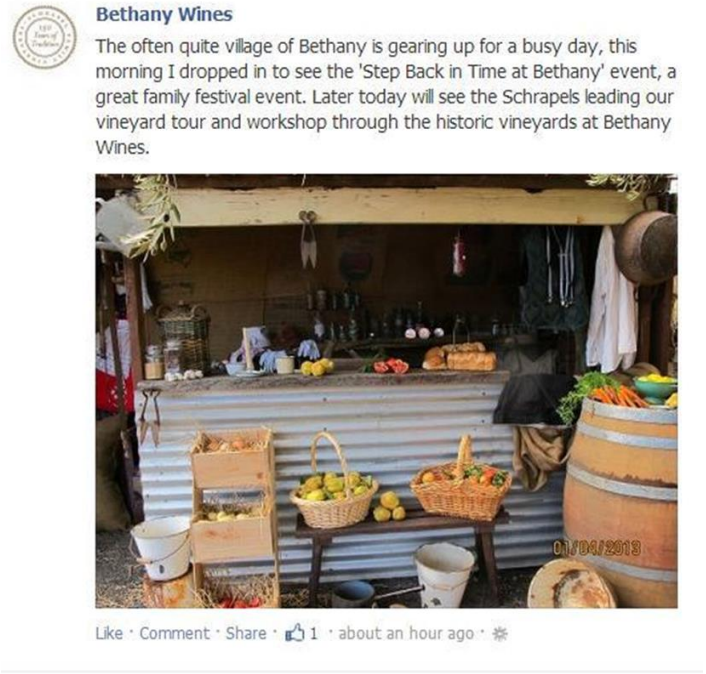
On the face of it, one might expect these posts to engender positive feelings towards the brand that is posting. A dog relaxing on a cool winery floor and a playpen were indicated by the focus groups to have a customer orientation.

Post: Event Oriented

P3



P9



The welcoming nature of these posts were suggested within the focus groups as an event orientation.

Posts: Sales Oriented

P11



P5



These posts were classified in the focus groups as having a sales orientation, with P11 being an unashamedly sales oriented post and P5 still being quite focused on promoting the brand.

Data collection process

1600 consumers were surveyed, with each respondent seeing one post of each orientation allocated on a randomised basis. The data was collected during late July / Early August 2015, with respondents being screened as wine consumers and regular users of Facebook. The final sample composed some 67% Female and 33% Male, with 81% of them using Facebook one or more times per day. Respondents bought – on average – 5.8 bottles per month and 37% of respondents had bought wine online. Median age of respondents was in the bracket of 45-49 years old. Other relevant descriptives include:

Respondent income

Range		Response	%
Below $20,000		182	11%
$20,000 - $29,999		153	10%
$30,000 - $39,999		135	8%
$40,000 - $49,999		119	7%
$50,000 - $59,999		136	8%
$60,000 - $69,999		133	8%
$70,000 - $79,999		115	7%
$80,000 - $89,999		98	6%
$90,000 - $99,999		102	6%
$100,000 or more		228	14%
I'd rather not say		205	13%
Total		1,606	100%

Share of wine variety consumed

Variety	Average Value
Reds (%)	37
Whites (%)	35
Sparkling (%)	20
Rose (%)	8

Dependent variable: the effect of each post

Qualitative work established seven main effects that the posts are likely to have on the consumer:

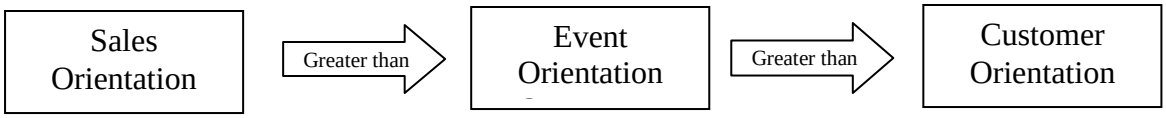
- Recommend the brand to friends
- Feel more knowledgeable about wine in general
- Feel more familiar/knowledgeable about the brand
- Want to try the wine
- Want to visit the cellar door
- Think differently about the brand
- Change my attitude to the brand

Respondents were shown each of the posts and were asked to indicate on a scale of 1-7 how the post affected them. In table 2, we see that in each of the 7 effect types, there is a difference in how the post affected consumers. Each sub – table considers a given dependent variable (effect) across the six posts. The mean score of each effect is conditionally formatted to show as a lighter shad the higher the score for each post.

Practical Finding: Sales orientation posts are the most effective

A clear pattern can be see where the posts with a Sales Orientation (P11 and P5) had a greater effect on consumers than those with an Event Orientation (P3 and P9), which in turn was greater in effect than those with a Relational or Customer Orientation (P1 & P 13). In particular the strident "newspaper ad" style of P11 had consistently the strongest effect, while despite its poor creative the "bottles" style of P5 was still consistently strong.

The pattern of effects of the three orientations



This was an interesting result for when we first commenced focus group work in 2012, 'sponsored posts' and 'brand activity' on Facebook was a relatively new aspect and consumers showed resistance to it. The sort of feedback we received in those initial focus groups was that 'it is a personal channel', 'a social channel', 'brands interfere'. What we suggest is that time has passed, brand and commercial activity on social media has become the norm and consumers are in fact accepting of it, just like in traditional media.

Practical Finding: Customers are now happy to be sold to

The quantitative data were collected late in 2015 – Facebook 2015 is definitely not the same domain as Facebook 2011! Whilst even our own early work at the start of this grant (2012) suggested that brands needed to minimise the appearance of the hard sell, this survey data suggests that in 2015 brands needn't be afraid of selling. This is no doubt helped through targeting and algorithms used by Facebook to ensure ads are relevant but also by the fact that commercial presence is commonplace in social media. Having a relationship and customer orientation may assist in consumers' engagement with the brand, but from this data it doesn't mean you achieve a brand effect. Be mindful of what you are looking to achieve, as you should always be in your marketing work – have objectives and be aware of what achieving them will (and won't) mean for your brand and business.

Table 2 Consumer Brand Effects and Post Type

	Relationship orientation		Event orientation		Sales Orientation	
	P1-Recommend the brand to friends	P13-Recommend the brand to friends	P3-Recommend the brand to friends	P9-Recommend the brand to friends	P11-Recommend the brand to friends	P5-Recommend the brand to friends
Mean	3.27	3.25	4.70	4.35	4.69	3.86
N	753	812	793	772	780	785
StDev	1.988	1.936	2.121	2.018	2.033	2.064
	Relationship orientation		Event orientation		Sales Orientation	
	P1-Feel more knowledgeable about wine in general	P13-Feel more knowledgeable about wine in general	P3-Feel more knowledgeable about wine in general	P9-Feel more knowledgeable about wine in general	P11-Feel more knowledgeable about wine in general	P5-Feel more knowledgeable about wine in general
Mean	2.63	2.91	4.07	3.98	4.90	3.93
N	753	812	793	772	780	785
StDev	1.840	1.899	2.075	1.988	2.130	2.123
	Relationship orientation		Event orientation		Sales Orientation	
	P1-Feel more familiar/knowledgeable about the brand	P13-Feel more familiar/knowledgeable about the brand	P3-Feel more familiar/knowledgeable about the brand	P9-Feel more familiar/knowledgeable about the brand	P11-Feel more familiar/knowledgeable about the brand	P5-Feel more familiar/knowledgeable about the brand
Mean	3.14	3.46	4.70	4.57	5.44	4.30
N	753	812	793	772	780	785
StDev	2.022	2.086	2.097	2.096	2.085	2.207
	Relationship orientation		Event orientation		Sales Orientation	
	P1-Try the wine	P13-Try the wine	P3-Try the wine	P9-Try the wine	P11-Try the wine	P5-Try the wine
Mean	3.50	3.71	5.24	5.00	5.47	4.71
N	753	812	793	772	780	785
StDev	2.076	2.190	2.192	2.136	2.230	2.280
	Relationship orientation		Event orientation		Sales Orientation	
	P1-Want to visit the cellar door	P13-Want to visit the cellar door	P3-Want to visit the cellar door	P9-Want to visit the cellar door	P11-Want to visit the cellar door	P5-Want to visit the cellar door
Mean	3.33	3.33	5.14	4.93	4.84	4.20
N	753	812	793	772	780	785
StDev	2.067	2.051	2.260	2.224	2.211	2.239
	Relationship orientation		Event orientation		Sales Orientation	
	P1-Think differently about the value of the brand	P13-Think differently about the value of the brand	P3-Think differently about the value of the brand	P9-Think differently about the value of the brand	P11-Think differently about the value of the brand	P5-Think differently about the value of the brand
Mean	3.74	3.87	4.89	4.73	5.12	4.18
N	753	812	793	772	780	785
StDev	2.166	2.144	2.066	2.006	2.004	2.135
	Relationship orientation		Event orientation		Sales Orientation	
	P1-Change my attitude to the brand	P13-Change my attitude to the brand	P3-Change my attitude to the brand	P9-Change my attitude to the brand	P11-Change my attitude to the brand	P5-Change my attitude to the brand
Mean	3.69	3.68	4.82	4.58	4.92	4.08
N	753	812	793	772	780	785
StDev	2.118	2.087	2.065	2.009	1.962	2.069

Dependent variable: Social Media Communication Effect

We combine the individual scores for each effect into a composite measure to see the overall Social Media Communication Effect (SMCE). This made sense, given that all seven variables were so highly correlated that the emerged as a single factor solution in an exploratory factor analysis. This distils the analysis down to say which type of posts work, and which don't.

Technical finding: The posts have different overall SMC Effects

Table 3 shows the SMCE of each post. Each post's SMCE is significantly different at the P<.0001 level, meaning that we have very strong evidence that the consumers respond to these posts in a very different manner. The greatest effect is – again – that of the straight Sales Orientation 'plenty of flavor $16'.

Table 3 – Social Media Communication Effect of Postings

	P1 dog Brand Communication Effect	P13 toybox Brand Communication Effect	P3 garden Brand Communication Effect	P9 produce Brand Communication Effect	P11 news ad Brand Communication Effect	P5 bottles Brand Communication Effect	All significantly different from each other at the P<0.001 level (Paired sample t-tests)
Mean	3.3292	3.4576	4.7966	4.5896	5.0540	4.1789	
N	753	812	793	772	780	785	
Std. Deviation	1.75099	1.80076	1.91695	1.85612	1.89135	1.96919	

Practical finding: Customer/Relationship orientations have weak brand effects

By far the two posts with the lowest Social Media Communication Effect is from both of the Relationship/Customer Oriented posts. The Customer/Relationship posts might have built a relationship but had much lower Brand Effects than the other 4 posts. This doesn't say 'don't build relationships'; it says that a Sales Orientation and even an Event Orientation have a significantly greater effect.

Analysis: Wine Knowledge and Involvement and Social Media Communication Effect

We conducted analysis to see to what extent various consumer demographics had on the Social Media Communication Effect. We examined age, wine purchase frequency, frequency of Facebook use and the typical wine marketing variables of Wine Knowledge and Wine Involvement.

Practical finding: SMCE was the same across all ages, genders and consumption variables
A rigorous search for differing effects drew a blank across a range of variables. We performed median splits to arrive at the following binary variables:

- Age - High/Low split at the 40-44 break
- Income - High/Low split at the $70k break
- Average price (perceived) - High/Low split at the $15 mark
- Quality price (perceived) - High/Low split at the $16 mark

- Monthly purchase - High/Low split at the 4 or higher break
- Facebook usage - High/Low split at the multiple times per day break

The clear picture was that none of the consumer variables shown above generated significant differences in social media communication effect. Old/young, rich/poor, high/low price payers, heavy/light buyers and heavy/light Facebook users all were affected by Facebook posts in much the same manner.

Practical finding: Wine Knowledge and Wine Involvement are the most important

The only two consumer factors (variables) where we saw a significant effect on consumers' responses were Wine Knowledge and Wine Involvement.

We had had built the following two binary variables:

- Subjective Wine Knowledge - High/Low split at the 3.5 mark out of 7
- Wine Involvement - High/Low split at the 4.5 mark out of 7

Tables 4 and 5 show the impact that wine knowledge has; consumers with a higher wine knowledge were subject to a great Communication Effect. This has practical benefits. Put simply, the more knowledge people had about wine, the more effect all 6 of the postings had on them in terms of brand related responses. Takeout here – if consumers know more about wine, they are more impacted by wine communication on Facebook. Whilst the industry has long harbored the view that increasing knowledge 'trains' better consumers, we have, for the first time, seen evidence of this in terms of advertising effects.

Table 4 Wine Knowledge and SMCE

Knowl > 3.5 (Median Split)		P1 dog Brand Communication Effect	P13 toybox Brand Communication Effect	P3 garden Brand Communication Effect	P9 produce Brand Communication Effect	P11 news ad Brand Communication Effect	P5 bottles Brand Communication Effect
Low Wine Knowledge	Mean	2.95	3.11	4.41	4.11	4.51	3.65
	N	365	387	365	387	374	378
	Std. Deviation	1.63	1.65	1.97	1.81	1.88	1.89
High Wine Knowledge	Mean	3.69	3.77	5.13	5.07	5.56	4.67
	N	388	425	428	385	406	407
	Std. Deviation	1.79	1.87	1.81	1.78	1.76	1.92
Total	Mean	3.33	3.46	4.80	4.59	5.05	4.18
	N	753	812	793	772	780	785
	Std. Deviation	1.75	1.80	1.92	1.86	1.89	1.97

Table 5 T-Test results for Wine Knowledge and SMCE

Group Statistics

Knowl > 3.5 (Median Split)		N	Mean	Std. Deviation	Std. Error Mean	
P1 dog Brand Communication Effect	Low Wine Knowledge	365	2.95	1.63	0.09	.000
	High Wine Knowledge	388	3.69	1.79	0.09	.000
P13 toybox Brand Communication Effect	Low Wine Knowledge	387	3.11	1.65	0.08	.000
	High Wine Knowledge	425	3.77	1.87	0.09	.000
P3 garden Brand Communication Effect	Low Wine Knowledge	365	4.41	1.97	0.10	.000
	High Wine Knowledge	428	5.13	1.81	0.09	.000
P9 produce Brand Communication Effect	Low Wine Knowledge	387	4.11	1.81	0.09	.000
	High Wine Knowledge	385	5.07	1.78	0.09	.000
P11 news ad Brand Communication Effect	Low Wine Knowledge	374	4.51	1.88	0.10	.000
	High Wine Knowledge	406	5.56	1.76	0.09	.000
P5 bottles Brand Communication Effect	Low Wine Knowledge	378	3.65	1.89	0.10	.000
	High Wine Knowledge	407	4.67	1.92	0.10	.000

Similar to the results for wine knowledge, Tables 6 & 7 show the results when we segmented using Wine Involvement. Those more highly involved wine consumers were subject to a great level of Social Media Communication Effect. The takeout and learning for practitioners here is at an industry level – effort can be rewarding for all brands if the effort is put in to increase consumer involvement and knowledge with and of wine. The more consumers know about wine, the more they feel wine has a fit with their lifestyle and are interested in it as a product (rather than 'just drinking), then there is a higher return on investment of brand specific communication.

Table 6 Wine Involvement and SMCE

Wine Involvement > 4.5 (median)		P1 dog Brand Communication Effect	P13 toybox Brand Communication Effect	P3 garden Brand Communication Effect	P9 produce Brand Communication Effect	P11 news ad Brand Communication Effect	P5 bottles Brand Communication Effect
Low Wine Involvement	Mean	3.10	3.12	4.29	4.08	4.47	3.62
	N	364	362	358	368	355	371
	Std. Deviation	1.64	1.64	1.89	1.73	1.75	1.85
High Wine Involvement	Mean	3.54	3.73	5.21	5.05	5.54	4.68
	N	389	450	435	404	425	414
	Std. Deviation	1.83	1.88	1.84	1.84	1.87	1.94
Total	Mean	3.33	3.46	4.80	4.59	5.05	4.18
	N	753	812	793	772	780	785
	Std. Deviation	1.75	1.80	1.92	1.86	1.89	1.97

Table 7 T-Test results for Wine Involvement and SMCE

Wine Involvement > 4.5 (median)		N	Mean	Std. Deviation	Std. Error Mean	
P1 dog Brand Communication Effect	Low Wine Involvement	364	3.10	1.64	.09	.001
	High Wine Involvement	389	3.54	1.83	.09	.001
P13 toybox Brand Communication Effect	Low Wine Involvement	362	3.12	1.64	.09	.000
	High Wine Involvement	450	3.73	1.88	.09	.000
P3 garden Brand Communication Effect	Low Wine Involvement	358	4.29	1.89	.10	.000
	High Wine Involvement	435	5.21	1.84	.09	.000
P9 produce Brand Communication Effect	Low Wine Involvement	368	4.08	1.73	.09	.000
	High Wine Involvement	404	5.05	1.84	.09	.000
P11 news ad Brand Communication Effect	Low Wine Involvement	355	4.47	1.75	.09	.000
	High Wine Involvement	425	5.54	1.87	.09	.000
P5 bottles Brand Communication Effect	Low Wine Involvement	371	3.62	1.85	.10	.000
	High Wine Involvement	414	4.68	1.94	.10	.000

The results from the segmentation using Wine Knowledge and Wine Involvement show that if big wine brands and the industry in general fund cooperative approaches and effort to raise wine knowledge and involvement, then even small brand stand to gain great Social Media Communication Effects because of their own brand activity on Facebook. This is significant to the hundreds of small brands who have only Facebook as their advertising and communication efforts.

7. Outcome/Conclusion:

The project exceeded the scope of the original planned scope due to the work undertaken in analyzing Facebook insights data. In doing so we were able to propose types of engagement behavior and verify to what extent various communication effected consumer engagement.

- The practical nature of the analysis using both Facebook Insights data and the focus group, survey work offer solid guidance to brand managers when they are looking to plan and implement social media communication to assist with brand growth. The study set out to explore *how* Australian wine brands communicate with consumers on Facebook, and whether or not this is effectively stimulating customer engagement.
- The researchers recognize the need to develop empirically tested research in order to guide the industry to better understand their social media practices and communication in order to effectively engage our wine consumers online.
- The research methods include focus groups with wine consumers, in-depth interviews with Australian wine brand marketing managers, survey research and analysis of Facebook Insights data from 12 Facebook active wine brands ranging in size and location.
- Key results include:
    - The identification of a large disparity between *when* (time of the day, day of the week) wine brands post their content and when fans are actually likely to engage.
    - An alarmingly high level of dormancy (failure to engage) at 90%. This means only 10% of Facebook fans actually engage with a Facebook post by actions such as clicking to read more, viewing photos, watching videos, clicking 'like' or 'share' or writing a comment.
    - The results indicated that community size (measured by the number of likes on the brand page) had a significant impact on the occurrence of engagement behaviours. Medium and large community sizes (over 1,500 'fans') demonstrated a clear advantage in the number of likes received on entertaining posts.
    - Entertaining content (e.g. use of humour, memes, games and jokes) should be related specifically to the brand or product (high congruity) in order to increase the number of comments on a post. Posting entertaining content that has nothing to do with the product or brand (low congruity) had a negative effect on engagement)
    - Combining entertaining content with informational content was found to place conflicting demands on users, which significantly decreased the odds of positive engagement behaviour occurring. Additionally, the simultaneous presence of informational content and entertaining content will increase the likelihood of users remaining dormant and therefore essentially 'scrolling' straight past the content.
    - When social media content includes information about the brand or wine, fans are more likely to 'like' and 'share' the content.
    - Entertaining content can be used to decrease dormancy rates among fans. Fans were 35% *less likely* to remain dormant when the post was entertaining.

8. Key Findings Revisited

Sales orientation posts are the most effective: Facebook is a communications channel, just like television, print or radio. Sure, it's ok to want to be friends with the customer, but it's OK to talk about your products too.

Customers are now happy to be sold to: Compared to some years ago, if consumers see a brand on Facebook then they are expecting the brand to be selling to them. It's not the same FB world as it was a few years ago.

The posts have different overall SMC Effects: When you try to create a post with a Sales Orientation, A Customer Orientation or an Event Orientation customers will perceive them as different and respond differently. It's worth the effort.

Customer/Relationship orientations have weak brand effects: Perhaps the days for "trying to be a buddy" are over. Customers see ads all around Facebook now. Perhaps they are wary of a brand "trying too hard".

Social Media Communication Effect was the same across all ages, genders and consumption variables: It's been known for a while that segmentation across the simple variables is more about the marketer's imagination than the reality of consumer behavior. Just because you can do demographic segmentation, it doesn't mean you should!

Wine Knowledge and Wine Involvement are the most important: People who are big into wine are also being more affected by your Facebook posts. You'll get stronger effects of brand liking with highly (wine) involved Facebook users.

9. Recommendations:

This is such an emerging and important area that any funding that can be directed toward advertising and communication by wine brands in the social media domain should be. Specific areas should examine

- Social media 'following' behavior and how it translates into purchase outcomes
- Social media within the Chinese context – the activity and performance of Australian wine brands.
- Big brand vs Small Brand use of social media and different effects on consumer perceptions and brand effects.

Appendix 1: Communication:

Journal Articles:

- Dolan, R., Conduit, J., Fahy, J. and Goodman, S. (forthcoming) "Social Media Engagement Behaviour: a Uses and Gratifications Perspective" Journal of Strategic Marketing
- Forbes, S, Goodman, S and Dolan, R (2015), 'Adoption of social media in the Australian and New Zealand wine industries, *Journal of New Business Ideas and Trends* 13(2) 1-10

Conference Papers:

- Goodman, S, Habel, C and Dolan, R (2016) 'Communication orientations on facebook: how do consumers perceive brand posts?', *Academy of Wine Business Research Conference*, Adelaide, Australia
- Dolan, R, Conduit, J, Fahey, J and Goodman, S (2016), 'Facebook for wine brands: an arialysis of strategies for Facebook posts and user engagement actions', *Academy of Wine Business Research Conference*, Adelaide, Australia
- Dolan,R., Conduit,J., Fahy,J. and Goodman,S. (2014) "Customer Brand Engagement Behaviour in Online Social Network A Conceptual Framework" *Australian & New Academy of Marketing*, Brisbane, Australia
- Szolnoki, G, Taits, D, Hoffmann, C, Ludwig, R, Thach, L, Dolan, R, Goodman, S, Habel, C, Forbes, S, Marinelli, N, Wilson, D, Mantonakis, A, Zawada, P, Szabo, Z, Csak, I, Ritchie, C, Birch, S and Thompson, S, (2014) "A cross-cultural comparison of social media usage in the wine business" *Academy of Wine Business Research*, Geisenheim, Germany
- Dolan, R. Goodman, S. Habel, C. (2013). Australian Wine Brands on Facebook: An Exploration of Communication Orientations and Consumer Perceptions', *Academy of Wine Business Research* (AWBR), St Catharines, Ontario, Canada
- Dolan, R (2013). The Effectiveness of Interactive Media: A Study of Brand Communication and Consumer Response. *European Marketing Academy Doctoral Colloquium*, Istanbul, Turkey
- Dolan, R. Goodman, S. Habel, C, (2012) 'Engaging Friends and Influencing People: Consumer Perceptions of Brand Communication Strategies on Facebook', *Australian and New Zealand Academy of Marketing*, Adelaide,
- Dolan, R. Reddaway, M. (2012) 'A Critical Reflection on the Application of Marketing Theory to an Accounting Problem', *Australian and New Zealand Academy of Marketing*, Adelaide, South Australia
- Dolan, R. (2012), ' Netnography as a Research Method: Exploring Consumer Perceptions of Brand Communication Strategies on Facebook'. Special Session, *Australian and New Zealand Academy of Marketing*, Adelaide, South Australia

Industry Journal Papers

- Forbes, S, Goodman, S and Dolan, R (2015) 'Consumer perceptions of wine brands on Facebook', *Australian and New Zealand Grapegrower and Winemaker Journal*, August
- Dolan, R. Goodman, S. Habel, C (2013) ' Social Media Marketing: A Pathway for Wine Brand Growth' *Australian and New Zealand Grapegrower and Winemaker*

- Dolan, R. Goodman, S. Habel, C (2013) 'How and why are wineries using Facebook for marketing?' *Australian and New Zealand Grapegrower and Winemaker*

Webinars

- Australian Wine and Social Media – First Webinar, 2013 https://www.youtube.com/watch?v=z58YhF3KIx8
- Australian Wine and Social Media – Second Webinar, October 2014 https://www.youtube.com/watch?v=7nHJhD27yco
- Australian Wine and Social Media – Third Webinar, August 2015 https://www.youtube.com/watch?v=wAgn_eOZgvg
- Wine Communications of Australia Webinar – November 2015

Other:

- Establishment of the Australian Wine and Social Media Facebook Page. Currently this page has 361 fans and is used to disseminate key findings, interesting facts, photos and videos about the research to the followers. https://www.facebook.com/AustralianWineandSocialMedia/?fref=ts

Appendix 2: Intellectual Property:

N/A

Appendix 3: Staff

Dr. Steve Goodman, The University of Adelaide

Dr. Cullen Habel, The University of Adelaide

Dr. Rebecca Dolan, The University of Adelaide

Appendix 4: Budget reconciliation

Submitted through Clarity